

## §2301. Purposes

Any corporation organized under special Act of the Legislature, under Title 13, chapter 81 or as a public benefit corporation under Title 13-B for the following purposes may be authorized by the superintendent on the terms and conditions provided for in this chapter, except that when such a corporation was previously organized by special Act of the Legislature, this chapter does not apply when inconsistent with that Act as previously amended: [PL 2003, c. 171, §9 (AMD).]

**1. Nonprofit hospital service plans.** To establish, maintain and operate nonprofit hospital service plans whereby hospital care may be provided by hospitals or groups of hospitals with which such a corporation has a contract for that purpose to those persons or groups of persons who become subscribers to that plan under a contract that entitles each subscriber to certain hospital care, and the hospital or hospitals contracting with such a corporation are governed by this chapter and by the provisions of Title 24-A that are applicable as provided in this chapter; [PL 1993, c. 702, Pt. A, §1 (AMD).]

**2. Nonprofit medical service plans.** To establish, maintain and operate nonprofit medical service plans whereby medical or surgical service is provided to those persons or groups of persons who become subscribers to such a plan under contracts with such a corporation, either in the capacity of principal or in the capacity of agent of other nonprofit medical service corporations or insurance companies authorized to do business in this State, and the physician or physicians contracting with such a corporation are governed by this chapter and by the provisions of Title 24-A that are applicable as provided in this chapter; [PL 1993, c. 702, Pt. A, §1 (AMD).]

**3. Nonprofit health care plans.** To establish, maintain and operate nonprofit health care plans whereby health care services not covered under subsections 1 and 2 may be provided, by institutions or persons licensed for that purpose by the State, when licensure is required, with which such a corporation has a contract for that purpose, to those persons or groups of persons who become subscribers to such a plan under a contract that entitles each subscriber to certain specific health care, and the institution or persons contracting with such a corporation are governed by this chapter and by the provisions of Title 24-A that are applicable as provided in this chapter; [PL 1993, c. 702, Pt. A, §1 (AMD).]

**3-A. Integrated medical service plans; indemnity health care contracts; health care plan administration.** A corporation subject to this chapter that maintains a nonprofit hospital service plan, a nonprofit medical service plan or a nonprofit health care plan in accordance with subsections 1, 2 or 3 may, in addition:

A. Issue and maintain in force indemnity health care contracts whereby persons or groups of persons who are contract holders may be indemnified by that corporation for expenses for hospital care, medical or surgical services or other health care services. An indemnity contract issued pursuant to the authority established by this section is subject to all the requirements relating to content and interpretation of such policies and contracts that apply to policies of the same kind of insurance as set forth in Title 24-A; [PL 1993, c. 702, Pt. A, §1 (NEW).]

B. Issue and maintain in force employee benefit excess insurance as defined in Title 24-A, section 707, subsection 1, paragraph C-1 with respect to health insurance and underlying risks that the corporation is authorized to cover under this chapter; [PL 1999, c. 256, Pt. M, §1 (AMD).]

C. Issue and maintain in force hospital, medical service and health care plans and contracts that include health care benefits for workplace and nonworkplace injury and illness in accordance with Title 39-A, section 403, subsection 2; [PL 1993, c. 702, Pt. A, §1 (NEW).]

D. Receive or collect charges, contributions or premiums, adjust or settle claims, and perform related administrative, management, accounting, bookkeeping and advisory functions on behalf of

any plan, fund or program established or maintained by a plan sponsor, health care services plan, health maintenance organization, health care provider or insurer, including plans, funds or programs established or maintained to provide through insurance or alternatives to insurance a type of life, annuity, health or workers' compensation benefit, except that nothing in this subsection may be interpreted as authorizing a nonprofit hospital, medical or health care service corporation to assume insurance risks not related to health care under contracts for life or workers' compensation insurance or annuities; [PL 1993, c. 702, Pt. A, §1 (NEW).]

E. Establish, maintain, own, merge with, organize and operate a health maintenance organization directly as a division or line of business of the corporation, or indirectly as a subsidiary or affiliate of the corporation, pursuant to Title 24-A, chapter 56, which health maintenance organization has all of the rights and powers and is subject to all of the duties and responsibilities of a separately organized health maintenance organization under that chapter. A corporation subject to this chapter that engages in such activities may not be deemed to be practicing medicine and is exempt from provisions of law relating to the practice of medicine; and [PL 1993, c. 702, Pt. A, §1 (NEW).]

F. Perform, on behalf of others, clerical, bookkeeping, accounting, statistical, management, personnel, marketing or similar services related to the provision of health care or health care financing, or establish, maintain, own and operate entities, independently or with others, to perform such services; [PL 1993, c. 702, Pt. A, §1 (NEW).]

[PL 1999, c. 256, Pt. M, §1 (AMD).]

**3-B. Hospital and medical service business exclusive.** A hospital or medical service corporation may not engage in a business other than the business of hospital or medical service corporations as set forth in this section and in business activities reasonably and necessarily related to that business, except that:

A. A hospital or medical service corporation may also engage in activities reasonably necessary to the management, supervision, servicing and protection of its lawful investments; [PL 1993, c. 702, Pt. A, §1 (NEW).]

B. A hospital or medical service corporation may own subsidiaries or subsidiaries owning other subsidiaries that may engage in the activities under Title 24-A, section 1157; and [PL 1993, c. 702, Pt. A, §1 (NEW).]

C. A hospital or medical service corporation may utilize its facilities to perform administrative services for a governmental body, unit or agency; [PL 1993, c. 702, Pt. A, §1 (NEW).]

[PL 1993, c. 702, Pt. A, §1 (NEW).]

**3-C. Nonprofit purposes.** A nonprofit hospital and medical service organization that is authorized to provide nonprofit hospital service plans under subsection 1, nonprofit medical service plans pursuant to subsection 2 or nonprofit health care plans pursuant to subsection 3 is a charitable and benevolent institution, in accordance with Title 5, section 194-A, and a public charity and its assets are held for the purpose of fulfilling the charitable purposes of the organization, which purposes may include, but are not limited to, the following: providing access to medical care through affordable health insurance and affordable managed care products for persons of all incomes; identifying and addressing the State's unmet health care needs, particularly with respect to medically uninsured and underserved populations; making services and care available through participating providers; and improving the quality of care for medically uninsured and underserved populations.

[PL 2003, c. 171, §10 (AMD).]

**4. Inadvertent payments.** If direct payment is inadvertently made to a hospital, physician or other provider of medical services or health care by or on behalf of a subscriber or member, a corporation may reimburse the subscriber up to the amount payable under the plan to a hospital, a physician or other provider of medical services or health care;

[PL 1993, c. 702, Pt. A, §1 (AMD).]

**5. Principal or agent.** In order to maintain and operate such plans, contracts, facilities and services, a corporation may act either in the capacity of principal or agent of other nonprofit hospital service corporations, insurers, health maintenance organizations, health care services plans, employee benefit plans, health care and employee benefit plan sponsors and health care providers authorized to do business in this State;

[PL 1993, c. 702, Pt. A, §1 (AMD).]

**6. Contracts and agreements.** To contract with any similar corporations in other states for the joint administration of their business and to enter into reciprocal arrangements for the mutual benefit of their subscribers;

[PL 1993, c. 702, Pt. A, §1 (AMD).]

**7. Administrative services.** A corporation has the right to utilize its organization and facilities, either directly or through another legal entity owned by it and similar corporations located in other states, to perform services for the United States or State or the units or agencies of either; or any public charity involved in health care;

[PL 2003, c. 171, §11 (AMD).]

**8. Right to contract.** The State or any county, city, town or other quasi-municipal corporation has the same right to contract with a corporation subject to this chapter as it has under Title 24-A, section 4501 with respect to insurers;

[PL 1993, c. 702, Pt. A, §1 (AMD).]

**8-A. Managed care plans.** With respect to managed care plans that require subscribers to select primary care physicians, a corporation subject to this chapter must meet the following requirements:

A. The corporation shall offer to groups of all sizes health benefit plans that meet the requirements for standardized health plans specified in Bureau of Insurance Rules, Chapter 750; [PL 1993, c. 702, Pt. A, §1 (NEW).]

B. The managed care plan must provide a spectrum of providers and services that meets patient demand; [PL 1993, c. 702, Pt. A, §1 (NEW).]

C. The managed care plan must provide to its members reasonable access to health care services. The Superintendent of Insurance shall adopt rules that consider geographical and transportation problems in rural areas; and [PL 1993, c. 702, Pt. A, §1 (NEW).]

D. The managed care plan must demonstrate a plan for providing services for rural and underserved populations and for developing relationships with essential community providers. The corporation must make an annual report to the Superintendent of Insurance regarding the plan. [PL 1993, c. 702, Pt. A, §1 (NEW).]

[PL 1993, c. 702, Pt. A, §1 (NEW).]

**9. Indemnity health care contracts.**

[PL 1993, c. 702, Pt. A, §1 (RP).]

**9-A. Investments.** Investments by corporations subject to this chapter are governed by this paragraph.

A. A corporation subject to this chapter may invest funds in the same manner and to the same extent as domestic mutual insurers under the provisions of Title 24-A, chapter 13-A and shall maintain reserves for possible losses or fluctuation in the value of investments as contemplated in Title 24-A, section 901-A, subsection 2. Those reserves must comprehend, at a minimum, an asset valuation reserve and an income maintenance reserve calculated by methods that are consistent with standards that have been adopted by the superintendent for management of investment risk by life and health insurers. [PL 2001, c. 72, §1 (AMD).]

B. Any limitation stated in Title 24-A, chapter 13-A on the investment powers of a mutual domestic insurer expressed in relation to the "surplus" of that insurer must be applied to a corporation subject to this chapter in relation to that corporation's subscriber reserves. [PL 1993, c. 702, Pt. A, §1 (NEW).]

C. Notwithstanding the limitation stated in Title 24-A, section 1156, subsection 2, paragraph D, a hospital or medical service corporation may invest in real property or interests in real property that is located in the United States, held directly or evidenced by partnership interests, stock of corporations, trust certificates or other instruments and acquired:

- (1) As an investment for the production of income or to be improved or developed for that investment purpose; or
- (2) For the convenient accommodation of the corporation's business.

After giving effect to any of those investments, the aggregate amount of investments made under subparagraph (1) may not exceed 20% of the hospital or medical service corporation's total admitted assets; the aggregate amount of investments made under subparagraph (2) may not exceed 15% of the corporation's total admitted assets; and the aggregate amount of investments made under this paragraph may not exceed 25% of the corporation's total admitted assets. Investments under subparagraph (1) in any single property, including improvements on that property, may not in the aggregate exceed 2% of the corporation's total admitted assets. [PL 1993, c. 702, Pt. A, §1 (NEW).]

D. In addition to the investments permitted under paragraph C, a hospital or medical service corporation that operates and establishes, maintains, merges with or organizes a health maintenance organization not organized as a separate legal entity may invest in real estate, including leasehold estates, for the convenient accommodation of the health maintenance organization's business, including hospitals, medical clinics, medical professional buildings and any other facility that is to be used by a provider in the provision of health care or by any other health care provider under contract with the health maintenance organization, and that facility must be used in the provision of health care services to members of the health maintenance organization by that provider.

- (1) A parcel of real estate acquired under this subsection may include excess space for rent to others if it is reasonably anticipated that that excess will be required for expansion or if the excess is reasonably required in order to have one or more buildings that function as an economic unit.
- (2) Real estate subject to this subsection may be subject to a mortgage.
- (3) The admitted value of the investment may not exceed the greater of the hospital or medical service corporation's subscriber reserve or 20% of the corporation's admitted assets, and the aggregate investment in real estate held under paragraph C and under this paragraph may not exceed 40% of the corporation's admitted assets, except with the approval of the superintendent if the superintendent finds that those percentages of the corporation's admitted assets are insufficient to provide for the convenient accommodation of the health maintenance organization's business. Investments in any single property, including improvements on that property, may not in the aggregate exceed 5% of the corporation's total admitted assets. [PL 1993, c. 702, Pt. A, §1 (NEW).]

E. Notwithstanding any provisions of this section and Title 24-A, chapter 13-A allowing other investments, a corporation subject to this chapter shall maintain cash or investment grade obligations, as defined in Title 24-A, section 1151-A, that at all times have a fair market value of not less than 100% of the corporation's liability for claims payable, incurred, but not reported, claims payable, unpaid claims adjustment expenses, unearned premiums and, as applicable, any statutory, special or additional reserves provided by the corporation for the benefit of subscribers

as of the close of the corporation's most recent calendar quarter prepared on the basis of statutory accounting principles. If the corporation's liability for these enumerated items increases more than 10% prior to the end of the calendar quarter, the corporation must, within 10 days of the determination, reallocate its investments to ensure compliance with this paragraph. [PL 1999, c. 715, §1 (AMD).]

F. The superintendent may establish risk-based capital standards applicable to corporations subject to this chapter, their subsidiaries and controlled affiliates that engage in health care related business activities that the parent corporation conducts. [PL 1993, c. 702, Pt. A, §1 (NEW).]

G. A director, officer or employee of a corporation subject to this chapter who receives, collects, disburses or invests funds in connection with the activities of that organization is responsible for those funds in a fiduciary relationship to the corporation. [PL 1993, c. 702, Pt. A, §1 (NEW).]

H. For corporations subject to this subsection, the following terms have the following meanings.

(1) "Admitted assets" means those assets owned by the corporation, recognized pursuant to Title 24-A, section 901-A, reduced in amount by any applicable provision of this Title or Title 24-A. For purposes of applying the investment limitations of Title 24-A, chapter 13-A, the asset value must be that contained in the annual statement of the corporation as of December 31st of the year next preceding the making of the investment or contained in an audited financial report, as defined in Title 24-A, section 221-A, of more current origin prepared on the basis of statutory accounting principles.

(2) "Subscriber reserves" means those reserves held by the corporation for the protection of subscribers that are the excess of the corporation's assets over its liabilities as set forth in the annual statement of the corporation as of December 31st of the year next preceding the making of the investment or contained in an audited financial report, as defined in Title 24-A, section 221-A, of more current origin prepared on the basis of statutory accounting principles; [PL 2001, c. 72, §2 (AMD).]

[PL 2001, c. 72, §§1, 2 (AMD).]

**9-B. Conversion to mutual insurer.**

[PL 2003, c. 171, §12 (RP).]

**9-C. Health maintenance organizations.** A corporation subject to this chapter is not required to maintain separate reserves or surplus with respect to the operations of a health maintenance organization that is not a separate legal entity. All assets of the corporation must be available to pay claims arising from corporate operations, with the exception of assets supporting reserves set aside in accordance with a plan for the continuation of benefits to health maintenance organization members under Title 24-A, section 4204, subsection 7 and assets supporting additional reserves to the extent required by rules adopted by the superintendent pursuant to Title 24-A, section 901-A. A hospital or medical service corporation that establishes and maintains a health maintenance organization not organized as a separate legal entity shall maintain separate accounting for the health maintenance organization;

[PL 2001, c. 72, §3 (AMD).]

**9-D. Conversion to a domestic stock insurer.** Conversion of a nonprofit hospital and medical service organization as defined in paragraph B, subparagraph (8) to a domestic stock insurer is governed by this subsection.

A. A nonprofit hospital and medical service organization or other entity authorized by the superintendent or organized pursuant to this chapter may convert to a domestic stock insurer subject to the provisions of this subsection. [PL 2001, c. 550, Pt. B, §2 (AMD).]

B. As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.

- (1) "Charitable trust" has the meaning set forth in Title 5, section 194-A, subsection 1, paragraph C.
  - (2) "Charitable trust plan" means the plan submitted to the Attorney General pursuant to Title 5, section 194-A, subsection 5.
  - (3) "Conversion" means the process by which an organization, with the approval of the superintendent, converts to a domestic stock insurer pursuant to this subsection.
  - (4) "Conversion plan" means a written plan that sets forth the provisions required by the superintendent, that is filed with the superintendent pursuant to this subsection, that sets forth a complete description of the proposed conversion and that contains sufficient detail to permit the superintendent to make the findings required under this subsection.
  - (5) "Converted stock insurer" means the domestic stock insurer resulting from a conversion pursuant to this subsection.
  - (6) "Fair market value" means the value of an organization or an affiliate or the value of the assets of such an entity determined as if the entity had voting stock outstanding and 100% of its stock were freely transferrable and available for purchase without restrictions. In determining fair market value, consideration must be given to value as a going concern, market value, investment or earnings value, net asset value and a control premium, if any.
  - (7) "Member" means a member of the organization entitled to vote under the articles or bylaws of the organization.
  - (8) "Nonprofit hospital and medical service organization" or "organization" means a corporation or other entity authorized by the superintendent or organized pursuant to this chapter for the purpose of providing nonprofit hospital service plans within the meaning of subsection 1, nonprofit medical service plans within the meaning of subsection 2 and any organization that provides only nonprofit health care plans within the meaning of subsection 3.
  - (10) "Subscriber" means an individual who has subscribed to one or more of the hospital, medical or health care service plans or contracts offered or issued by the organization or health insurance affiliate as defined in section 2308-A through an individual or family policy or group policy. [PL 2003, c. 171, §13 (AMD).]
- C. A nonprofit hospital and medical service organization may, without the need for reincorporation, amend its charter pursuant to this subsection to become a domestic stock insurer under and pursuant to the terms and conditions of a conversion plan that complies with this subsection and is approved by the superintendent after an adjudicatory hearing on the proposed conversion. Notice of the hearing must be given to the public and the organization's directors or trustees, officers, employees, members and subscribers, all of whom have the right to appear and be heard at the hearing. Beginning on the date on which a conversion plan is filed with the superintendent for approval, the conversion plan must be available for public inspection and copying at the office of the superintendent, at the principal executive office of the organization that filed the conversion plan and at other locations the superintendent designates. [PL 1997, c. 344, §4 (NEW).]
- D. Concurrent with the filing of the conversion plan with the superintendent, the organization shall file a charitable trust plan with the Attorney General pursuant to Title 5, section 194-A and submit a copy to the superintendent. The organization shall file a copy of the conversion plan with the Attorney General at the time the organization files the conversion plan with the superintendent. The superintendent shall commence review of the conversion plan pursuant to this subsection upon receipt by the superintendent of the Superior Court's approval or approval with modifications of the charitable trust plan or at such earlier time as the superintendent determines necessary. [PL 1997, c. 344, §4 (NEW).]

E. The superintendent may not issue final approval of a conversion plan unless the superintendent finds that:

- (1) The terms and conditions of the conversion plan are fair and equitable and, in determining what is fair and equitable, consideration may be given to, but is not limited to, the factors set forth in paragraph L;
- (2) The conversion plan is subject to approval by the vote of not less than 2/3 of the organization's board of directors;
- (3) The conversion plan provides for the issuance of capital stock or assets of the converted stock insurer or a combination of stock and assets, without consideration, to the charitable trust equal to 100% of the fair market value of the organization;
- (5) Immediately after, and giving effect to the terms of, the conversion, the converted stock insurer would be in safe and sound financial condition and would have paid-in capital stock and surplus in amounts not less than the minimum paid-in capital stock and surplus set forth under Title 24-A, section 410 required of a domestic stock insurer authorized to transact like kinds of insurance;
- (7) The conversion plan provides that during the first 3 years after the conversion, to avoid dilution of the value of the shares issued in the conversion, the converted stock insurer and its affiliates may not issue shares greater in seniority, including voting rights or dividends, than the shares issued under the conversion plan. The superintendent may waive the provisions contained in this subparagraph if the superintendent, in the superintendent's sole discretion, determines that the charitable trust has control, as defined in Title 24-A, section 222, of the converted stock insurer;
- (8) The conversion plan is consistent with the charitable trust plan and does not adversely affect the distribution of the organization's value to the charitable trust; and
- (9) The conversion plan complies with all applicable law. [PL 2003, c. 171, §14 (AMD).]

F. The conversion plan must include the proposed articles of incorporation and bylaws of the converted stock insurer and all references in this subsection to the conversion plan are deemed to include such instruments. [PL 1997, c. 344, §4 (NEW).]

G. [PL 2003, c. 171, §15 (RP).]

H. The conversion plan sets forth a comparative premium rate analysis of all the organization's plans and product offerings, comparing actual premium rates for the 3-year period before the filing of the conversion plan and projected premium rates for the 3-year period following the proposed conversion. The rate analysis must address the projected impact, if any, of the proposed conversion upon the cost to subscribers as well as the projected impact, if any, of the proposed conversion upon the organization's underwriting profit, investment income, tax position and loss and claim reserves, including the effect, if any, of adverse market or risk selection on reserves. [PL 1997, c. 344, §4 (NEW).]

I. The conversion plan must include an appraisal of the fair market value, or range of values, of the aggregate equity of the converted stock insurer to be outstanding upon completion of the conversion plan and, if a range of values, the methodology for fixing a final value coincident with the completion of the transactions provided for in the conversion plan.

- (1) The appraisal must enable determinations of value for purposes of the amount of cash or other assets that the charitable trust will be entitled to receive, without consideration, under the provisions of the conversion plan required by paragraph E, subparagraph (3).
- (2) The appraisal required by this paragraph must be prepared by persons independent of the organization, experienced and expert in the area of corporate appraisal and acceptable to the

superintendent. The appraisal must be in form and content acceptable to the superintendent and contain a complete and detailed description of the elements that make up the appraisal, justification for the methodology employed and sufficient support for the conclusions reached in the appraisal.

(3) To the extent that the appraisal is based on a capitalization of the pro forma income of the converted stock insurer, the appraisal must indicate the basis for determination of the income to be derived from any proceeds of the sale of stock and demonstrate the appropriateness of the earnings-multiple used, including assumptions made regarding future earnings growth.

(4) To the extent that the appraisal is based on the comparison of the capital stock of the converted stock insurer with outstanding capital stock of existing stock entities offering comparable insurance products, the existing stock entities must be reasonably comparable to the converting stock insurer in terms of such factors as size, market area, competitive conditions, profit history and expected future earnings.

(5) In those instances when the superintendent determines that the appraisal is materially deficient or substantially incomplete, the superintendent may deem the entire conversion plan materially deficient or substantially incomplete and decline to further process or reject the application for conversion.

(6) The converting organization shall submit to the superintendent information demonstrating to the satisfaction of the superintendent the independence and expertise of any person preparing the appraisal or related materials under this paragraph.

(7) An appraiser may not serve as an underwriter or selling agent under the same conversion plan and an affiliate of an appraiser may not act as an underwriter or selling agent unless procedures are followed and representations and warranties made to ensure that an appraiser is separate from the underwriter or selling agent affiliate and the underwriter or selling agent affiliate does not make recommendations or in any way have an impact on the appraisal.

(8) An appraiser may not receive any other fee except the fee for services rendered in connection with the appraisal. [PL 2003, c. 171, §16 (AMD).]

J. A director, officer, agent or employee of the organization or any other person may not receive any fee, commission or other valuable consideration whatsoever other than that person's usual and regular salary and compensation for in any manner aiding, promoting or assisting in a conversion under this section or any related transaction, except as set forth in the conversion plan and approved by the superintendent. For the purposes of this paragraph, "usual and regular salary and compensation" does not include any salary, compensation or other economic benefit that is in any way contingent on completion of the conversion. This paragraph does not prohibit the payment of reasonable fees and compensation to attorneys-at-law, accountants and actuaries for services performed in the independent practice of their professions, even though also directors of the organization. [PL 1997, c. 344, §4 (NEW).]

K. For the purpose of determining whether a conversion plan meets the requirements of this subsection and any other relevant provisions of this Title and Title 24-A, the superintendent may employ staff personnel and outside consultants including, without limitation, financial advisors, investment bankers, actuaries, attorneys and accountants. All costs related to the review of a conversion plan, including those costs attributable to the use of staff personnel, must be borne by the organization making the filing. [PL 1997, c. 344, §4 (NEW).]

L. In making a determination under paragraph E, subparagraph (1) as to whether a conversion plan is fair and equitable, the superintendent shall consider, among other factors, the following:

(1) Whether the conversion plan complies with the provisions of and purposes of this subsection and any rules of the superintendent that may be adopted under this subsection; and



(2) Whether the conversion plan would adversely affect, in any manner, the services to be rendered to subscribers. [PL 1997, c. 344, §4 (NEW).]

M. The superintendent may aggregate any transactions that are part of a plan or series of like transactions to determine whether those transactions constitute a conversion. [PL 1997, c. 344, §4 (NEW).]

N. The superintendent, in the superintendent's sole discretion, may determine when an application for conversion under this subsection is complete and may request additional information from the organization as the superintendent determines necessary to review the application and conversion plan. The superintendent may also conduct an examination under Title 24-A, section 221 to obtain any information the superintendent determines necessary in connection with an application for conversion or transaction or series of transactions that the superintendent determines constitute a conversion under paragraph M. The failure of the organization to provide the information or cooperate in the examination, in addition to other applicable penalties, constitutes grounds for denial of the application for conversion. [PL 1997, c. 344, §4 (NEW).]

O. The Attorney General has the right to intervene as a party in a proceeding before the superintendent and, if the Attorney General intervenes, has the right to receive any documents or other information received by the superintendent in connection with the proceeding. The Attorney General is subject to all confidentiality provisions that apply to the superintendent. [PL 1997, c. 344, §4 (NEW).]

P. The superintendent may adopt rules, not inconsistent with the provisions of this subsection, the superintendent determines necessary or desirable and appropriate to effect the purposes of this subsection. Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A. [PL 1997, c. 344, §4 (NEW).]

[PL 2003, c. 171, §§13-16 (AMD).]

**10. Superintendent defined.** As used in this chapter "superintendent" means the Superintendent of Insurance of this State; and  
[PL 1993, c. 702, Pt. A, §1 (AMD).]

**11. Separate accounts.** A hospital or medical services corporation that issues indemnity contracts, contracts pursuant to hospital, medical or health care service plans or integrated medical service plans shall maintain separate accounting for each of these lines of business.  
[PL 1993, c. 702, Pt. A, §1 (NEW).]

## SECTION HISTORY

PL 1965, c. 458, §1 (RPR). PL 1965, c. 513, §44 (AMD). PL 1967, c. 114, §§1,2 (AMD). PL 1967, c. 494, §19 (RPR). PL 1969, c. 132, §§5,6 (AMD). PL 1969, c. 419, §1 (RPR). PL 1969, c. 590, §§36-39 (AMD). PL 1971, c. 444, §1 (RPR). PL 1973, c. 585, §12 (AMD). PL 1977, c. 141 (AMD). PL 1979, c. 377 (AMD). PL 1993, c. 702, §A1 (AMD). PL 1997, c. 344, §§2-4 (AMD). PL 1999, c. 256, §M1 (AMD). PL 1999, c. 715, §1 (AMD). PL 2001, c. 72, §§1-3 (AMD). PL 2001, c. 550, §B2 (AMD). PL 2003, c. 171, §§9-16 (AMD).

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