

191—40.12(514B) Net worth.

40.12(1) An HMO shall not be authorized to transact business with a net worth less than \$1 million.

40.12(2) No HMO incorporated by or organized under the laws of any other state or government shall transact business in this state unless it possesses the net worth required of an HMO organized by the laws of this state and is authorized to do business in this state.

40.12(3) As deemed necessary by the division, each health maintenance organization that is a subsidiary of another person shall file with the division, in a form satisfactory to it, a guarantee of the HMO's obligations issued by the ultimate controlling parent or such other person satisfactory to the division.

[ARC 6547C, IAB 10/5/22, effective 11/9/22]