

penalties against health maintenance organizations under certain circumstances; providing that certain acts and omissions by an insurer or nonprofit health service plan are unfair claims settlement practices; providing for the application of this Act; and generally relating to unfair claims settlement practices by insurers and nonprofit health service plans and penalties that may be imposed on health maintenance organizations.

BY repealing and reenacting, without amendments,

Article - Health - General

Section 19-728(a), 19-729, and 19-732

Annotated Code of Maryland

(1996 Replacement Volume and 1998 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General

Section 19-730, 19-731, and 19-733

Annotated Code of Maryland

(1996 Replacement Volume and 1998 Supplement)

BY repealing and reenacting, without amendments,

Article - Insurance

Section 4-113(d) and 27-305

Annotated Code of Maryland

(1997 Volume and 1998 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 27-304

Annotated Code of Maryland

(1997 Volume and 1998 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Health - General

19-728.

(a) If, as to a matter that is within the jurisdiction of the Department under this subtitle, the Secretary finds that a health maintenance organization does not meet the requirements of this subtitle or the rules and regulations adopted under it and cannot or will not make corrective changes or new arrangements to meet these requirements, the Secretary may send to the Commissioner a written directive that sets out the findings of the Secretary and reasons for them and directs the Commissioner to suspend or revoke the certificate of authority of the health maintenance organization or to take any other appropriate action that the Secretary specifies. The Commissioner shall comply with the directive.