

5. loss ratio; and

6. expense ratio.

(3) The data required under paragraph (2) of this subsection shall be reported:

(i) by product delivery system for health benefit plans that are issued under Subtitle 12 of this title;

(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 USED IN THE ANNUAL REPORT THAT ENSURES A CLEAR SEPARATION OF ALL MEDICAL AND ADMINISTRATIVE EXPENSES WHETHER INCURRED DIRECTLY OR THROUGH A SUBCONTRACTOR

[4] (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.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act applies to an administrative service provider contract entered into on or after June 1, 2000. An administrative service provider contract in effect before June 1, 2000, shall comply with the provisions of this Act no later than January 1, 2001.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2000.

May 18, 2000

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 499 - Alcoholic Beverages - Local Licensing Boards - Appeals to Circuit Courts.