(D) "LICENSE" INCLUDES A CERTIFICATE OF AUTHORITY, AS DEFINED IN § 1–101 OF THE INSURANCE ARTICLE.

(D) (E) "PROVIDER" MEANS ANY PERSON, INCLUDING A PHYSICIAN OR HOSPITAL, THAT IS LICENSED OR OTHERWISE AUTHORIZED IN THIS STATE TO PROVIDE HEALTH CARE SERVICES.

(E) (F) "PROVIDER–SPONSORED ORGANIZATION" MEANS AN ENTITY THAT:

(1) IS A LEGAL AGGREGATION OF PROVIDERS OPERATING COLLECTIVELY FOR THE PURPOSE OF PROVIDING HEALTH CARE SERVICES TO MEDICARE BENEFICIARIES UNDER THE FEDERAL MEDICARE+CHOICE PROGRAM;

(2) ACTS THROUGH A LICENSED ENTITY, SUCH AS A PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY, LIMITED LIABILITY PARTNERSHIP, OR SOLE PROPRIETORSHIP, THAT HAS AUTHORITY OVER THE ENTITY'S ACTIVITIES AND RESPONSIBILITY FOR SATISFYING THE REQUIREMENTS OF § 19–7A–02 OF THIS SUBTITLE; AND

(3) PROVIDES A SUBSTANTIAL PORTION PROPORTION OF THE HEALTH CARE SERVICES REQUIRED TO BE PROVIDED UNDER THE FEDERAL MEDICARE+CHOICE PROGRAM DIRECTLY THROUGH PROVIDERS OR AFFILIATED GROUPS OF PROVIDERS.

19–7A–02.

(A) A LICENSE ISSUED TO A PROVIDER–SPONSORED ORGANIZATION UNDER THIS SUBTITLE AUTHORIZES THE LICENSEE TO PROVIDE HEALTH CARE SERVICES ONLY TO MEDICARE BENEFICIARIES UNDER THE FEDERAL MEDICARE+CHOICE PROGRAM.

(B) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO LIMIT A PROVIDER–SPONSORED ORGANIZATION FROM PARTICIPATING IN THE MEDICAID PROGRAM AS A MANAGED CARE ORGANIZATION.

19–7A–03.

(A) (1) BEFORE AN ENTITY MAY OPERATE AS A PROVIDER–SPONSORED ORGANIZATION UNDER THE FEDERAL MEDICARE+CHOICE PROGRAM, THE ENTITY MUST OBTAIN A LICENSE FROM THE COMMISSIONER.

(2) THE COMMISSIONER SHALL ISSUE A LICENSE UNDER PARAGRAPH (1) OF THIS SUBSECTION TO ANY ENTITY TO OPERATE AS A PROVIDER–SPONSORED ORGANIZATION THAT MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.

(B) TO OPERATE AS A PROVIDER–SPONSORED ORGANIZATION UNDER THE FEDERAL MEDICARE+CHOICE PROGRAM IN THIS STATE, AN ENTITY SHALL:

(1) BE FORMED UNDER THE LAWS OF THIS STATE;

(2) (1) MEET THE DEFINITION OF A PROVIDER–SPONSORED ORGANIZATION UNDER § 19–7A–01 OF THIS SUBTITLE; AND