

(B) SCOPE OF SECTION.

THE PROVISIONS OF THIS SECTION THAT APPLY TO INSURERS ALSO APPLY TO:

- (1) A CORPORATION THAT OPERATES A NONPROFIT HEALTH SERVICE PLAN UNDER TITLE 14, SUBTITLE 1 OF THIS ARTICLE;
- (2) A DENTAL PLAN ORGANIZATION, AS DEFINED IN § 14-401 OF THIS ARTICLE;
- (3) A SURPLUS LINES INSURER; AND
- (4) A HEALTH MAINTENANCE ORGANIZATION.

(C) NOTICE OF IMPAIRMENT REQUIRED.

(1) A CHIEF EXECUTIVE OFFICER SHALL IMMEDIATELY PROVIDE THE COMMISSIONER AND ALL MEMBERS OF THE BOARD OF DIRECTORS OR THE TRUSTEES OF AN INSURER WITH WRITTEN NOTICE THAT THE INSURER IS AN IMPAIRED INSURER, IF THE CHIEF EXECUTIVE OFFICER:

- (I) KNOWS THAT THE INSURER IS AN IMPAIRED INSURER; AND
- (II) FOR A PERIOD OF 60 DAYS, HAS BEEN UNABLE TO REMEDY THE IMPAIRMENT.

(2) A DIRECTOR, OFFICER, OR TRUSTEE OF AN INSURER WHO KNOWS THAT THE INSURER IS AN IMPAIRED INSURER SHALL IMMEDIATELY NOTIFY THE CHIEF EXECUTIVE OFFICER OF THE IMPAIRMENT.

(D) CONFIDENTIALITY OF NOTIFICATION.

NOTICE PROVIDED TO THE COMMISSIONER UNDER THIS SECTION HAS THE CONFIDENTIALITY SPECIFIED IN § 7-106 OF THIS ARTICLE.

(E) CONTRIBUTING TO IMPAIRMENT PROHIBITED.

IF A PERSON KNOWS THAT THE ACTION WILL RESULT IN OR CONTRIBUTE TO AN INSURER BECOMING AN IMPAIRED INSURER, THE PERSON MAY NOT:

- (1) CONCEAL PROPERTY THAT BELONGS TO THE INSURER;
- (2) TRANSFER OR CONCEAL PROPERTY OF THE PERSON OR PROPERTY THAT BELONGS TO THE INSURER IN CONTEMPLATION OF A DELINQUENCY PROCEEDING;
- (3) CONCEAL, DESTROY, MUTILATE, ALTER, OR FALSIFY A DOCUMENT THAT RELATES TO THE PROPERTY OF THE INSURER;
- (4) WITHHOLD A DOCUMENT FROM A RECEIVER, TRUSTEE, OR OTHER OFFICER OF THE COURT ENTITLED TO ITS POSSESSION UNDER THIS SUBTITLE; OR
- (5) GIVE, OBTAIN, OR RECEIVE ANYTHING OF VALUE FOR ACTING OR FORBEARING TO ACT IN A DELINQUENCY PROCEEDING.