

(3) THE PLAN OR PROCEDURE PROVIDES THAT NO PART OF THE ASSETS OR SURPLUS OF THE NONPROFIT HEALTH MAINTENANCE ORGANIZATION WILL INURE DIRECTLY OR INDIRECTLY TO ANY OFFICER OR DIRECTOR OF THE HEALTH MAINTENANCE ORGANIZATION.

(C) A DOMESTIC NONPROFIT HEALTH MAINTENANCE ORGANIZATION THAT BECOMES A FOR-PROFIT HEALTH MAINTENANCE ORGANIZATION SHALL BE GIVEN RECOGNITION IN ALL RESPECTS AS A HEALTH MAINTENANCE ORGANIZATION FORMED UNDER THE LAWS OF THIS STATE AS OF THE DATE OF ITS INITIAL AUTHORIZATION AS A NONPROFIT HEALTH MAINTENANCE ORGANIZATION.

(D) THE CERTIFICATE OF AUTHORITY, AGENT APPOINTMENTS, FORMS, AND OTHER FILINGS WHICH ARE IN EXISTENCE AT THE TIME OF THE CONVERSION FROM A NONPROFIT HEALTH MAINTENANCE ORGANIZATION TO A FOR-PROFIT HEALTH MAINTENANCE ORGANIZATION SHALL CONTINUE IN FULL FORCE AND EFFECT UPON CONVERSION IF THE HEALTH MAINTENANCE ORGANIZATION AT ALL TIMES REMAINS QUALIFIED TO ENGAGE IN BUSINESS IN THIS STATE.

(E) ALL OUTSTANDING CONTRACTS OF THE CONVERTING HEALTH MAINTENANCE ORGANIZATION SHALL REMAIN IN FULL FORCE AND EFFECT AND NEED NOT OTHERWISE BE ENDORSED UNLESS ORDERED BY THE COMMISSIONER.

(F) THE COMMISSIONER MAY CONDUCT A HEARING CONCERNING THE PROPOSED CONVERSION OF A NONPROFIT HEALTH MAINTENANCE ORGANIZATION TO A FOR-PROFIT HEALTH MAINTENANCE ORGANIZATION.

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Each marketing document that sets forth the health care services of a health maintenance organization shall describe fully and clearly:

- (1) The health care services under each benefit package and every other benefit to which a member is entitled;
- (2) Where and how services may be obtained;
- (3) Each exclusion or limitation on any service or other benefit that it provides;
- (4) Each deductible feature; and
- (5) Each copayment provision.

SECTION 2. AND BE IT FURTHER ENACTED, That the Office of Licensing and Certification Programs of the Department of Health and Mental Hygiene shall report to the Senate Finance Committee, the House Economic Matters Committee, and the House Environmental