§ 1120. Child health insurance plan. (a) An authorized insurer subject to the provisions of this chapter and organized to write the kind of health insurance specified in paragraph three of subsection (a) of section one thousand one hundred thirteen of this article, and a corporation or health maintenance organization authorized pursuant to article forty-three of this chapter or a health maintenance organization certified pursuant to article forty-four of the public health law, may be authorized by the superintendent to issue contracts or otherwise enter into arrangements with approved organizations for the purpose of providing child health insurance plan policies for eligible children pursuant to title I-A of article twenty-five of the public health law. Such contracts or arrangements shall satisfy the criteria set forth in subsection (b) of this section and the superintendent shall make the determinations set forth in subsection (e) of this section.

(b) The superintendent may authorize such contracts or arrangements pursuant to the following criteria:

(1) the provisions are not misleading or confusing;

(2) the provisions are consistent with the needs of the child health insurance plan; and

(3) the materials describing the contract or arrangement fully and clearly state the benefits and limitations of such contract or arrangement.

(c) The duration of such contracts or arrangements and the extent of exposure thereunder by insurers, article forty-three corporations or health maintenance organizations shall be determined by the superintendent.

(d) Notwithstanding any provisions of this chapter or the financial services law to the contrary, the superintendent may waive, modify or suspend any provisions of this chapter, the financial services law or regulations promulgated thereunder as applicable to the insurers, article forty-three corporations or health maintenance organizations that issue coverage pursuant to this section, provided such waiver, modification or suspension is based on the criteria set forth in subsection (e) of this section.

(e) The superintendent may take the actions set forth in subsections (a) and (d) of this section upon the superintendent's judgment that:

(1) the contract or arrangement is a reasonable and appropriate

approach to expand the availability of health care coverage to children;

(2) the sources of funding for the contract or arrangement are reasonably related to the benefits provided and sufficient to support the contract arrangement;

(3) any waiver, modification or suspension of the provisions of this chapter, the financial services law or regulations promulgated thereunder is essential to the operation of the child health insurance plan and to the rational development of programs to provide covered services to children; and

(4) any waiver, modification or suspension of provisions of this chapter, the financial services law or regulations promulgated thereunder will not impair the ability of the insurer, article forty-three corporation or health maintenance organization to satisfy its existing and anticipated contracts and other obligations, including such standards as the superintendent shall prescribe concerning adequate capital and financial requirements.

(f) Each application used by an authorized insurer for purposes of enrolling eligible children into the child health insurance plan pursuant to this section and section twenty-five hundred eleven of the public health law shall include the notice required pursuant to subsection (d) of section four hundred three of this chapter.