

191—73.7(75GA,ch158) Business plan. A HIPC shall submit its business plan for the prior review and approval by the commissioner. The business plan shall include but shall not be limited to the following information:

73.7(1) The specific steps by the HIPC sponsor to advance cost control, quality improvement, and improve access to health insurance or health care services. The business plan should affirmatively demonstrate that the HIPC has the technical expertise and physical capacity to serve as a significant group of buyers not currently being served by a HIPC. Significant means at least 10 percent of the population within the proposed service territory. The business plan should affirmatively demonstrate that the HIPC will reduce cost, improve quality and improve access to health insurance or health care services.

73.7(2) The scope of HIPC services to be offered in the service territory and the resources and expertise to be used to implement and administer the plan. The HIPC as a condition of licensure must demonstrate the technical and physical capacity to serve a significant group of buyers over a wide territory, encompassing at minimum a regional health care center and its associated rural market. The HIPC as a condition of licensure must demonstrate the technical and physical capacity to provide equal service quality throughout the entire HIPC service territory.

73.7(3) The corporate charter, bylaws and other business operation documents of the HIPC. As a condition of licensure the HIPC must demonstrate to the satisfaction of the commissioner that its corporate governance makes it an appropriate and effective representative of buyers' interests within the service territory. A HIPC must be more than a marketing or distribution channel for a single product or the products of a single carrier. A HIPC as a condition of licensure must organize and facilitate competition between multiple insurers or health care providers.

73.7(4) A list of officers and directors of the HIPC and the contract administrator if one is employed and personal biographical information or firm descriptions for each. The officers, directors, or contract administrator shall not have a prior record of administrative, civil or criminal violations within any financial service industry. The personal biographical information and firm descriptions shall demonstrate by clear and convincing evidence that those involved in the HIPC have the expertise, experience and character to effectively and professionally represent buyers in a fiduciary capacity.

73.7(5) Evidence of adequate security and prudence in the accounting, deposit, collection, handling and transfer of moneys. Because the HIPC may handle payments or accounting, the HIPC must affirmatively demonstrate adequate financial controls to the satisfaction of the division as a condition of licensure. Failure to have adequate controls or failure to follow approved procedures shall be a basis to deny, suspend, or revoke licensure.

73.7(6) The market segments and participants to which the HIPC will be marketing. The HIPC must demonstrate to the satisfaction of the commissioner that it will extend HIPC services to a significant group of buyers not currently served by a HIPC. Failure to achieve this result can be the basis of later denial to renew a license.

73.7(7) Disclosure of any preexisting oral or written agreements. Preexisting agreements may raise questions of conflict or demonstrate the intention to create a marketing channel for a single product or single carrier. Conversely, preexisting agreements may assist in affirmatively demonstrating technical or physical capacity to serve a service territory or to extend HIPC services to a significant group of buyers not currently served by a HIPC. Regardless, any preexisting oral or written agreements must be disclosed. Failure to disclose an agreement is the basis for license denial or revocation.

73.7(8) Any other information required by the commissioner to verify the HIPC is qualified.