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BULLETIN 10-20

To: All Interested Parties, Including Insurers, Non-Profit Health Service Plans, Health Maintenance Organizations, Dental Plan Organizations, Pharmacy Benefits Managers, and Producers

Re: Summary of 2010 Insurance Legislation Signed into Law by Governor Martin O'Malley

Date: June 2010

This summary is meant to place insurers, non-profit health service plans, health maintenance organizations, dental plan organizations, pharmacy benefits managers, and producers (hereinafter "regulated entities") authorized to do business in Maryland on notice of certain laws passed during the 2010 Session of the Maryland General Assembly that are enforced by the Maryland Insurance Administration (MIA). ***The attached synopsis is intended only as notice of the passage of the legislation and is not a representation of the MIA's interpretation of the legislation, nor is it a representation of how the MIA may choose to enforce these new provisions.*** All regulated entities should refer to the 2010 Chapter Laws of Maryland for the complete text of these recently enacted laws. Regulated entities are advised that other bills passed by the General Assembly and not listed on the synopsis may also affect their business operations in Maryland.

You may obtain a copy of a specific law passed by the General Assembly during the 2010 legislative session by accessing the Maryland General Assembly's web site at <http://mlis.state.md.us> on the Internet or by contacting the Department of Legislative Services at 410-946-5400. You should refer to the House or Senate Bill number when searching for a law on the web site. You can also obtain a copy of "*The 90 Day Report – A Review of the 2010 Legislative Session*" on the Internet or from Library and Information Services, Office of Policy Analysis, Department of Legislative Services.

For additional information concerning the Maryland Insurance Administration's summary of 2010 insurance legislation, please contact Tinna Damaso Quigley, Director of Government Relations and Policy Development, at 410-468-2202.

2010 INSURANCE LEGISLATION

LIFE AND HEALTH

HOUSE BILL 67 (Chapter 119) – Senior Prescription Drug Assistance Program – Sunset Extension

- Extends the termination date for the Senior Prescription Drug Assistance Program to December 31, 2012, and extends the limit of \$14 million on the subsidy for the program through fiscal 2013.

Effective Date: **October 1, 2010**

HOUSE BILL 71 (Chapter 121) – Senior Prescription Drug Assistance Program – Training for Insurance Producers

- Requires insurance producers who market the Senior Prescription Drug Assistance Program (Program) or assist a Medicare beneficiary to enroll in the Program to receive continuing education that directly relates to the Program; and
- Authorizes the Board of Directors of the Maryland Health Insurance Plan to adopt regulations that require the training.

Effective Date: **October 1, 2010**

HOUSE BILL 261 (Chapter 626) / SENATE BILL 885 (Chapter 625) – Health – Administrative Service Provider Contracts – Contracting Provider Definition

- Exempts medical laboratories from the definition of “contracting provider,” which exempts medical laboratories contracting with HMOs from the oversight requirements regarding administrative service provider contracts.

Effective Date: **October 1, 2010**

HOUSE BILL 292 (Chapter 403) – Health Insurance – Uniform Consultation Referral Form – Electronic Transmission

- Authorizes the uniform consultation form, used by insurers, nonprofit health service plans and health maintenance organizations that requires an insured to have a written referral to receive consultation services, to be transmitted electronically;
- Requires the Maryland Insurance Commissioner (Commissioner), in consultation with the Maryland Health Care Commission, to adopt standards for the electronic

transmission of the data elements in the uniform consultation referral form by regulation.

Effective Date: October 1, 2010

HOUSE BILL 423 (Chapter 414) – Life and Health Insurance Guaranty Corporation – Maximum Liability

- Increases the maximum benefit for which the Life and Health Guaranty Corporation may become liable to the holder of an annuity from \$100,000 to \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values, with respect to any one life.

Effective Date: October 1, 2010

HOUSE BILL 435 (Chapter 673) – Health Insurance – Reimbursement of Primary Care Providers – Bonus Payments

- Requires health insurance carriers to pay a bonus to primary care providers for services provided in the office after 6 p.m. and before 8 a.m. or on weekends and national holidays;
- Requires a carrier to provide for and describe the terms of the required bonus payment in a separate clause in the carrier's contract with the primary care provider; and
- Exempts a group model health maintenance organization from the requirement to make bonus payments to physicians that are employed by the physician group under contract with the group model health maintenance organization.

Effective Date: October 1, 2010

HOUSE BILL 804 (Chapter 702) – Health Insurance – Dental Provider Panels – Provider Contracts

- Prohibits a provider contract from containing a provision that requires a participating dental provider, as a condition of continued participation in a capitated dental provider panel or a fee-for-service dental provider panel, to accept an added, revised, or amended fee schedule that contains a lower fee.

Effective Date: October 1, 2010

HOUSE BILL 814 (Chapter 703) – Health Insurance – Individual Health Benefit Plans – Frequency of Premium Increases

- Prohibits insurers, nonprofit health service plans and health maintenance organizations from increasing an individual's premium for an individual health benefit plan more frequently than once every 12 months, unless the increase is solely due to the enrollment of a new family member in the plan.

Effective Date: October 1, 2010

HOUSE BILL 878 (Chapter 536) / SENATE BILL 313 (Chapter 535) – Health Insurance – Annual Preventive Care

- Requires insurers, nonprofit health service plans and health maintenance organizations that cover annual preventive care services to provide coverage for a covered annual preventive care visit at any time during the plan year, as the “plan year” is established in the policy or contract.

Effective Date: October 1, 2010

HOUSE BILL 929 (Chapter 6) /SENATE BILL 855 (Chapter 5) – Patient Centered Medical Home Program

- Requires the Maryland Health Care Commission (Commission) to establish the Maryland Patient Centered Medical Home Program (Program) if the Commission concludes that the Program will likely result in the delivery of more efficient and effective health care services and is in the public interest;
- Defines prominent carriers to be an insurer, nonprofit health service plan or health maintenance organization reporting at least \$90,000,000 in written premiums for health benefit plans in Maryland in the most recent Maryland Health Benefit Plan Report, as required by § 15-605 of the Insurance Article;
- Exempts group model health maintenance organizations from the definition of prominent carrier;
- Requires prominent carriers in the State to participate in the Program, while other carriers may participate;
- Permits the Commission to authorize single carrier medical homes;
- Authorizes carriers that participate in the Program or that implement a single carrier medical home to:

- Pay a patient centered medical home for coordination of covered medical services provided to qualifying individuals;
 - Pay a patient centered medical home provider a bonus, fee based incentive, bundled fees, or other incentives approved by the Commission; and
 - Share medical information about a qualifying individual who elects to participate in a medical home with the individual's medical home and other treating providers; and
- Requires the Commission to conduct an independent evaluation of the Program's effectiveness in reducing health care costs and improving health care outcomes, and report its findings to specified committees by December 1, 2014.

Effective Date: July 1, 2010

HOUSE BILL 1017 (Chapter 596) / SENATE BILL 700 (Chapter 595) – Health Insurance – Child Wellness Benefits

- Requires insurers and nonprofit health service plans to include in the minimum package of child wellness services coverage for:
 - Visits for obesity evaluation and management; and
 - Visits for and costs of developmental screening as recommended by the American Academy of Pediatrics.

Effective Date: October 1, 2010

HOUSE BILL 1050 (Chapter 166) – Maryland Health Insurance Plan – Plan Options – Governmental Third Party Payers

- Authorizes the Maryland Health Insurance Plan (MHIP) to establish a plan option for members whose premiums are paid by a governmental unit;
- Authorizes MHIP, in setting premium rates and cost-sharing arrangements for this plan option, to include amounts to limit cost shifting from another governmental unit to the plan as long as they are not set at a level that would make it cost-prohibitive for the governmental unit; and
- Authorizes MHIP to limit plan option eligibility and limit or eliminate any premium subsidy based on income for a member whose premiums are paid by a governmental unit.

Effective Date: October 1, 2010

HOUSE BILL 1073 (Chapter 341) / SENATE BILL 704 (Chapter 340) – Insurance – Coordination of Benefits – Health Insurance and Personal Injury Protection

- Prohibits health insurance policies, policies of nonprofit health service plans, and health maintenance organization contracts from containing a provision that requires personal injury protection benefits to be paid before benefits under the health insurance policy or health maintenance organization contract.

Effective Date: October 1, 2010

HOUSE BILL 1093 (Chapter 599) / SENATE BILL 723 (Chapter 598) – Health Insurance – Clinically Integrated Organizations

- Authorizes contracts between insurers, nonprofit health service plans, or health maintenance organizations and clinically integrated organizations (CIOs) to include a provision to pay for coordination of care services and bonuses or incentives to promote efficient, medically appropriate delivery of medical services to qualifying individuals;
- Defines a CIO as:
 - A joint venture between a hospital and physicians that has received an advisory opinion from the Federal Trade Commission and has been established to evaluate and improve the practice patterns of the health care providers and create a high degree of cooperation, collaboration, and mutual interdependence among the health care providers who participate in order to promote the efficient, medically appropriate delivery of covered services; or
 - A joint venture between a hospital and physicians that is accountable for total spending and quality and that the Commissioner determines meets the federal criteria for an accountable care organization;
- Authorizes the Commissioner to adopt regulations that specify the types of permissible payments and incentives payable by carriers to CIOs; and
- Requires carriers to share medical information about qualifying individuals with a CIO and its members if there is a written agreement between the carrier and the CIO specifying how medical information will be shared and the information is used by the CIO to:
 - Promote efficient, medically appropriate health care delivery;

- Coordinate care, including efforts to coordinate, plan, develop, monitor, share information related to and otherwise initiate a treatment plan for a qualifying individual;
- Perform the functions of a medical review committee; or
- Offer or provide covered medical services or seek payment for or evaluate covered medical services provided by the members of the CIO.

Effective Date: July 1, 2010

HOUSE Bill 1564 (Chapter 173) – Maryland Health Insurance Plan – Administration of National High Risk Pool Program

- Authorizes the Board of Directors for the Maryland Health Insurance Plan (MHIP) to elect for MHIP to administer a national temporary high risk pool program for the State and enter into any necessary administration agreements relating to the federal Patient Protection and Affordable Care Act; and
- Authorizes the MHIP Board to limit enrollment based on the amount of federal funding available to the program and to establish a separate benefit package delivery system and premium rate for enrollees according to standards for benefit packages and premium rates established under federal law for the program.

Effective Date: April 13, 2010

SENATE BILL 56 (Chapter 16) – Health Insurance – Medicare Supplement Policies – Repeal of Requirement to Offer Plan I

- Repeals the requirement that insurance carriers make available Medicare supplement policy plan I to an individual who is eligible for Medicare due to a disability during the six-month period following the individual's enrollment in Part B of Medicare.

Effective Date: June 1, 2010

SENATE BILL 57 (Chapter 17) – Health Insurance – Conformity with Federal Law – Mental Health Benefits, Medical and Surgical Benefits for Mastectomies, and the Federal Patient Protection and Affordable Care Act

- Conforms State law to the new federal Mental Health Parity and Addiction Equity Act of 2008 by requiring that large group contracts that offer mental health or substance abuse disorder benefits offer the benefits in parity with medical and surgical benefits;

- Conforms the State's reconstructive breast surgery mandate to federal Women's Health and Cancer Rights Act of 1998; and
- Makes certain provisions of the federal Patient Protection and Affordable Care Act applicable to health insurance and health maintenance organization plans in the State and gives the Commissioner the authority to enforce the provisions against regulated health insurance and health maintenance organization plans in the State until July 1, 2011.

Effective Date: **April 13, 2010**

SENATE BILL 279 (Chapter 4) – Maryland False Health Claims Act of 2010

- Prohibits a person from making a false or fraudulent claim for payment or approval by the State or the Department of Health and Mental Hygiene under a State health plan or program;
- Authorizes the State to file a civil action against a person who makes a false health claim;
- Establishes civil penalties for making a false health claim against a State health plan or a State health program;
- Permits the State or a private citizen on behalf of the State to file a civil action against a person who has made a false health claim against a State health plan or a State health program;
- Requires the court to award a certain percentage of the proceeds of the action to the private citizen initiating the action;
- Prohibits retaliatory actions by a person against an employee, contractor, or grantee for disclosing a false claim or engaging in other specified false claims-related activities; and
- Provides that the statute of limitations for any action brought under the False Health Claims Act is six years from the date of the violation or three years after the date when material facts were known or reasonably should have been known by the private party initiating the action on behalf of the State, the State's Inspector General, or the director of the State's Medicaid Fraud Control Unit, but in no event more than 10 years after the date on which the violation is committed.

Effective Date: **October 1, 2010**

SENATE BILL 314 (Chapter 537) – Health Insurance – Assignment of Benefits and Reimbursement of Nonpreferred Providers

- Requires preferred provider insurance policies (PPOs) issued by insurers and nonprofit health service plans to honor an assignment of benefits by an insured to a nonpreferred physician under certain circumstances;
- Provides that if a nonpreferred on-call physician or a hospital-based physician accepts assignment of benefits, the physician may not balance bill an insured for the difference between the insurer's or nonprofit health service plan's payment and the physician's billed charges;
- Specifies formulas for rates health insurers and nonprofit health service plans must pay nonpreferred on-call physicians and hospital-based physicians that accept an assignment of benefits from an insured of the health insurer's PPO;
- Provides that for nonpreferred on-call physicians, the formula for payment is the greater of 140% of the average rate the insurer or nonprofit health service plan pays to similarly licensed participating providers for the same covered service, or the average rate that the insurer or the nonprofit health service plan paid for the 12-month period ending on January 1, 2010 for the same covered service, indexed by the Medicare Economic Index, to a nonpreferred provider;
- Provides that for nonpreferred hospital-based physicians, the insurer or nonprofit health service plan must pay the greater of 140% of the average rate the insurer or nonprofit health service plan pays to similarly licensed providers under contract for the same covered service, or the final allowed amount for the same covered service for the 12-month period ending on January 1, 2010, that the insurer or nonprofit health service plan paid the physician, indexed by the Medicare Economic Index;
- Requires insurers and nonprofit health service plans to disclose reimbursement rates, upon request of an on-call or hospital-based physician;
- Requires physicians, except on-call and hospital-based physicians, that seek assignment of benefits to first give an insured a specified disclosure;
- Requires the Maryland Health Care Commission, in consultation with the MIA and the Office of the Attorney General, to study various aspects of the impact of the bill and submit reports to the General Assembly by July 1, 2012, and October 1, 2014;
- Requires the MIA to study benefits, including payments by insurers and the impact on PPO benefits on complaints filed by insureds, and report to the Governor and the General Assembly on or before December 1, 2010; and
- Requires the MIA, in consultation with the Maryland Health Care Commission, to adopt certain regulations.

Effective Date: *October 1, 2010; assignment of benefits provisions applicable July 1, 2011*

SENATE BILL 1031 (Chapter 646) – Health Insurance – Surgical Treatment of Morbid Obesity – Repeal of Reporting Requirement

- Repeals the MIA’s annual reporting requirement regarding complaints filed with the MIA relating to the denial of coverage for the surgical treatment of morbid obesity and the outcome of those complaints.

Effective Date: *October 1, 2010*

PROPERTY AND CASUALTY

HOUSE BILL 249 (Chapter 663) – Insurance – Premium Increase for Commercial and Workers’ Compensation Insurance – Notice

- Requires an insurer who notifies the named insured of a premium increase by sending a copy of the renewal policy with the renewal premium to also send to the independent insurance producer, if any, a copy of the renewal policy that includes the renewal premium by postal or electronic mail, or to send notice to the independent producer of the availability of that renewal policy and premium on the insurer’s online electronic system.

Effective Date: *October 1, 2010*

HOUSE BILL 405 (Chapter 669) – Workers’ Compensation – Covered Employees and Employers – Corporate or Limited Liability Company Officer

- Specifies that officers of a close corporation incorporated outside of Maryland may elect to be exempt from workers’ compensation coverage;
- Allows up to five officers of an ordinary corporation to elect exemption from workers’ compensation coverage; and
- Requires the Workers’ Compensation Commission to adopt regulations to implement this legislation.

Effective Date: *October 1, 2010*

HOUSE BILL 618 (Chapter 76) / SENATE BILL 482 (Chapter 75) – Workers’ Compensation - Allegany County Deputy Sheriffs

- Includes an Allegany County deputy sheriff in the list of those employees who are presumed to have sustained an occupational disease that was suffered in the line of duty and is compensable if the employee suffers from heart disease or hypertension that results in partial or total disability or death;
- Provides that such individuals are eligible for enhanced workers’ compensation benefits for permanent partial disabilities; and
- Provides that a deputy sheriff who is awarded a claim of fewer than 75 weeks for permanent partial disability is compensated by Allegany County at the higher rate for awards of 75 to 250 weeks, which is two-thirds of the deputy sheriff’s average weekly wage, not to exceed one-third of the State average weekly wage.

Effective Date: October 1, 2010

HOUSE BILL 702 (Chapter 615) – Common Ownership Communities – Fidelity Insurance – Fidelity Bond

- Authorizes the governing body of a common ownership community – a cooperative housing corporation, a condominium or a homeowners association – to satisfy the statutory fidelity insurance requirement by purchasing either a fidelity insurance policy or a fidelity bond.

Effective Date: October 1, 2010

HOUSE BILL 825 (Chapter 441) – Vehicle Laws – Required Security – Minimum Amounts

- Increases the minimum motor vehicle liability coverage limits from \$20,000 for any one person and \$40,000 for two or more persons to \$30,000 and \$60,000, respectively.

Effective Date: January 1, 2011

HOUSE BILL 854 (Chapter 92) / SENATE BILL 647 (Chapter 91) – Homeowner’s, Farmowner’s, and Dwelling Insurance Policies – Claims for Additional Payments

- Requires each policy of homeowner’s, farmowner’s, or dwelling insurance issued in the State with replacement cost coverage to allow an insured to file a claim for the

additional replacement cost benefits for not less than two years after the date of loss; and

- Authorizes an insurer to require an insured to notify the insurer within 180 days after the date of loss of the insured's intent to repair or replace the dwelling or personal property.

Effective Date: *January 1, 2011*

HOUSE BILL 1151 (Chapter 458) – Vehicle Laws – Commercial Motor Vehicles – Minimum Security Requirements

- Authorizes the Motor Vehicle Administration, in consultation with the State Highway Administration, to adopt regulations consistent with specified federal transportation regulations;
- Requires the regulations to apply to (1) for-hire vehicles engaged in intrastate commerce with a gross vehicle weight rating of 26,000 pounds that are designed to carry property; (2) for-hire vehicles engaged in interstate commerce that exceed a gross vehicle weight rating of 10,000 pounds and are designed to either carry property or transport a driver and passengers; and (3) hazardous materials vehicles subject to federal marking or placarding requirements; and
- Requires all vehicles subject to the regulations to be in compliance at all times when operating on a highway in the State.

Effective Date: *January 1, 2011*

HOUSE BILL 1295 (Chapter 731) – Workers' Compensation – Uninsured Employers' Fund – Uninsured Employer Assessments

- Increases the penalty assessment paid to the Uninsured Employers' Fund when the Workers' Compensation Commission makes a decision on a claim against an uninsured employer to at least \$500 but not more than \$1,000, as well as 15% of any award made in the claim, not to exceed \$5,000 in any one claim.

Effective Date: *October 1, 2010*

HOUSE BILL 1470 (Chapter 740) – Title Insurance – Title Insurers and Title Insurance Producers – Regulation and Reports

- Prohibits a title insurance producer from using or accepting the services of a title insurance producer independent contractor (TIPIC) unless the TIPIC is appointed by

the title insurer and covered by the producer's fidelity bond, surety bond, or letter of credit;

- Provides that a producer is the legal principal of the TIPIC and is liable for all of the TIPIC's actions, even unintentional conduct, that occurs within the scope of the TIPIC's employment;
- Requires specified contact information to be included on a mortgage or deed of trust when executed by a TIPIC;
- Exempts a TIPIC from having to file a separate blanket fidelity bond, blanket surety bond, or letter of credit with the Commissioner since the TIPIC is covered under the title insurance producer's security;
- Requires the MIA and the Department of Labor, Licensing, and Regulation (DLLR) to collaborate on a number of issues relating to title insurance and real estate practices;
- Requires the MIA and DLLR to jointly develop a "Title Insurance Consumer's Bill of Rights" that explains a consumer's rights and responsibilities in a real estate transaction closing and requires the document to be made available to the public on the MIA and DLLR web sites and be provided to a consumer at the same time that the consumer receives a good faith estimate in connection with a mortgage loan;
- Requires the MIA and DLLR to share information regarding complaints received involving real estate closings and work collaboratively to track any patterns of problem transactions or licensees; and
- Requires, by December 31, 2010, the MIA and DLLR to report to specified committees on the status of the Consumer's Bill of Rights, regulations, and collaboration between the agencies.

Effective Date: July 1, 2010

HOUSE BILL 1471 (Chapter 374) / SENATE BILL 1019 (Chapter 373) – Residential Real Property – Real Estate Settlements – Disclosures

- Provides that a person who participates in an "affiliated business arrangement" as defined under the federal Real Estate Settlement Procedures Act is not in violation of State law that otherwise prohibits affiliates from participating in a real estate settlement solely because that person participates in an affiliated business arrangement and receives consideration as a result of that participation as long as that person is licensed and complies with existing RESPA disclosure requirements.

Effective Date: July 1, 2010

HOUSE BILL 1514 (Chapter 742) – Real Property – Condominiums – Cancellation of Insurance

- Amends the Maryland Condominium Act to make the cancellation of a property and casualty insurance policy issued to a condominium association conform to the statutory requirements for all other forms of commercial insurance as set forth in § 27-603 of the Insurance Article.

Effective Date: *October 1, 2010*

SENATE BILL 53 (Chapter 208) – Workers’ Compensation – Average Weekly Wage – Militia

- For purposes of computing the average weekly wage of a member of the State’s organized militia, it shall be the greater of: the wage provided for active duty, the actual wages earned by the covered employee in the National Guard, or the actual wages earned by the covered employee in the employee’s civilian employment at the time of entry into State active duty.

Effective Date: *July 1, 2010*

SENATE BILL 58 (Chapter 209) – Workers’ Compensation – Division of Rehabilitation Services – Unpaid Work-Based Learning Experiences

- Establishes that individuals placed in unpaid work-based learning experiences by the Maryland State Department of Education’s Division of Rehabilitation Services are considered “covered employees” under the State’s workers’ compensation law.

Effective Date: *July 1, 2010*

SENATE BILL 800 (Chapter 616) – Common Ownership Communities – Fidelity Insurance – Exemption

- Exempts cooperative housing corporations, condominium associations and homeowners associations with four or fewer members, units, or lot owners and for whom three (3) months worth of gross charges, gross annual assessments, or gross annual fees are less than \$2,500 from the statutory requirement to purchase or maintain fidelity insurance coverage.

Effective Date: *October 1, 2010*

SENATE BILL 900 (Chapter 634) – Title Insurers – Required Reserves, Capital Stock, and Surplus

- Establishes new minimum capital stock and surplus levels for domestic title insurers beginning in July 1, 2010, and increases the minimum levels each July 1 through 2012;
- Reduces the amount of the required annual additions by title insurers to their statutory reserve from 10% to 8% of the total amount of risk premiums written in each calendar year; and
- Provides for title insurers to calculate a retroactive adjustment from this reduction, and to release any excess reserves over a three-year period beginning in 2010.

Effective Date: July 1, 2010

OTHER

HOUSE BILL 69 (Chapter 120) – Insurance – Insurers – Audits, Investments, and Operations

- Revises investment laws governing investment transactions, such as repurchase agreements and securities lending transactions, involving the temporary transfer of an insurer's assets to a counterparty wherein the counterparty provides collateral to secure its performance under the transactions, as follows:
 - Provides a "file-and-use" provision requiring insurers engaging in such transactions to have, and file with the MIA, a Board-approved written plan describing how such transactions will be utilized and managed, including the investment of collateral; and
 - Revises investment laws for non-life insurers to provide criteria and procedures to be followed by an insurer to minimize the amount of risk to the insurer's assets when engaging in such transactions;
- Limits to five years the length of time during which a partner in an accounting firm responsible for preparing an audited financial report for an insurer may act in that capacity, and provides that if a partner exceeds five consecutive years in that capacity the partner may not act in the same or similar capacity for the insurer, or its insurance subsidiaries or affiliates, for a period of not less than five consecutive years;
- Amends several sections of the law so that the following provisions for insurers, nonprofit health service plans, dental plan organizations, managed care organizations, and health maintenance organization are all consistent:

- Annual statements are required to be filed on or before March 1 in the form approved for current use by the National Association of Insurance Commissioners;
- Audited financial reports are required to be filed on or before June 1; and
- The Commissioner may, with 90 days' advance notice, require an audited financial report to be filed earlier than June 1;
- Updates the criteria under which the Commissioner may determine that the continued operation of an insurer engaging in insurance business in the State would be hazardous to policyholders or creditors of the authorized insurer or the general public; and
- Updates the corrective actions the Commissioner may order an insurer to take should the Commissioner determine that the continued operation of the insurer may be hazardous to the policyholders or creditors of the insurer or the general public.

Effective Date: October 1, 2010

HOUSE BILL 305 (Chapter 84) / SENATE BILL 547 (Chapter 83) – Insurers – Domestic Reinsurers

- Provides that a domestic reinsurer that was domiciled in Maryland before December 31, 1995 is not required to have an office in the State;
- Provides that should the domestic reinsurer not maintain its offices in the State, it must keep in the State its specified assets and make its general ledger accounting records available to the Commissioner within two days of being requested to do so; and
- Provides that such a domestic reinsurer shall pay an annual assessment to the State.

Effective Date: June 1, 2010

HOUSE BILL 882 (Chapter 605) / SENATE BILL 774 (Chapter 604) – Insurance Producers – Use of Senior or Retiree Credential or Designation

- Makes it unlawful for any person to use a senior or retiree credential or designation in a misleading way in connection with the offer, sale, or purchase of life insurance, health insurance, or an annuity; and

- Requires the Commissioner to adopt regulations in consultation with the Maryland Securities Commissioner to define what constitutes a misleading use of a senior or retiree credential or designation.

Effective Date: July 1, 2010