

521F.7 Mandatory-control-level event.

1. “Mandatory-control-level event” means any of the following:

a. The filing of a risk-based capital report which indicates that a health organization’s total adjusted capital is less than its mandatory-control-level risk-based capital.

b. Notification by the commissioner to a health organization of an adjusted risk-based capital report that indicates the event in paragraph “a”, provided the health organization does not challenge the adjusted risk-based capital report and request a hearing pursuant to [section 521F.8](#).

c. After a hearing pursuant to [section 521F.8](#), notification by the commissioner to the health organization that the commissioner has rejected the health organization’s challenge of the adjusted risk-based capital report indicating the event in paragraph “a”.

2. In the event of a mandatory-control-level event, the commissioner shall take action as necessary to place the health organization under supervision or other regulatory control pursuant to [chapter 507C](#). If the commissioner takes action pursuant to [this subsection](#), the mandatory-control-level event is deemed sufficient grounds for the commissioner to take action pursuant to [chapter 507C](#), and the commissioner has the rights, powers, and duties with respect to the health organization as are set forth in [chapter 507C](#). If the commissioner takes action pursuant to an adjusted risk-based capital report, the health organization is entitled to the protections of [chapter 17A](#) pertaining to summary proceedings. Notwithstanding [this subsection](#), the commissioner may forego action for up to ninety days after the mandatory-control-level event if the commissioner finds a reasonable expectation exists that the mandatory-control-level event may be eliminated within the ninety-day period.

2000 Acts, ch 1050, §7