

40-19c05. Certificate of authority; conditions. The commissioner of insurance shall issue a certificate of authority to such corporation upon compliance with the following conditions: (1) It shall file with the commissioner of insurance a certified copy of its articles of incorporation, bylaws, and the subscription agreement forms and premiums and contracts with participating health care providers and participating hospitals it proposes to use all of which shall be approved by the commissioner of insurance; (2) it shall file with the commissioner of insurance contracts with at least 20 participating hospitals having a total of not less than 300 beds, and contracts with at least 50 participating health care providers; and (3) it shall hold bona fide applications for hospital service and medical service upon which it shall have collected a minimum of two months' premiums from at least 200 subscribers upon which it shall issue subscription agreements simultaneously. The total of such premiums shall be held in cash and shall not be disbursed until the subscription agreements are in force. Any such corporation shall be in possession of lawful assets over and above all liability in an amount not less than \$5,000, and shall file with the commissioner of insurance a financial statement certified by at least two executive officers.

Before issuing a certificate of authority the commissioner shall cause an examination to be made of the affairs of the corporation as provided by K.S.A. 40-208, and amendments thereto.

History: L. 1980, ch. 137, § 23; L. 1990, ch. 168, § 3; July 1.