SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A – Insurance Code

468B.

(b) (6) (i) "Medicare supplement policy" or "Medigap policy" means a group or individual policy of health insurance or a subscriber contract which is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, or surgical expenses of persons eligible for Medicare.

(ii) "Medicare supplement policy" or "Medigap policy" does not include:

[1. Benefits offered by a health maintenance organization or other direct service organization in connection with a contract with the United States Health Care Financing Administration;

2.] 1. A policy issued pursuant to a contract under § 1876 [or § 1833] of the federal Social Security Act (42 U.S.C. § 1395 et seq.); or

[3.] 2. A policy issued under a demonstration project authorized pursuant to amendments to the federal Social Security Act.

468DA.

(a) (1) The Commissioner shall adopt reasonable regulations to establish specific standards for policy provisions of Medicare supplement policies and certificates. These standards shall be in addition to and in accordance with applicable laws of the State, including Subtitles 20, 25, 26, and 31 of this article.

(2) NO REQUIREMENT OF THE INSURANCE CODE RELATING TO MINIMUM REQUIRED POLICY BENEFITS, OTHER THAN THE MINIMUM STANDARDS CONTAINED IN THIS SUBTITLE, SHALL APPLY TO MEDICARE SUPPLEMENT POLICIES AND CERTIFICATES.

468E.

(e) (1) The Commissioner shall prescribe the format and content of the outline of coverage required by this section. For purposes of this section, "format" means style, arrangements, and overall appearance, including the size, color, and prominence of type and the arrangement of text and captions.

(2) The outline of coverage shall include:

(i) A description of the principal benefits and coverage provided in the policy;

(ii) A statement of the exceptions, reductions, and limitations contained in the policy;

(iii) A statement of: