

(B) (1) A PERSON SHALL COMPLY WITH THE PROCEDURES REQUIRED BY ARTICLE 48A §§ 494 AND 494A TO THE EXTENT APPLICABLE BEFORE:

(I) THAT PERSON MAY, MAKE A TENDER FOR, OR A REQUEST OR INVITATION FOR TENDERS OF OR ENTER INTO AN AGREEMENT TO EXCHANGE SECURITIES FOR OR ACQUIRE IN THE OPEN MARKET OR OTHERWISE, ANY VOTING SECURITY OF A DOMESTIC HEALTH MAINTENANCE ORGANIZATION OR ENTER INTO ANY OTHER SUCH AGREEMENT IF, AFTER THE CONSUMMATION THEREOF, THAT PERSON WOULD, DIRECTLY OR INDIRECTLY, OR BY CONVERSION OR BY EXERCISE OF ANY RIGHT TO ACQUIRE BE IN CONTROL OF THE DOMESTIC HEALTH MAINTENANCE ORGANIZATION; OR

(II) THAT PERSON MAY ENTER INTO AN AGREEMENT TO MERGE OR CONSOLIDATE WITH, OR OTHERWISE TO ACQUIRE CONTROL OF A DOMESTIC HEALTH MAINTENANCE ORGANIZATION.

(2) (I) APPROVAL BY THE INSURANCE COMMISSIONER SHALL BE GOVERNED BY ARTICLE 48A, § 494(E).

(II) PRIOR TO APPROVAL, THE INSURANCE COMMISSIONER SHALL CONSULT WITH THE SECRETARY OF HEALTH AND MENTAL HYGIENE.

~~(3) IF A PROPOSAL IS MADE TO CONVERT A NONPROFIT HEALTH MAINTENANCE ORGANIZATION FOR A FOR-PROFIT HEALTH MAINTENANCE ORGANIZATION, THE PROVISIONS OF ARTICLE 48A, § 270 SHALL ALSO APPLY TO THE EXTENT APPLICABLE TO THE PROPOSAL FOR CONVERSION.~~

~~(C) THIS SECTION SHALL NOT APPLY TO OR INCLUDE ANY PERSON OR HEALTH CARE PROVIDER WHICH IS REGULATED, GOVERNED, OR PREEMPTED FROM STATE LAW BY THE PROVISIONS OF THE TAFT-HARTLEY ACT, ERISA, OR OTHER FEDERAL LAW.~~

(C) SUBSECTION (B) OF THIS SECTION MAY NOT APPLY TO ANY TRANSACTION PREEMPTED BY FEDERAL LAW.

19-711.1.

(A) A DOMESTIC NONPROFIT HEALTH MAINTENANCE ORGANIZATION MAY BECOME A FOR-PROFIT HEALTH MAINTENANCE ORGANIZATION UNDER THE PLAN AND PROCEDURE APPROVED BY THE COMMISSIONER.

(B) THE COMMISSIONER MAY NOT APPROVE ANY PLAN OR PROCEDURE UNLESS:

(1) IT IS EQUITABLE TO ENROLLEES AND SHAREHOLDERS, IF ANY, OF THE HEALTH MAINTENANCE ORGANIZATION;

(2) IT IS IN COMPLIANCE WITH TITLE 2, SUBTITLE 6 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE; AND