

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 702(a) and (b)(1)(iii) and (2) and 703(a) and (d)(1).

In subsection (a)(1) of this section, the reference to "all risks" is substituted for the former reference to "the entire pool of risks" to avoid confusion with the defined term "Pool".

In subsection (c) of this section, the former reference to "all health benefit plans issued, delivered, or renewed after June 30, 1996" is deleted as obsolete since that date has passed.

Former Art. 48A, § 702(b)(1)(i) and (ii), which phased in, from July 1, 1994 through June 30, 1996, the limits on the rate a carrier may charge, are transferred to the Session Laws.

Defined terms: "Carrier" § 15-1201
"Commissioner" § 1-101
"Health benefit plan" § 15-1201

15-1206. MISCELLANEOUS OPERATIONS REQUIREMENTS FOR CARRIERS.

(A) TRANSFERS OF SMALL EMPLOYERS.

(1) A CARRIER MAY NOT ARBITRARILY TRANSFER A SMALL EMPLOYER INVOLUNTARILY INTO OR OUT OF A HEALTH BENEFIT PLAN.

(2) A CARRIER MAY NOT OFFER TO TRANSFER A SMALL EMPLOYER INTO OR OUT OF A HEALTH BENEFIT PLAN UNLESS THE OFFER TO TRANSFER IS MADE TO ALL SMALL EMPLOYERS WITH SIMILAR RISK ADJUSTMENT FACTORS.

(B) DISCLOSURES IN SOLICITATION AND SALES MATERIALS.

A CARRIER SHALL MAKE A REASONABLE DISCLOSURE IN ITS SOLICITATION AND SALES MATERIALS OF:

(1) THE PROVISIONS THAT RELATE TO THE CARRIER'S RIGHT TO CHANGE PREMIUM RATES, INCLUDING ANY FACTORS THAT MAY AFFECT THE CHANGES IN PREMIUM RATES;

(2) THE PROVISIONS THAT RELATE TO RENEWABILITY OF POLICIES AND CONTRACTS;

(3) THE PROVISIONS THAT RELATE TO PREEXISTING CONDITIONS; AND

(4) THE PROVISIONS OF § 15-1209 OF THIS SUBTITLE THAT REQUIRE AN EMPLOYER TO MAKE DEPENDENT COVERAGE AVAILABLE TO ELIGIBLE EMPLOYEES BUT DO NOT REQUIRE THE EMPLOYER TO MAKE A CONTRIBUTION TO THE PREMIUM PAYMENTS FOR THAT DEPENDENT COVERAGE.

(C) MINIMUM PARTICIPATION REQUIREMENTS.