

C. Requiring, as a condition of receiving a certificate of course completion, that students participate in other programs or services offered by the provider, course coordinator, or instructor.

.15 Powers of the Commissioner.

A. The Commissioner, or the Commissioner's designee, may audit all course offerings with or without notice to the provider, course coordinator, or instructor of the course.

B. The Commissioner may suspend or revoke the approval of a course for any of the following violations of this chapter:

- (1) Failure of the instructor to follow the approved course content;
- (2) Failure to use a course coordinator meeting the qualifications specified in this chapter;
- (3) Failure to use an approved instructor;
- (4) Failure to notify the Commissioner of the date, time, location, and instructor of a course offering in accordance with Regulation .11C(2)(b) of this chapter; or
- (5) Failure to submit a course completion roster in accordance with Regulation .10C of this chapter.

C. The Commissioner may suspend or revoke all approved courses of a particular provider for a violation of this chapter or refuse to approve a course submitted by a specific provider if the Commissioner determines that a past course offering by that provider was not in compliance with this chapter.

D. The Commissioner may suspend or revoke the approval of any instructor, course coordinator, or course provider who fails to comply with this chapter.

.16 Waiver of the Continuing Education Requirement.

A. Subject to §B of this regulation, the continuing education requirements may be waived for a licensed insurance producer who:

- (1) Submits a written request for a waiver; and
- (2) Is determined by the Commissioner, in the Commissioner's discretion, to warrant a waiver.

B. A waiver request shall be accompanied by supporting documentation.

ALFRED W. REDMER, JR.
Insurance Commissioner

Subtitle 08 PROPERTY AND CASUALTY INSURANCE

31.08.15 Underwriting Period

Authority: Insurance Article, [§§2-109(a)(1) and 12-106(a)—(d), and (f)(1) and (2)] §§2-109, 11-205, 11-306, 12-106, and 19-406, Annotated Code of Maryland

Notice of Proposed Action
[18-122-P]

The Maryland Insurance Commissioner proposes to amend Regulations .04 and .05 under **COMAR 31.08.15 Underwriting Period**.

Statement of Purpose

The purpose of this action is to amend COMAR 31.08.15.04 to add examples of acceptable reasons for the increase or reduction in the premium, to specify what must be included in an insurer's form if an insurer utilizes a form other than the one contained in COMAR 31.08.15.05, and to update the mailing notice requirements. This action also updates the form contained in COMAR 31.08.15.05.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Lisa Larson, Regulations Manager, Maryland Insurance Administration, 200 St. Paul Place, or call 410-468-2007, or email to insuranceregview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through June 11, 2018. A public hearing has not been scheduled.

.04 Discovery of Material Risk Factor During Underwriting Period.

A. — B. (text unchanged)

C. Reason for Increase or Reduction in Premium.

(1) In stating the [reason] reasons for the increase or reduction in the premium, the insurer shall:

- (a) Identify] *identify* each material risk factor that was discovered during the 45-day underwriting period[;] and,
- [b) With respect to] *for* each material risk factor, [explain with specificity] *provide an explanation* why the material risk factor required the premium to be recalculated in language that is reasonably understandable to the average policyholder.

(2) *Examples of acceptable reasons required by §C(1) of this regulation include, but are not limited to:*

- (a) *Premium recalculated due to [NAME OF DRIVER] moving violation on [DATE OF EVENT];*
- (b) *Safe driver discount removed due to [NAME OF DRIVER] at fault loss on [DATE OF EVENT];*
- (c) *[NAME OF DRIVER] was not listed on the application. Policy must be re-rated or signed driver exclusion must be completed;*
- (d) *Applicant does not currently have an automobile policy with the Company, Multi Policy Discount removed;*
- (e) *Policy was issued without the auto/home discount; or*
- (f) *Premium recalculated due to lack of a central alarm system.*

[(2)] (3) (text unchanged)

D. Form of Notice.

(1) (text unchanged)

(2) *If an insurer utilizes a form other than the one contained in Regulation .05 of this chapter, the form shall:*

- (a) *Include a statement that the insured may contact the insurer or, if applicable, the insured's insurance producer for additional information concerning the reason for the insurer's action and how the action affected the premium charged; and*
- (b) *Provide the telephone number for the insurer that the insured may use to obtain additional information about the insurer's action, or, in lieu of the insurer's contact information, provide the telephone number for the insured's insurance producer.*

[(2)] (3) (text unchanged)

E. Delivery of Notice.

(1) An insurer that is required to provide a written notice under §B of this regulation shall send the notice to the policyholder not later than the end of the 45-day underwriting period by:

- (a) [Certificate of mailing] *First-class mail tracking method;*

or

- (b) (text unchanged)

(2) (text unchanged)

.05 Notice of Recalculated Premium Form.

NOTE: The amended version of this form appears at the end of the Notice of Proposed Action section of this issue of the Maryland Register.

ALFRED W. REDMER, JR.
Insurance Commissioner

**Subtitle 10 HEALTH INSURANCE —
GENERAL**

31.10.18 Denials of Coverage Based on Medical Necessity

Authority: Insurance Article, §2-109 and Title 15, Subtitle 10A, Annotated Code of Maryland

Notice of Proposed Action
[18-121-P]

The Insurance Commissioner proposes to amend Regulations .05 and .11 under COMAR 31.10.18 Denials of Coverage Based on Medical Necessity.

Statement of Purpose

The purpose of this action is to amend the standards for an emergency case for which an expedited review of a grievance is required and to amend the standards to demonstrate a compelling reason to file a complaint without first exhausting the carrier's internal grievance process.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The cost to the agency may increase slightly as consumers can file a complaint with the Maryland Insurance Administration before going through the insurance company's internal grievance process first, which may result in more complaints that the Administration must review.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	Minimum
Administrative cost	(E+)	
B. On other State agencies:	NONE	Magnitude
C. On local governments:	NONE	
	Benefit (+)	Magnitude
	Cost (-)	
D. On regulated industries or trade groups:	NONE	
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. The cost to the agency may increase slightly as consumers can

file a complaint with the Maryland Insurance Administration before going through the insurance company's internal grievance process first, which may result in more complaints that the Administration must review

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Lisa Larson, Regulations Manager, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700 Baltimore, MD 21202, or call 410-468-2007, or email to insuranceregreview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through June 11, 2018. A public hearing has not been scheduled.

.05 Procedures for Emergency Cases.

A. An expedited review of an adverse decision in accordance with this regulation is required if the:

(1) (text unchanged)

(2) Services are necessary to treat a condition or illness that, without immediate medical attention, would:

(a) Seriously jeopardize the life or health of the member of the member's ability to regain maximum functions[, or];

(b) Cause the member to be in danger to self or others[.]; or

(c) Cause the member to continue using intoxicating substances in an imminently dangerous manner.

B. (text unchanged)

.11 Demonstration of Compelling Reason to File Complaint.

A. A member, a member's representative, or a health care provider on behalf of a member may file a complaint without first exhausting the internal grievance process of a carrier if the complaint demonstrates to the satisfaction of the Commissioner a compelling reason to do so[.]. *A compelling reason includes* [including a] showing that the potential delay in receipt of a health care service until after the member or health care provider exhausts the internal grievance process and obtains a final decision under the grievance process could result in:

(1) [loss] *Loss* of life[.];

(2) [serious] *Serious* impairment to a bodily function[.];

(3) [serious] *Serious* dysfunction of a bodily organ[, or];

(4) [the] *The* member remaining seriously mentally ill or using intoxicating substances with symptoms that cause the member to be in danger to self or others[.]; or

(5) *The member continuing to experience severe withdrawal symptoms.*

B. A member is considered to be in danger to self or others if the member is unable to function in activities of daily living or care for self without imminent dangerous consequences.

[B.] C. (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

Insurer's Name
NOTICE OF RECALCULATED PREMIUM

Date of Notice:
Insured's Name
Insured's Address

Producer's Name (if Applicable)
Insurer/Producer's T/P Number

RE: Policy Number:
Effective Date:

Dear **[INSURED'S NAME]**:

Thank you for choosing **[NAME OF INSURER]** to provide your **[LINE OF INSURANCE BUSINESS]** policy.

Your binder or policy is subject to a 45-day underwriting period beginning on the effective date of coverage. In accordance with § 12-106 of the Insurance Article, Annotated Code of Maryland if **[NAME OF INSURER]** discovers a material risk factor during the underwriting period, the company may recalculate your premium from the effective date of the policy.

While reviewing your binder or policy, we discovered the following material risk factor or factors that resulted in a premium change:

[IDENTIFY THE MATERIAL RISK FACTOR AND PROVIDE AN EXPLANATION OF WHY THE MATERIAL RISK FACTOR CAUSED THE COMPANY TO RECALCULATE THE PREMIUM IN LANGUAGE THAT IS REASONABLY UNDERSTANDABLE TO THE AVERAGE POLICYHOLDER.]

[REPEAT FOR EACH MATERIAL RISK FACTOR DISCOVERED DURING THE UNDERWRITING PERIOD.]

As a result, the premium on the policy was recalculated and has **[INCREASED OR DECREASED]**.

The initial, quoted premium amount was – **[\$CURRENT PREMIUM]**.

The new premium amount is – **[\$NEW PREMIUM]**.

[OPTIONAL: If an additional premium amount is due, [EXPLAIN HOW THE INSURED WILL BE BILLED]. If your premium amount has decreased, [EXPLAIN HOW THE PREMIUM WILL BE CREDITED OR REFUNDED].

By law, **[NAME OF INSURER]** must also inform you of your right to terminate the policy and receive a pro-rata refund of any premium paid by notifying us of the termination. For additional information regarding the reason for this action and how it affected your policy's premium or to terminate the policy, please contact **[NAME OF COMPANY OR PRODUCER, (IF APPLICABLE)]** at the contact information printed above.

Sincerely,
[NAME OF AUTHORIZED COMPANY REPRESENTATIVE]