

(II) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY TO AN INSURANCE PRODUCT THAT:

1. IS LISTED UNDER § 15-1201(F)(3) OF THIS TITLE; OR
2. IS NONRENEWABLE AND HAS A POLICY TERM OF NO MORE THAN 6 MONTHS.

(III) THE COMMISSIONER MAY ESTABLISH A LOSS RATIO FOR EACH INSURANCE PRODUCT DESCRIBED IN SUBPARAGRAPH (II)1 AND 2 OF THIS PARAGRAPH.

(3) THE AUTHORITY OF THE COMMISSIONER UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION TO REQUIRE AN INSURER, NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION TO FILE NEW RATES BASED ON LOSS RATIO:

(I) IS IN ADDITION TO ANY OTHER AUTHORITY OF THE COMMISSIONER UNDER THIS ARTICLE TO REQUIRE THAT RATES NOT BE EXCESSIVE, INADEQUATE, OR UNFAIRLY DISCRIMINATORY; AND

(II) DOES NOT LIMIT ANY EXISTING AUTHORITY OF THE COMMISSIONER TO DETERMINE WHETHER A RATE IS EXCESSIVE.

(4) (I) IN DETERMINING WHETHER TO REQUIRE AN INSURER TO FILE NEW RATES UNDER THIS SUBSECTION, THE COMMISSIONER MAY CONSIDER THE AMOUNT OF HEALTH INSURANCE PREMIUMS EARNED IN THE STATE ON INDIVIDUAL POLICIES IN PROPORTION TO THE TOTAL HEALTH INSURANCE PREMIUMS EARNED IN THE STATE FOR THE INSURER.

(II) THE INSURER SHALL PROVIDE TO THE COMMISSIONER THE INFORMATION NECESSARY TO DETERMINE THE PROPORTION OF INDIVIDUAL HEALTH INSURANCE PREMIUMS TO TOTAL HEALTH INSURANCE PREMIUMS AS PROVIDED UNDER THIS PARAGRAPH.

(5) THE SECRETARY OF HEALTH AND MENTAL HYGIENE, IN CONSULTATION WITH THE COMMISSIONER AND IN ACCORDANCE WITH THEIR MEMORANDUM OF UNDERSTANDING, MAY ADJUST CAPITATION PAYMENTS FOR A MANAGED CARE ORGANIZATION OR FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM OF A MANAGED CARE ORGANIZATION THAT IS A CERTIFIED HEALTH MAINTENANCE ORGANIZATION:

(I) IF THE LOSS RATIO IS LESS THAN 80% DURING CALENDAR YEAR 1997; AND

(II) DURING EACH SUBSEQUENT CALENDAR YEAR IF THE LOSS RATIO IS LESS THAN 85%.

(6) A LOSS RATIO REPORTED UNDER PARAGRAPH (5) OF THIS SUBSECTION SHALL BE CALCULATED SEPARATELY AND MAY NOT BE PART OF ANOTHER LOSS RATIO REPORTED UNDER THIS SECTION.