

CHAPTER 185

(House Bill 479)

AN ACT to repeal and re-enact, with amendments, Sections 355, 356 and 357 of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume and 1968 Supplement), title "Insurance Code," subtitle "Nonprofit Health Service Plans," providing for the payment of certain filing fees by nonprofit health service corporations as now provided for other insurers.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 355, 356 and 357 of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume and 1968 Supplement), title "Insurance Code," subtitle "Nonprofit Health Service Plans," be and they are hereby repealed and re-enacted, with amendments, to read as follows:

355.

(a) No corporation subject to the provisions of this subtitle shall issue contracts for the rendering of hospital, medical, chiroprodial, pharmaceutical or dental service to subscribers until the Insurance Commissioner has, by formal certificate or license, authorized it to do so. Application for such certificate of authority or license shall be made on forms to be supplied by the Insurance Commissioner containing such information as he shall deem necessary. Each application for such certificate of authority or license shall contain payment of the fee provided for by Section 41 of this Article, and, as a part thereof, shall be accompanied by copies of the following documents, duly certified by at least two (2) of the executive officers of such corporation:

(1) Certificate of incorporation, with all amendments thereto;

(2) Bylaws, with all amendments thereto;

(3) Each contract executed or proposed to be executed by and between the corporation and any hospital, physician, chiroprapist, pharmacists or dentist embodying the terms under which hospital, medical, chiroprodial, pharmaceutical or dental service is to be furnished to subscribers to the plan;

(4) Each form of contract issued or proposed to be issued to subscribers to the plan, together with a table of the rates charged, or proposed to be charged, to subscribers for each form of such contract;

(5) Financial statement of the corporation, which shall include the amount of each contribution paid or agreed to be paid to the corporation for working capital, the name or names of each contributor and the terms of each contribution.

(b) The Insurance Commissioner shall issue a certificate of authority or license to each applicant upon the payment of the fees 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;