

3. Acknowledges that the prospective policyholder was offered, at the time of application for the policy, the opportunity to purchase coverage that included all applicable mandated health insurance benefits and nondiscrimination provisions otherwise required by law.

(2) The nonprofit health service plan or insurer shall provide to the prospective policyholder a copy of the statement required under paragraph (1) of this subsection, and the original of the statement shall be retained in the files of the insurer or nonprofit health service plan for the longer of:

- (i) The period that the policy is in effect; or
- (ii) 5 years.

(g) (1) Except as provided in this section, all provisions of [this article] THE INSURANCE ARTICLE shall apply to a limited benefits policy.

(2) Notwithstanding any other provision of [this article] THE INSURANCE ARTICLE, a limited benefits policy is not subject to any mandated health insurance benefit or nondiscrimination provision.

(h) (1) An individual or employer is eligible for coverage under a limited benefits policy for a maximum of 3 consecutive years.

(2) An insurer or nonprofit health service plan may not cancel a limited benefits policy except for nonpayment of premiums or failure to satisfy established participation requirements.

(3) (i) If an individual or employer has been covered under a limited benefits policy and has not been canceled under paragraph (2) of this subsection, the insurer or nonprofit health service plan providing the limited benefits policy shall offer a nonlimited benefits policy to the individual or employer, provided the individual or employer makes application within 3 months from the date coverage under the limited benefits policy ends.

(ii) The policy offered under subparagraph (i) of this paragraph shall be offered:

- 1. Without medical underwriting; and
- 2. Without preexisting condition limitations to the extent any preexisting condition limitations under the limited benefits policy have been satisfied.

(4) Three months prior to the termination of a limited benefits policy, an insurer or nonprofit health service plan shall provide to the policyholder and all beneficiaries a notice of the required offering under paragraph (3) of this subsection.

(i) (1) The INSURANCE Commissioner shall adopt regulations:

(i) Establishing a standard form to be completed by a limited benefits policyholder under subsection (f)(1)(i) that gathers demographic data on the policyholder and insureds under the policy;