

insurance premiums earned in the State on individual policies in proportion to the total health insurance premiums earned in the State for the insurer. The insurer shall provide to the Commissioner the information necessary to make a determination of the proportion of individual premiums to total premiums as provided under this paragraph.

(C) (1) THE DATA REQUIRED UNDER SUBSECTION (B) OF THIS SECTION FROM A MANAGED CARE ORGANIZATION OPERATING UNDER TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE SHALL BE REPORTED BY THE MANAGED CARE ORGANIZATION IN THE AGGREGATE.

(2) AS PART OF THE REPORT REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, A MANAGED CARE ORGANIZATION SHALL:

(I) FILE A CONSOLIDATED FINANCIAL STATEMENT:

1. COVERING THE MANAGED CARE ORGANIZATION AND ALL OF ITS AFFILIATES AND SUBSIDIARIES; AND

2. CONSISTING OF THE FINANCIAL STATEMENTS OF THE MANAGED CARE ORGANIZATION AND ALL OF ITS AFFILIATES AND SUBSIDIARIES PREPARED IN ACCORDANCE WITH STATUTORY ACCOUNTING PRINCIPLES AND ON A FORM APPROVED BY THE COMMISSIONER, AND CERTIFIED TO BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT AS TO THE FINANCIAL CONDITION, TRANSACTIONS, AND AFFAIRS OF THE MANAGED CARE ORGANIZATION AND ITS AFFILIATES AND SUBSIDIARIES FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR;

(II) PROVIDE A LIST OF THE TOTAL COMPENSATION FROM THE MANAGED CARE ORGANIZATION, INCLUDING ALL CASH AND DEFERRED COMPENSATION, STOCK, AND STOCK OPTIONS IN ADDITION TO SALARY, OF EACH MEMBER OF THE BOARD OF DIRECTORS OF THE MANAGED CARE ORGANIZATION, AND EACH SENIOR OFFICER OF THE MANAGED CARE ORGANIZATION OR ANY SUBSIDIARY OF THE MANAGED CARE ORGANIZATION AS DESIGNATED BY THE COMMISSIONER; AND

(III) PROVIDE ANY OTHER INFORMATION OR DOCUMENTS NECESSARY FOR THE COMMISSIONER TO ASSURE COMPLIANCE WITH THIS SUBSECTION AND FOR THE SECRETARY OF HEALTH AND MENTAL HYGIENE TO CARRY OUT TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE.

(3) BEFORE A MANAGED CARE ORGANIZATION MAY ENROLL A MEDICAL ASSISTANCE PROGRAM RECIPIENT, THE MANAGED CARE ORGANIZATION SHALL PROVIDE TO THE COMMISSIONER A BUSINESS PLAN.

(4) CAPITATION PAYMENTS MAY BE ADJUSTED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE IN CONSULTATION WITH THE COMMISSIONER AND IN ACCORDANCE WITH THEIR MEMORANDUM OF UNDERSTANDING:

(I) FOR A MANAGED CARE ORGANIZATION:

1. IF THE LOSS RATIO IS LESS THAN 80% DURING CALENDAR YEAR 1997; AND