

191—77.2(507A) Application for certificate of registration.

77.2(1) A person wishing to obtain a certificate of registration pursuant to this chapter shall register and submit a plan of operation with the commissioner. This application and plan of operation shall include the following:

a. A business plan including a copy of all contracts or other instruments which the MEWA proposes to make with or sell to its members, a copy of its plan description and the printed matter to be used in the solicitation of members.

b. Copies of all articles, bylaws, agreements, or other documents or instruments describing the rights and obligations of employers, employees, and beneficiaries with respect to the MEWA.

c. A current list of all members of the employer group or association sponsoring the MEWA and a description of the relationship among the employers which serves as the basis for the formation of the association or employer group.

d. A description of the activities of the association or group of employers on behalf of its members other than the sponsorship of the MEWA.

e. Current financial statements of the MEWA which shall include at a minimum balance sheets, income statement, cash flow statement and detailed listing of assets.

f. An actuarial opinion prepared, signed, and dated by a person who is a member of the American Academy of Actuaries which states that appropriate loss and loss adjustment reserves have been established, that adequate premiums are being charged, and that the association is operating in accordance with sound actuarial principles and in conformance with this rule.

g. A statement from an authorized representative of the applicant which certifies all of the following:

(1) The MEWA is administered by an authorized insurer or an authorized third-party administrator.
(2) The MEWA has been in existence and has provided health benefits for at least five years prior to July 1, 1997.

(3) The MEWA was established by a trade, industry, or professional association of employers that has a constitution or bylaws, and has been organized and maintained in good faith for at least ten continuous years prior to July 1, 1997.

(4) The association or group of employers sponsoring the MEWA is engaged in substantial activity for its members other than sponsorship of an employer welfare benefit plan.

(5) The association is a nonprofit entity organized or authorized to do business under applicable Iowa law.

h. A certificate from the applicant that, to the best of its knowledge and belief, the MEWA is in compliance with all applicable provisions of the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

i. A mechanism approved by the commissioner to ensure that claims shall be paid in the event a member of the MEWA is unable to comply with the MEWA's contribution requirements.

j. A copy of the most recent Form M-1 filed by the MEWA with the U.S. Department of Labor, Pension and Welfare Benefits Administration.

k. Any additional information requested by the commissioner.

77.2(2) The commissioner shall examine the application and supporting documents submitted by the applicant and shall have the power to conduct any investigation which the commissioner may deem necessary and to examine under oath any persons interested in or connected with the MEWA.

77.2(3) Within a reasonable time, the commissioner shall issue to the MEWA a certificate upon finding that the applicant MEWA has met all requirements, or the commissioner shall notify the applicant setting forth reasons for a denial upon finding that the applicant MEWA does not meet all the requirements. An unsuccessful applicant may file a new application for certificate of registration at any time.

77.2(4) Modifications to the plan of operation including but not limited to amendments to articles of incorporation and bylaws shall be submitted for prior approval to the commissioner.

This rule is intended to implement Iowa Code section 507A.4.