TEXAS DEPARTMENT OF INSURANCE
Regulatory Policy Division - Accident and Health Program (106-1D)
333 Guadalupe, Austin, Texas 78701 PO Box 149104, Austin, Texas 78714-9104
(512) 676-6630 | F: (512) 490-1017 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

Election and Application to be a Risk-Assuming or Reinsured Carrier - Figure 42
Texas Insurance Code §§1501.310 - 1501.312, and 28 TAC §26.18

Due to the suspension of the Texas Health Reinsurance System, as authorized by SB 1171 (85R) and Commissioner's Order No. 2017-5211, this form is no longer required.

This application is on behalf of:

Insurance or HMO Company Name _____

SECTION I - Check as applicable:

☐ 1. INITIAL ELECTION:
- ☐ RISK-ASSUMING CARRIER (Complete Sections II and IV)
- ☐ REINSURED CARRIER (Complete Section IV)

☐ 2. RENEWAL ELECTION:
- ☐ RISK-ASSUMING CARRIER (Complete Sections II and IV)
- ☐ REINSURED CARRIER (Complete Section IV)

☐ 3. CHANGE IN STATUS TO:
- ☐ RISK-ASSUMING CARRIER (Complete Sections II, III and IV)
- ☐ REINSURED CARRIER (Complete Sections III and IV)

SECTION II - To be completed by applicant to be Risk-Assuming Carrier.

1. Financial Condition:

In addition to the financial information already on file with the Department, please attach any further information that you would like to be considered with your application.

2. History of Rating and Underwriting Small Employer Groups:

a. Attach a description of your experience of underwriting to identify high risks.

b. What is your aggregate rate increase for the past three years, for small employer groups:

Percent Increase in Texas _____ Percent Increase nationwide _____

c. Attach any additional information on rating and underwriting that you wish to be considered.

3. Commitment to Market Fairly to all Small Employers in the State or in Established Geographic Service Area(s):

a. Attach a description of your commitment to market fairly to all small employers in the state or in your geographic service area.

b. Provide sample material used, or which you plan to use, to market to small employers.

4. Experience Managing the Risk of Small Employer Groups:

a. Attach a description of your experience in managing the risk of small employer groups (number of years, volume of business, results, etc).

b. List other states, with guaranteed issue requirements, in which you provide small employer group coverage:

List states

c. Provide the total number of lives currently covered by you under guaranteed issue for small employer groups:

d. List the states in which you voluntarily participate in their reinsurance programs for small employer groups:

List states

e. Attach a description of how you plan to manage the risk of guaranteed issue as a Risk-Assuming Carrier.

5. Affiliated Companies (Refer to Texas Insurance Code §1501.007):

a. List all current affiliated small employer carriers and indicate whether they have been approved as either a Risk-Assuming or Reinsured Carrier (attach additional page(s) if necessary):

Affiliated Carriers

Affiliated Carriers

Affiliated Carriers

b. List any other affiliated small employer carrier applicants and indicate their requested designation as a Risk-Assuming or Reinsured Carrier (attach additional page(s) if necessary):

Affiliated Carriers

Affiliated Carriers

Affiliated Carriers

SECTION III - To be completed by small employer carrier desiring to change status. (Refer to 28 TAC §26.18(b))

Provide information demonstrating good cause why you should be allowed to change your status (attach additional page(s) if necessary:

SECTION IV

Signature

Name and Title (Company Officer)

Date