

HOUSE BILL 936

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By: **Delegates Shetty, Forbes, D. Jones, Kaufman, J. Lewis, McCaskill, Smith, Solomon, and Watson**

Introduced and read first time: January 31, 2025

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Cancellation and Nonrenewal of Coverage – Required Notice**

3 FOR the purpose of requiring that a carrier provide the written notice of cancellation or
4 nonrenewal of a small group market health benefit plan by certified mail, return
5 receipt requested, and by electronic means and include information regarding
6 additional health benefit coverage options in the notice; and generally relating to
7 cancellation and nonrenewal of health benefit plans in the State.

8 BY repealing and reenacting, without amendments,

9 Article – Insurance

10 Section 15–1212(h)

11 Annotated Code of Maryland

12 (2017 Replacement Volume and 2024 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – Insurance

15 Section 15–1212(i)

16 Annotated Code of Maryland

17 (2017 Replacement Volume and 2024 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article – Insurance**

21 15–1212.

22 (h) When a carrier elects not to renew a particular product for all small employers
23 in the State, the carrier shall:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(1) provide notice of the nonrenewal at least 90 days before the date of the nonrenewal to:

(i) each affected:

1. small employer; and

2. enrolled employee; and

(ii) the Commissioner;

(2) offer to each affected small employer the option to purchase all other health benefit plans currently offered by the carrier in the small group market; and

(3) act uniformly without regard to the claims experience of any affected small employer, or any health status–related factor of any affected individual.

(i) **(1)** Within 7 days after cancellation or nonrenewal of a health benefit plan, the carrier shall send to each enrolled employee:

(I) written notice of its action BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED; AND

(II) NOTICE DELIVERED BY ELECTRONIC MEANS THAT COMPILES WITH § 27–601.2 OF THIS ARTICLE.

(2) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE INFORMATION ON ADDITIONAL HEALTH BENEFIT COVERAGE OPTIONS, INCLUDING CONTINUATION OF COVERAGE THROUGH THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA), IF AVAILABLE, AND PLANS AVAILABLE THROUGH THE MARYLAND HEALTH BENEFIT EXCHANGE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.