

retaliatory provision, § 61 of this article, shall consist of such assets as are required by subsection (1) of this section, as may be approved by the State Treasurer, in his discretion.

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of § 19-710(d)(2)(ii) and § 19-710(d)(3) of the Health - General Article apply only to health maintenance organizations that are operating under a certificate of authority issued by the Insurance Commissioner on or after the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That any health maintenance organization operating under a certificate of authority issued by the Insurance Commissioner prior to the effective date of this Act shall maintain, beginning on July 1, 1988, ~~stock--or surplus in the amount of \$150,000~~ an amount that is at least equal to the greater of \$150,000 or 5% of the earned subscription charges for the preceding 12 months; beginning July 1, 1989 ~~stock--or surplus in the amount of \$200,000~~ an amount that is at least equal to the greater of \$200,000 or 5% of the earned subscription charges for the preceding 12 months; and beginning July 1, 1990 ~~stock--or surplus in an amount that is at least equal to the greater of \$250,000 or 5% of the earned subscription charges for the preceding 12 months.~~ an amount that is at least equal to the greater of \$250,000 or 5% of the earned subscription charges for the preceding 12 months.

SECTION 4. AND BE IT FURTHER ENACTED, That any health maintenance organization operating under a certificate of authority issued by the Insurance Commissioner prior to the effective date of this Act shall have beginning July 1, 1988 a total of ~~\$150,000~~ \$100,000 in cash or securities of the type described in § 110 of Article 48A deposited through the Commissioner and maintained in trust with the State Treasurer for the protection of the members and creditors of the health maintenance organization; ~~beginning--July--1--1989--a--total--of--\$200,000--in--cash--or--securities--of--the--type--described--in--§--110--of--Article--48A--deposited--and--maintained--in--trust--with--the--State--Treasurer--for--the--protection--of--the--members--and--creditors--of--the--health--maintenance--organization;--and--beginning--July--1--1990--a--total--of--\$250,000--in--cash--or--securities--of--the--type--described--in--§--110--of--Article--48A--deposited--and--maintained--in--trust--with--the--State--Treasurer--for--the--protection--of--the--members--and--creditors--of--the--health--maintenance--organization.~~

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1988.

Approved May 17, 1988.