

(C) A NONPROFIT HEALTH SERVICE PLAN THAT FAILS TO TIMELY FILE THE REPORT REQUIRED UNDER § 14-106 OF THIS SUBTITLE:

(1) SHALL PAY THE PENALTIES UNDER § 14-121 OF THIS SUBTITLE, ~~AND~~

(2) ~~MAY BE SUBJECT TO AN ORDER REQUIRING THE PLAN TO PAY THE PREMIUM TAX.~~

(D) A PARTY AGGRIEVED BY AN ORDER OF THE COMMISSIONER ISSUED UNDER THIS SECTION HAS A RIGHT TO A HEARING IN ACCORDANCE WITH §§ 2-210 THROUGH 2-215 OF THIS ARTICLE.

14-117.

(e) (1) The surplus of a corporation authorized under this subtitle may be considered to be excessive only if:

(i) the surplus is greater than [30% of the total earned premium received by the corporation in] ~~THE APPLICABLE APPROPRIATE RISK BASED CAPITAL REQUIREMENTS AS DETERMINED BY THE COMMISSIONER FOR~~ the immediately preceding calendar year; and

(ii) after a hearing, the Commissioner determines that the surplus is unreasonably large.

(2) After the Commissioner has determined the surplus of a corporation authorized under this subtitle to be excessive, the Commissioner:

(i) may order the corporation to submit a plan for distribution of the excess in a fair and equitable manner; or

(ii) if the corporation fails to submit a plan of distribution within 60 days, may compile a plan and order the corporation to implement it.

(3) A distribution ordered under paragraph (2) of this subsection may be made only to subscribers who are covered by the corporation's nonprofit health service plan at the time the distribution is made.

SECTION 2. AND BE IT FURTHER ENACTED, That the Health Services Cost Review Commission may not require a nonprofit hospital to submit its first annual community benefit report required under § 19-303 of the Health - General Article, as enacted by this Act, before October 1, 2002.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.

Approved April 20, 2001.