



# STATE OF MAINE Bureau of Insurance

34 State House Station  
Augusta, ME 04333-0034

## HMO APPLICATION INFORMATION SHEET

Health Maintenance Organizations are governed by Title 24-A, MRSA, Chapter 56.  
<http://www.mainelegislature.org/legis/statutes/24-A/title24-Ach56sec0.html>

### QUESTIONS/POINT OF CONTACT

**Domestic HMO Applications -** Vanessa Sullivan, Director  
(207) 624-8452  
[vanessa.j.sullivan@maine.gov](mailto:vanessa.j.sullivan@maine.gov)

**Foreign HMO Applications -** Audrey Wade, Examiner-in-Charge  
(207) 624-8406  
[audrey.l.wade@maine.gov](mailto:audrey.l.wade@maine.gov)

All applications to be sent to:	<b>via USPS:</b>	<b>OVERNIGHT DELIVERY:</b>
	Bureau of Insurance 34 State House Station Augusta ME 04333-0034 (mailing address)	Bureau of Insurance 76 Northern Ave. Gardiner ME 04345 (physical address)

**APPLICATION FEE** There is a \$500 filing fee, per §4220, that should accompany the application, payable to *Treasurer, State of Maine*.

### SURPLUS REQUIREMENTS

The initial minimum surplus requirement is \$1,500,000. § 4204-A (1)  
Surplus is required to be maintained at the greater of: § 4204-A (2)

- \$1,000,000;
- 2% of annual premium revenues from the previous year on the first \$150,000,000 and 1% of annual premium in excess of \$150,000,000;
- The sum of 3 months of uncovered health care expenses in the previous year;
- 8% of annual health care expenses, except those paid on a capitated basis in the previous year; OR
- Company action level RBC.

**SECURITY DEPOSIT** Fair market value of an amount equal to the greater of \$100,000 or 120% of the Company's uncovered expense liability at the end of each calendar quarter, per §4204(4). Subsection E further allows the Superintendent to accept a security deposit that exists in the domestic state, in lieu of placing a deposit in Maine, if said deposit meets our requirements.

\*\*\*\*\***IMPORTANT**\*\*\*\*\***PLEASE NOTE**\*\*\*\*\*

- For Companies applying to write solely Medicare Advantage and/or PDP with limited authority..... **ONLY** Checklist Part A of Form H-2 is required.
- For all other applicants seeking full HMO authority... **both** Parts A and B of Checklist Form H-2 are required....**two** copies of the application should be filed.... and a Certificate of Need application should be filed concurrently with the DHHS, per §4204.