

## (3) DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 710.

In subsection (a) of this section, the word "composed" is substituted for the former word "comprised" for consistency with the terminology used elsewhere in this article in provisions describing the composition of a board, commission, or committee. See, e.g., § 15-1216(c)(1) of this subtitle.

Also in subsection (a) of this section, the former reference to all moneys "collected under this section" is deleted as unnecessary and perhaps misleading since it is not clear what the former reference meant. This section does not actually provide for the collection of money.

Also in subsection (a) of this section, the former reference to "all other funds", which were also to be collected by or on behalf of the Pool, is deleted as included in the reference to "all moneys collected".

In subsection (c) of this section, the reference to the "General Fund" is substituted for the former reference to the "Treasury" to conform to other similar provisions in this article.

Defined terms: "Board" § 15-1201

"Pool" § 15-1201

"Premium" § 1-101

## 15-1221. ASSESSMENTS TO RECOUP LOSSES BY POOL.

## (A) DETERMINATION AND REPORTING OF NET LOSS.

ON OR BEFORE THE LAST DAY OF FEBRUARY OF EACH YEAR, THE BOARD SHALL DETERMINE AND REPORT TO THE COMMISSIONER THE NET LOSS OF THE POOL FOR THE PREVIOUS CALENDAR YEAR, INCLUDING ADMINISTRATIVE EXPENSES AND INCURRED LOSSES FOR THE YEAR, TAKING INTO ACCOUNT INVESTMENT INCOME AND OTHER APPROPRIATE GAINS AND LOSSES.

## (B) RECOUPMENT FROM REINSURING CARRIERS.

ANY NET LOSS FOR THE YEAR SHALL BE RECOUPED BY ASSESSMENTS IMPOSED ON REINSURING CARRIERS.

## (C) ASSESSMENT FORMULA.

(1) AS PART OF THE PLAN OF OPERATION, THE BOARD SHALL ESTABLISH A FORMULA TO MAKE ASSESSMENTS AGAINST REINSURING CARRIERS.

## (2) THE ASSESSMENT FORMULA SHALL BE BASED ON:

(I) EACH REINSURING CARRIER'S SHARE OF THE TOTAL PREMIUMS EARNED IN THE PRECEDING CALENDAR YEAR FROM HEALTH BENEFIT PLANS THAT ARE DELIVERED OR ISSUED FOR DELIVERY TO SMALL EMPLOYERS IN THE STATE BY REINSURING CARRIERS; AND