

### **304.38A-030 Application for certificate of authority.**

An application for a certificate of authority to operate a limited health service organization shall be filed with the commissioner on a form prescribed by the commissioner. The application shall be verified by an officer or authorized representative of the applicant and shall set forth, or be accompanied by, the following:

- (1) A copy of the applicant's basic organizational document, such as the articles of incorporation, articles of association, partnership agreement, trust agreement, or other applicable documents and all amendments to these documents;
- (2) A copy of all bylaws, rules, and regulations, or similar documents, if any, regulating the conduct of the applicant's internal affairs;
- (3) A list of the names, addresses, official positions, and biographical information of the individuals who are responsible for conducting the applicant's affairs, including but not limited to all members of the board of directors, board of trustees, executive committee, or other governing board or committee, the principal officers, and any person or entity owning or having the right to acquire ten percent (10%) or more of the voting securities of the applicant, and the partners or members in the case of a partnership or association. Such listing shall fully disclose the extent and nature of any contracts or arrangements between any individual who is responsible for conducting the applicant's affairs and the limited health service organization, including any possible conflicts of interest;
- (4) A complete biographical statement, on forms prescribed by the department, with respect to each individual identified under this section;
- (5) A statement generally describing the applicant, its facilities, personnel, and the limited health services to be offered;
- (6) A copy of the form of any contract made, or to be made between the applicant and any person listed in subsection (3) of this section;
- (7) A copy of the form of any contract made or to be made between the applicant and any person, corporation, partnership, or other entity for the performance on the applicant's behalf of any functions including but not limited to marketing, administration, enrollment, investment management and provider agreements, subcontract agreements, and risk-sharing arrangements for the provision of limited health services to enrollees;
- (8) A copy of the applicant's most recent financial statements audited by independent certified public accountants. If the financial affairs of the applicant's parent company are audited by independent certified public accountants but those of the applicant are not, then a copy of the most recent audited financial statement of the applicant's parent company, certified by an independent certified public accountant, attached to which shall be consolidated financial statements of the applicant, shall satisfy this requirement unless the commissioner determines that additional or more recent financial information is required for the proper administration of this subtitle;
- (9) A copy of the applicant's financial plan, including a three (3) year projection of anticipated operating results with all material assumptions, a statement of the sources of working capital, and any other sources of funding and provisions for

contingencies;

- (10) A description of the proposed method of marketing;
- (11) A statement acknowledging that all lawful process in any legal action or proceeding against the applicant on a cause of action arising in this state is valid if served in accordance with KRS 304.3-230;
- (12) A description of how the applicant will comply with KRS 304.38A-040 and 304.38A-080;
- (13) The fee for issuance of a certificate of authority provided in Subtitle 4 of this chapter; and
- (14) Such other information as the commissioner may reasonably require to make the determinations required by this subtitle.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 1517, effective July 15, 2010. --  
Created 2002 Ky. Acts ch. 105, sec. 12, effective July 15, 2002.