

CHAPTER 671

(House Bill 918)

AN ACT concerning

Health Benefit Plans - Small Employers - Rates

FOR the purpose of ~~authorizing certain carriers to charge a rate for a health benefit plan issued to a small employer that is a certain~~ increasing the percentage above or below a certain community rate that certain carriers may charge for a health benefit plan issued to a small employer; repealing a requirement that the Insurance Commissioner, in conjunction with the Health Care Access and Cost Commission, submit a certain report to the Governor and the General Assembly on or before a certain date; and generally relating to health benefit plans and small employers.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 15-1205

Annotated Code of Maryland

(1997 Volume and 1998 Supplement)

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

Article - Insurance

15-1205.

(a) (1) In establishing a community rate for a health benefit plan, a carrier shall use a rating methodology that is based on the experience of all risks covered by that health benefit plan without regard to health status or occupation or any other factor not specifically authorized under this subsection.

(2) A carrier may adjust the community rate only for:

(i) age; and

(ii) geography based on the following contiguous areas of the State:

1. the Baltimore metropolitan area;
2. the District of Columbia metropolitan area;
3. Western Maryland; and
4. Eastern and Southern Maryland.

(3) Rates for a health benefit plan may vary based on family composition as approved by the Commissioner.