

## 2012 Kansas Statutes

### **40-3234. Health maintenance organization; financial condition; hearing; commissioner's powers.**

(a) Whenever the commissioner determines that the financial condition of a health maintenance organization is such that its continued operation might be hazardous to its enrollees, creditors or the general public, or that such health maintenance organization has violated any provisions of this act, the commissioner, after notice and hearing, may order such health maintenance organization to take action reasonably necessary to rectify the condition or violation. Such action may include, but not limited to one or more of the following:

(1) Reduce the total amount of present and potential liability for benefits by reinsurance or other method acceptable to the commissioner;

(2) reduce the volume of any new business being accepted;

(3) reduce expenses by specified methods acceptable to the commissioner;

(4) suspend or limit the writing of any new business for a period of time;

(5) increase the health maintenance organization's capital and surplus by contribution; or

(6) take such other steps the commissioner may deem appropriate under the circumstances.

(b) The commissioner may adopt rules and regulations which set uniform standards and criteria for early warning that the continued operation of any health maintenance organization might be hazardous to its enrollees, creditors or the general public and set standards for evaluating the financial condition of any health maintenance organization.

**History:** L. 2000, ch. 147, § 35; July 1.