

In subsection (c)(2) of this section, the references to health "insurance" coverage are added for clarity.

Defined terms: "Health insurance" § 1-101

"Policy" § 1-101

15-1102. FRANCHISE HEALTH INSURANCE POLICIES.

(A) "EMPLOYEE" DEFINED.

IN THIS SECTION, "EMPLOYEE" INCLUDES:

- (1) AN OFFICER, MANAGER, OR RETIRED EMPLOYEE OF AN EMPLOYER;
- (2) A SOLE PROPRIETOR IF THE EMPLOYER IS A SOLE PROPRIETORSHIP;
- (3) A PARTNER IF THE EMPLOYER IS A PARTNERSHIP.

AND

(B) HEALTH INSURANCE ON FRANCHISE PLAN DESCRIBED.

HEALTH INSURANCE ON A FRANCHISE PLAN IS THE FORM OF HEALTH INSURANCE:

(1) THAT IS ISSUED TO:

(I) THREE OR MORE EMPLOYEES OF A CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, OR GOVERNMENTAL CORPORATION, AGENCY, OR DEPARTMENT; OR

(II) TEN OR MORE MEMBERS, EMPLOYEES, OR EMPLOYEES OF MEMBERS OF A LABOR UNION, OR TRADE, PROFESSIONAL, OR OTHER ASSOCIATION, THAT IS ORGANIZED IN GOOD FAITH FOR PURPOSES OTHER THAN OBTAINING INSURANCE, HAS A CONSTITUTION OR BYLAWS, AND HAS HAD AN ACTIVE EXISTENCE FOR AT LEAST 2 YEARS;

(2) UNDER WHICH THE INDIVIDUALS INSURED, WITH OR WITHOUT THEIR DEPENDENTS, ARE ISSUED THE SAME FORM OF AN INDIVIDUAL POLICY THAT VARIES ONLY AS TO AMOUNTS AND KINDS OF COVERAGE APPLIED FOR; AND

(3) UNDER WHICH THE PREMIUMS ON THE INDIVIDUAL POLICIES MAY BE PAID TO THE INSURER PERIODICALLY BY:

(I) THE EMPLOYER, WITH OR WITHOUT PAYROLL DEDUCTIONS;

(II) THE LABOR UNION OR ASSOCIATION FOR ITS MEMBERS; OR

(III) A DESIGNATED PERSON ACTING ON BEHALF OF THE EMPLOYER, LABOR UNION, OR ASSOCIATION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 469.

In subsection (a)(1) of this section, the former reference to the term