

IC 27-13-16

Chapter 16. Protection Against Receivership; Continuation of Benefits

IC 27-13-16-1

Plan for receivership

Sec. 1. The commissioner shall require a health maintenance organization to have a plan for handling receivership that allows for the continuation of benefits after the date of receivership:

- (1) for the duration of the contract period for which premiums have been paid; or
- (2) if an enrollee is hospitalized on the date of receivership for the longer of:
 - (A) the period ending when the enrollee is discharged from hospitalization; or
 - (B) the duration of the contract period for which premiums have been paid.

As added by P.L.26-1994, SEC.25. Amended by P.L.83-2003, SEC.1.

IC 27-13-16-2

Requirements of commissioner to ensure continuation of benefits

Sec. 2. (a) In considering the plan prepared by a health maintenance organization under section 1 of this chapter, the commissioner may require one (1) or more of the following:

- (1) Insurance to cover the expenses to be paid for continued benefits after receivership.
- (2) Receivership reserves.
- (3) Any other arrangements to ensure that benefits are continued as required by section 1 of this chapter.

(b) However, the commissioner may not require provisions in contracts between the health maintenance organization and participating providers that obligate a provider to provide services after the organization enters receivership.

As added by P.L.26-1994, SEC.25.

IC 27-13-16-3

Termination of continuation of benefits

Sec. 3. The continuation of benefits required under section 1 of this chapter shall terminate on the date that an enrollee obtains coverage under IC 27-13-18.

As added by P.L.26-1994, SEC.25.

IC 27-13-16-4

Eligibility for Indiana comprehensive health insurance policy

Sec. 4. If an enrollee is hospitalized continuously from the date of receivership through the last date of the enrollee's continuation of benefits under section 1 of this chapter, the enrollee shall be eligible for an Indiana comprehensive health insurance policy under IC 27-8-10. Notwithstanding any provision of IC 27-8-10, the policy may not contain preexisting condition exclusions with respect to the

condition for which the enrollee was hospitalized. The enrollee shall become eligible for coverage effective on the first day after the enrollee's continuation of benefits ends.

As added by P.L.26-1994, SEC.25.

IC 27-13-16-5

Rules for governing plan

Sec. 5. The commissioner may adopt rules governing a health maintenance organization's plan for covering all outstanding claims during the first sixty (60) days that the health maintenance organization enters receivership. These rules may govern at least the following:

- (1) Letters of guarantee from a parent company.
- (2) Conversion policies.
- (3) Insolvency insurance policies.
- (4) Additional deposits.

As added by P.L.26-1994, SEC.25.