



**STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
DAVY CROCKETT TOWER
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243**

APPLICATION FOR CERTIFICATE OF AUTHORITY

FOR A

PREPAID LIMITED HEALTH SERVICE ORGANIZATION

STATE OF _____)
COUNTY OF _____)

TO THE COMMISSIONER OF THE STATE OF TENNESSEE DEPARTMENT OF
COMMERCE AND INSURANCE, GREETINGS:

Name of Organization: _____ of
City: _____, State: _____ hereby applies for a certificate
of authority to operate as a prepaid limited health service organization [hereinafter sometimes
PLHSO] in the State of Tennessee. Enclosed as attachments to this application and submitted for
your consideration are the following:

1. A copy of the organization's basic organizational document, including the articles of incorporation, articles of association, partnership agreements, trust agreement, or other applicable documents and all amendments to such documents, as required by Tenn. Code Ann. § 56-51-106(a)(1);
2. A copy of all bylaws, rules and regulations, or similar documents, if any, regulating the conduct of the applicant's internal affairs, as required by Tenn. Code Ann. § 56-51-106(a)(2);

3. A list of the names, addresses, official positions, and biographical information of the individuals who are responsible for conducting the applicant's affairs, including, but not limited to, all members of the board of directors, board of trustees, executive committee, or other governing board or committee, the officers, contracted management company personnel, and any person or entity owning or having the right to acquire ten percent (10%) or more of the voting securities of the applicant. Such listing must fully disclose the extent and nature of any contracts or arrangements between any individual who is responsible for conducting the applicant's affairs and prepaid limited health service organization, including any possible conflicts of interest, all as required by Tenn. Code Ann. § 56-51-106(a)(3);
4. A complete biographical statement with respect to each individual identified under Tenn. Code Ann. § 56-51-106(a)(3) (biographical statement form attached), as required by Tenn. Code Ann. § 56-51-106(a)(4);
5. A statement generally describing the applicant, its facilities and personnel, and the limited health service or services to be offered, all as required by Tenn. Code Ann. § 56-51-106(a)(5);
6. A copy of the form of all contracts made or to be made between the applicant and any providers regarding the provision of limited health services to enrollees, as required by Tenn. Code Ann. § 56-51-106(a)(6);
7. A copy of the form of any contract made or arrangement to be made between the applicant and any person listed in Tenn. Code Ann. § 56-51-106(a)(3), as required by Tenn. Code Ann. § 56-51-106(a)(7);
8. A copy of the form of any contract made or to be made between the applicant and any person, corporation, partnership, or other entity for the performance on the applicant's behalf of any function, including, but not limited to, marketing, administration, enrollment, investment management, and subcontracting for the provision of limited health services to enrollees, as required by Tenn. Code Ann. § 56-51-106(a)(8);
9. A copy of the form of any prepaid limited health service contract which is to be issued to employers, unions, trustees, individuals, or other organizations and a copy of any form of evidence of coverage to be issued to subscribers (in the case of state or federal agencies), all as required by Tenn. Code Ann. § 56-51-106(a)(9);
10. A copy of the applicant's most recent financial statements audited by an independent certified public accountant, as required by Tenn. Code Ann. § 56-51-106(a)(10);

11. A copy of the applicant's financial plan, including a three-year projection of anticipated operating results, a statement of the sources of funding, and provisions for contingencies, for which projection all material assumptions shall be disclosed, as required by Tenn. Code Ann. § 56-51-107(a)(11);
12. A schedule of rates and charges for each contract to be used which contains an opinion from a qualified independent actuary that the rates are not inadequate, excessive, or discriminatory, as required by Tenn. Code Ann. § 56-51-106(a)(12).
THIS PARAGRAPH 12 ONLY APPLIES TO COMMERCIAL PLHSOs AND DOES NOT APPLY TO PERSONS APPLYING FOR A CERTIFICATE OF AUTHORITY TO OPERATE AS A TENNCARE PLHSO. SEE TENN. CODE ANN. § 56-51-109;
13. A description of the proposed plan of marketing, as required by Tenn. Code Ann. § 56-51-106(a)(13);
14. A description of the subscriber complaint procedures to be established and maintained as required under Tenn. Code Ann. § 56-51-106(14), as required by Tenn. Code Ann. § 56-51-106(a)(14);
15. A description of how the applicant will comply with Tenn. Code Ann. § 56-51-138(respecting officers' and employees' fidelity bonds), as required by Tenn. Code Ann. § 56-51-106(a)(15);
16. The \$500.00 fee for filing an application to operate as a PLHSO, made payable to the Tennessee Department of Commerce and Insurance, as required by Tenn. Code Ann. § 56-51-106(a)(16);
17. A copy of the form of any contract made or to be made between the applicant and any state or federal agency or health maintenance organization for the provision of limited health care services, required as a part of this application by both the Division of Insurance and the Division of TennCare Oversight pursuant to Tenn. Code Ann. § 56-51-106(a)(17); and,
18. A financial statement showing the applicant's assets, liabilities, and sources of financial support using the appropriate official blank form prescribed by the National Association of Insurance Commissioners (including a balance sheet as of December 31 preceding the date of the application, and an income statement for the calendar year preceding the date of the application; or, if the applicant is a start up company, including a balance sheet generated within the past thirty (30) days), required as a part of this application by both the Division of Insurance and the Division of TennCare Oversight pursuant to Tenn. Code Ann. § 56-51-106(a)(17); and,

19. A power of attorney form with a resolution from the board of directors of the applicant attached, appointing the Commissioner of the Tennessee Department of Commerce and Insurance as agent for service of process (a copy of the power of attorney form is attached hereto), required as a part of this application by both the Division of Insurance and the Division of TennCare Oversight pursuant to Tenn. Code Ann. § 56-51-106(a)(17).
20. A complete copy of the applicant's grievance procedure that facilitates the resolution of subscriber grievances, required as a part of this application by both the Division of Insurance and the Division of TennCare Oversight pursuant to Tenn. Code Ann. § 56-51-106(a)(17).

I hereby affirm that, to the best of my/our knowledge, information and belief, the information contained within this application, or submitted with this application as an attachment, is true and correct.

WITNESS MY HAND on this _____ day of _____, 20____.

Name of applicant: _____

By: _____

Title: _____

By: _____

Title: _____

SWORN TO AND SUBSCRIBED before me on this _____
day of _____, 20____.

Notary Public

My commission Expires: _____



**STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
DAVY CROCKETT TOWER
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243**

APPLICATION PACKET

**CERTIFICATE OF AUTHORITY FOR
PREPAID LIMITED HEALTH SERVICE ORGANIZATIONS**

Within this packet is an application to obtain a certificate of authority to operate a prepaid limited health service organization [hereinafter PLHSO] in the State of Tennessee. The statutes governing PLHSOs are codified at Tenn. Code Ann. §§ 56-51-101, et seq. [hereinafter the Tennessee Prepaid Limited Health Service Organization Act of 2000]. A copy of the Tennessee Prepaid Limited Health Service Organization Act of 2000 is contained within this application packet.

The standards governing the issuance of a certificate of authority are codified at Tenn. Code Ann. § 56-51-107. Prior to the issuance of a certificate of authority for a PLHSO, the applicant must have satisfied such standards, and must have provided to the Department of Commerce and Insurance the following:

1. A complete application meeting the specifications of Tenn. Code Ann. § 56-51-106, along with the appropriate fee of \$500.00. Tenn. Code Ann. § 56-51-107(a)(1).
2. Evidence of adequate insurance coverage, including, but not limited to, general liability or professional liability coverage, or an adequate plan for self-insurance to respond to claims for injuries arising out of the furnishing of covered services. Tenn. Code Ann. § 56-51-107(a)(3).
3. Evidence of complying with Tenn. Code Ann. § 56-51-138 by obtaining a blanket fidelity bond in the amount of at least \$50,000.00, issued by a licensed carrier in this state, that will reimburse the entity in the event that anyone handling the funds of the entity misappropriates or absconds with the funds. Tenn. Code Ann. § 56-51-107(a)(5).

4. A deposit of cash or acceptable securities in an initial amount of \$900,000.00. Tenn. Code Ann. § 56-51-137.

Should any of the items required by the application be submitted incorrectly or incompletely, the applicant will be notified of that fact, and the applicant will have thirty (30) days after such notice is mailed to the applicant to correct the deficiency. If the applicant does not correct the deficiency within such thirty (30) day period, the file will be closed, and the applicant will be required to submit a new application for a certificate of authority.

Please submit your completed application to the following person for consideration:

For Commercial PLHSO applications:

Mr. Joe Walker, Lead Licensing Analyst
Department of Commerce and Insurance
Division of Insurance
Fourth Floor, Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243
(615) 741-1670
Robert.Walker@tn.gov

For TennCare PLHSO applications:

Ms. Lisa Jordan, Asst. Commissioner
Department of Commerce and Insurance
Division of TennCare Oversight
Davy Crockett Tower
500 James Robertson Parkway
Nashville, Tennessee 37243
(615) 741-2677
Lisa.Jordan@tn.gov

For any questions regarding subscriber contracts and provider contracts, please contact:

For Commercial PLHSO contracts:

Ms. Victoria Stotzer, Health Actuary
Division of Insurance
(615) 741-2825
Victoria.Stotzer@tn.gov

For TennCare PLHSO contracts:

Ms. Patricia Newton, Compliance Manager
Division of TennCare Oversight
(615) 741-2677
Patricia.Newton@tn.gov

PREPAID LIMITED HEALTH SERVICE ORGANIZATIONS

BIOGRAPHICAL AFFIDAVIT

STATE OF _____)
COUNTY OF _____)

I, _____, do depose and state the following:

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). _____

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. a. Affiant's Full Name (Initials Not Acceptable). _____

b. Maiden Name (if applicable). _____

2. a. Have you ever had your name changed? _____ If yes, give the reason for the change and provide the full name(s).

b. Other names used at any time (including aliases). _____

3. a. Are you a citizen of the United States? _____

b. Are you a citizen of any other country, if so, what country? _____

4. Affiant's Occupation or Profession. _____

5. Affiant's business address. _____

Business telephone. _____

6. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
---------------------	-------------	------------------------	-----------------

Graduate: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
-------------------------------	-------------	------------------------	-----------------

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
----------------------	-------------	------------------------	-------------------------------

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information)

7. List of memberships in professional societies and associations. _____

8. Present or proposed position with the applicant entity. _____

9. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient.

Beginning/Ending
Dates (MM/YY) _____ - _____ Employers' Name _____
Address _____ City _____ State/Province _____
Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____
Fax _____ Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY) _____ - _____ Employers' Name _____
Address _____ City _____ State/Province _____
Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____
Fax _____ Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY) _____ - _____ Employers' Name _____
Address _____ City _____ State/Province _____
Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____
Fax _____ Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY) _____ - _____ Employers' Name _____
Address _____ City _____ State/Province _____
Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____
Fax _____ Supervisor / Contact _____

10. a. Have you ever been in a position which required a fidelity bond? _____ If any claims were made on the bond, give details. _____

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. _____

11. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority which you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license(s) issued. Attach additional pages if the space provided is insufficient.

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

12. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond “no” to the question. Have you ever:
- a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?

 - b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?

 - c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? _____

 - d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? _____
 - e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? _____
 - f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? _____
 - g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? _____

 - h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? _____
 - i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? _____

- j. Had a lien, or foreclosure action filed against you or any entity while you were associated with that entity? _____

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

13. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. _____

If any of the stock is pledged or hypothecated in any way, give details. _____

14. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

If any of the shares or stock are pledged or hypothecated in any way, give details.

15. Have you ever been adjudged a bankrupt? _____
16. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.
- a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental licensing agency? _____
- b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)?

- c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? _____

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this _____ day of _____, 20____. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge, information and belief.

FURTHER AFFIANT SAITH NAUGHT.

Affiant

SWORN TO AND SUBSCRIBED before me this ____ day of _____ 20____.

Notary Public

My Commission Expires: _____

BIOGRAPHICAL AFFIDAVIT
Supplemental Information

(Print or Type)

STATE OF _____)
COUNTY OF _____)

I, _____, do depose and state the following:

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

1. a. Affiant's Full Name (Initials Not Acceptable). _____
b. Maiden Name (if applicable) _____
2. Affiant's Social Security Number _____
3. Government Identification Number if not a U.S. Citizen _____
4. Foreign Student ID# (if applicable) _____
5. Date of Birth: (MM/DD/YY) _____ Place of Birth: City _____
State/Province _____ Country _____
6. Name of Affiant's Spouse (if applicable) _____
7. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending

Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
------------------	---------	------	--------------------	---------	-------------

Dated and signed this _____ day of _____, 20____. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge, information and belief.

FURTHER AFFIANT SAITH NAUGHT.

Affiant

SWORN TO AND SUBSCRIBED before me this _____ day of _____ 20_____.

Notary Public

My Commission Expires: _____

AUTHORITY FOR RELEASE OF INFORMATION

To the extent permitted by law, information provided by the affiant, gathered and included in a summary background report prepared for the State Insurance Department by the Vendor shall remain confidential and shall not be subject to further disclosure under any state public records statutes.

I, _____, presently residing at _____ am affiliated with or proposed to be affiliated with _____ which is applying for a certificate of authority with the Tennessee Department of Commerce and Insurance to operate a prepaid limited health service organization in the State of Tennessee

I understand that the Tennessee Department of Commerce and Insurance may conduct an investigation of my background. In that regard, I hereby waive any right of confidentiality as it reasonably relates to this inquiry. I hereby give my permission to any court, law enforcement agency, employer, firm, or person, to disclose any knowledge and information they have concerning me which is requested by the Tennessee Department of Commerce and Insurance either directly or via a vendor to act acting on its behalf in the capacity as described herein and waive any provisions of law which forbids the disclosure of such information. I further consent and request that the Department of Commerce and Insurance, its representative, or the Vendor be provided with a certified copy of any such record concerning me which they may deem necessary in the performance of their investigation. However the authorization to courts and law enforcement agencies is inapplicable to records which have been expunged in accordance with law.

I recognize the right of the Tennessee Department of Commerce and Insurance to treat at its discretion, or by operation of law, certain sources as confidential and its right to withhold from me or my agent the information identifying of such confidential sources. However, to the extent authorized by the Fair Credit Reporting Act, I do have the right to review any information gathered in any report regarding my background and the right to dispute and submit corrections of such information as deemed appropriate

A true copy of this Authority for Release of Information shall be valid and have the same force and effect as the signed original.

(Signature) Date: _____

This document was executed and signed in the presence of the following witnesses:

1. _____ 2. _____

STATE OF _____)
>
COUNTY OF _____)

SWORN TO AND SUBSCRIBED before me this ____ day of _____ 20____.

Notary Public

My Commission Expires: _____

**POWER OF ATTORNEY APPOINTING THE COMMISSIONER
OF THE STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
AS AGENT FOR SERVICE OF PROCESS; GRANTING POWER OF ATTORNEY TO
SAID COMMISSIONER TO ACKNOWLEDGE SERVICE OF PROCESS**

PREPAID LIMITED HEALTH SERVICE ORGANIZATIONS

KNOW ALL MEN BY THESE PRESENTS:

That _____, a person applying with the State of Tennessee Department of Commerce and Insurance to operate as a prepaid limited health service organization in the State of Tennessee, pursuant to the laws thereof, does, by these presents, authorize the Commissioner of the State of Tennessee Department of Commerce and Insurance, or his appointed deputy, to acknowledge service of all legal process, whether mesne or final, for and in behalf of it, the said person above-named, in said State of Tennessee in any judicial proceeding which may, within the said State of Tennessee, be instituted against it, the said person, or to which it may be a party; and the said person does hereby, in consideration of the privilege of operating as a prepaid limited health service organization in said state, as aforesaid, consent to and with said State of Tennessee, for the benefit of all persons concerned, that service of any such process upon such Commissioner of the State of Tennessee Department of Commerce and Insurance, or his appointed deputy shall be taken and held to be as valid as if served upon it, the said person above-named, and the said person does hereby further consent that in case it, the said person above-named, shall cease to transact business in the said State of Tennessee, said Commissioner of the State of Tennessee Department of Commerce and Insurance, or his appointed deputy, shall be considered and held as continuing to be Attorney for it, the said person, for the purpose of process as aforesaid, in any action against it, the said person above-named, upon any contract entered into

or any liability accrued upon it during the time the said person above-named transacted business in the said State of Tennessee.

IN WITNESS WHEREOF, the said person above-named, in accordance with a resolution of the Board of Directors, duly adopted by said board on the ____ day of _____, A.D. 20____ (a certified copy whereof is hereunto attached), hath to these presents affixed its corporate seal, and caused the same to be subscribed and attested to by its President and Secretary, at the City of _____, in the State of _____ on the ____ day of _____, A.D. 20____.

Name of Organization: _____

By: _____
President

Attested to by: _____
Secretary

NOTICE

Certified copy of Resolution adopted by Board of Directors authorizing the execution of Power of Attorney must be attached hereto.