

(5) A DENTAL PLAN WHOSE REGULATION BY THE STATE IS PREEMPTED BY FEDERAL LAW.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 582.

Defined terms: "Authorized insurer" § 1-101

"Dental plan" § 14-401

"Dental service" § 14-401

14-403. CERTIFICATE OF AUTHORITY REQUIRED.

A PERSON MAY NOT ESTABLISH, OPERATE, OR ADMINISTER A DENTAL PLAN ORGANIZATION OR SELL, OFFER TO SELL, SOLICIT OFFERS TO PURCHASE, OR RECEIVE ADVANCE OR PERIODIC CONSIDERATION IN CONJUNCTION WITH A DENTAL PLAN, UNLESS THE PERSON HAS A CERTIFICATE OF AUTHORITY ISSUED BY THE COMMISSIONER UNDER THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 583(a).

The phrase "issued by the Commissioner", which modifies "certificate of authority", is added for clarity.

Former Art. 48A, § 583(b), which required that each dental plan organization apply for a certificate of authority within 90 days after July 1, 1984, is deleted as obsolete.

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

"Commissioner" § 1-101

"Dental plan" § 14-401

"Dental plan organization" § 14-401

"Person" § 1-101

14-404. SURPLUS OR BOND.

(A) REQUIRED.

IN ACCORDANCE WITH THIS SECTION, A DENTAL PLAN ORGANIZATION SHALL OBTAIN A BOND OR POSSESS SURPLUS FOR THE PROTECTION OF ENROLLEES.

(B) AMOUNT.

(1) THE AMOUNT OF THE SURPLUS OR BOND SHALL EQUAL THE LESSER OF:

(I) 7% OF THE GROSS CONTRACT AND CERTIFICATE INCOME OF THE DENTAL PLAN ORGANIZATION FOR 1 YEAR; OR

(II) \$150,000.

(2) THE AMOUNT OF THE SURPLUS OR BOND SHALL BE ADJUSTED: