

**Article - Insurance**

15-1203.

(b) (4) A CARRIER MAY REQUEST DOCUMENTATION TO VERIFY THAT A PERSON MEETS THE CRITERIA UNDER THIS SUBSECTION TO BE CONSIDERED A SMALL EMPLOYER UNDER THIS SUBTITLE.

(c) An individual is considered a small employer under this subtitle if the individual;

(1) LIVES, WORKS, OR RESIDES IN THE STATE; AND

(2) is a self-employed individual ~~or~~ ORGANIZED AS A sole proprietorship OR IN ANY OTHER LEGALLY RECOGNIZED MANNER THAT A SELF-EMPLOYED INDIVIDUAL MAY ORGANIZE:

(+) (I) a substantial part of whose income derives from a trade or business through which the individual has attempted to earn taxable income;

(-) (II) who has filed the appropriate Internal Revenue Form 1040, Schedule [C or F,] C, E, OR F, FORM for the previous taxable year; and

(-) (III) for whom a copy of the APPROPRIATE Internal Revenue form OR FORMS AND SCHEDULE has been filed with the carrier as proof of employment.

SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Section 1 of this Act and Article 48A, § 698A of the Code, Article 48A, Subtitle 55 of the Code does not apply to the renewal of any health benefit plan that was issued prior to June 1, 1997 to a self-employed individual by an authorized insurer that does not have any health benefit plan in force on or after June 1, 1997 that provides coverage to a small employer (as that term is defined in Section 2 of Chapter 9 of the Acts of the General Assembly of 1993), and any renewal of such plan is not a renewal of a health benefit plan providing coverage to a small employer for any purpose under Article 48A, Subtitle 55 of the Code.

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Section 2 of this Act and § 15-1202 of the Insurance Article, Title 15, Subtitle 12 of the Insurance Article does not apply to the renewal of any health benefit plan that was issued prior to October 1, 1997 to a self-employed individual by an authorized insurer that does not have any health benefit plan in force on or after October 1, 1997 that provides coverage to a small employer (as that term is defined in Section 2 of Chapter 9 of the Acts of the General Assembly of 1993 and revised and reenacted under Chapter \_\_\_\_ (H.B. 11) of the Acts of the General Assembly of 1997), and any renewal of such plan is not a renewal of a health benefit plan providing coverage to a small employer for any purpose under Title 15, Subtitle 12 of the Insurance Article.

SECTION 2- 5. AND BE IT FURTHER ENACTED, That Sections 1 and 3 of this Act shall take effect ~~October~~ June 1, 1997.

SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 5 of this Act, this Act shall take effect October 1, 1997.