

40-3225. Fiduciary responsibilities; fidelity bond or insurance. (a) Any director, officer or partner of a health maintenance organization or medicare provider organization who receives, collects, disburses or invests funds in connection with the activities of such organization shall be responsible for such funds in a fiduciary relationship to the health maintenance organization or medicare provider organization.

(b) A health maintenance organization shall maintain in force a fidelity bond or fidelity insurance on such employees and officers, directors and partners in the amount not less than \$250,000 for each health maintenance organization or a maximum of \$5,000,000 in aggregate maintained on behalf of health maintenance organizations owned by a common parent corporation, or such sum as may be prescribed by the commissioner.

History: L. 1974, ch. 181, § 25; L. 1996, ch. 169, § 10; L. 1998, ch. 174, § 27; July 1.