

(II) THE BUSINESS OF THE AFFILIATE OR SUBSIDIARY IS DIRECTLY RELATED TO THE OPERATION OF THE NONPROFIT HEALTH SERVICE PLAN OR THE ADMINISTRATION OF A HEALTH BENEFITS PROGRAM.

(C) STATEMENT OF PROPOSED ACTION.

(1) A NONPROFIT HEALTH SERVICE PLAN SHALL SUBMIT A STATEMENT OF PROPOSED ACTION TO THE COMMISSIONER BEFORE THE PLAN MAY:

(I) CREATE, ACQUIRE, OR INVEST IN AN AFFILIATE OR SUBSIDIARY IN ORDER TO CONTROL THE AFFILIATE OR SUBSIDIARY;

(II) ALTER THE STRUCTURE, ORGANIZATION, PURPOSE, OR OWNERSHIP OF THE PLAN OR AN AFFILIATE OR SUBSIDIARY OF THE CORPORATION;

(III) MAKE AN INVESTMENT EXCEEDING \$500,000; OR

(IV) MAKE AN INVESTMENT IN AN AFFILIATE OR SUBSIDIARY.

(2) THE NONPROFIT HEALTH SERVICE PLAN SHALL FILE THE STATEMENT OF PROPOSED ACTION REQUIRED UNDER THIS SUBSECTION AT LEAST 60 DAYS BEFORE THE EFFECTIVE DATE OF THE PROPOSED ACTION.

(3) THE NONPROFIT HEALTH SERVICE PLAN MAY NOT ENGAGE IN A PROPOSED ACTION DESCRIBED UNDER PARAGRAPH (1)(I) THROUGH (III) OF THIS SUBSECTION UNLESS THE COMMISSIONER APPROVES THE ACTION IN WRITING.

(4) THE COMMISSIONER SHALL EITHER APPROVE OR DISAPPROVE THE PROPOSED ACTION WITHIN 60 DAYS AFTER THE COMMISSIONER RECEIVES THE STATEMENT OF PROPOSED ACTION.

(D) COMPLIANCE WITH LAW OF DOMICILIARY JURISDICTION.

THE COMMISSIONER MAY AUTHORIZE A CORPORATION TO COMPLY WITH THE LAW OF ITS DOMICILIARY JURISDICTION IF THE CORPORATION IS DOMICILED IN A JURISDICTION THAT HAS ADOPTED BY STATUTE OR REGULATION PROVISIONS THAT LIMIT THE OWNERSHIP AND OPERATION OF AN AFFILIATE OR SUBSIDIARY IN SUBSTANTIALLY THE SAME MANNER AS PROVIDED IN THIS SECTION.

(E) PLAN OF DIVESTITURE OR LIQUIDATION.

(1) IF AN AFFILIATE OR SUBSIDIARY OF A CORPORATION REGULATED UNDER THIS SUBTITLE DOES NOT COMPLY WITH THIS SECTION, THE COMMISSIONER SHALL REQUIRE THE CORPORATION TO FILE A PLAN OF DIVESTITURE OR LIQUIDATION OF THE AFFILIATE OR SUBSIDIARY.

(2) THE PLAN OF DIVESTITURE OR LIQUIDATION:

(I) SHALL STATE THE REASONS FOR NONCOMPLIANCE CLEARLY;

(II) SHALL PROVIDE THE COMMISSIONER WITH THE INFORMATION THAT THE COMMISSIONER CONSIDERS NECESSARY TO APPROVE THE DIVESTITURE OR LIQUIDATION; AND