

(2) THIS SECTION DOES NOT APPLY TO A HEALTH INSURANCE CONTRACT OR POLICY THAT IS ISSUED TO A SMALL EMPLOYER UNDER SUBTITLE 12 OF THIS TITLE.

(B) COVERAGE REQUIRED.

SUBJECT TO SUBSECTIONS (C) AND (D) OF THIS SECTION, AN INSURER OR NONPROFIT HEALTH SERVICE PLAN SHALL PROVIDE COVERAGE TO AN INDIVIDUAL UNDER A CONTRACT OR POLICY SUBJECT TO THIS SECTION REGARDLESS OF THE HEALTH OF THE INDIVIDUAL IF:

(1) THE INDIVIDUAL HAD COVERAGE UNDER A PRIOR CONTRACT OR POLICY ISSUED BY THE INSURER OR NONPROFIT HEALTH SERVICE PLAN; AND

(2) WITHIN 30 DAYS AFTER THE COVERAGE UNDER THE PRIOR CONTRACT OR POLICY TERMINATES, THE INDIVIDUAL BECOMES ELIGIBLE FOR AND ACCEPTS COVERAGE FROM THE INSURER OR NONPROFIT HEALTH SERVICE PLAN UNDER THE SUBSEQUENT CONTRACT OR POLICY.

(C) EXCEPTION.

AN INSURER OR NONPROFIT HEALTH SERVICE PLAN MAY EXCLUDE COVERAGE UNDER A CONTRACT OR POLICY SUBJECT TO THIS SECTION FOR A MEDICAL CONDITION OF AN INDIVIDUAL WHO OBTAINS COVERAGE UNDER SUBSECTION (B) OF THIS SECTION TO THE EXTENT THAT:

(1) THE CONTRACT OR POLICY IS ISSUED AS PART OF A GROUP CONTRACT; AND

(2) THE EXCLUSION IS APPLICABLE TO EACH INDIVIDUAL INSURED UNDER THE GROUP CONTRACT.

(D) WAIVER OF WAITING PERIOD.

(1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT ISSUES A SUBSEQUENT CONTRACT OR POLICY TO AN INDIVIDUAL UNDER SUBSECTION (B) OF THIS SECTION SHALL WAIVE A WAITING PERIOD FOR COVERAGE OF A PREEXISTING CONDITION UNDER THE SUBSEQUENT CONTRACT OR POLICY TO THE EXTENT THAT THE INDIVIDUAL HAS SATISFIED A WAITING PERIOD UNDER THE INDIVIDUAL'S PRIOR CONTRACT OR POLICY WITH THE INSURER OR NONPROFIT HEALTH SERVICE PLAN.

(2) IF ANY PART OF THE WAITING PERIOD UNDER THE INDIVIDUAL'S PRIOR CONTRACT OR POLICY HAS NOT BEEN SATISFIED, THE INSURER OR NONPROFIT HEALTH SERVICE PLAN MAY REQUIRE THE INDIVIDUAL TO SATISFY THE REMAINING PART OF THE WAITING PERIOD UNDER THE SUBSEQUENT CONTRACT OR POLICY, UNLESS THE SUBSEQUENT CONTRACT OR POLICY HAS A SHORTER WAITING PERIOD.

(E) INFORMATION ABOUT PREVIOUSLY INSURED INDIVIDUAL'S HEALTH.

THIS SECTION DOES NOT PROHIBIT AN INSURER OR NONPROFIT HEALTH SERVICE PLAN FROM REQUIRING AN INDIVIDUAL WHO WAS PREVIOUSLY INSURED