

**Article - Health - General**

15-102.6.

(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE PROVISIONS OF TITLE 7 OF THE INSURANCE ARTICLE APPLY TO MANAGED CARE ORGANIZATIONS.

(B) BEFORE APPROVING A TRANSACTION UNDER § 7-306 OF THE INSURANCE ARTICLE, THE INSURANCE COMMISSIONER SHALL CONSULT WITH THE SECRETARY.

(C) THE INSURANCE COMMISSIONER:

(1) SHALL ADOPT REGULATIONS ESTABLISHING A REPORTING MATERIALITY THRESHOLD; AND

(2) MAY ADOPT REGULATIONS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

~~(D)~~ (D) THE PROVISIONS OF THIS SECTION MAY NOT APPLY TO ANY TRANSACTION PREEMPTED BY FEDERAL LAW.

19-711.

[(b) (1) A person shall comply with the procedures required by Title 7, Subtitles 3 and 4 of the Insurance Article to the extent applicable before:

(i) That person may make a tender for or a request or invitation for tenders of or enter into an agreement to exchange securities for or acquire in the open market or otherwise, any voting security of a domestic health maintenance organization or enter into any other such agreement if, after the consummation thereof, that person would, directly or indirectly, or by conversion or by exercise of any right to acquire be in control of the domestic health maintenance organization; or

(ii) That person may enter into an agreement to merge or consolidate with, or otherwise to acquire control of a domestic health maintenance organization.

(2) (i) Approval by the Insurance Commissioner shall be governed by § 7-306 of the Insurance Article.

(ii) Prior to approval, the Insurance Commissioner shall consult with the Secretary of Health and Mental Hygiene.]

(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE PROVISIONS OF TITLE 7 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

(2) BEFORE APPROVING A TRANSACTION UNDER § 7-306 OF THE INSURANCE ARTICLE, THE INSURANCE COMMISSIONER SHALL CONSULT WITH THE SECRETARY.