

A carrier shall renew health benefit plans, except in any of the following cases:

- (1) nonpayment of premiums;
  - (2) fraud or misrepresentation of an enrollee or representative of an enrollee;
  - (3) repeated misuse of a provider network provision including unreasonable refusal of the enrollee to follow a prescribed course of treatment, abusive overutilization by an enrollee, or violation of reasonable policies of a carrier; or
  - (4) the carrier elects to terminate all health benefit plans in the State.
- (b) Notice of nonrenewal required; new business prohibited.
- (1) A carrier that elects not to renew health benefit plans shall:
    - (i) provide advance notice of its decision under this paragraph to the Commissioner; and
    - (ii) provide notice of the decision to enrollees at least 120 days prior to the nonrenewal of any health benefit plan by the carrier.
  - (2) The carrier may not write new business in the State until the earlier of:
    - (i) 5 years after the date of notice to the Commissioner; or
    - (ii) when the Commissioner invites the carrier to renew participation.
- (c) Election of carrier to nonrenew all plans.

When a carrier elects not to renew all health benefit plans in the State, the carrier:

- (1) shall give notice of its decision to the affected small employers and the insurance regulatory authority of each state in which an eligible employee or dependent resides at least 180 days before the effective date of nonrenewal;
  - (2) shall give notice to the Commissioner at least 30 working days before giving the notice specified in item (1) of this subsection; and
  - (3) may not write new business for small employers in the State for a period of 5 years beginning on the date of notice to the Commissioner.
- (d) Notice to employees.

Within 7 days after cancellation or nonrenewal of a health benefit plan, the carrier shall send to each enrolled employee written notice of its action and the conversion rights available to each enrolled employee under § 15-412 of the Insurance Article.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 705 (effective subject to Ch. 9, §§ 5 and 7, Acts of 1993, as amended by Ch. 258, § 3, Acts of 1994).

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