

(2) [On or before June 1, 2004, the board shall submit the proposed guidelines developed under paragraph (1)(ii) of this subsection to the Commissioner for review and approval.

(3) (i) The Commissioner shall review the proposed guidelines and, within 60 days, approve or disapprove the proposed guidelines.

(ii) Failure of the Commissioner to act on the proposed guidelines within 60 days shall constitute approval.

(4) If the Commissioner disapproves the proposed guidelines, the board shall revise and submit new proposed guidelines that meet the Commissioner's approval.

(5) The board shall review the proposed guidelines at least annually [and, if the board finds that changes are needed, the board shall submit the changes to the Commissioner in accordance with paragraphs (1) through (3) of this subsection].

[(6)] (3) The board shall:

(i) provide a copy of the approved guidelines:

1. to each officer and executive of the nonprofit health service plan; [and]

2. to each candidate for an officer or executive position with the nonprofit health service plan; and

3. ON OR BEFORE SEPTEMBER 1, 2004, AND ANNUALLY THEREAFTER, TO THE COMMISSIONER; AND

(ii) adhere to the approved guidelines in compensating the officers and executives of the nonprofit health service plan.

[(7)] (4) On an annual basis, the Commissioner shall review the compensation paid by the nonprofit health service plan to each officer and executive.

[(8)] (5) If the Commissioner finds that the compensation exceeds the amount authorized under the approved guidelines, the Commissioner shall issue an order prohibiting payment of the excess amount.

(e) The approval or receipt of remuneration in violation of an order issued under subsection [(d)(8)] (D)(5) of this section is a violation of § 14-115(c) of this subtitle and shall be considered an unsound or unsafe business practice under § 14-116 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect the authority of the Maryland Insurance Commissioner over compensation guidelines for officers and executives of nonprofit health service plans on or after June 6, 2003.