

(ii) reimbursement required by statute, by a health benefit plan for a service when that service is performed by a health care provider who is licensed under the Health Occupations Article and whose scope of practice includes that service.

(b) (1) The Board shall establish a premium rate for Plan coverage subject to review and approval by the Commissioner.

(2) The premium rate may vary ~~only~~ on the basis of family composition.

~~(3) THE PREMIUM RATE MAY BE ADJUSTED FOR GEOGRAPHY BASED ON THE FOLLOWING CONTIGUOUS AREAS OF THE STATE:~~

~~(I) THE BALTIMORE METROPOLITAN AREA;~~

~~(II) THE DISTRICT OF COLUMBIA METROPOLITAN AREA;~~

~~(III) WESTERN MARYLAND; AND~~

~~(IV) EASTERN AND SOUTHERN MARYLAND.~~

~~[(3)](4)~~ If the Board determines that a standard risk rate would create market dislocation, the Board may adjust the premium rate based on member age.

(c) (1) The Board shall determine a standard risk rate by considering the premium rates charged by carriers in the State for coverage comparable to that of the Plan.

(2) The premium rate for Plan coverage:

(i) may not be less than 110% of the standard risk rate established under paragraph (1) of this subsection; and

(ii) may not exceed 200% of the standard risk rate.

(3) Premium rates shall be reasonably calculated to encourage enrollment in the Plan.

(4) ~~THE BOARD MAY SUBSIDIZE PREMIUMS, DEDUCTIBLES, AND OTHER POLICY EXPENSES, BASED ON THE A MEMBER'S INCOME.~~

(d) Losses incurred by the Plan shall be subsidized by the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2004.

Approved May 26, 2004.