



## HMO Certificate of Authority Application Checklist

Please read the related Texas Insurance and Texas Administrative Codes for compliance with State regulations relevant to an HMO Certificate of Authority Application. Please provide 1 original executed copy and 4 complete copies. **There is a \$100 name reservation fee and \$7,500 certificate of authority application fee.** All documents should have identifying form numbers.

1. Name Reservation Application – **See FIN300**  
TIC Art.20A.04  
28 TAC Sec. 11.204(1)
2. HMO Application for Certificate of Authority – **See FIN302**  
TIC Art. 20A.04(a)  
28 TAC 11.204(2)
3. Basic Organizational Documents – each document should include an original incorporation certificate, with charter number and seal indicating certification by the Texas Secretary of State.
  - (a) Articles of Incorporation
  - (b) Articles of Association
  - (c) Partnership Agreement
  - (d) Trust AgreementTIC Art. 20A.04(a)(1)  
28 TAC 11.204(3)
4. Documents regulating the internal affairs of the applicant
  - (a) by-laws
  - (b) regulations / rulesTIC Art. 20A.04(a)(2)  
28 TAC 11.204 (4)
5. Information on Officers, Directors, and Staff – **See FIN306 and FIN311**  
TIC Art. 20A.04(a)(3)  
28 TAC 11.204(5) (A-B)  
28 TAC 11.1606 (b)  
28 TAC 11.1606 (d)(1)
6. Organizational Charts / Lists  
28 TAC 11.204(6)(A-C)
7. Fidelity Bond or Trust  
TIC Art. 20A.30(a-c)  
28 TAC 11.204(7)(A-B)

8. Legal Process and out of state Licensure Statement

TIC Art. 1.36 Sec. 2 and 4  
TIC Art. 20A.04(a)(9)  
28 TAC 11.204(8)(A-B)

9. Evidence of Coverage

TIC Art. 20A.04(a)(5) and (6)  
28 TAC 11.204(9)  
28 TAC 11 Subchapter F  
28 TAC 11.301(2)

10. Financial Information

TIC Art. 20A.04(a)(7)(A-E)  
28 TAC 11.204(10)(A-C)  
28 TAC 11.803(1)  
28 TAC 11.301(2)

11. Schedule of Charges – For an example of premium calculations for managed care patients, look at chapter 19 of Group Insurance, a ACTEX Publication.

TIC Art. 20A.09(b)  
TIC Art. 20A.04(a)(8)  
28 TAC 11.2  
28 TAC 11.701-11.707  
28 TAC 11.706

12. Service Area – Provide descriptions of the service area for the applicant.

TIC Art. 20A.04(a)(10)  
28 TAC 11.204(12)  
28 TAC 11.506(17)  
28 TAC 11.301(2)

13. Contracts – Provide copies of all contracts executed or to be executed between the applicant and any parties. All contracts must be in accordance with TDI rules. **See attached Exhibits I and II.**

TIC Art. 20A.26(f)(1-3)  
TIC Art. 20A.06(a)(1-3)  
TIC Art. 20A.02(a)(j)(k)(m)(n)  
28 TAC 11.204.26.A.3  
28 TAC 11.301(2)

A. Standard Provisions for HMO Physician/Provider/Subcontractor agreements.

TIC Art. 20A.04(a)(4)  
28 TAC 11.204(13)

B. Hold Harmless Provisions

28 TAC 11.1102

C. Standard Provisions for HMO Officers and Directors Agreements

28 TAC 11.204(5)

D. Standard Provisions for Exclusive Agents and/or Agency/HMO Agreements.

TIC Art. 20A.18  
28 TAC 11.204(13)(C)

E. Standard Provisions for Management, Marketing, Administrative, Delegation, Data Processing, or Claims Processing Service HMO Agreements.

TIC Art.20A.04 (a)(13)  
TIC Art.20A.06(a)(4)  
TIC Art. 20A.18C  
28 TAC 11.204 (13)(D)

\*Management contracts require a fidelity bond or deposit on officer/employees per TIC Art. 20A.18

14. Quality Assurance Program – Provide general information about quality assurance program.

TIC Art. 20A.04 (12)  
TIC Art. 20A.05(a)(1)  
28 TAC 11.301 (2)  
28 TAC 11.204 (14)  
28 TAC 11.1901  
28 TAC 11.1902  
28 TAC 11.1903

15. Insurance and Statutory Deposits – Protection against insolvency. **See FIN451, FIN452, FIN441**

TIC Art 20A.13  
28 TAC 11.204  
28 TAC 11.301(2)

16. Authorization of Financial Disclosure – **See FIN141**

28 TAC 11.204  
28 TAC 11.301(2)

17. Information to prospective groups/enrollee contract holders – This should include terms and conditions made available for any prospective group/enrollee. **See Exhibits I and II**

28 TAC 11.301(2)

18. Network Configuration – Explain adequacy of the physician/provider network configuration.

TIC Art. 20A.04 (14)  
28 TAC 11.204 (12) (10)  
28 TAC 11.301(2)  
28 TAC 11.1607

19. Compensation Arrangement – Provide disclosure and explanations of all compensation arrangements.

28 TAC 11.301(2)

20. Emergency Care Procedures – Document emergency care services, including payment procedures for services rendered by non-network physicians/providers. **See Exhibits I and II**

TIC Art. 20A.04(16)

TIC Art. 20A.02 (g)

28 TAC 11.2002

28 TAC 11.506 (10)

28 TAC 11.204 (20)

21. Utilization Management Program – Provide general information and overview about utilization review plans.

TIC Art. 20A.12A

TIC Art. 20A.05(a)(1)(c)

TIC 21.58A

28 TAC 11.1902-19.1721

**INCOMPLETE APPLICATIONS IMPEDE TIMELY REVIEW BY THE DEPARTMENT, THEREFORE, IT IS EXTREMELY IMPORTANT THAT APPLICATIONS ARE COMPLETE. SUBMIT A COMPLETE FILING TO THE TEXAS DEPARTMENT OF INSURANCE, COMPANY LICENSING & REGISTRATION DIVISION, MC 305-2C, P. O. BOX 149104, AUSTIN, TX 78714-9104. FOR QUESTIONS OR MORE INFORMATION, CALL (512) 322-4370.**

THESE GUIDELINES ARE GENERAL IN NATURE AND DO NOT SUPERCEDE STATUTE OR REGULATION. THEY ARE NOT INTENDED TO BE ALL INCLUSIVE AND ADDITIONAL DOCUMENTATION MAY BE REQUESTED.