

(3) In determining the group size specified under paragraph (1)(i) of this subsection:

(i) companies that are affiliated companies or that are eligible to file a consolidated federal income tax return shall be considered one employer; and

(ii) an employee may not be counted who is:

1. otherwise covered under a public or private health insurance plan or other health benefit arrangement; or

2.] a part-time employee as described in § ~~15-1210(a)(1)(ii)~~ ~~15-1210(A)(2)~~ 15-1210(a)(1)(ii) of this subtitle.

(4) A carrier may request documentation to verify that a person meets the criteria under this subsection to be considered a small employer under this subtitle.

(5) Notwithstanding paragraph (1)(i) of this subsection, a person is considered to continue to be a small employer under this subtitle if the person met the conditions of paragraph (1)(i) of this subsection and purchased a health benefit plan in accordance with this subtitle, and subsequently eliminated all but one employee.

~~[(c)]~~ An individual is considered a small employer under this subtitle if the individual:

(1) ~~lives, works, or~~ WORKS AND resides in the State; and

(2) is a self-employed individual organized as a sole proprietorship or in any other legally recognized manner that a self-employed individual may organize:

(i) a substantial part of whose income derives from a trade or business through which the individual has attempted to earn taxable income;

(ii) who has filed the appropriate Internal Revenue form for the previous taxable year; and

(iii) for whom a copy of the appropriate Internal Revenue form or forms and schedule has been filed with the carrier.

(d) An individual is considered a small employer under this subtitle if the individual is a self-employed individual who is engaged in a licensed profession through a professional corporation organized in accordance with Title 5, Subtitle 1 of the Corporations and Associations Article and who received health benefits through a professional association on or before June 30, 1994.}]

~~[(e)]~~ ~~(e)~~ A person is considered a small employer under this subtitle if the person is a nonprofit organization that has been determined by the Internal Revenue Service to be exempt from taxation under § 501(c)(3), (4), or (6) of the Internal Revenue Code and has at least one eligible employee.