§ 4703. Application for certificate of authority. (a) No municipal corporation shall establish, maintain or otherwise participate in a municipal cooperative health benefit plan in this state which provides benefits, in whole or part, on a shared-funding basis, unless the municipal cooperative health benefit plan:

(1) obtains and maintains a certificate of authority from the superintendent pursuant to the provisions of this article; or

(2) is an employee welfare fund, as defined in article forty-four of this chapter that is administered by equal representation of employees and employers; or

(3) is exempt from the requirement of obtaining a license; or

(4) is, and continues to be, a fully-insured municipal cooperative health benefit plan.

(b) The governing board shall file an application for a certificate of authority on such form as the superintendent may prescribe, and shall provide to the satisfaction of the superintendent the following:

(1) a list of every participating municipal corporation, the names, addresses and official titles of the members of the plan's governing board, and name and principal address of the plan's attorney-in-fact designated pursuant to the municipal cooperation agreement;

(2) evidence that the plan's chief fiscal officer is adequately bonded in a manner acceptable to the superintendent, who may accept or consider for this purpose any bond required under the applicable provisions of the education law, general municipal law or public officers law;

(3) a copy of the municipal cooperation agreement and all other documents describing the rights and obligations of the municipal corporations participating in the municipal cooperative health benefit plan;

(4) a copy of all documents, including the summary plan description, furnished to the participating municipal corporations and their employees or retirees describing plan benefits;

(5) a copy of all agreements between the plan and each service provider, including any contract administrator;

(6) a qualified actuary's opinion, in form and substance satisfactory to the superintendent, accompanied by a memorandum, also in form and substance satisfactory to the superintendent, describing the calculations, assumptions and methodology made in support of such

opinion, that the municipal cooperative health benefit plan is actuarially sound and that premium equivalent rates have been established at a level sufficient to maintain reserves as required by section four thousand seven hundred six of this article;

(7) a statement, certified by the governing board, that aggregate and specific stop-loss coverage shall be obtained and maintained, to the extent required by section four thousand seven hundred seven of this article, and a copy of the written commitment, binder or stop-loss policy or policies;

(8) a proposed plan of operation and funding for the municipal cooperative health benefit plan, setting forth:

(A) the current or proposed premium equivalent rates to provide for the payment of all expected obligations, including surplus requirements, under the municipal cooperative health benefit plan for a twelve-month period, taking into account the plan's expected coverage and experience;

(B) a statement of the costs incorporated in such premium equivalent rates, including an itemization of the amounts for claims, administration, stop-loss insurance, reserves, surplus adjustments, and other expenses associated with the operation of the municipal cooperative health benefit plan for the same twelve-month period;

(C) the expected number of employees, retirees, and dependents covered under the municipal cooperative health benefit plan;

(D) claims handling and dispute resolution procedures and timeframes, including the manner in which claim denials can be appealed;

(E) method of selecting service providers, including any contract administrator; and

(F) current and projected financial statements, including statement of assets, liabilities and surplus, statement of operations (income and expenses), and cash flow statement; and

(9) such other information as may be required by the superintendent.

(c) The superintendent shall have the powers to conduct such investigation as the superintendent may deem necessary and to examine under oath any person interested in or connected with the municipal cooperative health benefit plan.