

11 NCAC 18 .0105 ADMINISTRATIVE, PROVIDER, AND MANAGEMENT CONTRACTS

(a) As used in this Rule, "fees" means any compensation, including but not limited to, cash or other assets of a MEWA that is transferred for either contracted or noncontracted services that are rendered to the sponsoring association or the MEWA.

(b) A MEWA is prohibited from paying any fees, other than for reimbursement of specific expenses, to its sponsoring association unless the services rendered to the MEWA are available to the MEWA from persons other than the sponsoring association.

(c) The fees for such services shall not be in excess of what would be charged in an arms length transaction. Reasonable fees may also be determined by comparing those charged to other MEWAs in North Carolina.

(d) A MEWA shall give the Commissioner written notification of any proposed change to a management or administrative contract at least 45 days before the effective date of such change.

History Note: Authority G.S. 58-2-40(1); 58-49-40; 58-49-50;

Eff. July 1, 1992;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 16, 2014.