**Section 2025.80 Rescission in the Small Group Market**

a) A health insurance issuer in the small group market may not rescind an individual's health insurance coverage based on health conditions. The health insurance issuer may adjust the premium if a lower than appropriate premium resulted from the misrepresentation of health conditions, by either the employer or employee. The premium may be adjusted to reflect the current rating for the group.

b) The health insurance issuer may rescind a small employer policy or employee certificate if fraud is proven in a court of law.