

Article - Insurance

[Previous][Next]

§14-417.

(a) The Commissioner may bring an action in a court of competent jurisdiction of the State to enjoin a dental plan organization from transacting any further business, or from transferring or disposing of its property, if:

(1) the dental plan organization becomes insolvent or suspends its ordinary business for lack of funds; or

(2) the Commissioner finds, as a result of an examination authorized by this subtitle or in any other manner, that:

(i) the dental plan organization is exceeding its powers or is violating the law;

(ii) the condition or methods of business of the dental plan organization may render the continuance of its operations hazardous to enrollees or the public; or

(iii) the assets of the dental plan organization are less than its liabilities.

(b) The court may:

(1) proceed in the action in a summary manner or otherwise;

(2) grant injunctive relief and appoint a receiver, with power to:

(i) sue for, collect, receive, take into possession, sell, convey, and assign all the goods and chattels, rights and credits, moneys and effects, lands and tenement, books, papers, choses in action, bills, notes, and property of every description belonging to the dental plan organization;

(ii) authorize the purchase of continuing coverage for enrollees utilizing the remaining assets; and

(iii) hold and dispose of any proceeds under the direction of the court; and

(3) cause the receiver to continue the existing operations of the dental plan organization, under court supervision, until the next anniversary of the subscription certificates and contracts then in force.

(c) A dental plan organization is deemed insolvent whenever it is presently or prospectively unable to fulfill its outstanding contracts and maintain the surpluses

required under this subtitle.

[Previous][Next]