

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

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

(I) FILE A CONSOLIDATED FINANCIAL STATEMENT IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION;

(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 ENSURE COMPLIANCE WITH THIS SUBSECTION AND SUBSECTIONS (A)(3)(III) AND (C)(5), (6), AND (7) OF THIS SECTION AND FOR THE SECRETARY OF HEALTH AND MENTAL HYGIENE TO CARRY OUT TITLE 15, SUBTITLE 1 OF THE HEALTH - GENERAL ARTICLE.

(3) THE CONSOLIDATED FINANCIAL STATEMENT SHALL:

(I) COVER THE MANAGED CARE ORGANIZATION AND EACH OF ITS AFFILIATES AND SUBSIDIARIES; AND

(II) CONSIST OF THE FINANCIAL STATEMENTS OF THE MANAGED CARE ORGANIZATION AND EACH 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.

(C) LOSS RATIO BENCHMARK.

(1) FOR A HEALTH BENEFIT PLAN THAT IS ISSUED UNDER SUBTITLE 12 OF THIS TITLE, THE COMMISSIONER MAY REQUIRE THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION TO FILE NEW RATES IF THE LOSS RATIO IS LESS THAN 75%.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR A HEALTH BENEFIT PLAN THAT IS ISSUED TO INDIVIDUALS THE COMMISSIONER MAY REQUIRE THE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION TO FILE NEW RATES IF THE LOSS RATIO IS LESS THAN 60%.