

(1) A CARRIER THAT OFFERS COVERAGE TO A SMALL EMPLOYER SHALL:

(I) OFFER COVERAGE TO ALL OF ITS ELIGIBLE EMPLOYEES AND ALL OF THEIR ELIGIBLE DEPENDENTS;

(II) AT THE ELECTION OF THE SMALL EMPLOYER, OFFER COVERAGE TO ALL OF ITS PART-TIME EMPLOYEES WHO HAVE A NORMAL WORKWEEK OF AT LEAST 17 1/2 BUT LESS THAN 30 HOURS PER WEEK AND HAVE BEEN CONTINUOUSLY EMPLOYED FOR AT LEAST 4 CONSECUTIVE MONTHS;

(III) AT THE ELECTION OF THE SMALL EMPLOYER, OFFER COVERAGE TO ALL OF ITS EMPLOYEES WHO ARE COVERED UNDER ANOTHER PUBLIC OR PRIVATE PLAN OF HEALTH INSURANCE OR ANOTHER HEALTH BENEFIT ARRANGEMENT; AND

(IV) ESTABLISH AN ANNUAL OPEN ENROLLMENT PERIOD FOR SELF-EMPLOYED INDIVIDUALS FOR AT LEAST 30 CONSECUTIVE DAYS IN EACH 6-MONTH PERIOD.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION AND §§ 15-1209, 15-1211, AND 15-1213 OF THIS SUBTITLE, A CARRIER MAY DENY COVERAGE TO A SELF-EMPLOYED INDIVIDUAL WHO APPLIES FOR A HEALTH BENEFIT PLAN AT A TIME OTHER THAN THE CARRIER'S ANNUAL OPEN ENROLLMENT PERIOD.

(B) HEALTH MAINTENANCE ORGANIZATIONS.

(1) A HEALTH MAINTENANCE ORGANIZATION NEED NOT OFFER COVERAGE:

(I) TO A SMALL EMPLOYER THAT IS OUTSIDE OF THE HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREAS;

(II) TO AN ELIGIBLE EMPLOYEE WHO RESIDES OUTSIDE OF THE HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREAS; OR

(III) WITHIN AN AREA WHERE THE HEALTH MAINTENANCE ORGANIZATION REASONABLY ANTICIPATES, AND DEMONSTRATES TO THE SATISFACTION OF THE COMMISSIONER, THAT IT WILL NOT HAVE THE CAPACITY IN ITS NETWORK OF PROVIDERS TO DELIVER SERVICE ADEQUATELY BECAUSE OF OBLIGATIONS TO EXISTING GROUP CONTRACT HOLDERS AND ENROLLEES.

(2) A HEALTH MAINTENANCE ORGANIZATION THAT DOES NOT OFFER COVERAGE UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION MAY NOT OFFER COVERAGE IN THE APPLICABLE AREA TO ANY EMPLOYER GROUPS UNTIL THE LATER OF:

(I) 180 DAYS AFTER A REFUSAL TO DO SO; OR

(II) THE DATE ON WHICH THE HEALTH MAINTENANCE ORGANIZATION NOTIFIES THE COMMISSIONER THAT IT HAS REGAINED CAPACITY TO DELIVER SERVICES TO SMALL EMPLOYER GROUPS IN THAT AREA.