

(2) THE EXECUTIVE DIRECTOR SHALL SERVE AT THE PLEASURE OF THE BOARD.

(3) THE BOARD SHALL DETERMINE THE APPROPRIATE COMPENSATION FOR THE EXECUTIVE DIRECTOR.

(4) UNDER THE DIRECTION OF THE BOARD, THE EXECUTIVE DIRECTOR SHALL PERFORM ANY DUTY OR FUNCTION THAT IS NECESSARY FOR THE OPERATION OF THE PLAN.

~~(H)~~ (G) THE BOARD IS NOT SUBJECT TO:

(1) THE PROVISIONS OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

(2) THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM; OR

(3) THE PROVISIONS OF DIVISIONS II AND III OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

~~(H)~~ (H) (1) THE BOARD SHALL ADOPT A PLAN OF OPERATION FOR THE PLAN.

(2) THE BOARD SHALL SUBMIT THE PLAN OF OPERATION AND ANY AMENDMENT TO THE PLAN OF OPERATION TO THE COMMISSIONER FOR APPROVAL.

(I) ON AN ANNUAL BASIS, THE BOARD SHALL SUBMIT TO THE COMMISSIONER AN AUDITED FINANCIAL REPORT OF THE FUND PREPARED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.

~~(H)~~ ~~(J)~~ (J) (1) THE BOARD SHALL ADOPT REGULATIONS NECESSARY TO OPERATE AND ADMINISTER THE PLAN.

(2) REGULATIONS ADOPTED BY THE BOARD ~~SHALL~~ MAY INCLUDE:

(I) RESIDENCY REQUIREMENTS FOR PLAN ENROLLEES ~~WHO ARE NOT CONSIDERED ELIGIBLE INDIVIDUALS UNDER § 15-1301 OF THIS ARTICLE;~~

(II) ~~PREEXISTING CONDITION LIMITATIONS FOR PLAN ENROLLEES WHO ARE NOT CONSIDERED ELIGIBLE INDIVIDUALS UNDER § 15-1301 OF THIS ARTICLE~~ PLAN ENROLLMENT PROCEDURES; AND

(III) ANY OTHER PLAN REQUIREMENTS AS DETERMINED BY THE BOARD.

~~(H)~~ (K) IN ORDER TO MAXIMIZE VOLUME DISCOUNTS ON THE COST OF PRESCRIPTION DRUGS, THE BOARD MAY AGGREGATE THE PURCHASING OF PRESCRIPTION DRUGS FOR ENROLLEES IN THE PLAN AND ENROLLEES IN THE SENIOR PRESCRIPTION DRUG PROGRAM ESTABLISHED UNDER PART II OF THIS SUBTITLE.