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BULLETIN 15-18

To: Insurers and Nonprofit Health Service Plans that Sell Medical Stop-Loss Insurance in Maryland and Other Interested Parties

Re: Draft Disclosure Notice for Small Employers Regarding Medical Stop-Loss Insurance

Date: June 17, 2015

The purpose of this Bulletin is to solicit comments on the attached draft disclosure notice for insurers and nonprofit health service plans (“carriers”) that sell medical stop-loss insurance to small employers in Maryland.

House Bill 552, Chapter 494, Acts of the General Assembly of 2015 amended § 15-129 of the Insurance Article to require that carriers provide a new disclosure to small employers regarding medical stop-loss insurance. Amended § 15-129 also requires that the Commissioner approve the form and manner of the required medical stop-loss insurance disclosure. Section 15-129(f)(3) requires that the disclosure include:

- “(I) The total costs of the policy or contract;*
- (II) 1. The dates on which the policy or contract takes effect and terminates; and
2. Provisions for renewing the policy or contract;*
- (III) The aggregate attachment point and the specific attachment point for the policy or contract; and*
- (IV) Any limitations on coverage.”*

Comments regarding the draft disclosure notice will be accepted through close of business on **July 2, 2015**. Comments may be directed to Brenda Wilson, Associate Commissioner, Life/Health, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202 or emailed to brenda.wilson@maryland.gov.

Signature on original

Brenda A. Wilson
Associate Commissioner
Life and Health

Medical Stop Loss Disclosure for Small Employers

Insurer Name

[Insert insurer's legal name]

Features of Stop Loss Contract

Effective Date _____ Termination Date _____

Specific Attachment Point _____

Aggregate Attachment Point _____ % of expected claims

Renewability of Contract at Termination Date (check one)

- Contract is Renewable at the Option of the Insurer** (insurer will not non-renew contract based on change in employees' health or amount of claims)
- Contract is Renewable at the Option of the Insurer** (insurer may non-renew contract based on change in employees' health or amount of claims)
- Contract is Guaranteed Renewable**

Costs of the Medical Stop Loss Contract

Based on _____ # of employees and _____ # of covered lives expected to be covered under the employer's self-funded plan on the effective date

Monthly Premium \$ _____

Other Monthly Fees \$ _____

Total Monthly Costs \$ _____

Limitations of Coverage

[Insert all applicable limitations and exclusions found in medical stop loss contract. Add additional pages, if necessary.]