

(B) (1) THE COSTS TO THE COUNTY UNDER A CONTRACT ADOPTED UNDER THIS SECTION MAY NOT EXCEED \$50,000.

(2) ANY ACTION BY THE COUNTY COMMISSIONERS TO PARTICIPATE IN A PUBLIC IMPROVEMENT IN ACCORDANCE WITH THIS SECTION SHALL BE:

(I) TAKEN AT A REGULARLY SCHEDULED MEETING OF THE COUNTY COMMISSIONERS; AND

(II) BASED ON WRITTEN PRICE QUOTATIONS FROM AT LEAST THREE CONTRACTORS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

Approved May 27, 1993.

CHAPTER 507

(House Bill 238)

AN ACT concerning

Nonprofit Health Service Plans – Regulation–Permitted Activity, Solvency, and Operation

FOR the purpose of clarifying admitted assets for insurers, including nonprofit health service plans; explicitly subjecting corporations operating nonprofit health service plans to regulation under certain provisions of the Insurance Code relating to the valuation of assets, permitted investments, rehabilitation and liquidation, the Life and Health Insurance Guaranty Corporation, penalties, annual statements, examinations, certificates of authority, and insurance acquisitions disclosure and control; defining certain terms; requiring approval by the Insurance Commissioner of affiliates and subsidiaries of corporations operating nonprofit health service plans; requiring that corporations operating health service plans file consolidated annual statements and financial statements on each affiliate and subsidiary; requiring the filing of certain other information; establishing certain minimum and excessive surplus levels; permitting the Commissioner to alter certain surplus levels under certain circumstances; providing for the phasing-in of certain surplus levels; clarifying the limited purpose of nonprofit health service plans; providing that affiliates and subsidiaries may only engage in certain business activities relating directly to nonprofit health service plans; clarifying that nonprofit health service plans may only invest in certain entities under certain circumstances; providing for a board of directors, including appointment of consumer members, terms of office, qualifications, removal power of the Insurance Commissioner, duties of the board and imposing of civil penalties for certain actions of the board, officers, and certain persons; prohibiting nonprofit health service plans from contracting or commencing business with certain entities; providing for the order of removal of certain board members; setting out requirements for conversion of nonprofit corporations to mutual or stock health insurers; and generally relating to the applicability of the