

MARTIN O'MALLEY
Governor

ANTHONY G. BROWN
Lt. Governor



THERESE M. GOLDSMITH
Commissioner

KAREN STAKEM HORNIG
Deputy Commissioner

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
1-800-492-6116 TTY: 1-800-735-2258
www.mdinsurance.state.md.us

BULLETIN 14-05

Date: February 20, 2014

To: Insurers, Nonprofit Health Service Plans and Health Maintenance Organizations Issuing Group Health Benefit Plans in Maryland

Re: Guaranteed Availability of Group Health Benefit Plans

The purpose of this bulletin is to remind insurers, nonprofit health service plans and health maintenance organizations (“carriers”) of the guaranteed availability requirements for group health benefit plans under the Affordable Care Act (“ACA”).

Under the federal regulations issued pursuant to the Affordable Care Act, if a carrier has an approved health benefit plan for sale in the small employer or large employer market, the carrier is required to accept any employer that applies for such product.¹ This means that carriers are required to accept any employer that applies for an approved health benefit plan to cover the employer’s employees and *may not* impose minimum participation requirements or minimum contribution requirements on such group health benefit plans at the time the employer applies for coverage.²

There are two exceptions to the guaranteed availability requirement described above.

- The first exception applies to carriers that offer health benefit plans to small employers.³ Carriers are permitted to impose minimum participation requirements on small employers in Maryland, but not during the annual enrollment period that begins November 15 and extends through December 15 each year.⁴ Carriers are not permitted to require small employers to contribute to the premiums for their employees or for the employee’s dependents at any time.⁵

¹ 45 C.F.R. § 147-104(a).

² 45 C.F.R. § 147-104(b)(1)(i).

³ 78 Fed. Reg., 13416, February 27, 2013.

⁴ § 15-1206(c)(6), Insurance Article and 45 C.F.R. § 147-104(b)(1)(i).

⁵ § 15-1209 (c) and (e), Insurance Article.

- The second exception applies to network plans⁶ in both the small employer and large employer health benefit plan markets. A carrier that offers health benefit plans through a network plan is permitted to limit the employers that may apply for the coverage to those with eligible employees who live, work, or reside in the service area for the network plan.⁷

Questions about this Bulletin may be directed to the Life/Health Section of the Maryland Insurance Administration at 410-468-2170.

Signature on original



Brenda A. Wilson
Associate Commissioner
Life and Health

⁶ Defined in 45 C.F.R. § 144.103.

⁷ 45 C.F.R. § 147.104(c)(1)(i).