

Also in subsection (h) of this section, the reference to a "nonprofit health service plan's" table of premium rates is added for clarity in light of the scope of this section. Similarly, in subsection (i)(1)(i) of this section, the reference to a "nonprofit health service plan" is added.

- Defined terms: "Commissioner" § 1-101
- "Insurance" § 1-101
- "Insurer" § 1-101
- "Policy" § 1-101
- "Premium" § 1-101

15-413. SAME — GROUP HEALTH INSURANCE POLICIES WITH DISABILITY BENEFITS.

(A) SCOPE OF SECTION.

(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION APPLIES TO EACH GROUP HEALTH INSURANCE POLICY THAT:

- (I) 1. IS ISSUED OR DELIVERED IN THE STATE;
- 2. IS ISSUED TO A POLICYHOLDER THAT IS INCORPORATED OR HAS A MAIN OFFICE IN THE STATE; OR
- 3. COVERS INDIVIDUALS WHO RESIDE OR WORK IN THE STATE; AND

(II) PROVIDES BENEFITS IN THE EVENT OF THE DISABILITY OF AN INDIVIDUAL COVERED UNDER THE POLICY.

(2) THIS SECTION DOES NOT APPLY TO:

(I) A POLICY ISSUED UNDER TITLE 13 OF THIS ARTICLE IF THE INSURANCE UNDER THE POLICY IS TERMINATED BECAUSE OF THE PREPAYMENT OR REFINANCING, WHOLLY OR PARTLY, WITH THE SAME CREDITOR OF A PRIOR DEBT; OR

(II) EXCEPT AS THE COMMISSIONER PROVIDES BY REGULATION, A GROUP POLICY ISSUED TO AN EMPLOYER TO COVER ITS EMPLOYEES.

(B) IN GENERAL.

EACH GROUP POLICY SUBJECT TO THIS SECTION SHALL PROVIDE THAT A COVERED INDIVIDUAL WHOSE COVERAGE UNDER THE GROUP POLICY IS TERMINATED FOR ANY REASON OTHER THAN FAILURE OF THE COVERED INDIVIDUAL TO PAY A REQUIRED PREMIUM OR CONTRIBUTION IS ENTITLED, WITHOUT EVIDENCE OF INSURABILITY, TO AN INDIVIDUAL POLICY OF DISABILITY INCOME INSURANCE.

(C) EXEMPTIONS.

BY REGULATION THE COMMISSIONER MAY EXEMPT FROM THE REQUIREMENTS OF THIS SECTION CERTAIN TYPES OF GROUP POLICIES THAT THE COMMISSIONER CONSIDERS APPROPRIATE.