

WHICH THE RESERVE IS STATED AT A RATE NOT TO EXCEED 4 PERCENT PER ANNUM.

~~(III) 1. FOR PURPOSES OF THIS PARAGRAPH, THE COMMISSIONER MAY REQUIRE AN INSURER TO FILE QUARTERLY FINANCIAL REPORTS RELATING TO ASSETS, LIABILITIES, AND SURPLUS.~~

~~2. SUBPARAGRAPH (1) OF THIS SUBSECTION MAY NOT APPLY TO POLICIES WRITTEN BY AN INSURER IF THAT INSURER FAILS TO FILE, IN A TIMELY MANNER, ANY FINANCIAL REPORTS REQUIRED BY THIS SUBPARAGRAPH.~~

~~(IV) THE RESERVE COMPUTED IN ACCORDANCE WITH THIS PARAGRAPH MAY NOT BE LESS THAN THE RESERVE REQUIRED BY PARAGRAPH (2) OF THIS SECTION.~~

(5) (I) WITH THE APPROVAL OF THE INSURANCE COMMISSIONER, FOR ALL HEALTH CARE PROFESSIONAL LIABILITY CLAIMS, THE RESERVE MAY NOT BE LESS THAN THE PRESENT VALUE AT 4 PERCENT INTEREST OF THE DETERMINED OR ESTIMATED FUTURE PAYMENTS, OR BOTH; BUT IN ANY EVENT, THE RESERVE MAY NOT BE LESS THAN THE RESERVE REQUIRED BY PARAGRAPH (2) OF THIS SECTION.

(II) IF A HEALTH CARE PROFESSIONAL LIABILITY INSURER RESERVES ITS HEALTH CARE PROFESSIONAL LIABILITY CLAIMS AT LESS THAN THE FULL AMOUNT OF THE DETERMINED OR ESTIMATED FUTURE PAYMENT OF THOSE CLAIMS, OR BOTH, THEN THE INSURER SHALL FILE INTERIM STATEMENTS WITH THE COMMISSIONER AS PROVIDED UNDER § 58(2) OF THIS ARTICLE.

(III) THE BENEFIT TO ANY MEDICAL MALPRACTICE INSURER RESULTING FROM ANY DISCOUNT OF RESERVES UNDER THIS PARAGRAPH SHALL INURE TO THE POLICYHOLDERS OF THAT INSURER IN THE FORM OF A REDUCTION IN PREMIUM CONSISTENT WITH THE AMOUNT OF THE DISCOUNT.

(IV) THE INSURANCE COMMISSIONER SHALL REPORT TO THE LEGISLATIVE POLICY COMMITTEE ON OR BEFORE OCTOBER 1 OF EACH YEAR CONCERNING THE EFFECT THAT ANY DISCOUNT OF RESERVES HAS HAD ON THE REDUCTION OF PREMIUMS REFERRED TO IN THIS PARAGRAPH. THE FIRST REPORT SHALL BE SUBMITTED BY OCTOBER 1, 1989.

[(5)] (6) The Commissioner may, in his discretion, waive the provisions of this section with respect to combination or multiple peril policies where the predominating exposure to loss is on types of insurance other than liability, unless such policies include motor vehicle liability or workmen's compensation insurance.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1988.