

is revised as a scope provision in subsection (b) of this section.

In subsection (c)(4) of this section, the former phrase "incorporated in this State under this subtitle" is deleted as unnecessary in light of subsection (b) of this section.

In subsection (d)(1)(i) of this section, the reference to "podiatric" services is substituted for the former obsolete reference to "[c]hiropodial" services.

The Insurance Article Review Committee notes, for the consideration of the General Assembly, that subsection (d)(4)(ii) of this section, which states that "each consumer member of the board ... may not be considered an agent or employee of the State for any purpose", may be unnecessary. Consumer members of the board of directors of a nonprofit health service corporation are appointed by the board and not by the Governor.

Former Art. 48A, § 361G(a), which defined "health care provider", is revised as a substantive provision in subsection (g)(2) of this section.

In subsection (g)(3) of this section, the former reference to "rules" of the Commissioner is deleted in light of the reference to "regulations". See the General Revisor's Note to this article.

Former Art. 48A, § 361G(e), which delayed the application of the section to existing foreign nonprofit health service plans until July 1, 1989, is deleted as obsolete.

Defined terms: "Certificate of authority" § 1-101

"Commissioner" § 1-101

"Person" § 1-101

#### 14-116. UNSOUND OR UNSAFE BUSINESS PRACTICES.

##### (A) "UN SOUND OR UNSAFE BUSINESS PRACTICE" DEFINED.

(1) IN THIS SECTION, "UN SOUND OR UNSAFE BUSINESS PRACTICE" MEANS A BUSINESS PRACTICE THAT:

(I) IS DETRIMENTAL TO THE FINANCIAL CONDITION OF A NONPROFIT HEALTH SERVICE PLAN AND DOES NOT CONFORM TO SOUND INDUSTRY PRACTICE; OR

(II) IMPAIRS THE ABILITY OF A NONPROFIT HEALTH SERVICE PLAN TO PAY SUBSCRIBER BENEFITS.

##### (2) "UN SOUND OR UNSAFE BUSINESS PRACTICE" INCLUDES:

(I) FAILING TO COMPLY WITH THE NOTICE REQUIREMENTS OF § 14-119 OF THIS SUBTITLE;

(II) WILLFULLY HINDERING AN EXAMINATION OF A NONPROFIT HEALTH SERVICE PLAN OR ITS AFFILIATES OR SUBSIDIARIES; AND