

§ 58-93-40. Management and exclusive agreements; custodial agreements.

(a) No PHP shall enter into an exclusive management or custodial agreement unless the agreement is first filed with the Commissioner and approved under this section within (i) 45 days after filing or (ii) a reasonable extended period as specified by notice from the Commissioner given within a 45-day period after filing.

(b) The Commissioner shall disapprove an agreement submitted under subsection (a) of this section if the Commissioner determines that the agreement does any of the following:

- (1) Subjects the PHP to excessive charges.
- (2) Extends for an unreasonable period of time.
- (3) Does not contain fair and adequate standards of performance.
- (4) Enables persons under the contract to manage the PHP who are not sufficiently trustworthy, competent, experienced, and free from conflict of interest to manage the PHP with due regard for the interests of its enrollees, creditors, or the public.
- (5) Contains provisions that impair the interests of the PHP's enrollees, creditors, or the public. (2018-49, s. 1(a).)