

40-2209g. Same; establishment of business classes by carrier; limitation. From and after January 1, 1993: (a) A small employer carrier may establish a class of business only to reflect substantial differences in expected claims experience or administrative costs related to the following reasons:

(1) The small employer carrier uses more than one type of system for the marketing and sale of health benefit plans to small employers;

(2) the small employer carrier has acquired a class of business from another small employer carrier; or

(3) the small employer carrier provides coverage to one or more association groups that meet the requirements of subsection (f)(5) of K.S.A. 40-2209, and amendments thereto.

(b) A small employer carrier may establish up to nine separate classes of business under subsection (a).

(c) The commissioner may adopt rules and regulations to provide for a period of transition in order for a small employer carrier to come into compliance with subsection (b) in the instance of acquisition of an additional class of business from another small employer carrier.

(d) The commissioner may approve the establishment of additional classes of business upon application to the commissioner and a finding by the commissioner that such action would enhance the efficiency and fairness of the small employer marketplace.

History: L. 1992, ch. 200, § 6; L. 1998, ch. 174, § 9; July 1.