

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #6

DO NOT MARK IN THIS BOX

FILED

APR 2 4 03 PM '96

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED
BY THE WEST VIRGINIA LEGISLATURE.**

AGENCY: Insurance Commissioner TITLE NUMBER: 114

AMENDMENT TO AN EXISTING RULE: YES , NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: Series 46

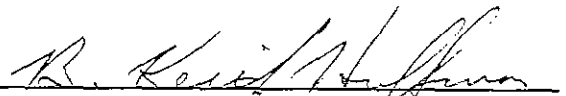
TITLE OF RULE BEING PROPOSED: Filing Procedures for Health
Maintenance Organizations

THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) SB 171

SECTION 64-7-3 (h), PASSED ON March 7, 1996

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON
THE FOLLOWING DATE: April 2, 1996


AUTHORIZED SIGNATURE

4.80

PROMULGATION HISTORY

West Virginia Insurance Commission Filing Procedures for Health Maintenance Organizations Title 114, Series 46

6/28/95	Notice of Comment Period Filed
7/28/95	Last Date Comments Were Received
7/31/95	Agency Approved Legislative Rule Filed
10/26/95	Date Reviewed by Legislative Rule-Making Review Committee
11/27/95	Date Modified and Approved Rule Filed
04/02/96	Filing Date
04/02/96	Effective Date

114CSR46

WEST VIRGINIA LEGISLATIVE RULE
INSURANCE COMMISSIONER

SERIES 46

FILING PROCEDURES FOR HEALTH MAINTENANCE ORGANIZATIONS

Section

- 114-46-1. General
- 114-46-2. Application for Certificate of Authority
- 114-46-3. Application for Amendment to Certificate of Authority
- 114-46-4. Annual Financial Statement
- 114-46-5. Grievance Procedure Annual Report
- 114-46-6. Regulation of Marketing

WEST VIRGINIA LEGISLATIVE RULE
INSURANCE COMMISSIONER

SERIES 46

FILING PROCEDURES FOR HEALTH MAINTENANCE ORGANIZATIONS

§ 114-46-1. General.

1.1. Scope. -- This rule applies to all persons or entities which are licensed or which may be required to be licensed pursuant to the provisions of West Virginia Code § 33-25A-1 et seq.

1.2. Authority. -- W. Va. Code § 33-25A-3, 12, 15, 20 and 22.

1.3. Filing Date. --

1.4. Effective Date. --

§ 114-46-2. Application for Certificate of Authority.

2.1. Each application for a certificate of authority submitted by a health maintenance organization shall be in the format described on a form provided by the Insurance Commissioner.

2.2. Each application shall be verified by an officer or authorized representative of the applicant.

2.3. Each application shall set forth or be accompanied by:

a. The applicant's name; trade name, if any; address and telephone number; name, address and telephone number of attorney or principal filing the application;

b. A copy of the applicant's basic organizational document, and any amendments, stamped with the date of filing, together with:

A. An original certificate issued by the Secretary of State of the state under whose laws the applicant is organized, certifying that the attached organizational document is a true and correct copy of the original filed in the Secretary of State's office;

B. A copy of the stock certificate(s) issued by the applicant, together with a listing of capital (par value per share) and surplus (per share contribution in excess of par value); and

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C. A description of the applicant's legal history in chronological order, including predecessor corporations or organizations, mergers, reorganizations and changes of ownership, the dates thereof and the parties involved;

c. The applicant's bylaws, rules, regulations or similar form of document regulating the conduct of the applicant's affairs;

d. A list of the names, addresses and official positions of all persons responsible for the conduct of the applicant's affairs, including all officers, members of the applicant's board of directors or other governing body and persons owning five percent (5%) or more of the applicant. The list shall contain:

A. A full disclosure of any financial interest in the health maintenance organization held by

(a) any officer or member of the governing body;

(b) any provider, as defined in W. Va. Code § 33-25A-2(18); or

(c) any organization or corporation owned or controlled by an officer or member of the governing body or by a provider;

B. A full disclosure, by any person owning five percent (5%) or more of the applicant, of the extent of that person's ownership interest in all parent organizations, subsidiaries and affiliated organizations of the applicant, together with an organizational chart depicting all levels of ownership of the applicant and its parent organizations, subsidiaries and affiliated organizations;

C. The extent and nature of any contract or financial arrangements between an officer or member of the governing body or a provider and the health maintenance organization;

D. A completed "Biographical Statement and Affidavit" on a form provided by the Insurance Commissioner, for each officer, director, manager and administrator of the applicant, including, but not limited to, the applicant's executive director, medical director, finance director and

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marketing director, and for each person owning five percent (5%) or more of the applicant; and

E. An independent investigation report on each individual reported under paragraph D of this subdivision must be submitted by an independent investigator, which has been approved in writing by the Insurance Commissioner, directly to:

Financial Conditions Division
West Virginia Insurance Commissioner
P.O. Box 50540
Charleston WV 25305-0540;

e. A description of the applicant, including:

A. Whether it is or will be organized for profit or not for profit;

B. Whether it is or will be a "staff model", "individual practice arrangement model" or "combination model" health maintenance organization;

C. The method of compensation (fee for service, capitated basis, etc.) for providers; and

D. A statement describing the service area or areas and the type or types of enrollees to be served by the applicant;

f. A copy of contract forms used by the applicant, including:

A. Each health maintenance contract form, including but not limited to contracts with affiliates, administrative contracts and external service contracts;

B. Each evidence of coverage form;

C. Member handbook(s) to be offered to enrollees, showing benefits to which enrollees will be entitled together with any riders and endorsements;

D. Each type of provider contract, which must hold harmless all enrollees and otherwise comply with W. Va. Code § 33-25A-7a;

E. Each enrollee contract form; and

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F. An alphabetical list of all providers with whom the applicant has contracted for services, sorted by county and by specialty, and corresponding signature page(s) from each executed provider contract, sorted alphabetically, by county and by specialty;

g. A description of the applicant's enrollee grievance procedure, including all formal and informal steps for resolving grievances;

h. The applicant's financial statements, including:

A. Assets, liabilities and sources of financial support of the applicant and any corporation or organization owned or controlled by the applicant, evidencing adequate funding to meet continuously the minimum capital and surplus requirements required by W. Va. Code § 33-25A-4(2)(c)(ii);

B. Monthly pro forma financial statements including a balance sheet, income statement and cash flow analysis, with annual totals, for the greater of three (3) years or until the applicant is projected to be profitable for twelve (12) consecutive months, on a statutory accounting principal basis with documentation of all assumptions used and income, expense and capital items projected;

C. A proposed initial cash and cash reserves summary, including loan receipts, loan repayments, stock sales, etc., and describing all sources and terms of funding; an independently certified, audited financial statement must be submitted for each guarantor;

D. A declaration that all investments have been valued for asset purposes on a basis currently approved by the National Association of Insurance Commissioners (NAIC), or, if any investments have not been so valued, a description of each investment and its basis of value shown on the "Asset Page" of the balance sheet;

E. The applicant's proposed methods for limiting its financial risk, including:

(a) If the applicant has secured reinsurance coverage, an executed copy of each applicable policy, together with each reinsurance agreement and any modification(s); and

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(b) Any risk sharing with providers or other parties, referencing the applicable sections of any provider contracts that demonstrate risk sharing;

F. A completed "Fidelity Bond Worksheet" on a form provided by the Insurance Commissioner and copy of the applicant's fidelity bond in the amount prescribed by the worksheet; and

G. A description and documentation of the applicant's arrangements to guarantee the continuation of benefits to enrollees and payments to providers for services rendered either prior to or after insolvency, for the duration of the enrollee's contract period for which payment has been made or until the discharge of an enrollee from an inpatient facility in which the enrollee is confined on the date of the applicant's insolvency;

i. The applicant's proposed marketing plan, including:

A. Marketing strategy for each major enrollment category (group, individual, PEIA, Medicare, Medicaid), including:

(a) Criteria for selection of primary and secondary targets;

(b) Use of underwriting guidelines; and

(c) Plans for community education and public relations;

B. Proposed charges for each enrollment category; and

C. A detailed marketing budget covering projected income, expenses and other sources of future capital for the greater of three (3) years or until the applicant is projected to be profitable for twelve (12) consecutive months:

(a) The marketing budget shall cover each major category of enrollment identified in the applicant's marketing strategy and shall include, but not be limited to, compensation, local and out-of-town travel, equipment, printing and postage, advertising and public relations, expense accounts and meeting costs and publications, if applicable;

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j. If the applicant is not domiciled in West Virginia, a power of attorney duly executed by the applicant, appointing the commissioner and his or her successors in office and duly authorized deputies as the true and lawful attorney of the applicant in and for this State upon whom all lawful process in any legal action or proceeding against the applicant on a cause of action arising in this State may be served;

k. A description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of the applicant's policies and operation;

l. A comprehensive feasibility study performed by a qualified independent actuary in conjunction with a certified public accountant:

A. The study shall include a certification by the actuary and an opinion by the certified public accountant as to the proposed organization's feasibility;

B. The study shall be for the greater of three years or until the applicant is projected to be profitable for twelve (12) consecutive months;

C. The study must show that the applicant would not, at the end of any month of the projection period, have less than the minimum capital and surplus required by W. Va. Code § 33-25A-4(2)(c)(ii);

D. The actuary shall certify that:

(a) The rates are neither inadequate nor excessive nor unfairly discriminatory;

(b) The rates are appropriate for the classes of risks for which they have been computed;

(c) The rating methodology is appropriate, provided that the certification shall include an adequate description of the rating methodology showing that the methodology follows consistent and equitable actuarial principles;

(d) The applicant is actuarially sound, provided that the certification shall consider the rates, benefits and expenses of, and any other funds available for the payment of obligations of, the applicant;

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(e) The rates being charged or to be charged are actuarially adequate to the end of the period for which rates have been guaranteed; and

(f) Incurred but not reported claims and claims reported but not fully paid have been adequately provided for;

E. The applicant must send a copy of the study, for information only, to:

Rates and Forms Division
West Virginia Insurance Commissioner
P.O. Box 50540
Charleston WV 25305-0540

The submission of a copy of the study does not constitute an official filing of the applicant's rates and forms;

m. A description of assumptions underlying enrollment projections, including:

A. A projection of enrollment for the greater of three (3) years or until the applicant is projected to be profitable for twelve (12) consecutive months, on a statutory accounting principles basis;

B. The number of eligible persons residing within the proposed service area;

C. Contract size assumptions (contract distribution and content);

D. Penetration assumptions and rationale, including initial and re-enrollments;

E. An allowance for involuntary/voluntary disenrollment and group contract additions during each year;

F. Month and year when applicant first reports income equal to all expenses and enrollment on that date; and

G. A plan for emergency and out-of-area health care.

n. A description of competition, including:

Insurance Commissioner
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A. Identification of the applicant's competitors operating in applicant's proposed geographic service area; and

B. Major differences between the applicant and competitors operating in applicant's proposed geographic service area; and

C. Notarized acknowledgments, which may be submitted on the "Acknowledgment and Waiver of Chief Executive Officer on Behalf of HMO Applicant" form provided by the Insurance Commissioner;

A. That a delinquency proceeding pursuant to W. Va. Code § 33-10-1 et seq., or supervision by the Insurance Commissioner pursuant to W. Va. Code § 33-34-1 et seq., constitutes the sole and exclusive method for the liquidation, rehabilitation, reorganization or conservation, respectively, of a health maintenance organization;

B. That the applicant waives any right to file or be subject to, as a debtor, any federal bankruptcy proceeding; and

C. That the applicant's chief executive officer has read and understands his or her obligations under W. Va. Code §33-35-1 et seq., which imposes criminal sanctions for the failure to report to the Insurance Commissioner an impairment of the health maintenance organization;

D. Acknowledgment on a form provided by the Insurance Commissioner that once licensed, the applicant will observe the resident agent's law of West Virginia, including the countersignature and other requirements of West Virginia Code § 33-12-1 et seq.;

E. A description of the applicant's arrangements for ongoing evaluation of its quality of health care;

F. The applicant's procedure for development, compilation, evaluation and reporting of statistics relating to the cost of its operations, availability and accessibility of its services, the pattern of utilization of its services and the quality of health care provided; and

G. Such other information as the commissioner may request during review of the application.

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2.4. The applicant must file an original application and two copies with:

West Virginia Insurance Commissioner
P.O. Box 50540
Charleston WV 25305-0540

2.5. The application must be accompanied by a completed "Health Maintenance Organization Application for a Certificate of Authority Filing Fee Remittance Form" provided by the Insurance Commissioner and a check in the amount of two hundred dollars (\$200.00) payable to the "West Virginia Insurance Commissioner".

2.6. The applicant must mail one copy of the application, together with copies of all related correspondence with the West Virginia Insurance Commission, to:

General Counsel
Health Care Cost Review Authority
100 Dee Dr., Suite 201
Charleston WV 25311-1692

2.7. Prior to the issuance of a certificate of authority, the Financial Conditions Division will contact the applicant to initiate the depositing of cash or government securities with the state treasurer pursuant to West Virginia Code § 33-25A-4(2)(h).

2.8. Either before or after receiving a certificate of authority, the applicant must provide amended versions of the documents required by subparagraphs 2.3.d, D and E of this rule to the Insurance Commissioner within thirty (30) days of any change in the individuals referred to in those subsections.

§ 114-46-3. **Application for Amendment to Certificate of Authority**

3.1. Each application for an amendment to a health maintenance organization's certificate of authority must be accompanied by a completed "Application for Amendment to Certificate of Authority Filing Fee Remittance Form" provided by the Insurance Commissioner and a check in the amount of two hundred dollars (\$200.00) payable to the "West Virginia Insurance Commissioner."

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§ 114-46-4. Annual Financial Statement.

4.1. Each annual financial statement submitted by a health maintenance organization to the commissioner shall include, but not be limited to:

a. A financial statement on a West Virginia statutory accounting basis of the organization, including its balance sheet and receipts and disbursements for the preceding year certified by an independent certified public accountant, reflecting at least (i) all prepayment and other payments received for health care services rendered; (ii) expenditures to all providers, by classes or groups of providers, and insurance companies or nonprofit health service plan corporations engaged to fulfill obligations arising out of the health maintenance contract; and (iii) expenditures for capital improvements, or additions thereto, including, but not limited to, construction, renovation or purchase of facilities and capital equipment;

b. The number of new enrollees enrolled during the year, the number of enrollees as of the end of the year and the number of enrollees terminated during the year, using the "Health Maintenance Organization County Enrollment Worksheet Form" provided by the Insurance Commissioner;

c. A summary of information compiled in such form as may be required by the West Virginia department of health and human resources or other accredited entity, relating to the cost of the health maintenance organization's operations, the pattern of utilization of its services and the quality, availability and accessibility of its services;

d. A report of the names and residence addresses of all persons responsible for the conduct of the health maintenance organization's affairs, including all officers of the health maintenance organization, members of its board of directors or other governing body, providers and persons owning five percent (5%) or more of the health maintenance organization, who were associated with the health maintenance organization during the preceding year, and the amount of wages, expense reimbursements, or other payments to those individuals for services to the health maintenance organization, including a full disclosure of any contract or financial arrangement between that person and the health maintenance organization during the preceding year; and

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e. Such other information relating to the health maintenance organization as the commissioner may request during review of the financial statement.

§ 114-46-5. Grievance Procedure Annual Report.

5.1. Each health maintenance organization shall file an annual report on its grievance procedure, using the "HMO Grievance Report for the Year ____" Form provided by the Insurance Commissioner to describe its grievance procedure and to report actual grievances filed against the health maintenance organization, their disposition and their underlying causes.

§ 114-46-6. Regulation of Marketing.

6.1. After a subscriber signs an enrollment application and before the health maintenance organization may process the application changing or initiating the subscriber coverage, the health maintenance organization must verify the intent and desire of the individual to join the health maintenance organization.

a. The verification must be in writing and must be conducted by someone outside the health maintenance organization's marketing department.

b. Each verification, using the Subscriber Verification Form provided by the Insurance Commissioner, shall confirm that:

A. The subscriber intends and desires to join the health maintenance organization;

B. If the subscriber is a Medicare or Medicaid recipient, the subscriber understands that, by joining the health maintenance organization, he or she will be limited to the benefits provided by the health maintenance organization, and Medicare or Medicaid will pay the health maintenance organization for the subscriber coverage;

C. The subscriber understands the applicable restrictions of health maintenance organizations, especially that he or she must use the health maintenance organization providers and secure approval from the health maintenance organization to use health care providers outside the plan; and

Insurance Commissioner
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D. If the subscriber is enrolled as a member of a health maintenance organization, the subscriber understands that he or she is transferring to another health maintenance organization.

6.2 The health maintenance organization shall not pay a commission, fee, money or any other form of scheduled compensation to any health insurance agent until verification from the subscriber of his or her intent and desire to enroll in the health maintenance organization has been secured and the enrollment process has been completed:

a. The health maintenance organization shall verify the subscriber's intent to enroll by a written notice to the subscriber, using the Subscriber Confirmation Form provided by the Insurance Commissioner:

A. The Subscriber Confirmation Form shall state that the subscriber has transferred from his or her existing coverage to the new health maintenance organization;

B. The Subscriber Confirmation Form shall be accompanied by printed materials explaining the nature of the health maintenance organization and any applicable restrictions and exclusions; and

C. The Subscriber Confirmation Form shall state the subscriber's enrollment date and when benefits will begin; and

b. The enrollment process shall be considered complete seven (7) days after the health maintenance organization mails the Subscriber Confirmation Form and all attachments to the subscriber.



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

Legal Division

GASTON CAPERTON
Governor

HANLEY C. CLARK
Insurance Commissioner

April 2, 1996

HAND DELIVERED

Ms. Judy Cooper, Director
Administrative Law Division
Office of Secretary of State
State Capitol
Charleston, West Virginia 25305

Dear Ms. Cooper:

Attached for filing with your office is the "final filing" form for the rule Series 46 titled "Filing Procedures for Health Maintenance Organizations." This rule was authorized in Senate Bill 171 and passed by the Legislature on March 7, 1996.

We are also providing your office with a computer disk containing the aforementioned rule and a hard copy of the promulgation history of that rule. The filing date and effective date have already been inserted onto the computer disk.

If you have any questions about the enclosed forms or the computer disk, please do not hesitate to call me.

Sincerely,

A handwritten signature in cursive script that reads "B. Keith Huffman".

B. Keith Huffman
General Counsel

BKH/sar
Attachment



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

GASTON CAPERTON
Governor

HANLEY C. CLARK
Insurance Commissioner

November 27, 1995

HAND DELIVERED

Ms. Judy Cooper, Director
Administrative Law Division
Office of Secretary of State
State Capitol
Charleston, West Virginia 25305

Dear Ms. Cooper:

Enclosed please find for filing one (1) copy of the following:

- (1) Notice of Rule Modification of a Proposed Rule and Filing with the Legislative Rule-Making Review Committee;
- (2) The proposed rule entitled "Filing Procedures for Health Maintenance Organizations" (Series 46).

Please contact me if further information is required.

Very truly yours,

Ellen Archibald
Associate Counsel

EA/sar
Enclosures

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

NOV 27 2 43 PM '95

FILED

6927

H. B. 4264

(By Delegates Douglas, Gallagher, Faircloth, Compton,
Lynch and Riggs)

(Introduced January 29, 1996 ; referred to the
Committee on Banking and Insurance then the Judiciary)

114-46

A BILL to amend and reenact section four, article seven,
chapter sixty-four of the code of West Virginia, one
thousand nine hundred thirty-one, as amended, relating
to authorizing the insurance commissioner to
promulgate legislative rules relating to filing
procedures for health maintenance organizations.

Be it enacted by the Legislature of West Virginia:

That section four, article seven, chapter sixty-four
of the code of West Virginia, one thousand nine hundred
thirty-one, as amended, be amended and reenacted, to read
as follows:

ARTICLE 7. AUTHORIZATION FOR DEPARTMENT OF TAX AND REVENUE
TO PROMULGATE LEGISLATIVE RULES.

§64-7-4. Insurance commissioner.

(a) The legislative rules filed in the state register

1264

1 on the seventeenth day of August, one thousand nine hundred
2 ninety-three, authorized under the authority of sections
3 four and five, article twenty-eight, chapter thirty-three,
4 of this code, modified by the insurance commissioner to
5 meet the objections of the legislative rule-making review
6 committee and refiled in the state register on the
7 seventeenth day of June, one thousand nine hundred
8 ninety-four, relating to the insurance commissioner
9 (individual accident and sickness insurance minimum
10 standards, 114 CSR 12), are authorized.

11 (b) The legislative rules filed in the state register
12 on the fifteenth day of August, one thousand nine hundred
13 ninety-four, authorized under the authority of section ten,
14 article two, chapter thirty-three, of this code, modified
15 by the insurance commissioner to meet the objections of the
16 legislative rule-making review committee and refiled in the
17 state register on the twenty-eighth day of November, one
18 thousand nine hundred ninety-four, relating to the
19 insurance commissioner (regulation of credit life insurance
20 and credit accident and sickness insurance, 114 CSR 6), are
21 authorized.

22 (c) The legislative rules filed in the state register
23 on the twelfth day of August, one thousand nine hundred
24 ninety-four, authorized under the authority of section ten,

1 article two, chapter thirty-three, of this code, modified
2 by the insurance commissioner to meet the objections of the
3 legislative rule-making review committee and refiled in the
4 state register on the twenty-third day of November, one
5 thousand nine hundred ninety-four, relating to the
6 insurance commissioner (credit for reinsurance, 114 CSR
7 40), are authorized.

8 (d) The legislative rules filed in the state register
9 on the thirty-first day of July, one thousand nine hundred
10 ninety-five, authorized under the authority of section
11 twenty, article twenty-five-a, chapter thirty-three, of
12 this code, modified by the insurance commissioner to meet
13 the objections of the legislative rule-making review
14 committee and refiled in the state register on the twenty-
15 seventh day of November, one thousand nine hundred
16 ninety-five, relating to the insurance commissioner (filing
17 procedures for health maintenance organizations, 114 CSR
18 46), are authorized.

19

20 NOTE: The purpose of this bill is to authorize the
21 Insurance Commissioner to promulgate legislative rules
22 relating to filing procedures for health maintenance
23 organizations.

24

25 Strike-throughs indicate language that would be
26 stricken from the present law, and underscoring indicates
27 new language that would be added.

SENATE BILL NO. 193

(By Senators Ross, Anderson, Boley,
Buckalew, Grubb and Macnaughtan)

[Introduced January 29, 1996; referred
to the Committee on

BANKING AND INSURANCE

~~THE JUDICIARY~~

114-~~00~~ 46

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chapter sixty-four of the code of West Virginia, one
thousand nine hundred thirty-one, as amended, relating
to authorizing the insurance commissioner to
promulgate legislative rules relating to filing
procedures for health maintenance organizations.

Be it enacted by the Legislature of West Virginia:

That section four, article seven, chapter sixty-four
of the code of West Virginia, one thousand nine hundred
thirty-one, as amended, be amended and reenacted, to read
as follows:

ARTICLE 7. AUTHORIZATION FOR DEPARTMENT OF TAX AND REVENUE
TO PROMULGATE LEGISLATIVE RULES.

§64-7-4. Insurance commissioner.

(a) The legislative rules filed in the state register

1 on the seventeenth day of August, one thousand nine hundred
2 ninety-three, authorized under the authority of sections
3 four and five, article twenty-eight, chapter thirty-three,
4 of this code, modified by the insurance commissioner to
5 meet the objections of the legislative rule-making review
6 committee and refiled in the state register on the
7 seventeenth day of June, one thousand nine hundred
8 ninety-four, relating to the insurance commissioner
9 (individual accident and sickness insurance minimum
10 standards, 114 CSR 12), are authorized.

11 (b) The legislative rules filed in the state register
12 on the fifteenth day of August, one thousand nine hundred
13 ninety-four, authorized under the authority of section ten,
14 article two, chapter thirty-three, of this code, modified
15 by the insurance commissioner to meet the objections of the
16 legislative rule-making review committee and refiled in the
17 state register on the twenty-eighth day of November, one
18 thousand nine hundred ninety-four, relating to the
19 insurance commissioner (regulation of credit life insurance
20 and credit accident and sickness insurance, 114 CSR 6), are
21 authorized.

22 (c) The legislative rules filed in the state register
23 on the twelfth day of August, one thousand nine hundred
24 ninety-four, authorized under the authority of section ten,

1 article two, chapter thirty-three, of this code, modified
2 by the insurance commissioner to meet the objections of the
3 legislative rule-making review committee and refiled in the
4 state register on the twenty-third day of November, one
5 thousand nine hundred ninety-four, relating to the
6 insurance commissioner (credit for reinsurance, 114 CSR
7 40), are authorized.

8 (d) The legislative rules filed in the state register
9 on the thirty-first day of July, one thousand nine hundred
10 ninety-five, authorized under the authority of section
11 twenty, article twenty-five-a, chapter thirty-three, of
12 this code, modified by the insurance commissioner to meet
13 the objections of the legislative rule-making review
14 committee and refiled in the state register on the twenty-
15 seventh day of November, one thousand nine hundred
16 ninety-five, relating to the insurance commissioner (filing
17 procedures for health maintenance organizations, 114 CSR
18 46), are authorized.

19

20 NOTE: The purpose of this bill is to authorize the
21 Insurance Commissioner to promulgate legislative rules
22 relating to filing procedures for health maintenance
23 organizations.

24

25 Strike-throughs indicate language that would be
26 stricken from the present law, and underscoring indicates
27 new language that would be added.



KEN HECHLER
Secretary of State

MARY P. RATLIFF
Deputy Secretary of State

STEPHEN N. REED
Deputy Secretary of State

CATHERINE FREROTTE
Executive Assistant

Telephone: (304) 558-6000
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FAX: (304) 558-0900

WILLIAM H. HARRINGTON
Chief of Staff

JUDY COOPER
Director, Administrative Law

PENNEY BARKER
Supervisor, Corporations

STATE OF WEST VIRGINIA

SECRETARY OF STATE

Building 1, Suite 157-K
1900 Kanawha Blvd., East
Charleston, WV 25305-0770

(Plus all the volunteer help we can get)

RECEIVED

APR 23

LEGAL DIVISION
VA. INS. DEPT.

TO: Ellen Archibald

AGENCY: Insurance Commission

FROM: JUDY COOPER, DIRECTOR, ADMINISTRATIVE LAW DIVISION

DATE: April 19, 1996

THE ATTACHED RULE FILED BY YOUR AGENCY HAS BEEN ENTERED INTO OUR COMPUTER SYSTEM. PLEASE REVIEW, PROOF AND RETURN IT WITH ANY CORRECTIONS. IF THERE ARE NO CORRECTIONS, PLEASE SIGN THIS MEMO AND RETURN IT TO THIS OFFICE. YOU WILL BE SENT A FINAL VERSION OF THE RULE FOR YOUR RECORDS.

PLEASE RETURN EITHER THE CORRECTED RULE OR THIS FORM WITHIN TEN (10) WORKING DAYS OF THE DATE YOU RECEIVED THIS REQUEST. CALL IF YOU HAVE ANY QUESTIONS.

SERIES: 46 TITLE: 114 Insurance Commission

* THE ATTACHED RULE HAS BEEN REVIEWED AND IS CORRECT.

SIGNED: _____
TITLE OF PERSON SIGNING: _____
DATE: _____

* THE ATTACHED RULE HAS BEEN REVIEWED AND NEEDS CORRECTING. THE CORRECTIONS HAVE BEEN MARKED.

SIGNED: [Signature]
TITLE OF PERSON SIGNING: Associate Counsel
DATE: 5/10/96

NOTE: IF YOU ARE NOT THE PERSON WHO HANDLES THIS RULE, PLEASE FORWARD TO THE CORRECT PERSON.

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

MAY 13 2 42 PM '96

FILED



KEN HECHLER
Secretary of State

MARY P. RATLIFF
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(Plus all the volunteer
help we can get)

March 12, 1996

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SB 171 authorizing, Title 114, Series 46, Filing Procedures for Health Maintenance Organizations passed the Legislature on **March 7, 1996**. It is now awaiting the Governor's signature.

You have sixty (60) days after the Governor signs **SB 171** to final file the legislative rule with the Secretary of State's office. To final file your legislative rule, fill in the blanks on the enclosed form #6, the "Final Filing" form and file the form with our office with a promulgation history of the rule. Authorization for your legislative rule is cited in **SB 171 Section 64-7-3(h)**. The agency may set the effective date of the legislative rule up to ninety (90) days from the date the legislative rule is final filed with the Secretary of State's office. Please have an authorized signature on the bottom line.

*****IMPORTANT: IF YOUR AGENCY HAS COMPLETED THE LEGISLATIVE RULE ON A WORD PERFECT OR WORD PERFECT COMPATIBLE COMPUTER SYSTEM THAT USES A 3 1/2" DISK, YOU MUST SUBMIT A CLEAN COPY WITH ALL UNDERLINING AND STRIKE-THROUGHS, HEADERS OR FOOTERS REMOVED, TO OUR OFFICE WHEN FINAL FILING THE RULE. REMEMBER, THE TEXT OF THE COMPUTER FILED RULE MUST BE IDENTICAL - WORD FOR WORD, COMMA FOR COMMA, WITH ALL UNDERLINING, STRIKE-THROUGHS, HEADERS OR FOOTERS REMOVED, AS THE HARD COPY AUTHORIZED BY THE LEGISLATURE. NOTICE: ALL ELECTRONIC FILINGS NOT COMPLYING WITH THIS WILL BE REJECTED AND SENT BACK TO THE AGENCY TO BE RESUBMITTED!**

After the final rule is entered into the data base, the rule will be sent back to the agency for review and proofing. The agency has ten (10) working days to send a confirmation or corrections to the Secretary of States. If the agency fails to return this within ten (10) working days, the rule will be filed in the data base with a disclaimer attached stating that the agency failed to review the rule. Following confirmation, corrections or failure to review, as the case may be, the Secretary of State shall submit to the agency a final version of the rule for their records.

If you have any questions or need any assistance, please do not hesitate to contact our office.

Thank you,
Administrative Law Division