

PARRIS N. GLENDENING
GOVERNOR

STEVEN B. LARSEN
COMMISSIONER

KATHLEEN KENNEDY TOWNSEND
LIEUTENANT GOVERNOR

DONNA B. IMHOFF
DEPUTY COMMISSIONER

STATE OF MARYLAND
MARYLAND INSURANCE ADMINISTRATION
525 ST. PAUL PLACE, BALTIMORE, MARYLAND 21202-2272
WRITER'S DIRECT DIAL: 410-468-2205
Facsimile Number: 410-468-2204
e-mail: hmax@mdinsurance.state.md.us

BULLETIN

To: Small Group Carriers

Re: Small Employer Group Health Insurance – Self-Employed Individuals

Date: October 17, 2002

Bulletin: Life and Health # 02-21

Chapter 284 (House Bill 1427) of the Acts of 2002, which became effective October 1, 2002, amended the law regarding open enrollment periods for the self-employed. Insurance Article, Section 15-1210, of the Annotated Code of Maryland previously required that carriers participating in the small group market provide an open enrollment period for self-employed individuals in each *6-month* period. Chapter 284 of the Acts of 2002 amended this law to require that carriers participating in the small group market provide an open enrollment period for the self-employed in each *12-month* period.

This bulletin summarizes amendments that were made to COMAR 31.11.07 *Small Employer Group Health Insurance--Self-Employed Individuals*, in accordance with Chapter 284 of the Acts of 2002. These amendments were published in the Maryland Register on August 23, 2002. It is expected that these amendments will be finalized in November of 2002.

COMAR 31.11.07 was amended to require only one open enrollment period each year for self-employed individuals. This single open enrollment period will begin December 1 each year and will last for at least 30 consecutive days. The first open enrollment period under the amended regulations will occur December 1--30, 2002.

The amendments described above shall not affect renewal of coverage for self-employed individuals who have already purchased small group self-employed coverage. The small group self-employed coverage is guaranteed renewable, except for the limited causes of termination set forth in Insurance Article, §15-1212, of the Annotated Code of Maryland. If a self-employed individual who has previously purchased small group self-employed coverage wishes to change carriers or contracts at other than an open enrollment period, the self-employed individual will be required to wait until the next open enrollment period to make such a change.

If the amendment to COMAR 31.11.07 impacts text in any of a carrier's forms applicable to self-employed individuals, an amendment rider reflecting the change should be filed for approval by the carrier with the Maryland Insurance Administration.

Enclosed are copies of the changes to the regulations for self-employed individuals, as published in the Maryland Register on August 23, 2002. Any questions about this bulletin should be directed to the Life/Health Section of the Maryland Insurance Administration at 410-468-2170.

Howard Max
Acting Associate Commissioner
Life and Health

Enclosure