

CHAPTER 266

(House Bill 988)

AN ACT concerning

Health Insurance – Small Employer Groups – Eligibility After Downsizing

FOR the purpose of establishing continuing eligibility for purchase of health benefits coverage under the Maryland Health Insurance Reform Act for certain employers under certain circumstances; and generally relating to eligibility for participation in the small employer group market.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 15–1203(b)

Annotated Code of Maryland

(1995 Volume and 1996 Supplement)

(As enacted by Chapter__ (H.B. 11) of the Acts of the General Assembly of 1997)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Insurance

15–1203.

(b) (1) A person is considered a small employer under this subtitle if the person:

(i) is an employer that on at least 50% of its working days during the preceding calendar year, employed at least two but not more than 50 eligible employees, the majority of whom are employed in the State; and

(ii) is a person actively engaged in business or is the governing body of:

1. a charter home–rule county established under Article XI–A of the Maryland Constitution;

2. a code home–rule county established under Article XI–F of the Maryland Constitution;

3. a commission county established or operating under Article 25 of the Code; or

4. a municipal corporation established or operating under Article XI–E of the Maryland Constitution.

(2) Notwithstanding paragraph (1)(i) of this subsection:

(i) a person is considered a small employer under this subtitle if the employer did not exist during the preceding calendar year but on a least 50% of the