

CHAPTER 257

(House Bill 341)

AN ACT concerning

Regulation and Acquisition of Nonprofit Health ~~Service Plans~~ Entities

FOR the purpose of extending the statute of limitations for a certain time period for certain criminal violations under the Insurance Article; altering the purpose of certain provisions of law relating to nonprofit health service plans; altering certain provisions of law relating to the regulation and acquisition of certain nonprofit health ~~service plans~~; entities; altering the mission of a nonprofit health service plan; altering the manner in which a nonprofit health service plan must develop certain goals, objectives, and strategies; providing that ~~the charters, a certain charter and the laws, rules, and regulations of the jurisdiction of domicile of a certain entities~~ entity supercede and take precedence over certain requirements under certain circumstances; altering the standards the Maryland Insurance Commissioner must use to issue a certificate of authority; requiring the Commissioner to consider a certain entity's inability to comply with certain requirements in ~~deciding~~ determining whether to issue or renew the certificate of authority of a nonprofit health service plan; altering the applicability of certain statutory requirements for a board of directors of a nonprofit health service plan; requiring certain board members of a nonprofit health service plan to act in a certain manner consistent with in furtherance of the mission of a nonprofit health service plan; altering the manner of selecting board members of certain nonprofit health service plans; altering the actions for which board approval is required; requiring the Commissioner to adopt certain regulations; prohibiting certain board members and officers from receiving certain personal or financial enrichment to the detriment of the nonprofit health service plan or its mission; including as a principal function of a board of a nonprofit health service plan the consideration of an independent valuation of a nonprofit health service plan prior to making a certain other consideration; specifying the manner in which certain officers of a nonprofit health service plan must act; providing that a violation of certain provisions of this Act is an unsound and unsafe business practice; altering a certain provision of law relating to unsound and unsafe business practices; authorizing the Insurance Commissioner to impose a certain civil penalty against certain officers or directors who fail to take appropriate action in response to a certain warning; altering certain provisions of law relating to certain actions by an officer, director, or employee of a nonprofit health service plan; requiring that an application for acquisition of a nonprofit health entity include a certain valuation of the nonprofit health entity and a certain antitrust analysis; specifying that a certain acquisition is not in the public interest unless certain steps are taken to ensure that certain assets are spent in a certain manner; prohibiting a certain regulating entity from making a certain determination unless certain ~~considerations are made~~ nonprofit health entities have considered certain risks; defining a certain term; authorizing certain directors of a certain nonprofit health service plan to serve for a certain additional term until