

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

The date following each state indicates the last time information for the state was reviewed/changed.

STATE	CITATION	MEWAs and METs PROVISIONS
AL (8/16)	Bulletin of 7-12-90 (#1)	Licensed insurance agents violate the Alabama Insurance Code by placing insurance with an unauthorized insurer. State may revoke the agent's license and hold him/her personally liable for payment of all losses incurred by the insureds, enrollees or subscribers of all unauthorized insurance arrangements. "Unauthorized arrangements" include arrangements that claim to be exempt from state insurance laws under ERISA.
AK (8/16)	<p>§§ 21.85.010 to 21.85.500</p> <p>§ 21.27.630</p> <p>§§ 21.27.410; 21.33.037; 21.36.360</p> <p>§ 21.03.021</p> <p>§§ 21.56.140 to 21.56.190</p> <p>§ 21.54.500; AK Bulletin 2002-14</p>	<p>Requirements: Certificate of authority. Two or more businesses in the same or a closely related business. Participating employees or employers must have direct control over the MEWA. Nonprofit: Minimum 75 employees. Only medical care benefits, though MEWA can provide life insurance through an insurance provider. Adequate staff or must contract with third party administrator. Cannot solicit participation from general public. Maintain stop loss coverage.</p> <p>If a third party administrator is used, the third party administrator must be registered unless the entity qualifies and obtains an exemption from registration.</p> <p>Each producer is responsible for determining whether a MEWA is properly licensed and may be subjected to penalties for violating this responsibility.</p> <p>A person that provides coverage for health care is subject to insurance laws unless it is subject to the jurisdiction of another state or federal agency and provides the director with the appropriate license or certificate.</p> <p>Definition of "health care insurer" includes "welfare arrangements" which are defined as MEWAs under 29 U.S.C. § 1002, but excludes fully insured multiple employer welfare arrangements.</p> <p>MEWA deemed a "health care insurer" so all statutes applicable to health care insurers apply except where specifically pre-empted by ERISA.</p>
AZ (8/16)	§ 20-115	Makes provider of health care benefits subject to insurance laws of the state unless provider can show that the provider is under the jurisdiction of a different state or federal agency.

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
AR (8/16)	<p>§ 23-65-101</p> <p>§ 23-92-101</p> <p>§ 23-92-201</p> <p>§§ 23-61-501 to 23-61-508</p>	<p>Representing an unauthorized MEWA is prohibited.</p> <p>Multiple employer trusts must register or be licensed with department. Fully insured MEWAs must register; those not fully insured must obtain a certificate of authority. Authority to adopt regulation.</p> <p>Unregistered third party administrators for MEWAs providing disability insurance benefits are prohibited.</p> <p>Makes provider of health care benefits subject to insurance laws of the state unless provider can show that the provider is under the jurisdiction of a different state or federal agency.</p>
CA (8/16)	<p>Ins. §§ 742.20 to 742.43</p> <p>Ins. § 740</p> <p>Bulletin 92-4</p>	<p>Self-funded or partially self-funded MEWAs are required to obtain certificate of compliance from department of insurance before providing benefits to residents. An eligible MEWA must be nonprofit, established by a trade/industry/professional association or business group with at least 200 paid members and in operation for 5 continuous years and organized and maintained for a period of 5 continuous years with at least 2,000 employees and 50 paid employer members. MEWAs must meet listed requirements and maintain required reserves. Notice that the MEWA is not protected by the state's guaranty fund must be provided to employers and employees that obtain coverage from the MEWA. MEWAs are subject to examinations by the department of insurance just like other insurers.</p> <p>Makes provider of health care benefits subject to insurance laws of the state unless provider can show that the provider is under the jurisdiction of a different state or federal agency.</p> <p>MEWAs that are not fully insured are considered to be "insurers" under California Insurance Code and are subject to licensing requirements, financial standards (reserves), and standards of conduct as insurers.</p>
CO (8/16)	<p>§ 10-3-903.5</p> <p>3 CRR 702-4:4-2-10</p>	<p>Exempt MEWAs that have been in existence since 1983; maintain reserves of at least 5% of the first \$2 million of annual contributions made in the preceding year; file an annual financial statement demonstrating maintenance of required reserves; file an actuarial opinion stating that reserves, contributions and funding levels are adequate; and provide benefits which are in "substantial compliance with mandated benefit provisions" applicable to insurers offering health insurance coverage. The exempt MEWAs that are grandfathered in under the 10-year exception must be sponsored and maintained by an association with employers that participate and fund it, must provide other than employee welfare benefits, and must provide business/professional assistance and benefits to its members who share common business interest and engage in same trade or business. Exemption not applicable if insurance department determines that its operation is hazardous to the public or to individuals receiving benefits.</p> <p>Clarifies information to be filed by MEWAs claiming exempt status and clarifies responsibilities of licensed producers. Only applies to MEWAs subject to § 10-3-903.5.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
CT (8/16)	<p>§ 38a-476</p> <p>Regs. §§ 38a-272-1 to 38a-272-10</p> <p>Bulletin No. HC-43</p>	<p>MEWAs (except fully insured) are subject to preexisting conditions provisions of the health insurance code.</p> <p>Requires agents and brokers to submit information about MEWAs to department.</p> <p>“Self-insured” MEWAs and METs operating without authorization or license are illegal operations transacting insurance.</p>
DE (8/16)	<p>18 Del.C. § 505(d)</p> <p>18 Del.C. § 1405</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Filing requirements for MEWAs (except fully insured MEWAs).</p>
DC (8/16)	<p>§§ 31-3271; 31-3001; 31-3301.01</p>	<p>Coverage provided by MEWAs is considered a health benefit plan and is subject to all rules and regulations regarding general health benefit plans. MEWAs are considered health insurers and all rules and regulations applicable to health insurers are applicable to MEWAs.</p>
FL (8/16)	<p>§ 624.33</p> <p>§§ 624.436 to 624.446</p> <p>§§ 626.896 to 626.899</p> <p>Rule 69O-192.001 to 69O-192.058</p> <p>Rule 69O-230.033</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>MEWA must get certificate of authority from insurance department, file quarterly reports, file annual actuarial statement, and meet solvency requirements (\$200,000 at time of application and maintain the greater of \$100,000 or 10% of total liabilities). MEWAs subject to triennial examinations or more frequent if determined to be necessary by commissioner. MEWAs must be nonprofit and established by a trade organization, industry association, or professional association (without combining member employers from disparate trades or employer categories).</p> <p>Each MEWA must provide competent claims adjusters and underwriters. Service companies working for MEWAs must be approved by the insurance department.</p> <p>Rule implements provisions of Chapter 624 and regulates the issuance of certificate of authority and operation of MEWAs. Chapter 624 does not apply to arrangements providing fully insured benefits by authorized insurers or to ERISA-exempt entities. Defines standards for operation including a payment of claims requirement of 30 days, policy or contract summary requirement, and disclosure of self-funding (and lack of protection by a guaranty fund in the event of insolvency).</p> <p>Insurance agents must submit information to the insurance department prior to marketing unlicensed insurers, unlicensed MEWAs, and non-fully insured MEWAs (excluding any exempt entities under ERISA) to assist the department in identifying unauthorized insurers before transactions occur.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

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STATE	CITATION	MEWAs and METs PROVISIONS
GA (8/16)	§§ 33-50-2 to 33-50-14 § 33-27-1 § 33-30-1 R. & Regs. 120-2-50-.01 to 120-2-50-.16 R. & Regs. 120-2-67-.14 Bulletin 77-AL-2	<p>Multiple employer self-insured health plans must be licensed. Licensing chapter does not apply to arrangements established by political subdivisions, plans exempt under ERISA, nonprofit organizations or nonprofit educational organizations with assets of more than \$100 million. Self-insured multiple employer health plans must have aggregate excess stop loss coverage and individual excess stop loss coverage provided by a licensed insurer. Plans subject to loss reserve (surplus accounts) and dissolution requirements.</p> <p>The lives of a group of individuals may be insured collectively under an entity providing a MEWA.</p> <p>MEWAs are eligible to provide group accident and sickness insurance and are regulated under the associated insurance statutes.</p> <p>Implements standards and requirements of multiple employer self-insured health plans. Subject to disclosure (not protected by state against insolvency) and filing (financial statement prepared by a CPA) requirements.</p> <p>Policies issued to a Georgia resident by MET or MEWA in another state must be submitted to Georgia Department of Insurance for approval prior to use.</p> <p>METs that are employee benefit plans are subject to specific standards of compliance with ERISA. Non-preempted MEWAs and METs will be regulated by the state. Agents representing unauthorized insurers are personally liable for loss and premium taxes.</p>
HI (8/16)	Memoranda 2005-1(H) (August 11, 2005)	MEWAs are regulated by the department of insurance and are required to have a license in order to transact business in Hawaii.
ID (8/16)	§§ 41-4001 to 41-4011 <i>Employer's Res. Mgmt. Co. v. Dept. of Ins.</i> , 141 P.3d 1048 (Idaho 2006).	<p>Sets out plan requirements for self-insurers which specifically apply to METs and MEWAs including requirements for administrator, advance receipt of funds, contributions by all employers, and financial soundness.</p> <p>MEWAs are subject to state regulation and are within the power to regulate insurance held by the commissioner. As such, MEWAs are required to obtain a certificate of authority to transact business in Idaho.</p>
IL (8/16)	215 ILCS 138/10; 215 ILCS 139/10 215 ILCS 5/122-1 to 5/122-4	<p>MEWA coverage is included under the definition of health benefit plan for Uniform Prescription Drug Information Card Act and Uniform Health Care Service Benefits Information Card Act.</p> <p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
IN (8/16)	<p>§§ 27-1-34-1 to 27-1-34-10</p> <p>§§ 27-8-15-10 to 27-8-15-34.1</p> <p>760 IAC 1-68-1 to 1-68-19</p>	<p>MEWA must get certificate of registration from the insurance department, meet reinsurance requirements, maintain adequate reserve levels and deposits, follow reporting requirements and follow operational and bonding requirements as directed by the commissioner of insurance. This excludes duly admitted insurer, fully insured arrangements by authorized insurers, and ERISA exempt plans. Except as provided in this chapter and in rules adopted by the commissioner under Chapter 4-22-2 and § 27-9-1-1, insurance law does not apply to MEWAs.</p> <p>Small Employer Group Health Insurance Act applies to MEWAs.</p> <p>Prior to registration, MEWA must submit proof of fidelity bond equal to the greater of 10% of premiums or 10% of benefits paid during prior years, with a minimum of \$10,000 and maximum of \$500,000. MEWA must be a not-for-profit organization. Pre-existing conditions requirements and other coverage requirements for MEWAs. If contract with a TPA for services, that entity must also hold a certificate of registration. MEWA must file quarterly and annual financial reports with commissioner. Each MEWA shall maintain a minimum fund balance of \$500,000. Commissioner authority to examine books and records. Filing requirement for forms. The liability of each employer participant for the obligations of the MEWA is joint and several. A schedule of fees is included.</p>
IA (8/16)	<p>§ 507A.4</p> <p>§§ 513B.1 to 513B.12; 513B.17</p> <p>§ 514C.13</p> <p>§ 514L.1</p> <p>IAC 191-77.1 to 191-77.11</p>	<p>MEWAs are not exempt from “unauthorized insurers” provisions unless they meet certain requirements including existence prior to 1992. File annual report with commissioner.</p> <p>MEWAs may be subject to small group health coverage provisions.</p> <p>MEWAs are included as insurers under regulations regarding group managed care health plans.</p> <p>MEWAs are subject to the Uniform Prescription Drug Information Card Act provisions.</p> <p>MEWA must register with insurance department. Submit listed information and filing fee of \$100. Surplus requirement is the greater of \$500,000 or 10% of written premium as of end of prior year. Stop loss coverage required. File annual report and actuarial opinion. Subject to examination and unfair trade practices act.</p>

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STATE	CITATION	MEWAs and METs PROVISIONS
KS (8/16)	<p>§ 40-2222</p> <p>Bulletin No. 1991-21</p>	<p>Entities that provide coverage for hospital and medical expenses shall be presumed to be subject to the jurisdiction of the commissioner of insurance unless the entities can show otherwise.</p> <p>Advises third party administrators and others of the legal environment concerning MEWAs in the state. Provides that agents or others involved in the operation of a self-funded MEWA may be subject to penalties stated in the Unauthorized Insurers Act. The agent will be liable to the insured for the full amount of a claim in the event the MEWA should fail. The agent may also be subject to the penalties in the Unfair Trade Practices Act. MEWAs are not recognized in Kansas and are, as such, illegal. This does not apply to ERISA exempt MEWAs.</p>
KY (8/16)	<p>§ 304.11-045</p> <p>806 KAR 11:020</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>MEWAs are required to notify the commissioner of their existence. Commissioner determines and enforces applicable laws.</p>
LA (8/16)	<p>§ 22:1091</p>	<p>Rate filing laws apply to MEWAs.</p>
ME (8/16)	<p>24-A M.R.S.A. §§ 6601 to 6616</p> <p>02-031 CMR Ch. 940, § 15</p>	<p>All employer welfare plans established to provide health benefits to two or more employers for their beneficiaries must seek certification from the superintendent. Does not apply to MEWAs that are fully insured by an authorized insurer. MEWAs must be licensed as insurance companies or certified as MEWAs. Criteria for certification: MEWA providing employee health benefits since 1984, in-state administered, nonprofit established by a trade association, political subdivision of the state, religious organization, and does not deny coverage on basis of health status or claims experience. Must make certain consumer disclosures (summary of benefits and funding via trust fund), maintain excess insurance consistent with sound actuarial principles and approved by the superintendent, maintain loss reserves, and hold funds in a trust. MEWAs are subject to financial examination by the department. If MEWA fails to establish/maintain adequate funding, then it may be required to file a security deposit (\$50,000 to \$1 million) or surety bond. MEWAs must use approved forms and file an annual report.</p> <p>Rate filing and data reporting laws apply to MEWAs.</p>
MD (8/16)	<p>Bulletin No. 2009-26</p>	<p>MEWAs are required to hold certificates of authority to operate in Maryland.</p>

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STATE	CITATION	MEWAs and METs PROVISIONS
MA (8/16)	<p>§ 176J:1</p> <p>211 CMR 64.04</p> <p>211 CMR 153.02</p>	<p>Each employer under a MEWA is considered a separate group health plan with respect to insurance delivered to employees of small businesses. Small group health insurance applies to MEWAs.</p> <p>MEWAs are included under the definition of health benefit plans and are subject to applicable provisions regulating health benefit plans.</p> <p>MEWAs subject to continuation of care provisions.</p>
MI (8/16)	<p>§§ 500.7001 to 500.7090</p> <p>Admin. Code R. 500.821 to 500.824</p>	<p>Applies to less than fully insured MEWAs that do business in Michigan. Requires certificate of authority, state qualifications (excess loss insurance policy; stable and unimpaired financially; file articles, bylaws and trust agreement as well as annual financial statements audited by a CPA, quarterly uncertified financial statements, and annual certified reserves report; composition and compensation of board of trustees). Required minimum annual gross premiums of \$20,000 for plans that provide only vision, \$75,000 for only dental benefits, and \$200,000 for all other plans; cash reserves greater of 25% of aggregate annual contributions or 35% of claims paid in preceding fiscal year; calculation requirements for cash reserves. Commissioner may require a bond, deposit or security from the MEWA (amount unspecified).</p> <p>There are excess loss insurance requirements for MEWAs.</p>

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STATE	CITATION	MEWAs and METs PROVISIONS
MN (8/16)	<p>§§ 62H.10 to 62H.17</p> <p>§ 62L.02</p> <p>§ 60A.951</p> <p>§§ 60F.01 to 60F.08</p> <p>§ 62M.01</p> <p>Rules, part 2765.0100 to 2765.1500</p>	<p>Joint self-insurance employee health plans (at least 1000 covered employees) regulated to the extent authorized by ERISA. Must have excess stop loss coverage and funds must be held in a trust. Commissioner can establish solvency standards. Joint self-insurance employee plans must operate for a minimum 3 years. If the plan terminates prior to the end of the 3-year period, the MEWA may be subject to fines. Requires agents and brokers to submit information about MEWAs to the department.</p> <p>Small employer insurance reform encompasses joint self-insurance and MEWAs (to extent permitted by ERISA).</p> <p>METs are included in definition of insurer under insurance fraud regulations.</p> <p>Multiple employers are authorized to combine and provide joint self-insurance which must comply with all applicable provisions including rules regarding stop loss insurance.</p> <p>Minnesota Utilization Review Act applies to MEWAs.</p> <p>Governs the formation, operation and dissolution of multiple employer plans for joint self-insurance. Plan must establish reserves (loss and premium reserves; full-funding reserves to correspond to aggregate excess stop loss insurance for each fund year; surplus the greater of three times the average/estimated monthly premium or \$100,000), prepare financial statements and file with the commissioner. Plans are subject to coverage content (mandated benefits and notice), rates (plan may pay dividends if does not cause surplus to be negative), and underwriting requirements (same standards for all employees).</p>
MS (8/16)	<p>§ 83-1-101</p> <p>§ 83-9-51</p> <p>§§ 83-63-3 to 83-63-11</p> <p>§ 83-9-6.2</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Fully insured MEWAs are subject to continuation of coverage requirements.</p> <p>Fully insured MEWAs are subject to small employer health benefit plan provisions including actuarial certification, rates, and renewability guarantees.</p> <p>MEWAs must comply with uniform prescription identification laws.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
MO (8/16)	§§ 376.1000 to 376.1045	Director is authorized to issue certificate of authority to self-insured MEWAs except MEWAs that existed as of 8/28/1993 and are associated with a tax exempt homogenous association. License fee is 2% of Missouri claims paid by the plan during the preceding calendar year. Each trustee of the plan must be bonded in an amount of at least \$150,000. Employer is responsible for any claims not paid by the MEWA. Penalties for violations. Other requirements include stop loss coverage, funds held in a trust, loss reserves and surplus accounts (greater than three times the average/estimated monthly premium or \$600,000), dissolution requirements, and marketing restrictions. Director can promulgate other regulations. Insurance provisions relating to group health insurance apply to MEWAs.
	§ 376.1224	Required benefits for autism spectrum disorder applies to MEWAs.
	§§ 376.1075 to 376.1095	Provisions regarding administrators of MEWAs.
	§ 379.930	Small Employer Health Insurance Availability Act applies to MEWAs.
	§ 376.1032	MEWAs considered insurers for unfair claims settlement practices regulations and laws.
	20 CSR 200-14.200 to 200-14.400	Application for certificate of authority for self-insured MEWA; contract between MEWAs and participating employer; application for dissolution.
	MO Bulletin No. 11-1-78; MO Bulletin No. 1-1-79 (#1)	Out-of-state MET still must be approved by Missouri Department of Insurance prior to solicitation of business from Missouri employers.

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MT (8/16)	<p>§§ 33-1-1101 to 33-1-1114</p> <p>§ 33-1-111</p> <p>§§ 33-35-101 to 33-35-307</p> <p>Mont.Admin.R. 6.6.5701 to 6.6.5708</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>General eligibility requirements for health insurers including MEWAs. Information regarding data collection for Medicaid.</p> <p>Provides for the authorization and registration of self-funded MEWAs. Certificate of authority from commissioner required. Commissioner must be satisfied that participants in MEWA are engaged in the same trade or profession, participant employers control the arrangement, benefits are provided to not less than 2 employers and not less than 75 employees. Arrangements organized after 10/01/95 must deposit \$200,000 with the commissioner, submit a written plan of operation or demonstrate financial solvency. Employer confidentiality provisions. Arrangement may be required to maintain excess loss insurance covering 100% of claims in excess of designated attachment point. All arrangements shall maintain as reserves 30% of the unpaid claims liability. Requires notice to consumers that the MEWA is self-funded. Group health insurance, disability insurance, and unfair claim practices provisions apply to self-funded MEWAs.</p> <p>Provisions regarding MEWAs and supervision, rehabilitation and supervision.</p> <p>*A MEWA not subject to ERISA requirements will be subject to various mandated benefit requirements.</p>
NE (8/16)	<p>§§ 44-7601 to 44-7617; R. & Regs. Tit. 210, Ch. 78, §§ 001 to 015</p>	<p>Insurance laws of the state do not apply, except as specifically stated in this act. MEWAs must hold certificate of registration and pay \$1000 fee. A MEWA may only be established by an association of employers. Association must have been in existence 3 years and be composed of members in the same trade or industry and must include in the plan a minimum 200 employees. Funds held in trust. Must maintain stop loss policy that provides coverage in excess of 125% of the MEWA's expected health care costs. Notify plan participants that benefit plan is not insurance and is not covered by the guaranty fund. File annual financial statement accompanied by \$200 fee and file actuarial report. Reg. specifies steps for getting registered and financial requirements.</p>
NV /16)	<p>§§ 689B.010 to 689B.090</p> <p>§ 689A.715</p> <p>NAC 680A.050</p> <p>Bulletin No. 91-004 (December 18, 1991)</p>	<p>Governs the formation, operation and dissolution of multiple employer plans for group health insurance contracts. Pursuant to Reg. 680A.036, commissioner of insurance will interpret the phrase "group organized for purposes other than the procurement of insurance" to include various forms of employer trusts.</p> <p>MEWAs subject to provisions regarding health care portability.</p> <p>To the extent applicable and not inconsistent with federal law, MEWAs must comply with the laws that govern insurers in regard to certificates of authority, capital and surplus, etc.</p> <p>Explains that MEWAs (not fully funded) are subject to state jurisdiction. Agent may be personally liable for claims/losses.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

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STATE	CITATION	MEWAs and METs PROVISIONS
NH (8/16)	<p>§§ 415-E:1 to 415-E:16</p> <p>§§ 415-A:1 to 415-A:6</p> <p>§ 400-A:39</p> <p>§ 415:23</p>	<p>Authorizes the commissioner of insurance to regulate MEWAs; specifies standards to obtain approval (MEWA must be nonprofit, established by association, political subdivision, or religious organization); includes reporting requirements. Does not apply to fully insured MEWAs. Requires MEWAs to maintain a fund balance in excess or equal to zero. Trust deposit or surety bond required (25% of claims or 5% of gross annual premiums, deposit not to exceed \$100,000). Policy forms subject to the commissioner's approval.</p> <p>Expands forms and policy standards for health insurance to apply to MEWAs. Authorizes the commissioner to promulgate standards on renewability, conditions of eligibility, mandated coverage, preexisting conditions, and termination.</p> <p>MEWAs must contribute to the commissioner's fund (pro rata share).</p> <p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p>
NJ (8/16)	<p>§§ 17B:27C-1 to 17B:27C-12</p> <p>§§ 17B:27A-17 to 17B:27A-19</p> <p>N.J.A.C. 11:4-56.1 to 11:4-56.12</p> <p>N.J.A.C. 11:4-55.1</p>	<p>Provides for registration of self-funded or partially self-funded MEWAs. Registration fee of not more than \$1,000 to be set by commissioner. Deposit of \$200,000 for the benefit of covered persons. MEWA must maintain stop loss coverage. File annual audited financial report and quarterly statements. Notice required stating MEWA is not covered by guaranty fund. Use RBC standards to measure adequacy of capital and surplus.</p> <p>Multiple employer arrangements, including MEWAs (both fully insured and not fully insured) cannot withdraw or decrease coverage of a health benefits plan marketed to small employers in effect on 12/31/93 without the commissioner's approval and must make available to their members at least one of the standard plans.</p> <p>Regulation establishes rules for the registration, reporting and regulation of self-funded MEWA's. File rating manual with department. Establish trust account with balance equal to sum of liabilities, plus risk-based capital requirement.</p> <p>MEWAs are included under the definition of health benefit plan for purposes of regulations regarding pharmacy cards.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

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STATE	CITATION	MEWAs and METs PROVISIONS
NM (8/16)	<p>§§ 59A-15-14 to 59A-15-19</p> <p>§§ 59A-23C-1 to 59A-23C-9</p> <p>§ 59A-41-2</p> <p>§ 59A-59-3</p> <p>§ 59A-4-4</p> <p>N.M. Admin Code 13.19.3</p> <p>N.M. Admin Code 13.19.4</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Small Group Rate Renewability Act applies to fully insured MEWAs.</p> <p>Conservation, rehabilitation and liquidation provisions apply to MEWAs.</p> <p>Prescription Drug Uniform Information Card Act provisions apply to MEWAs.</p> <p>Superintendent's power of examination extends to MEWAs.</p> <p>Requires agents and brokers to submit information about MEWAs to the department. Requires agents only sell policies from licensed MEWAs.</p> <p>MEWA requirements (fully insured and ones established pursuant to ERISA and subject to federal regulation are exempt). MEWA must be registered, meet minimum solvency requirements (greater of \$100,000 or 3 months health care or benefit claims), deposit \$100,000 in trust for benefit of beneficiaries of fund, annually file financial statements to superintendent, meet stop loss coverage requirements, and comply with Patient Protection Act and other applicable laws.</p>
NY (8/16)	<p>Circular Letter No. 1991-8 (July 11, 1991)</p> <p>OGC Op. No. 2003-65 (2-4-2003);</p> <p>OGC Op. No. 2003-268 (9/24/2003)</p>	<p>All self-funded MEWAs, except those exempted by ERISA, must be licensed to do an insurance business. Only a licensed insurer or a license-exempt organization may offer major medical coverage. Agents soliciting on behalf of unlicensed insurers are subject to penalties and personal liability.</p> <p>New York does not have a statutory scheme for regulating self-insured MEWAs and, as such, for a MEWA to be valid it must be licensed as an insurer and would be subject to all insurance laws including mandated coverages.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
NC (8/16)	<p>§§ 58-49-1 to 58-49-65</p> <p>§ 58-3-167</p> <p>§ 58-3-227</p> <p>11 NCAC 18.0101 to 18.0121</p> <p>11 NCAC. 12.0561</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency. MEWA (one employer headquartered/principal administrative offices in North Carolina) must be licensed. Qualifications for license (nonprofit, association), financial regulation (excess insurance coverage, loss reserves, fidelity bond of \$50,000 to \$500,000), including annual reports (feasibility study at time of application for license, rate practices information). Only licensed insurers can administer MEWAs. Consumer protection provisions include summary of covered benefits and disclosure that trust fund is not subject to insurance guaranty association. MEWAs are subject to reserve requirements and examination regulation applicable to all insurers.</p> <p>Whenever a law is passed by the general assembly that applies to health benefit plans, it shall apply to MEWAs.</p> <p>MEWAs are required to submit fee schedules.</p> <p>Regulation to implement provisions of statute. Filing requirements, solvency examination, fidelity bonds, annual report required, reserves for claims and premiums, and dissolution procedures. Consumer protection provisions include claims payment within 30 days and written explanation of claim denial.</p> <p>MEWAs subject to unfair and deceptive practices, and co-payment and deductibles regulations.</p>
ND (8/16)	<p>§§ 26.1-07.1-01 to 26.1-07.1-04</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p>
OH (8/16)	<p>§§ 1739.01 to 1739.99</p> <p>§ 1751.111</p> <p>§§ 3924.01 to 3924.14</p>	<p>Provides for regulation of MEWAs. MEWAs must have certificate of authority from the director of insurance. Qualifications for license, financial regulation (excess insurance, aggregate stop loss insurance, investment constraints), and annual reports. Filing fee of \$1,000. Maintain minimum surplus of at least \$500,000. MEWAs subject to deceptive practices provisions (however, not subject to the code provisions solely relating to insurers or insurance companies). Other consumer protection provisions include claim settlement and assets management. A MEWA providing benefits for a self-insurance program must have a certificate of authority. No insurance producer shall sell coverage from an unlicensed MEWA. Provision for restitution. MEWA to be licensed requires 300 employees and a minimum of 2 employers.</p> <p>Pharmacy benefit card requirements apply to MEWAs.</p> <p>MEWAs subject to requirements of small employer health insurance law.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
OK (8/16)	<p>36 Okl.St. Ann. § 632</p> <p>36 Okl.St. Ann. §§ 633 to 650</p> <p>36 Okl.St. Ann. §§ 6512 to 6513</p> <p>36 Okl.St. Ann. § 4512</p> <p>36 Okl.St. Ann. § 4509.1</p> <p>36 Okl.St. Ann. §§ 1219.2; 1250.2</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Requires MEWA be administered by licensed insurer or licensed third party administrator (\$20,000 to \$500,000 fidelity bond requirement depending on size). MEWA must be licensed by the insurance commissioner. MEWA required to file annual report and actuarial certification. Filing requirements, disclosure to covered employees, rating practices, feasibility study and financial statements. Must comply with deposit, solvency, and examination requirements applicable to all insurers.</p> <p>MEWAs subject to small employer health insurance reform law.</p> <p>MEWAs subject to group and blanket accident and health insurance provisions.</p> <p>MEWAs subject to statute on replacement of health coverage.</p> <p>MEWAs subject to unfair claims practice regulations applicable to health benefit plans.</p> <p>*MEWAs subject to numerous mandated benefits provisions.</p>
OR (8/16)	<p>§§ 750.301 to 750.341</p> <p>§§ 743B.001 to 743B.810</p> <p>OAR 836-014-0100</p> <p>OAR 836-053-0007; 836-053-0070</p>	<p>These provisions apply to MEWAs that are not fully insured. MEWA must get a certificate from the department and meet requirements set out in the statute for bond, deposit and minimum reserve requirement (verified by actuarial opinion). Taxed same as an insurer. Trusts must maintain excess loss insurance policy (excess of 10% of capital and surplus of the trust; no exposure exceeding 15% of capital and surplus of the trust). Capital or surplus of the greater of \$250,000 or 35% of incurred claims (not more than \$500,000). Other consumer protection provisions include disclosure that trusts are subject to less stringent solvency protection and regulation than insurers, MEWAs coverage is not protected by the insurance guaranty association in case of insolvency. MEWAs must file annual financial statements and are subject to examination as are insurers. Section 750.333 delineates insurance code provisions applicable to MEWAs.</p> <p>Health insurance provisions apply to MEWAs.</p> <p>Standards for actuarial opinion. Annual statement by qualified actuary including loss reserves, experience rating refunds and other actuarial items.</p> <p>Regulation regarding the approval and certification of MEWAs.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
PA (8/16)	31 Pa. Code §§ 89.473 to 89.474 31 Pa. Code § 89.802 PA Notice No. 1992-2 (May 1, 1992)	Statement of policy. Prohibits stop loss insurers from issuing coverage to self-insured MEWAs. MEWAs are required to provide childhood immunizations. Agents that sell for an unlicensed insurer, including MEWAs, are subject to penalties including fines and restitution. No insurer allowed to transact business in state without certificate of authority.
PR (8/16)	PR Ruling N-AV-10-90-97	MEWAs are prohibited from denying employer continued plan coverage absent fraud, lack of contributions, non-compliance, lack of employees in covered area, or lack of collective bargaining agreement – related to HIPAA enactment.
RI (8/16)	§§ 27-42-1 to 27-42-6 § 27-20.4-6 RI Health Ins. Comm. Reg. 13 §§ 1 to 6	Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency. Insurance Continuation Act applies to multi-employer trusts located out of state if an in-state employer is a member. Provides requirements including certificate of compliance for MEWAs operating in state.
SC (8/16)	§§ 38-41-10 to 38-41-110 § 38-27-40 §§ 38-71-910 to 38-71-990 § 38-71-1330 Regulations R. 69-42 Bulletin No. 77-10	Multiple employer self-insured health plan must be licensed by the insurance department and must establish loss reserves. Act does not apply to ERISA exempt plans. If MEWA existed prior to 7/1/1985 and is sponsored by a homogeneous association (tax exempt), then it is not subject to this Act. Agents, brokers and administrators must give notice that they are transacting on behalf of a MEWA to the commissioner. Annual fee is 2% of the claims paid by the plan (funds into the general fund). Required excess stop loss coverage. Funds must be held in trust. Every 3 years inspection of records. Dissolution of plan requirements. Multiple employer self-insured health plans may be subject to Insurers' Rehabilitation and Liquidation Act. Small group health insurance law applies to MEWAs. Small Employer Health Insurance Availability Act applies to self-insured MEWAs. Annual and quarterly financial reports required. Employers personally liable for covered unpaid benefit claims. Department of insurance will enforce law that METs be established with authorized insurance companies. Agents should consider their liability.

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

11/16

STATE	CITATION	MEWAs and METs PROVISIONS
SD (8/16)	<p>§ 58-18B-35</p> <p>§§ 58-17-100; 58-17-114; 58-1-21; 58-17-66</p> <p>§§ 58-18-88 to 58-18-94</p> <p>§ 58-29D-3</p> <p>§§ 58-18B-1 to 58-18B-59</p> <p>§§ 58-33-93 to 58-33-116</p>	<p>Director is authorized to promulgate rules regulating solicitation and sale of trusts and MEWAs. These rules can cover minimum stop loss amounts, filing requirements, reporting and recordkeeping, and eligibility of insureds for coverage.</p> <p>MEWAs are considered health insurers or carriers for various health care requirements.</p> <p>Authorizes METs and gives director authority to promulgate rules. METs deemed not insurance companies.</p> <p>Life and health administrators working with MEWAs that are not exempt from state law under ERISA are subject to state insurance laws as they pertain to administrators working with “insurers.”</p> <p>Regulation of small business group and blanket health insurance policies apply to MEWAs.</p> <p>MEWAs are subject to unfair claims practices and unauthorized health care provisions.</p>
TN (8/16)	<p>§ 56-7-1010</p> <p>§ 56-7-2203</p> <p>§ 56-7-2361</p> <p>R. & Regs. 0780-01-76-.01 to 0780-01-76-.20</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Small Employer Group Health Coverage Reform Act applies to MEWAs. Statute includes health plan coverage requirements and preexisting conditions limitations.</p> <p>Pharmacy benefit card provisions apply to MEWAs.</p> <p>Provides regulations for MEWAs. Requires certificate of authority to operate. Requirements include use of third party administrator; arrangement does not solicit participation for the general public, arrangement is not in hazardous financial shape; and arrangement has deposited a bond with the commissioner. The arrangement must have stop loss coverage. Other provisions in section include required filings, explanation of examinations, consumer information notice required.</p>
TX (8/16)	<p>I.C. §§ 846.001 to 846.303; 28 TAC 7.1901 to 7.1915</p>	<p>MEWA to file application for licensure, pay licensing fees and file for certificate of authority. MEWA must file appropriate forms with the department of insurance. Also applies to non-association (trade/business) MEWAs if at least one employer is domiciled or headquartered in Texas (or MEWA solicits in Texas). Cash reserve requirements (20% of contributions or 20% of estimated contributions), specific and aggregate stop loss coverage, and other filing requirements (e.g. special forms). Filing initial certificate fee is \$5,000, final certificate of authority fee is \$1,500, and annual filing audited statement and actuarial opinion fee is \$500. Other requirements include disclosure to employees covered by plan and personal liability. Regulations include rules on formation, marketing, board structure, MEWA powers and duties, coverage provisions, and participation. MEWAs are exempt from all insurance laws outside of these chapters referenced in statute, unless specifically mentioned.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
UT (8/16)	<p>§ 31A-30-103</p> <p>U.A.C. R590-88-1 to R590-88-7</p> <p>U.A.C. R590-261-1 to R590-261-17</p> <p>U.A.C. R590-203-4</p>	<p>Individual and Small Employer Health Insurance Act applies to MEWAs.</p> <p>Agents engaging in prohibited transactions with unauthorized METs subject to sanctions.</p> <p>MEWAs subject to health benefit plan adverse benefit determinations.</p> <p>MEWAs subject to health grievance review process.</p>
VT (8/16)	8 V.S.A. § 4079	Policies issued to MEWAs are subject to group health insurance regulations (unless preempted by ERISA).
VI (8/16)	No provision	
VA (8/16)	<p>§§ 38.2-3420 to 38.2-3424.1</p> <p>§ 38.2-3431</p> <p>14 VAC 5-410-10 to 5-410-80</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Insurance provisions for small employer market cover MEWAs. This includes preexisting conditions limitations and guaranteed renewability.</p> <p>Standards for the licensing and operation of multiple employer health plans. Not fully insured MEWA must become a licensed insurance company. A fully insured MEWA must file with the department.</p>

MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA) AND MULTIEMPLOYER (MET) PROVISIONS

STATE	CITATION	MEWAs and METs PROVISIONS
WA (8/16)	<p>§§ 48.42.010 to 48.42.050</p> <p>§§ 48.125.003 to 48.125.901</p> <p>§ 48.37.030</p> <p>§ 48.43.366</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Must have certificate of authority to operate self-funded employer welfare arrangements. Employers must be members of a bona fide association and exercise control over the association. Provide coverage to minimum 20 employers and 75 employees. Arrangement must have been in existence for 10 years. Demonstrate financial integrity by deposit of \$200,000 or a written plan of operation that demonstrates financial integrity. A MEWA with fewer than 1,000 covered persons must purchase stop loss insurance with an attachment point of 125% of expected claims. Maintain surplus equal to 10% of the next 12 months of incurred claims or \$2 million, whichever is greater. Reporting requirements included. MEWAs required following regulations implemented as part of Washington's insurance reform including RBC requirements and grievance handling systems. Requires notice to participants that arrangement is self-insured and may not be subject to all state laws and is not part of the insurance guaranty fund.</p> <p>Self-funded MEWAs subject to market conduct oversight.</p> <p>Self-funded MEWAs subject to RBC requirements.</p>
WV (8/16)	<p>§ 33-16-1a; WV ADC § 114-39-2</p> <p>§ 33-12-20</p>	<p>Group accident and sickness coverage provisions apply to MEWAs under definition of health benefit plan.</p> <p>Agents are personally liable for contracting with unauthorized insurers including unlicensed MEWAs.</p>
WI (8/16)	<p>Reg. INS. § 6.62</p> <p>WI Bulletin No. 6-4-2003</p>	<p>Includes parameters that identify multiple employer trust or association and its operation, including duties of intermediaries.</p> <p>Not fully insured MEWAs are subject to state insurance regulation.</p>
WY (8/16)	<p>§ 26-1-108</p> <p>§§ 26-19-302 to 26-19-306</p>	<p>Makes provider of health care benefits subject to insurance laws unless provider under the jurisdiction of another state or federal agency.</p> <p>Small Employer Health Insurance Availability Act applies to MEWAs.</p>

This chart does not constitute a formal legal opinion by the NAIC staff on the provisions of state law and should not be relied upon as such. Every effort has been made to provide correct and accurate summaries to assist the reader in targeting useful information. For further details, the statutes and regulations cited should be consulted. The NAIC attempts to provide current information; however, readers should consult state law for additional adoptions.