

# MEDICAID MANAGED CARE FAQs

1. Does a network need to be set up prior to licensure? No
2. Are only HMO licenses allowed pursuant to statute surrounding OHCA RFP process? Refer to OHCA Procurement [procurement@okhca.org](mailto:procurement@okhca.org)
3. If they are licensed and do not receive the OHCA Bid, what happens next? Still required to do all filings with OID. 180 day withdrawal notice required. Title 365:10-1-14 (attached below)
4. If they withdraw license due to not receiving OHCA Bid, what is result? They will not be able to reapply for licensure with our state for 5 years. 36 O.S. § 4502(B)(9)(d)(3)
5. \$500K HMO statutory deposit- Title 36 § 6913(B), \$300K statutory deposit for Health Insurer - Title 36 § 613, 1701-1709
6. Minimum Required Capital & Surplus - \$1.5mm cap and surplus - Title 36 § 6913 for HMO, Title 36 § 610 for Health Insurer
7. Guaranty Fund - assessment \$ that will be required after licensure- Title 36 § 2021-2044 (section 2030 discusses assessment)
8. Any other fees, fines, etc that may come about during or after licensure with corresponding statute:
  - Anti-Fraud Fee – \$750 per year -Title 36 § 307.5
  - Charges for Examination –at least every 5 years- Title 36 § 309.6
  - Other Fees – Title 36 § 321
  - Foreign companies – retaliatory- Title 36 § 624.1 and 628
  - In addition to the HMO application with the Oklahoma Insurance Department, a potential HMO must file with the Oklahoma State Dept of Health (with additional filing fee of \$1,500 OAC 310:659-1-4).

## **36 § 6903.1 - MEDICAID CONTRACTS**

Domestic health maintenance organizations that contract with the Oklahoma Health Care Authority to provide basic health services to Medicaid recipients and that do not provide basic health care services to any other group of persons shall be exempt from the provisions of Sections 6911 (Grievance procedure), 6914 (repealed), 6915 (replacement coverage in insolvency) and 6932 (repealed) of this title.

## **OAC 365:10-1-14 NOTICE OF WITHDRAWAL OR DISCONTINUANCE OF WRITING**

(a) Any insurer desiring to withdraw from the state or discontinue the writing of a particular type or class of insurance in this state shall give one hundred eighty (180) days notice in writing to the Rate and Form Filing Compliance Division of the Insurance Department and shall state in writing its reasons for such action. The insurer shall also provide the following information:

- (1) The number of policyholders affected;
  - (2) The number of insurance agents affected;
  - (3) The date the insurer will cease writing new business;
  - (4) The date the insurer will start non-renewing insurance policies;
  - (5) Whether the insurer has made arrangements with another insurer to cover the renewals;
  - (6) The lines of insurance on which the insurer plans to concentrate; and
  - (7) Whether the insurer anticipates re-entering the market.
- (b) The provision of information required by subsection (a) of this section by an insurer electing to nonrenew all of its health benefit plans issued in this state that are subject to the Health Insurance Portability and Accountability Act, Public Law 104-194, shall constitute compliance with the obligations of the insurer to report to the Insurance Commissioner pursuant to 36 O.S. § 4502(B)(9)(d)(2).

(c) The provision of information required in this section by a small employer carrier electing to nonrenew all of its health benefit plans issued to small employers in this state shall constitute compliance with the obligations of the small employer carrier to report to the Insurance Commissioner pursuant to 36 O.S. § 6516(A)(6).