SELF-FUNDED QUALIFIED MULTIPLE EMPLOYER WELFARE ARRANGEMENT

("MEWA", "Arrangement") (Applicant)

Application for Tennessee Certificate of Authority

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APPLICATION CHECKLIST

THE APPLICANT IS DIRECTED TO REVIEW TENNESSEE RULE 0780-1-76 IN ITS ENTIRETY BEFORE PROCEEDING WITH THIS APPLICATION.

The application checklist is intended to help guide you with assembling your Self-Funded Qualified Multiple Employer Welfare Arrangement ("MEWA") application for Tennessee Certificate of Authority. Please be sure to complete the checklist by appropriately marking the boxes on the left side of the page prior to submitting your application for review. The completed checklist should be attached to the top of the application.

[References to the Rules of Tennessee contained in brackets are for informational purposes only]

Regulator Use Only

1. **Arrangement Application Form** [0780-1-76-.05 (1)] ☐
   - ☐ Completed Application Checklist
   - ☐ Original Application Form signed and notarized

2. **Arrangement Application Review Fee** [0780-1-76-.05 (1)] ☐
   - ☐ Payment of required application review fee of $675.00

3. **Arrangement Public Records** [0780-1-76-.05 (2) (a)] ☐
   - ☐ A copy of all articles, bylaws, agreements, trusts, or other documents or instruments describing the rights and obligations of the employers, employees, and beneficiaries of the arrangement

4. **Arrangement Description** [0780-1-76-.05 (2) (b)] ☐
   - ☐ A copy of each summary plan description of the arrangement filed or required to be filed with the United States Department of Labor, including any amendments to each description

5. **Arrangement Participation** [0780-1-76-.05 (2) (c)] ☐
   - ☐ Evidence of coverage of or letter of intent to participate executed by at least ten (10) employers providing allowable benefits

6. **Participants' Financial Statements** [0780-1-76-.04(1)(h)(1)(i); 0780-1-76-.05 (2) (d)] ☐
   - ☐ Financial statements of the arrangement and of each employer participating in the arrangement, for the preceding five (5) fiscal years or for such lesser period as such applicant shall have been in existence, and similar information covering the period from the end of such person's last fiscal year, if the information is available
   - ☐ Certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with the National Association of Insurance Commissioners Accounting Practices and Procedures Manual

7. **Arrangement Fidelity Bond(s)** [0780-1-76-.05 (2) (e)] ☐
   - ☐ Proof that the arrangement maintains and will continue to maintain fidelity bonds required by the United States Department of Labor under 29 U.S.C. 1001-1461 (Employee Retirement Income Security Act of 1974)

8. **Arrangement Stop-Loss Insurance** [0780-1-76-.05 (2) (f)] ☐
   - ☐ A copy of any stop-loss insurance policies maintained or proposed to be maintained by the arrangement

9. **Biographical Affidavits** [0780-1-76-.05 (2) (g)]

Biographical reports, on forms prescribed by the National Association of Insurance Commissioners, evidencing the general trustworthiness and competence of each individual who is serving or who will serve as a managing employee or fiduciary of the arrangement

10. **Acknowledgment of Bond Requirement** [0780-1-76-.04 (1) (g)]

Written acknowledgment of bond placement as prerequisite condition for Certificate of Authority for Arrangement

11. **Arrangement Contribution Rates or Fees** [0780-1-76-.08]

Submission of:
(a) A rate or fee of any kind to be charged a participating employer or employee;
(b) Every rating manual, schedule, plan, rule, or formula; and
(c) Any modification to the rating manual, schedule, plan, rule or formula

12. **Actuarial Opinion** [0780-1-76-.09 (1) (b)]

An Actuarial Opinion bearing original signature by a qualified actuary that includes:
1. A certification that the unpaid claim liability of the arrangement meets the requirements of Chapter 0780-1-69;
2. The recommended level of specific and aggregate stop-loss insurance the arrangement should maintain; and
3. Description of the actuarial soundness of the arrangement, including any recommended actions the arrangement should take to improve its actuarial soundness

13. **Acknowledgment of Tax Obligation** [0780-1-76-.13]

Written acknowledgment of the nature of the tax obligation of the arrangement [the same amount imposed upon accident and health insurers under Tenn. Code Ann. § 56-4-205]

14. **IRS Form 5500** [0780-1-76-.09 (3)]

A copy of the arrangement's Internal Revenue Service Form 5500 (if so filed), including all attachments to the form

15. **Written Notice to Employees of Arrangement Participants** [0780-1-76-.10]

Proposed notification to be provided to each participating employee at the time that coverage becomes effective

16. **Agent Solicitation for Arrangement** [0780-1-76-.12]

Evidence that arrangement membership will be solicited only by producer(s) licensed by the Commissioner for the line of accident and health

Additional resources for forms and informational materials referenced herein are available at the following websites:

- Tennessee Division of Insurance – www.state.tn.us/commerce/insurance
- National Association of Insurance Commissioners (NAIC) – www.naic.org/ucaa

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APPLICATION FORM

To the Insurance Commissioner of the State of Tennessee:

Name of Arrangement:_____

Name of Trade/Professional Association or Non-Profit Business Coalition in which membership constitutes qualification for participation in the Arrangement:_____

Arrangement Home Office Address:_____

Arrangement Home Office Phone:_____ Arrangement State of Domicile:_____

Arrangement Date of Organization:_____

The individual who is authorized to represent the applicant before the Department is:
Name:_____
Title:_____
E-mail Address:_____ Phone:_____ Fax:_____

Applicant Officer's Certification and Attestation

One of the officers of the Arrangement must read the following very carefully and provide notarized attestation:

I hereby certify that, to the best of my knowledge and belief, the information provided in this application and its attachments is true and correct and that the Arrangement is in compliance with the requirements in:

1. 29 U.S.C. 1001-1461 (Employee Retirement Income Security Act of 1974), or a statement of any requirements with which the arrangement is not in compliance and a statement of proposed corrective action is hereby provided; and
2. Tennessee Rule 0780-1-76-.06.

Dated and signed this _____ day of _____ at _____.

_____
Signature of Officer

_____
Title of Officer

_____
Full Legal Name of Officer

The foregoing instrument was acknowledged before me this _____ day of _____ by _____, and:

☐ who is personally known to me, or

☐ who produced the following identification: _____.

[SEAL]

_____
Notary Public

_____
Printed Notary Name

_____
My Commission Expires