

- (1) FOR NONPAYMENT OF THE REQUIRED PREMIUM;
- (2) WHERE THE POLICYHOLDER OR PLAN SPONSOR HAS PERFORMED AN ACT OR PRACTICE THAT CONSTITUTES FRAUD;
- (3) WHERE THE POLICYHOLDER OR PLAN SPONSOR HAS MADE AN INTENTIONAL MISREPRESENTATION OF MATERIAL FACT UNDER THE TERMS OF THE COVERAGE;
- (4) WHERE THE POLICYHOLDER OR PLAN SPONSOR HAS FAILED TO COMPLY WITH A MATERIAL PLAN PROVISION RELATING TO THE EMPLOYER CONTRIBUTIONS OR GROUP PARTICIPATION RULES;
- (5) WHERE THE CARRIER ELECTS NOT TO RENEW ALL GROUP HEALTH BENEFIT PLANS IN THE STATE;
- (6) IN THE CASE OF A HEALTH MAINTENANCE ORGANIZATION, WHERE THERE IS NO LONGER ANY ENROLLEE WHO LIVES, RESIDES, OR WORKS IN THE HEALTH MAINTENANCE ORGANIZATION'S APPROVED SERVICE AREA;
- (7) IN THE CASE OF A CARRIER THAT OFFERS COVERAGE ONLY THROUGH ONE OR MORE BONA FIDE ASSOCIATIONS, WHEN THE MEMBERSHIP OF AN EMPLOYER IN THE ASSOCIATION CEASES AND NONRENEWAL UNDER THIS ITEM IS APPLIED UNIFORMLY WITHOUT REGARD TO ANY HEALTH STATUS-RELATED FACTOR RELATING TO ANY COVERED INDIVIDUAL; OR
- (8) THE CARRIER MAKES AN ELECTION UNDER § 772 OF THIS SUBTITLE.

772.

(A) A CARRIER THAT ELECTS NOT TO RENEW ALL OF A PARTICULAR TYPE OF COVERAGE OR POLICY FORM IN THE STATE SHALL:

(1) PROVIDE NOTICE OF THE NONRENEWAL AT LEAST 90 DAYS BEFORE THE DATE OF THE NONRENEWAL TO EACH AFFECTED:

- (I) POLICYHOLDER;
- (II) PLAN SPONSOR;
- (III) PARTICIPANT; AND
- (IV) BENEFICIARY;

(2) OFFER TO EACH AFFECTED PLAN SPONSOR THE OPTION TO PURCHASE ANY OTHER HEALTH INSURANCE COVERAGE CURRENTLY BEING OFFERED BY THE CARRIER; AND

(3) ACT UNIFORMLY WITHOUT REGARD TO THE CLAIMS EXPERIENCE OF ANY AFFECTED PLAN SPONSOR, OR ANY HEALTH STATUS-RELATED FACTOR OF ANY AFFECTED INDIVIDUAL.

(B) A CARRIER MAY ELECT NOT TO RENEW ALL GROUP HEALTH BENEFIT PLANS IN THE STATE.