

### **513B.12 Application to become a risk-assuming carrier.**

1. A small employer carrier may apply to become a risk- assuming carrier by filing an application with the commissioner in a form and manner prescribed by the commissioner.
2. In evaluating an application made pursuant to this section, the commissioner shall consider the following factors:
  - a.* The carrier's financial condition.
  - b.* The carrier's history of rating and underwriting small employer groups.
  - c.* The carrier's commitment to market fairly to all small employers in the state or the carrier's established geographic service area, as applicable.
  - d.* The carrier's experience with managing the risk of small employer groups.
3. The commissioner shall provide public notice of an application by a small employer carrier to be a risk-assuming carrier and shall provide at least a sixty-day period for public comment prior to making a decision on the application. If the application is not acted upon within ninety days of the receipt of the application by the commissioner, the carrier may request a hearing.
4. The commissioner may rescind the approval granted to a risk-assuming carrier under this section if the commissioner finds any of the following:
  - a.* The carrier's financial condition will no longer support the assumption of risk from issuing coverage to small employers in compliance with section 513B.10 without the protection provided by the program.
  - b.* The carrier has failed to market fairly to all small employers in the state or the carrier's established geographic service area, as applicable.
  - c.* The carrier has failed to provide coverage to eligible small employers as required under section 513B.10.
5. A small employer carrier electing to be a risk-assuming carrier shall not be subject to the provisions of section 513B.13.