

business, including actuarial, loss prevention, safety engineering, data processing, accounting, claims, appraisal, and collection services;

- (8) owning and managing assets that its parent may own and manage;
- (9) acting as administrative agent for a governmental unit that performs an insurance function;
- (10) financing insurance premiums;
- (11) conducting any other business activity that is reasonably ancillary to an insurance business; or
- (12) owning one or more corporations engaged exclusively in or organized to engage exclusively in one or more of the business activities specified in this section.

(B) SUBJECT TO THE APPROVAL OF THE COMMISSIONER AND TO THE PROVISIONS OF THIS TITLE, A DOMESTIC MUTUAL INSURER MAY ACQUIRE OR FORM A SUBSIDIARY INSURANCE HOLDING COMPANY.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act is an emergency measure, is necessary for the immediate preservation of the public health and safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1997.

Approved April 29, 1997.

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#### CHAPTER 294

#### (House Bill 1358)

AN ACT concerning

#### **Maryland Health Insurance Portability and Accountability Act**

FOR the purpose of establishing certain market reforms in the individual and group market consistent with the provisions of the federal Health Insurance Portability and Accountability Act; prohibiting certain preexisting condition provisions under certain circumstances; requiring certain carriers that sell certain policies to individuals to make certain elections under certain circumstances; requiring certain carriers to submit certain information to the Insurance Commissioner under certain circumstances and to file certain documents; establishing eligibility for certain individuals and groups to benefit from certain provisions of this Act; requiring certain carriers to issue and renew certain health benefit plans under certain circumstances; requiring certain certification of coverage to be given by certain carriers to certain persons under certain circumstances; prohibiting certain carriers under certain circumstances from establishing rules for eligibility for coverage;