

(2) no later than May 1, 2003, provide notice, as approved by the Insurance Commissioner, to each enrollee in the substantial, available, and affordable coverage plan of the enrollee's eligibility for coverage under the Maryland Health Insurance Plan.

SECTION 10. AND BE IT FURTHER ENACTED, That:

(1) The Health Services Cost Review Commission shall approve the substantial, available, and affordable coverage (SAAC) purchaser differential through March 31, 2003 for each carrier participating in the SAAC program, as long as the carrier complies with the laws and regulations governing the SAAC program.

(2) For the final quarter of fiscal year 2003, the Health Services Cost Review Commission:

(i) may not allow any carrier to receive a SAAC purchaser differential;

(ii) may not adjust hospital rates to reflect the elimination of any SAAC purchaser differential;

(iii) shall collect from each hospital for which rates are established by the Commission an amount equal to the value of the SAAC purchaser differential and deposit that money, minus the losses and fees paid to SAAC carriers for the quarter, into the Maryland Health Insurance Plan Fund;

(iv) shall establish a methodology for reimbursing each carrier for losses incurred within the quarter that are attributable to SAAC enrollees; and

(v) shall reimburse each carrier for losses incurred within the quarter and pay each carrier an administration fee equal to 20% of premiums collected for the quarter.

(3) For calendar year 2002:

(i) a carrier that participates in the SAAC program through a health maintenance organization product may not be required to hold an open enrollment period for eligible individuals; and

(ii) a carrier that participates in the SAAC program through a preferred provider organization product shall hold one 30-day open enrollment period for eligible individuals in June 2002 and one 30-day open enrollment period for eligible individuals in December 2002.

SECTION 11. AND BE IT FURTHER ENACTED, That:

(1) On July 1, 2003, the Health Services Cost Review Commission and the Maryland Insurance Administration shall terminate the substantial, available, and affordable coverage (SAAC) purchaser differential program for nonprofit health service plans, health insurers, and health maintenance organizations.

(2) Notwithstanding § 15-1309 of the Insurance Article, for each SAAC policy in effect on and after March 31, 2003, the renewal date shall be July 1, 2003. On July