

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1969.

Approved April 23, 1969.

CHAPTER 180
(Senate Bill 243)

AN ACT to repeal and re-enact, with amendments, Section 355 (b) of Article 48A of the Annotated Code of Maryland (1968 Supplement), and to add new Section 355 (d) to Article 48A of the Code (1968 Supplement), title "Insurance Code," subtitle "Nonprofit Health Service Plans," to follow immediately after Section 355 (c) thereof, to provide that corporations seeking a certificate of authority after July 1, 1969, have initial working capital of at least \$100,000, that all companies authorized under this subtitle maintain unencumbered assets over and above liabilities in the amount of \$25,000 with provision for extension of time to comply for corporations authorized prior to July 1, 1969.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 355 (b) of Article 48A of the Annotated Code of Maryland (1968 Supplement), title "Insurance Code," subtitle "Nonprofit Health Service Plans," be and it is hereby repealed and re-enacted, with amendments, and that new Section 355 (d) be and it is hereby added to Article 48A of the Code (1968 Supplement), title "Insurance Code," subtitle "Nonprofit Health Service Plans," to follow immediately after Section 355 (c) thereof, and all to read as follows:

355.

(b) The Insurance Commissioner shall issue a certificate of authority or license to each applicant upon the payment of the fee provided for by Section 41 of this Article and upon being satisfied:

(1) That the applicant has been organized bona fide for the purpose of establishing, maintaining and operating a nonprofit health service plan;

(2) That each contract executed, or proposed to be executed by the applicant and any hospital physician, chiropodist, pharmacist, dentist, or optometrist for the furnishing of hospital, medical, chiropodial, pharmaceutical, dental or optometric service to the subscribers to the health service plan, obligates, or will when executed, obligate each hospital, physician, chiropodist, pharmacist, dentist or optometrist party thereto to render the service to which each subscriber may be entitled under the terms and conditions of the various contracts issued, or proposed to be issued, by the applicant to subscribers to the plan, and that each subscriber shall be entitled to reimbursement for any such chiropodial or optometric service, whether the said service is performed by a doctor of medicine, duly licensed chiropodist, or duly licensed optometrist.

(3) That each contract issued or proposed to be issued, to subscribers to the plan is in a form approved by the Insurance Com-