This bill simplifies the method for determining eligibility in the small group insurance market.

House Bill 649, which was passed by the General Assembly and signed by me on May 11, 2000, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 801.

Sincerely, Parris N. Glendening Governor

Senate Bill No. 801

AN ACT concerning

Health Insurance - Small Group Market - Eligibility Requirements

FOR the purpose of altering certain criteria for determining when a person is considered a small employer for purposes of small group market health insurance; altering certain criteria for determining when an employee is considered to be an eligible employee; eliminating certain self employed individuals from being considered small employers; altering certain minimum participation requirements; providing for a certain health benefit plan with a high deductible; authorizing a carrier to impose a preexisting condition provision under certain circumstances; altering certain definitions; requiring the Maryland Health Care Commission to submit a certain report to the Economic Matters Committee and the Finance Committee on or before a certain date; requiring the Maryland Health Care Commission to study the feasibility and desirability of developing a high deductible health benefit plan for small employers; requiring the Department of Budget and Management to conduct a certain study on the feasibility and cost and benefit to the State of creating certain tax incentives and to report its findings to the General Assembly on or before a certain date; requiring that a carrier renew the health benefit plan of certain small employers that satisfied certain criteria on a certain date; and generally relating to eligibility of small employers and employees under small group market health insurance.

BY repealing and reenacting, without amendments,

<u>Article – Insurance</u>

Section 15-1201(e) and (g), 15-1207(a), 15-1208, and 15-1210(a)

Annotated Code of Maryland

(1997 Volume and 1999 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 15-1201(c) and (g), 15-1203, and 15-1206(c), 15-1207(a), 15-1208, and 15-1210(a)

Annotated Code of Maryland