

In subsection (a) of this section, the reference to the "Property and Casualty Insurance Guaranty Corporation" is substituted for the former reference to the "Maryland Insurance Guaranty Association", reflecting that organization's proper name. See Title 9, Subtitle 3 of this article.

Defined term: "Self-insurance group" § 25-301

25-306. TERMINATION OF AGREEMENT; MERGERS.

(A) TERMINATION OF AGREEMENT.

THE COMMISSIONER MAY NOT GRANT THE REQUEST OF A SELF-INSURANCE GROUP TO TERMINATE ITS SELF-INSURANCE AGREEMENT UNLESS THE SELF-INSURANCE GROUP HAS INSURED OR REINSURED ALL INCURRED WORKERS' COMPENSATION OBLIGATIONS WITH AN AUTHORIZED INSURER UNDER AN AGREEMENT FILED WITH AND APPROVED IN WRITING BY THE COMMISSIONER.

(B) MERGERS.

(1) SUBJECT TO THE APPROVAL OF THE COMMISSIONER, A SELF-INSURANCE GROUP MAY MERGE WITH ANOTHER SELF-INSURANCE GROUP ENGAGED IN THE SAME OR SIMILAR TYPE OF BUSINESS ONLY IF THE RESULTING SELF-INSURANCE GROUP ASSUMES ALL THE OBLIGATIONS OF THE MERGING SELF-INSURANCE GROUPS.

(2) THE COMMISSIONER SHALL HOLD A HEARING ON THE MERGER AT THE REQUEST OF ANY PARTY INCLUDING A MEMBER OF EITHER SELF-INSURANCE GROUP.

(C) OBLIGATIONS.

FOR PURPOSES OF THIS SECTION, OBLIGATIONS INCLUDE KNOWN CLAIMS AND ASSOCIATED EXPENSES AND CLAIMS INCURRED BUT NOT REPORTED AND ASSOCIATED EXPENSES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 609(e)(4).

In subsection (a) of this section, the reference to a self-insurance "agreement" is substituted for the former reference to a "plan" for clarity and consistency.

Defined terms: "Authorized insurer" § 1-101

"Commissioner" § 1-101

"Self-insurance agreement" § 25-301

"Self-insurance group" § 25-301

25-307. FINANCIAL CONDITION OF GROUP.

THE COMMISSIONER MAY:

(1) REQUIRE ACTUARIAL STUDIES AND AUDITS TO DETERMINE THE FINANCIAL SOLVENCY OF EACH SELF-INSURANCE GROUP AS OFTEN AS THE COMMISSIONER DESIRES;