START\_STATUTE20-1069.01.  Right to open enrollment period; enrollees; definitions

A.  With respect to enrollees who are members of a group with more than one carrier, if there is an insolvency of a health care services organization, each open enrollment carrier shall offer enrollees of the insolvent health care services organization who are members of that group a thirty day open enrollment period beginning on the date the insolvency is declared unless the director determines that an open enrollment carrier lacks sufficient health care delivery resources to assure that health care services will be available and accessible to all of the group enrollees of the insolvent health care services organization.  Each open enrollment carrier shall offer these enrollees the same coverages and rates that it offered to the enrollees at the last regular open enrollment period without any waiting periods or preexisting conditions, exclusions, limitations or restrictions. On declaration of insolvency, the health care services organization shall notify each group contract holder of the insolvency.  Each group contract holder shall notify its remaining open enrollment carrier or carriers of the insolvency and notify its members of their right to open enrollment as provided in this section.

B.  In addition to or instead of the procedure prescribed in subsection A of this section, the court may approve an alternative plan by the receiver to offer successor coverages to some or all of the enrollees of an insolvent health care services organization if the court finds that the alternative plan is fair and in the best interests of the estate.

C.  The court may order that an offer of successor coverage pursuant to subsection B of this section terminates the obligations of an insolvent health care services organization to an enrollee as of the effective date of the coverage that would be effective under that offer if accepted, regardless of whether the enrollee accepts the offer.

D.  For purposes of this section:

1.  "Carrier" means an insurer, a health care services organization, a hospital service corporation, a medical service corporation, a dental service corporation, an optometric service corporation or a hospital, medical, dental and optometric service corporation or any combination.

2.  "Court" has the same meaning prescribed in section 20‑611.

3.  "Health care services organization" means an organization that is licensed under this article and a service corporation that is regulated under article 3 of this chapter, but only as to managed care products that the service corporation offers pursuant to this article.

4.  "Open enrollment carrier" means any carrier that participated in an open enrollment with the insolvent health care services organization at a group's last regular open enrollment period.

5.  "Receiver" has the same meaning prescribed in section 20‑611.

6.  "Successor", if used in reference to a health care services organization or carrier, means a carrier to whom the director has allocated a group or nongroup enrollee that was covered by the insolvent health care services organization.END\_STATUTE