

~~(3) THE COMMISSIONER SHALL DETERMINE PLAN LOSSES BY CALCULATING THE DIFFERENCE BETWEEN THE AMOUNT OF MEDICAL CLAIMS INCURRED AND 75% OF PREMIUMS COLLECTED.~~

(3) ADMINISTRATIVE EXPENSES AND FEES SHALL BE PAID AS PROVIDED IN THE ADMINISTRATOR'S CONTRACT WITH THE BOARD.

(E) (1) THE BOARD MAY CONTRACT WITH A QUALIFIED, INDEPENDENT THIRD PARTY FOR ANY SERVICE NECESSARY TO CARRY OUT THE POWERS AND DUTIES OF THE BOARD.

(2) UNLESS PERMISSION IS GRANTED SPECIFICALLY BY THE BOARD, A THIRD PARTY HIRED BY THE BOARD MAY NOT RELEASE, PUBLISH, OR OTHERWISE USE ANY INFORMATION TO WHICH THE THIRD PARTY HAD ACCESS UNDER ITS CONTRACT.

~~(E)~~ (F) THE ADMINISTRATOR SHALL SUBMIT REGULAR REPORTS TO THE BOARD REGARDING THE OPERATION OF THE PLAN.

~~(F)~~ (G) THE ADMINISTRATOR SHALL SUBMIT AN ANNUAL REPORT TO THE BOARD THAT INCLUDES:

- (1) THE NET WRITTEN AND EARNED PREMIUMS FOR THE YEAR;
- (2) THE EXPENSE OF THE ADMINISTRATION FOR THE YEAR; AND
- (3) THE PAID AND INCURRED LOSSES FOR THE YEAR.

14-507.

IT IS UNLAWFUL AND A VIOLATION OF THIS ARTICLE FOR A CARRIER, INSURANCE PRODUCER, OR THIRD PARTY ADMINISTRATOR TO REFER AN INDIVIDUAL EMPLOYEE TO THE PLAN, OR ARRANGE FOR AN INDIVIDUAL EMPLOYEE TO APPLY TO THE PLAN, FOR THE PURPOSE OF SEPARATING THAT EMPLOYEE FROM THE GROUP HEALTH INSURANCE COVERAGE PROVIDED THROUGH THE EMPLOYEE'S EMPLOYER.

14-508. RESERVED.

14-509. RESERVED.

## PART II. SENIOR PRESCRIPTION DRUG PROGRAM.

14-510.

(A) IN PART II OF THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ELIGIBLE INDIVIDUAL" MEANS AN INDIVIDUAL WHO:

- (1) IS A RESIDENT OF MARYLAND;
- (2) IS A MEDICARE BENEFICIARY;