

(3) TAKE ANY LEGAL ACTION NECESSARY TO AVOID THE PAYMENT OF IMPROPER CLAIMS AGAINST THE BOARD;

(4) DEFINE THE HEALTH BENEFIT PLANS AND MEDICAL CONDITIONS FOR WHICH CLAIMS MAY BE REINSURED WITH THE POOL IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SUBTITLE;

(5) ESTABLISH RULES, CONDITIONS, AND PROCEDURES PERTAINING TO THE REINSURANCE OF CLAIMS BY THE POOL;

(6) ESTABLISH ACTUARIAL FUNCTIONS AS APPROPRIATE FOR THE OPERATION OF THE POOL;

(7) ASSESS REINSURING CARRIERS IN ACCORDANCE WITH THE PROVISIONS OF § 709 OF THIS SUBTITLE AND MAKE ADVANCE INTERIM ASSESSMENTS AS MAY BE REASONABLE AND NECESSARY FOR ORGANIZATIONAL AND INTERIM OPERATING EXPENSES WITH ANY INTERIM ASSESSMENTS TO BE CREDITED AGAINST ANY ASSESSMENTS DUE FOLLOWING THE CLOSE OF THE FISCAL YEAR;

(8) APPOINT APPROPRIATE COMMITTEES AS NECESSARY TO PROVIDE TECHNICAL ASSISTANCE IN THE OPERATION OF THE POOL, POLICY AND OTHER CONTRACT DESIGN, AND ANY OTHER FUNCTION WITHIN THE AUTHORITY OF THE POOL; AND

(9) BORROW MONEY TO CARRY OUT THE PURPOSES OF THE POOL.

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(A) (1) A REINSURING CARRIER MAY REINSURE WITH THE POOL AS PROVIDED IN THIS SUBSECTION.

(2) AT A MINIMUM, THE POOL SHALL REINSURE UP TO THE LEVEL OF COVERAGE SPECIFIED UNDER THE COMPREHENSIVE STANDARD HEALTH BENEFIT PLAN.

(3) A SMALL EMPLOYER CARRIER MAY REINSURE AN ENTIRE EMPLOYER GROUP WITHIN 60 DAYS OF THE COMMENCEMENT OF THE GROUP'S COVERAGE UNDER A HEALTH BENEFIT PLAN.

(4) A REINSURING CARRIER MAY REINSURE AN ELIGIBLE EMPLOYEE OR DEPENDENT WITHIN A PERIOD OF 60 DAYS FOLLOWING THE COMMENCEMENT OF THE COVERAGE WITH THE SMALL EMPLOYER. A REINSURING CARRIER MAY REINSURE A NEWLY ELIGIBLE EMPLOYEE OR DEPENDENT WITHIN 60 DAYS OF THE COMMENCEMENT OF THE ELIGIBLE EMPLOYEE'S OR DEPENDENT'S COVERAGE.

(5) (1) THE POOL MAY NOT REIMBURSE A REINSURING CARRIER WITH RESPECT TO THE CLAIMS OF A REINSURED EMPLOYEE OR DEPENDENT UNTIL THE CARRIER HAS INCURRED AN INITIAL LEVEL OF CLAIMS FOR THE EMPLOYEE OR DEPENDENT OF \$5,000 IN A CALENDAR YEAR FOR BENEFITS COVERED BY THE POOL. IN ADDITION, THE REINSURING CARRIER SHALL BE RESPONSIBLE FOR 10% OF THE NEXT \$50,000 OF INCURRED CLAIMS DURING A CALENDAR YEAR AND THE PROGRAM SHALL