

(1) ON THE DATE OF ISSUANCE OF A LIQUIDATION ORDER OR OTHERWISE, AS SPECIFIED IN § 20S(C) OF THIS SUBTITLE, THE OBLIGATION OF THE CONTINUING CARE PROVIDER TO THE PERSON WOULD NOT ENTITLE THE PERSON TO SHARE AS A CLAIMANT IN THE ASSETS OF THE CONTINUING CARE PROVIDER; OR

(2) THE OBLIGATION OF THE CONTINUING CARE PROVIDER TO THE PERSON WAS PURCHASED BY OR TRANSFERRED TO THE PERSON FOR USE AS AN OFFSET.

21.

If [the] A provider [files for] IS THE SUBJECT OF A bankruptcy or [is placed in] receivership ACTION, the CLAIMS OF subscribers [as a class] shall be [considered as creditors] ADMINISTERED IN ACCORDANCE WITH ~~§ 20S~~ § 20R(C) OF THIS SUBTITLE for the purpose of any legal action in conjunction with the bankruptcy or receivership.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) If a person's existing operations become subject to the Continuing Care Contracts subtitle of Article 70B of the Annotated Code of Maryland on October 1, 2002 when this Act becomes effective, the person shall have until:

(i) January 1, 2003 to submit a feasibility study to the Department of Aging that satisfies the requirement of § 10 of Article 70B of the Annotated Code of Maryland;

(ii) 2 months after the feasibility study is approved by the Department of Aging, to submit an application for a preliminary certificate that satisfies the requirements of § 10 of Article 70B of the Annotated Code of Maryland; and

(iii) 2 months after the Department of Aging issues a preliminary certificate to submit an application for an initial certificate that satisfies the requirements of § 11 of Article 70B of the Annotated Code of Maryland.

(2) The Secretary of Aging for good cause may extend the time requirements of this subsection.

(b) When determining whether a continuing care provider, whose existing operations become subject to the Continuing Care Contracts subtitle of Article 70B of the Annotated Code of Maryland as a result of the Act has met the 65% presales requirement of Article 70B, § 11(a)(1) of the Annotated Code of Maryland, the Department of Aging may count the agreements the person entered into before October 1, 2002 even if the agreements were not approved in advance by the Department for use as a continuing care agreement.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2002.

Approved April 25, 2002.