

(ii) in the aggregate for health benefit plans that are issued to individuals;

(iii) in the aggregate for a managed care organization that operates under Title 15, Subtitle 1 of the Health – General Article; and

(iv) in a manner determined by the Commissioner in accordance with this subsection for all other health benefit plans.

(4) THE COMMISSIONER, IN CONSULTATION WITH THE SECRETARY OF HEALTH AND MENTAL HYGIENE, SHALL ESTABLISH AND ADOPT BY REGULATION A METHODOLOGY TO BE ~~UTILIZED~~ USED IN THE ANNUAL REPORT THAT ENSURES A CLEAR SEPARATION OF ALL MEDICAL AND ADMINISTRATIVE EXPENSES WHETHER INCURRED DIRECTLY OR THROUGH A SUBCONTRACTOR.

(5) The Commissioner may conduct an examination to ensure that an annual report submitted under this subsection is accurate.

[(5)](6) Failure of an insurer, nonprofit health service plan, or health maintenance organization to submit the information required under this subsection in a timely manner shall result in a penalty of \$500 for each day after March 1 that the information is not submitted.

~~SUBTITLE 10D. REGULATION OF ADMINISTRATIVE SERVICE PROVIDER CONTRACTS AND DOWNSTREAM RISK ASSUMPTION CONTRACTS.~~

~~15-10D-01.~~

~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(B) "ADMINISTRATIVE SERVICE PROVIDER CONTRACT" MEANS A CONTRACT OR CAPITATION AGREEMENT BETWEEN A HEALTH MAINTENANCE ORGANIZATION AND A CONTRACTING PROVIDER OR BETWEEN A LICENSED HEALTH SERVICES CONTRACTOR AND A CONTRACTING PROVIDER THAT INCLUDES REQUIREMENTS THAT:~~

~~(1) THE CONTRACTING PROVIDER ACCEPT PAYMENTS FROM A HEALTH MAINTENANCE ORGANIZATION FOR HEALTH CARE SERVICES TO BE PROVIDED TO MEMBERS OF A HEALTH MAINTENANCE ORGANIZATION THAT THE CONTRACTING PROVIDER ARRANGES TO BE PROVIDED BY EXTERNAL PROVIDERS; AND~~

~~(2) THE CONTRACTING PROVIDER ADMINISTER PAYMENTS PURSUANT TO THE CONTRACT WITHIN THE HEALTH MAINTENANCE ORGANIZATION FOR THE HEALTH CARE SERVICES TO THE EXTERNAL PROVIDERS.~~

~~(C) "CAPITATED BASIS" MEANS A FIXED MEMBER PER MONTH PAYMENT OR FIXED PERCENTAGE OF PREMIUM PAYMENT WHERE THE PROVIDER OR CONTRACTING PROVIDER ASSUMES THE RISK FOR THE COST OF THE CONTRACTED HEALTH CARE SERVICE.~~