

§ 58-67-120. Continuation of benefits.

(a) The Commissioner shall require that each HMO have a plan for handling insolvency, which plan allows for continuation of benefits for the duration of the contract period for which premiums have been paid and continuation of benefits to enrollees who are confined in an inpatient facility until their discharge or expiration of benefits. In considering such a plan, the Commissioner may require:

- (1) Insurance to cover the expenses to be paid for benefits after an insolvency;
- (2) Provisions in provider contracts that obligate the provider to provide services for the duration of the period after the HMO's insolvency for which premium payment has been made and until the enrollees' discharge from inpatient facilities;
- (3) Insolvency reserves such as the Commissioner may require;
- (4) Letters of credit acceptable to the Commissioner;
- (5) Any other arrangements to assure that benefits are continued as specified above. (1989, c. 776, s. 13.)