

Article - Insurance

[Previous][Next]

§14–121.

(a) (1) On or before March 1 of each year, unless the Commissioner extends the time for good cause, each nonprofit health service plan shall file with the Commissioner a complete statement of its financial condition, transactions, and affairs for the immediately preceding calendar year.

(2) The annual statement shall:

(i) be in the form and have the content approved for current use by the National Association of Insurance Commissioners or its successor organization; and

(ii) contain any additional information that the Commissioner requires.

(3) The applicable fee required by § 2–112 of this article shall be submitted at the same time as the statement.

(4) Unless the Commissioner extends the time for filing, a nonprofit health service plan that fails to file an annual statement on or before March 10 shall pay a penalty of:

(i) \$100 for each day from March 1 to March 10, both inclusive; and

(ii) \$150 for each day from March 11 to the day before the Commissioner receives the statement, both inclusive.

(b) At any time, the Commissioner may require a nonprofit health service plan doing business in the State to file an interim statement containing the information that the Commissioner considers necessary.

(c) (1) (i) Except as provided in paragraph (2) of this subsection, on or before June 1 of each year, a nonprofit health service plan shall file with the Commissioner an audited financial report for the immediately preceding calendar year.

(ii) The nonprofit health service plan shall have the audited financial report prepared by an independent certified public accountant.

(iii) The Commissioner may:

1. set requirements for the form and content of the audited financial report; and

2. for good cause, extend the time for filing the audited

financial report.

(2) With 90 days' advance notice, the Commissioner may require a nonprofit health service plan to file an audited financial report earlier than the date specified in paragraph (1) of this subsection.

(3) (i) This paragraph does not apply to:

1. a health maintenance organization required to file an annual report under § 19–717 of the Health – General Article; or

2. an authorized insurer required to file an annual report under § 4–116 of this article.

(ii) On or before June 1 of each year, a nonprofit health service plan shall file with the Commissioner an audited financial report for each affiliate and subsidiary owned by or under the control of the nonprofit health service plan during the immediately preceding calendar year.

(iii) The Commissioner may, for good cause, extend the time for filing the audited financial reports.

(iv) The audited financial reports:

1. shall contain the information required by the Commissioner; and

2. be certified by an independent certified public accountant as to the financial condition, transactions, and affairs of each affiliate and subsidiary for the immediately preceding calendar year.

(d) As part of the audited financial reports required under subsection (c)(3) of this section, each nonprofit health service plan shall:

(1) file a consolidated financial statement that:

(i) covers the nonprofit health service plan and each of its affiliates and subsidiaries; and

(ii) consists of the financial statements of the nonprofit health service plan and each of its affiliates and subsidiaries, certified by an independent certified public accountant as to the financial condition, transactions, and affairs of the plan and its affiliates and subsidiaries for the immediately preceding calendar year;

(2) provide a list of:

(i) the names and addresses of and biographical information about the members of the board of directors of the nonprofit health service plan;

(ii) the total compensation, including all cash and deferred compensation in addition to salary, of:

1. each member of the board of directors of the nonprofit health service plan;

2. each officer of the nonprofit health service plan or any affiliate or subsidiary of the plan; and

3. any employee of the nonprofit health service plan or any affiliate or subsidiary of the plan designated by the Commissioner; and

(3) provide any other information or documents necessary for the Commissioner to ensure compliance with this subtitle.

(e) Unless the Commissioner extends the time for filing, a nonprofit health service plan that fails to file an audited financial report on or before June 10 shall pay a penalty of:

(1) \$100 for each day from June 1 to June 10, both inclusive; and

(2) \$150 for each day from June 11 to the day before the Commissioner receives the report, both inclusive.

(f) The statements and reports required under this section shall be in the form required by the Commissioner.

(g) Whenever a corporation authorized under this subtitle makes a change that would result in a change in any of the information required under subsection (d) of this section, the corporation shall notify the Commissioner within 30 days after the change becomes effective.

[Previous][Next]