

(III) FAILURE OF A DIRECTOR TO ATTEND AT LEAST 65% OF THE MEETINGS OF THE BOARD DURING A PERIOD OF 12 CONSECUTIVE MONTHS.

(B) WARNING TO OFFICER OR DIRECTOR.

(1) IF THE COMMISSIONER BELIEVES THAT AN OFFICER OR DIRECTOR OF A NONPROFIT HEALTH SERVICE PLAN HAS ENGAGED IN AN UNSOUND OR UNSAFE BUSINESS PRACTICE, THE COMMISSIONER SHALL SEND A WARNING TO THAT INDIVIDUAL.

(2) THE COMMISSIONER SHALL SEND A COPY OF THE WARNING:

(I) BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES POSTAL SERVICE, TO EACH DIRECTOR OF THE NONPROFIT HEALTH SERVICE PLAN; AND

(II) IF THE NONPROFIT HEALTH SERVICE PLAN IS A CORPORATION INCORPORATED IN A STATE OTHER THAN THIS STATE, TO THE INSURANCE COMMISSIONER OF THE STATE IN WHICH THE CORPORATION IS INCORPORATED.

(C) REMOVAL OF OFFICER OR DIRECTOR; HEARING; JUDICIAL REVIEW.

(1) IF THE NONPROFIT HEALTH SERVICE PLAN IS INCORPORATED IN THIS STATE, THE COMMISSIONER MAY REMOVE THE OFFICER OR DIRECTOR IF THE COMMISSIONER DETERMINES AFTER A HEARING THAT THE UNSOUND OR UNSAFE BUSINESS PRACTICE CONTINUED AFTER THE WARNING.

(2) A COPY OF THE REMOVAL ORDER SHALL BE SERVED ON THE INDIVIDUAL REMOVED AND EACH DIRECTOR OF THE NONPROFIT HEALTH SERVICE PLAN.

(3) THE INDIVIDUAL REMOVED IS ENTITLED TO A HEARING UNDER TITLE 2 OF THIS ARTICLE.

(4) ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE COMMISSIONER UNDER THIS SECTION MAY APPEAL THE DECISION UNDER § 2-215 OF THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 360B(a), (b)(1)(i), (2), and (3), and (c).

Former Art. 48A, § 360B(b)(1)(ii), which required that a copy of the warning be delivered to the Secretary of Licensing and Regulation, is deleted as unnecessary in light of Ch. 538 of the Acts of 1993, which made the Maryland Insurance Administration an independent agency of State government.

Defined terms: "Commissioner" § 1-101

"Person" § 1-101

"State" § 1-101

14-117. SURPLUS REQUIREMENTS.

(A) DEFINITIONS.