

[(5) "Stop-loss insurance" means insurance 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 **MEDICAL STOP-LOSS INSURER AND EACH MEDICAL** stop-loss insurance policy or contract that is delivered or issued for delivery in the State.

(c) **MEDICAL STOP-LOSS INSURANCE MAY ONLY BE SOLD, ISSUED, OR DELIVERED IN THE STATE BY A CARRIER THAT HOLDS A CERTIFICATE OF AUTHORITY ISSUED BY THE COMMISSIONER THAT AUTHORIZES THE CARRIER TO ENGAGE IN THE BUSINESS OF HEALTH INSURANCE OR TO ACT AS A NONPROFIT HEALTH SERVICE PLAN.**

[(c)] (D) [An] A **MEDICAL STOP-LOSS** insurer may not issue, deliver, or offer a policy or contract of **MEDICAL** 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)] (E) [An] A **MEDICAL STOP-LOSS** insurer who offers or issues a **MEDICAL** 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)] (F) Nothing in this section shall be construed as:

- (1) imposing any requirement or duty on any person other than [an insurer] A **CARRIER**; or
- (2) treating any **MEDICAL** stop-loss **INSURANCE** policy as a [direct] policy of **INDIVIDUAL, GROUP, OR BLANKET** health insurance **COVERING THE PARTICIPANTS IN THE UNDERLYING HEALTH BENEFIT PLAN.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2008.

Approved by the Governor, April 24, 2008.