Article 48A – Insurance Code

51. THIRD PARTY ADMINISTRATORS

661.

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

(B) (1) "ADMINISTRATOR" MEANS ANY PERSON WHO, TO THE EXTENT THAT THE PERSON ON BEHALF OF AN INSURER OR A PLAN SPONSOR:

(I) FOR ANY PERIOD OF TIME, HAS CONTROL OVER OR CUSTODY OF PREMIUMS, CONTRIBUTIONS, OR ANY OTHER FUNDS WITH RESPECT TO A PLAN; OR

(II) HAS DISCRETIONARY AUTHORITY CONCERNING:

1. THE ADJUSTMENT, PAYMENT, OR SETTLEMENT OF BENEFIT CLAIMS UNDER A PLAN; OR

2. THE INVESTMENT OF THE ASSETS OF A PLAN.

(2) "ADMINISTRATOR" DOES NOT INCLUDE A PERSON WHO:

(I) WITH RESPECT TO A PARTICULAR PLAN, IS:

1. THE PLAN SPONSOR;

2. AN EMPLOYEE OF THE PLAN SPONSOR;

3. AN INSURER <u>OR A HEALTH MAINTENANCE ORGANIZATION</u> THAT INSURES OR ADMINISTERS THE PLAN; OR

4. AN EMPLOYEE OF AN INSURER <u>OR A HEALTH MAINTENANCE ORGANIZATION</u> THAT INSURES OR ADMINISTERS THE PLAN;

(II) IS RETAINED BY THE LIFE AND HEALTH INSURANCE GUARANTY CORPORATION TO ADMINISTER A PLAN UNDERWRITTEN BY AN IMPAIRED INSURER THAT IS SUBJECT TO AN ORDER OF CONSERVATION, LIQUIDATION, OR REHABILITATION;

(III) IS A PARTICIPANT OR BENEFICIARY WHERE:

1. THE PLAN PROVIDES FOR INDIVIDUAL ACCOUNTS AND PERMITS A PARTICIPANT OR BENEFICIARY TO EXERCISE INVESTMENT CONTROL OVER ASSETS IN THE PARTICIPANT'S OR BENEFICIARY'S ACCOUNT; AND

2. THE PARTICIPANT OR BENEFICIARY EXERCISES INVESTMENT CONTROL OVER THE ASSETS IN THE PARTICIPANT'S OR BENEFICIARY'S ACCOUNT; OR