

By Mr. LaFontaine of Gardner, petition of Raymond M. LaFontaine, and another for legislation to further regulate dental service corporations. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-One.

AN ACT FURTHER REGULATING DENTAL SERVICE CORPORATIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The first paragraph of section 3 of chapter 176E
2 of the General Laws, as appearing in chapter 714 of the acts of 1962,
3 is hereby amended by striking out the first sentence and inserting in
4 place thereof the following sentence: — The by-laws of a dental
5 service corporation may contain any lawful provisions approved
6 by the commissioner and shall provide that a majority of the
7 incorporators or members of the corporation and a majority of the
8 directors shall at all times be persons who are not providers of
9 health services licensed under the laws of the commonwealth and
10 that a majority of the directors shall at all times be persons who are
11 or agree to become subscribers to the nonprofit dental service plan.
12 The by-laws of such a corporation may define the qualifications of
13 those persons eligible to become subscribers as provided in section
14 five. Any such corporation may adopt such rules and regulations as
15 may be consistent with the provisions of this chapter.

1 SECTION 2. The members of the corporation of a dental serv-
2 ice corporation established under section two of chapter one
3 hundred and seventy-six E of the General Laws, which are in
4 existence upon the effective date of this act, shall be those persons
5 then holding office as directors of the corporation. Such members
6 shall have the power to adopt by-laws determining the future
7 disposition and powers of the corporation.

