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ASSOCIATE COMMISSIONER
LIFE & HEALTH

STATE OF MARYLAND
MARYLAND INSURANCE ADMINISTRATION
525 ST. PAUL PLACE, BALTIMORE, MARYLAND 21202-2272
WRITER'S DIRECT DIAL: 410-468-2201
Facsimile Number: 410-468-2204
e-mail : wtparanskas@mdinsurance.state.md.us

BULLETIN

To: Carriers Participating in the Substantial, Available and Affordable Coverage Program

Re: Emergency Regulations COMAR 31.10.27

Date: September 10, 2001

Bulletin No: Life and Health 01-13

The purpose of this bulletin is to notify you that new emergency regulations become effective October 1, 2001. These regulations, found in COMAR 31.10.27, have been drafted to implement the requirements of Senate Bill 458, Chapter 389, Acts of 2001 ("Chapter 389").

Chapter 389 requires:

1. Carriers participating in the non-group health insurance market to notify individuals, who are denied medically underwritten coverage by the carrier, of the availability of substantial, available, and affordable coverage ("SAAC");
2. SAAC carriers to file annually by January 1, 2001 the time periods in that calendar year during which the open enrollment periods will occur;
3. The Insurance Commissioner to adopt regulations to facilitate the implementation of the notice requirement on carriers in the non-group health insurance market; and
4. The Insurance Commissioner to develop a mechanism to provide verbally or by electronic means, information to individuals, about the availability of substantial, available, and affordable coverage.

In order to implement the requirements of Chapter 389, the proposed regulations place the following new requirements on each SAAC carrier:

1. The SAAC carrier shall notify individuals who contact them about SAAC coverage before February 1, 2002 of the first SAAC open enrollment period scheduled for 2002; and
2. The SAAC carrier shall notify individuals who contact them about SAAC coverage on and after February 1, 2002 of the SAAC open enrollment periods scheduled for 2002.

Since Chapter 389 becomes effective October 1, 2001, this Administration needs additional information from each SAAC carrier so that it can provide the information to Maryland residents needing insurance on and after October 1, 2001. Please notify this Administration by **September 24, 2001** of the specific dates of any SAAC open enrollment periods that your company plans to offer between October 1, 2001 and February 1, 2002. This information should be directed to Brenda Wilson, Chief of Managed Care, Life and Health Unit, Maryland Insurance Administration, 525 St. Paul Place, Baltimore, Maryland 21202 or bwilson@mdinsurance.state.md.us.

A copy of the proposed regulations is attached for your convenience.

If you have any questions regarding this memorandum or the new emergency regulations, please direct your questions to Brenda Wilson at 410-468-2170.

Wendy J. Taparanskas, Ph.D.
Associate Commissioner
Life and Health