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§14–106.2.

(a) This section applies to a corporation that is:

(1) issued a certificate of authority as a nonprofit health service plan; and

(2) the sole member of a corporation issued a certificate of authority as a nonprofit health service plan.

(b) Except as provided under subsection (c) of this section, beginning with the calendar year that starts on January 1, 2009, and each calendar year thereafter, a corporation subject to this section shall transfer $4,000,000 to the separate account for the Senior Prescription Drug Assistance Program within the Maryland Health Insurance Plan Fund established under § 14–504 of this title if the corporation has a surplus that exceeds 800% of the consolidated risk–based capital requirements applicable to the corporation based on the corporation's annual required statutory filing due March 1 of the most recent preceding calendar year for which:

(1) the corporation has filed an annual statement with the Administration; and

(2) the filing of the annual statement preceded the start of the calendar year for which payment is to be made.

(c) A corporation is not required to make the transfer under subsection (b) of this section if:

(1) the surplus of the corporation does not exceed 800% of the consolidated risk–based capital requirements applicable to the corporation in the most recent preceding calendar year for which:

(i) the corporation has filed an annual statement with the Administration; and

(ii) the filing of the annual statement preceded the start of the calendar year for which payment is to be made; or

(2) the federal government eliminates the coverage gap in the Medicare Part D prescription drug benefit.

(d) (1) On or before September 1 of each year, a corporation that is subject to this section shall notify the Senior Prescription Drug Assistance Program whether the corporation will transfer $4,000,000 to the Program under this section during the calendar year that starts on the immediately following January 1.

(2) The corporation's determination on the transfer of funds shall be based on the risk–based capital calculation that is due on March 1 of the same calendar year in which the corporation gives the notice required under paragraph (1) of this subsection.

(e) A corporation that is subject to this section shall pay the $4,000,000 to the Senior Prescription Drug Assistance Program in quarterly installments of $1,000,000, beginning not later than October 1 for the calendar year that starts on the immediately following January 1.

(f) The transfer of funds that a corporation is required to make to the Senior Prescription Drug Assistance Program under subsection (b) of this section:

(1) is in addition to the subsidy that a nonprofit health service plan is required to provide to the Senior Prescription Drug Assistance Program under § 14–106(d)(1)(iii) of this subtitle; and

(2) is not subject to the limitation on the amount of the subsidy to the Senior Prescription Drug Assistance Program imposed by § 14–106(e) of this subtitle.

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