

(1) PUBLISH AT LEAST ANNUALLY IN THE MARYLAND REGISTER AND IN A NEWSPAPER OF GENERAL CIRCULATION IN EACH COUNTY NOTICE THAT DESCRIBES THE CONTINUATION COVERAGE REQUIRED UNDER THIS SECTION;

(2) PRESCRIBE BY REGULATION THE FORM AND CONTENT OF THE TERMINATION STATEMENT; AND

(3) MAKE TERMINATION STATEMENT FORMS AVAILABLE TO EACH EMPLOYER WHOSE EMPLOYEES ARE COVERED BY A GROUP CONTRACT.

(H) CLAIMS AND REIMBURSEMENT.

(1) ON REQUEST OF A QUALIFIED SECONDARY BENEFICIARY, FROM THE DATE OF THE CHANGE IN STATUS UNTIL THE DATE ON WHICH A TERMINATION STATEMENT IS RECEIVED BY THE EMPLOYER, THE EMPLOYER SHALL MAKE AVAILABLE TO THE QUALIFIED SECONDARY BENEFICIARY FORMS FOR SUBMITTING CLAIMS TO THE GROUP CONTRACT INSURER.

(2) ON PRESENTATION OF A DIVORCE DECREE BY A QUALIFIED SECONDARY BENEFICIARY, THE GROUP CONTRACT INSURER MAY REIMBURSE THE QUALIFIED SECONDARY BENEFICIARY DIRECTLY FOR HOSPITAL, MEDICAL, OR SURGICAL EXPENSES THAT THE QUALIFIED SECONDARY BENEFICIARY HAS PAID.

(3) A GROUP CONTRACT INSURER THAT REIMBURSES A QUALIFIED SECONDARY BENEFICIARY IN ACCORDANCE WITH THIS SUBSECTION IS NOT LIABLE TO ANY OTHER PARTY FOR PAYMENT FOR THE SAME SERVICES.

(4) IF THE INSURED RECEIVES REIMBURSEMENT FROM THE GROUP CONTRACT INSURER FOR HOSPITAL, MEDICAL, OR SURGICAL EXPENSES THAT A QUALIFIED SECONDARY BENEFICIARY HAS PAID, THE INSURED IMMEDIATELY SHALL PAY THE REIMBURSEMENT TO THE QUALIFIED SECONDARY BENEFICIARY UNLESS A WRITTEN AGREEMENT OR COURT ORDER PROVIDES OTHERWISE.

(I) LIABILITY FOR TERMINATION OF COVERAGE.

(1) AN EMPLOYER THAT TERMINATES CONTINUATION COVERAGE AFTER NOTICE BY THE INSURED OR QUALIFIED SECONDARY BENEFICIARY, OR AN INSURER THAT TERMINATES CONTINUATION COVERAGE AFTER NOTICE BY THE EMPLOYER, IS NOT LIABLE TO THE INSURED OR QUALIFIED SECONDARY BENEFICIARY FOR BENEFITS THAT OTHERWISE WOULD HAVE BEEN PAYABLE UNDER THIS SECTION IF THE TERMINATION:

(I) IS MADE IN GOOD FAITH;

(II) IS REASONABLE UNDER THE CIRCUMSTANCES; AND

(III) IS NOT THE RESULT OF A MUTUAL OR MATERIAL MISTAKE OF FACT.

(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, RECEIPT BY THE EMPLOYER OF A TERMINATION STATEMENT IS CONCLUSIVE EVIDENCE OF TERMINATION, AND NEITHER THE EMPLOYER NOR THE INSURER IS LIABLE TO THE