Office of Commissioner of Insurance and Safety Fire
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Application for License as a Health Plan Purchasing Cooperative

Application is hereby made for a License to operate as a Health Plan Purchasing Cooperative ("HPPC") pursuant to the Laws of Georgia. In addition to the completed forms, please provide a check or money order for $600.00 for Filing Fees or $500.00 for Renewal Filing Fees plus $5 processing fee made payable to the Georgia Department of Insurance to the attention of the Regulatory Services Division. In support thereof, the following information and documentary evidence is submitted:

☐ $600.00 - New Filing Fees plus $5 processing fee ☐ $500.00 - Renewal Filing Fees plus $5 processing fee

ADDRESS TO REMIT BY MAIL:
Georgia Dept. of Insurance-Regulatory Services Division, P.O. Box 935138, Atlanta, GA 31193-5138
ADDRESS TO REMIT BY COURIER:
Wells Fargo Bank, Georgia Dept. of Ins.-Regulatory Services Division, P.O. Box 935138, Atlanta, GA 31193-5138

PART 1 - APPLICANT DETAILS Complete for both New and Renewal Applications

Date Filing: _____ FEIN: _____

Name of Organization: _____

Type of Organization: A. ☐ For Profit Corporation B. ☐ Non-Profit Corporation

Mailing Address: _____

Street Address: _____

Office Building: _____

City: _____ County: _____ State: _____ Zip: _____

Telephone Number: _____ Fax Number: _____

E-mail Address: _____

PART 2 - Name of Attorney or Principal Filing this Application Complete for both New and Renewal Applications

Name of Attorney or Principal Filing this Application: _____

Mailing Address: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Telephone Number: _____ Fax Number: _____

E-mail Address _____

NOTE: ANSWER THE FOLLOWING QUESTIONS AND PROVIDE THE INFORMATION REQUESTED ON SEPARATE SHEETS IDENTIFYING EACH BY THE CORRESPONDING NUMBER ON THIS APPLICATION.

1. Submit all applicable organizational documents. Documents must be original or certified copies. Include partnership agreements; articles of incorporation, certified by your Secretary of State; Certificate Good Standing/Certificate of Existence from the Georgia Secretary of State; trade name certificate; trust agreement; shareholder agreement; and other applicable documents and all amendments to those documents. (O.C.G.A. §14.3; O.C.G.A. §33-30A-7 (a) (2); Reg 120.2.79.04 (2) (a))

2. Provide one copy of bylaws, rules and regulations or similar documents regulating the affairs of the HPPC certified by the partners or the president and secretary and containing the corporate seal. (Reg. 120-2-79.04 (2) (b))

3. List the names, addresses, and official titles of positions held by individuals who are responsible for the conduct of the affairs of the HPPC, including, all partners, members of the board of directors, board of trustees, executive committee, the principal officers, or other governing board or committee, shareholders holding, directly or indirectly, 10% or more of the voting securities, and any other person who exercises control or influence over the affairs of the HPPC. (Reg. 120-2-79.04 (2) (c))

4. List the names of any officer, director or employee that will serve any HPPC other than the one application is made for herein. (O.C.G.A. §33-30A-3 (f))

5. Submit one copy of individual Biographical Statement and Affidavit on form GID-52-EN for each of the officers, directors and/or principals of the HPPC.

6. Complete form GID-53-EN for each of the persons listed in item 3.

7. Submit one copy of an investigative background report on each individual listed in item 3. Included in the report should be a credit check (listing all accounts), check of all courts (including local, state and federal) and verification of residency for a 10-year period. These reports are paid for and requested by the applicant. The reports must be submitted directly to this office, to the Regulatory Services Division, from the investigative firm.

8. Submit a surety bond executed by a corporate surety insurer authorized to transact insurance in this state in favor of the Commissioner of Insurance, in continuous form and in an amount equal to at least ten percent of the amount of the funds handled or managed annually by the applicant, or if no funds were handled during the preceding year, ten percent of the amount of funds reasonably estimated to be handled during a full calendar year. The bond must include a 60-day notice of cancellation to the Georgia Department of Insurance and must be for at least $100,000. (O.C.G.A. §33-30A-8(a); Reg. 120-2-79.05(1))

9. Submit a copy of errors and omission policy; or other appropriate liability policy written by an insurer licensed to transact insurance in this state in an amount of at least $100,000.

   Such policy shall be for a term of at least one year and shall contain provisions that:

Cancellation or termination of the policy is not effective except upon sixty (60) days written notice by registered or certified mail to the other party to the policy and to the Commissioner; (Attn: Regulatory Services) and

(a) The policy is automatically renewable at the expiration of the policy period except upon sixty (60) days written notice by registered or certified mail to the other party to the policy and to the Commissioner (Attn: Regulatory Services).

Upon approval by the Commissioner, bonds or policies may be written by an eligible by surplus lines insurer. Compliance with this requirement is a prerequisite to the approval of this application by the Commissioner. (Reg.120-2-79.05)

10. Provide a copy of audited annual statements or reports for the HPPC covering the THREE MOST RECENT CALENDAR YEARS, which reflect a minimum net worth of $200,000. This documentation must be audited by a certified public accountant. (Reg. 120-2-79.04(2) (d))

11. We the HPPC collect membership fees? If yes, describe those fees. (O.C.G.A. §33-30A-4 (c)) ☐ YES ☐ NO

12. Provide a statement of the amounts and sources of the funds available for organizational expenses and the proposed arrangements for reimbursement and compensation of incorporators or principals, also include a current financial statement showing applicant's initial investment.

13. Provide a detailed copy of the annual budget of the HPPC. (O.C.G.A. §33-30A-4(b)(5))

14. Describe the premium collection procedures and trust account (s) to be used for the deposit of premium monies collected, including the facilities to be used. (O.C.G.A. §33-30A-4(b)(11))

15. Provide a business plan detailing the operation of the HPPC in Georgia that includes the applicant's administrative and accounting procedures, method(s) of solicitation, specific services to be provided, names of insurers and insurance products to be offered through the cooperative and the geographic area(s) the HPPC is tending to serve. (O.C.G.A. §33-30A-2(a); O.C.G.A. §33-30A-3(a) & (b); O.C.G.A. §33-30A-4(b) (5) & (d) (3); Reg. 120-2-79.04 (2) (g) and Reg. 120-2-79.14(1))

16. Will the HPPC offer other related benefits and services as defined in O.C.G.A. §33-30A-2(b)? If yes, please describe them in the Business Plan requested in Item 15. ☐ YES ☐ NO

17. Will the HPPC retain any risk? If yes, please describe. (O.C.G.A. §33-30-2(c)) ☐ YES ☐ NO

18. Provide a copy of the guarantee of interrupted coverage as stipulated by O.C.G.A. §33-30A-8(c).

19. Provide copies of all agreements between the HPPC and the carrier(s) as stipulated by O.C.G.A. §33-30A-4(f) as well as any administrator agreement(s) and/or agent agreement(s) used in the operations of the applicant. (O.C.G.A. §33-30A-4(b)(10); O.C.G.A.§33-30A-4(f))

20. Describe the grievance procedures to be utilized by the HPPC. (O.C.G.A. §33-30A-4(b)(7))

21. Provide a copy of the marketing plan of the HPPC. Indicate whether member employers shall be permitted to limit the selection of carriers, health benefit plans and other insurance policies offered. Indicate if licensed agents will be used. (O.C.G.A.§33-30A-4(b)(5); O.C.G.A.§33-30A-4(b)(6); O.C.G.A.§33-30A-4(b)(12); O.C.G.A.§33-30A- 6(c)(2))

22. Provide a certified/notarized statement to the Commissioner for approval listing all conditions of membership and participation. All material changes to the written conditions shall be filed with the Commissioner for approval at least sixty (60) days prior to use. (O.C.G.A. §33-30A-4(b)(1); Reg. 120-2-79.04(6))

23. Where will all records, reports and other information required to be retained by the HPPC be maintained?

_____

Provide a certification by a responsible officer of the HPPC as to compliance with the rating provisions of Regulations. Such certification shall include documentary evidence or certifications from participating carriers that such carriers are also complying with the provisions of this Regulation as they apply to small employer members. Additionally, the certification submitted by the applicant shall designate whether the applicant complies, in its arrangements with participating carriers, with either subparagraph (1) (a) or (1) (b) of this regulation as they apply to small employer members, and shall designate the method of compliance with paragraphs (2) and (3) of this regulation as they apply to members of other market types (if applicable). A HPPC subject to paragraph

(5) of this regulation shall amend its certification as appropriate pursuant to its proposal upon application, and shall certify continued compliance with its originally approved rating proposal upon renewal.
(Reg. 120-2-79.17(12))

24. Complete the Service of Process Form GID-54-EN.

25. Complete the Resolution Form GID-55-EN.

26. Applicant fees required of a HPPC are $600.00 and must be submitted along with the application materials. Subsequent renewal fees are $500.00 per year. (O.C.G.A. §33-8-1(1) (11))

Effective 1-1-2012, the Citizenship Affidavit Form GID-276-EN must be submitted with this application for processing.