

Article - State Government

Section 6-302(f) and 6-304(c)

Annotated Code of Maryland

(2004 Replacement Volume)

(As enacted by Ch. 5 of the Acts of the General Assembly of the 2004 Special Session)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Health - General

15-103.

(b) (18) (i) The Department shall make capitation payments to each managed care organization as provided in this paragraph.

(ii) In consultation with the Insurance Commissioner, the Secretary shall:

1. Set capitation payments at a level that is actuarially adjusted to the benefits provided; and

2. Actuarially adjust the capitation payments to reflect the relative risk assumed by the managed care organization.

(III) IN ACTUARIALLY ADJUSTING CAPITATION PAYMENTS UNDER ~~SUBPARAGRAPH (II)(2)~~ SUBPARAGRAPH (II)2 OF THIS PARAGRAPH, THE SECRETARY, IN CONSULTATION WITH THE INSURANCE COMMISSIONER, SHALL TAKE INTO ACCOUNT, TO THE EXTENT ALLOWED UNDER FEDERAL LAW, THE EXPENSES INCURRED BY THE MANAGED CARE ORGANIZATION APPLICABLE TO THE BUSINESS OF PROVIDING CARE TO ENROLLED INDIVIDUALS.

Article - Insurance~~4-113.~~

~~(a) The Commissioner shall deny a certificate of authority to an applicant or refuse to renew, suspend, or revoke a certificate of authority if:~~

~~(1) the action is required by any provision of this article OR BY § 6-304(C) OF THE STATE GOVERNMENT ARTICLE;~~

~~(2) the insurer no longer meets the requirements for the certificate of authority because of a deficiency in assets or any other reason;~~

~~(3) the business of the insurer is fraudulently conducted;~~

~~(4) the insurer is insolvent, or its assets are not sufficient for carrying on its business;~~

~~(5) the insurer fails to pay taxes on premiums required under this article;~~