

40-3223. Open enrollment. (a) After a health maintenance organization has been in operation twenty-four (24) months, it may have an annual open enrollment period of at least one month during which it accepts enrollees up to the limits of its capacity, as determined by the health maintenance organization, in the order in which they apply for enrollment. A health maintenance organization shall apply to the commissioner for authorization to impose such underwriting restrictions upon enrollment as may be deemed necessary by the health maintenance organization and the commissioner to preserve its financial stability, to prevent excessive adverse selection by prospective enrollees, or to avoid unreasonably high charges for enrollee coverage for health care services. The commissioner shall approve or deny such application within thirty (30) days of the receipt thereof from the health maintenance organization.

(b) Health maintenance organizations providing or arranging for services exclusively on a group contract basis may limit the open enrollment provided for in subsection (a) to all members of the group or groups covered by such contracts.

History: L. 1974, ch. 181, § 23; July 1.