

Preamble

WHEREAS, President Clinton in his recent State of the Union address insisted that universal access to health coverage be made a part of the federal health reform effort; and

WHEREAS, If the State is to be allowed to maintain its own health care reform system, that universal access element must be included; and

WHEREAS, Many of the uninsured in the State as well as in the rest of the United States are dependent women and children; and

WHEREAS, Children are our most valuable resource, and undiagnosed and untreated medical problems waste taxpayers' money which would otherwise be available for vital programs such as education; and

WHEREAS, The federal Employee Retirement Income Security Act prevents the State from requiring self-insured employers to pay for health insurance coverage for dependents; and

WHEREAS, Some coverage for dependents, such as early prenatal care, can save large expenditures by the health care system, as well as saving money for employers in the form of higher employee productivity; and

WHEREAS, Employers with two to 50 employees in the small group market cannot be required to have minimum employer contributions; and

WHEREAS, Insurers marketing to employers with two to 50 employees in the small group market are required to market an individual and a family plan, and may market to a number of combinations of persons under a family plan, such as an individual and spouse, or an individual and dependent child; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article 48A – Insurance Code**

698A.

Except as provided in § 712 of this subtitle, this subtitle applies only to carriers that offer health benefit plans covering eligible employees of small employers.

703.

(c) A carrier shall make a reasonable disclosure in its solicitation and sales materials of:

- (1) The provisions concerning the carrier's right to change premium rates, including any factors that may affect the changes in premium rates;
- (2) The provisions relating to renewability of policies and contracts; [and]
- (3) The provisions relating to any preexisting condition provision; AND