

Golden Rule offers new health plans for new graduates, early retirees

MARYLAND, VIRGINIA AND Pennsylvania are among 19 states where UnitedHealthcare's Golden Rule Insurance Co. has introduced two new short-term health plans.

Golden Rule's new Short Term Medical Plus and Short Term Medical Value plans are designed to bridge gaps in health insurance coverage for workers between jobs who find COBRA too costly or who aren't eligible for COBRA, new graduates looking for work, students dropping off their parents' plans, new employees not yet covered by employer plans, early retirees awaiting Medicare eligibility and others whose lives are in time of transition, the company said.

In Maryland and Pennsylvania, consumers can choose from one to 12 months of coverage with either of Golden Rule's new short term plans; in Virginia, one to six months of coverage is available. Consumers can then apply for additional months of coverage and consecutive short term plans, in accordance with state law.

The Short Term Medical Plus offers a per-term deductible between \$250 and \$1,000 and is ideal for consumers seeking predictable out-of-pocket expenses.

Short Term Medical Value offers a per-cause deductible between \$250 and \$5,000 and is Golden Rule's most cost-effective short term coverage, the company said. IFA



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LegalEye By Patricia McHugh Lambert

Not a bad year for legislation in Maryland



Compared to other states, Maryland is not in bad shape. Our unemployment rate is lower than most. Fewer businesses are going bankrupt than in other states. There have been fewer governmental layoffs and tax increases than California and other

locales, and the Maryland General Assembly did not pass strange or inappropriate insurance legislation this year.

As a matter of fact, many of the new laws provided much needed clarification. Legislation (HB 165) now prohibits an insurer that writes personal insurance, commercial insurance and private passenger motor vehicle insurance policies from canceling them midterm except under specified circumstances. (These restrictions do not apply to the Maryland Automobile Insurance Fund.)

Insurers that provide personal insurance are now required to send notices of binder or policy cancellation or nonrenewal to the last known address of the named insured. Similar provisions (SB 85) were enacted for certain notices of binder or policy cancellation for commercial property insurance and commercial liability insurance. These changes may prompt producers to increase their scrutiny of information provided by policyholders regarding address changes.

Key clarifications

Other legislation continued the clarification theme. Legislation clarified how and when notice of premium increases were to be provided to commercial insureds (HB 162). Legislation also clarified the law relating to condominium associations. HB 287/SB 201 provides, in essence, a duty to repair and insure on a condo association and a \$5,000 deductible on the unit owner policy.

Other laws provided greater scrutiny for an industry that some in the public mistrust, particularly since last fall's AIG debacle. For example, under House Bill 160, it will now be a fraudulent insurance act for a person without an appropriate license to represent oneself as an insurance adviser, public adjuster, vehicle damage adjuster and appraiser, or motor vehicle rental company that provides insurance coverage. An emergency bill (SB 684/571) makes it unlawful for any person to use senior or retiree credentials or designations in a way that is or would be misleading in the con-

nection with the sale of securities.

Other bills provided greater regulation in rating and tiering. HB 164, a departmental bill, prohibits an insurer under a homeowner's insurance policy from classifying or maintaining an insured for more than three years in a classification that entails a higher premium due to a specific claim. This same bill prohibits an insurer from re-tiering a policy merely because of a PIP claim. Transfer of commercial and workers compensation policies among affiliates within the same insurance group holding company is now generally considered a re-tiering renewal if the premium does not increase and there is no reduction in coverage (SB 768/HB 648).

Giveaways grow

And there were the bills dealing with discrete issues that could have become big problems for some. For example, now insurance producers can now offer promotional knickknacks worth up to \$25 (the previous limit was \$10) in SB 8. Licensed morticians and funeral directors who sell only life insurance policies or annuity contracts that fund a pre-need contract cannot be required to receive more than 16 hours of continuing education per license renewal period (SB 616/HB 246).

SB 909 establishes, for purposes of enforcement only in the construction services and landscaping services industries, a presumption that work performed by an individual paid by an "employer" generally creates an employer-employee relationship. If an employer knowingly fails to classify a worker as an employee, they face a civil penalty of up to \$5,000 per employee.

All in all the legislation passed was not unreasonable or overreaching. Of course, there is always next year.

about the author:

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