

(11) THE PREMIUMS HAVE BEEN PAID BY THAT NONPROFIT HEALTH MAINTENANCE ORGANIZATION.

REVISOR'S NOTE: This section formerly appeared as Article 43, § 856.

The only changes are in style.

Defined term:

"Health maintenance organization" § 19-701

19-728. RESPONSIBILITIES OF DEPARTMENT AND COMMISSIONER.

(A) ACTIONS UNDER JURISDICTION OF DEPARTMENT.

IF, AS TO A MATTER THAT IS WITHIN THE JURISDICTION OF THE DEPARTMENT UNDER THIS SUBTITLE, THE SECRETARY FINDS THAT A HEALTH MAINTENANCE ORGANIZATION DOES NOT MEET THE REQUIREMENTS OF THIS SUBTITLE OR THE RULES AND REGULATIONS ADOPTED UNDER IT AND CANNOT OR WILL NOT MAKE CORRECTIVE CHANGES OR NEW ARRANGEMENTS TO MEET THESE REQUIREMENTS, THE SECRETARY MAY SEND TO THE COMMISSIONER A WRITTEN DIRECTIVE THAT SETS OUT THE FINDINGS OF THE SECRETARY AND REASONS FOR THEM AND DIRECTS THE COMMISSIONER TO SUSPEND OR REVOKE THE CERTIFICATE OF AUTHORITY OF THE HEALTH MAINTENANCE ORGANIZATION OR TO TAKE ANY OTHER APPROPRIATE ACTION THAT THE SECRETARY SPECIFIES. THE COMMISSIONER SHALL COMPLY WITH THE DIRECTIVE.

(B) ACTUARIAL AND FINANCIAL EVALUATIONS AND DETERMINATIONS.

THE COMMISSIONER IS RESPONSIBLE FOR:

(1) DETERMINING WHETHER EACH HEALTH MAINTENANCE ORGANIZATION IS OR WILL BE ABLE TO PROVIDE A FISCALLY SOUND OPERATION AND ADEQUATE PROVISION AGAINST RISK OF INSOLVENCY; AND

(2) ACTUARIAL AND FINANCIAL EVALUATIONS AND DETERMINATIONS OF EACH HEALTH MAINTENANCE ORGANIZATION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Article 43, § 849(b)(4) and (5).

As to subsection (a) of this section, the Commission to Revise the Annotated Code notes, for consideration by the General Assembly, that the meaning of that subsection is not only unclear, but raises the questions whether the Secretary is to direct the Commissioner to take specific action, whether the Commissioner has discretion to act on recommendations, and whether