

~~(6) "SMALL EMPLOYER" HAS THE MEANING STATED IN § 15-1201(M) OF THIS TITLE.~~

~~(7) (5) "SPECIFIC ATTACHMENT POINT" MEANS THE DOLLAR AMOUNT FOR A IN LOSSES ATTRIBUTABLE TO A SINGLE INDIVIDUAL BENEFICIARY SINGLE LOSS IN A POLICY YEAR ABOVE BEYOND WHICH THE STOP-LOSS INSURER ASSUMES ALL OR PART OF THE LIABILITY FOR BENEFITS PAYABLE LOSSES INCURRED BY THE HEALTH PLAN INSURED.~~

~~(8) (6) "STOP-LOSS INSURANCE" MEANS INSURANCE PROVIDED TO AN EMPLOYER, OR TRUSTEE OR ASSOCIATION ON BEHALF OF AN EMPLOYER, AGAINST LIABILITY FOR BENEFITS PAYABLE BY A HEALTH PLAN THAT IS PURCHASED BY A PERSON, OTHER THAN A HEALTH CARE PROVIDER, TO PROTECT THE PERSON AGAINST CATASTROPHIC, EXCESS, OR UNEXPECTED LOSSES SUSTAINED BY THE PERSON.~~

~~(B) THIS SECTION APPLIES TO EACH STOP-LOSS INSURANCE POLICY OR CONTRACT THAT IS DELIVERED OR ISSUED FOR DELIVERY IN THE STATE TO A SMALL EMPLOYER.~~

~~(C) AN INSURER MAY NOT ISSUE, DELIVER, OR OFFER A POLICY OR CONTRACT SUBJECT TO THIS SECTION MAY NOT HAVE OF STOP-LOSS INSURANCE, IF THE POLICY HAS:~~

- ~~(1) A SPECIFIC ATTACHMENT POINT OF LESS THAN \$10,000; OR~~
- ~~(2) AN AGGREGATE ATTACHMENT POINT OF LESS THAN 115% OF EXPECTED CLAIMS.~~

~~(D) AN INSURER WHO OFFERS OR ISSUES A STOP-LOSS INSURANCE POLICY THAT DOES NOT MEET THE REQUIREMENTS OF THIS SECTION SHALL BE SUBJECT TO THE SANCTIONS SET FORTH IN § 4-113 OF THIS ARTICLE FOR AUTHORIZED INSURERS AND § 4-212 OF THIS ARTICLE FOR UNAUTHORIZED INSURERS.~~

~~(E) NOTHING IN THIS SECTION SHALL BE CONSTRUED AS:~~

- ~~(1) IMPOSING ANY REQUIREMENT OR DUTY ON ANY PERSON OTHER THAN AN INSURER; OR~~
- ~~(2) TREATING ANY STOP-LOSS POLICY AS A DIRECT POLICY OF HEALTH INSURANCE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1999.

Approved May 27, 1999.