

STATE OF WISCONSIN  
OFFICE OF THE COMMISSIONER OF INSURANCE  
P.O. Box 7873  
Madison, WI 53707-7873

**Request for Approval to Assign a Permit - Care Management Organization**

To: Office of the Commissioner of Insurance

Request for approval to assign a Care Management Organization permit is hereby made pursuant to s. 46.2895 (4) (r), and ch. 648, Wis. Stat., and in support thereof, the following information and documentary evidence must be submitted with this request:

1. Type of existing permitted organization: <input type="checkbox"/> County <input type="checkbox"/> Long-Term Care District
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2. Name of existing permitted organization:
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3. Federal Employer's Identification No.
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4. Street address:
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City:	State:
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Zip:	Telephone number:
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5. Name of organization assuming the permit:
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6. Federal Employer's Identification No.
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7. Address:
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City:	State:
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Zip:	Telephone number:
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8. Name of organizational contact to whom notices and correspondence concerning this request should be addressed:	
9. E-mail address:	
10. Address:	
City:	State:
Zip:	Telephone number:

11. A copy of the Certificate of Incorporation of the organization to which the permit is being assigned.
12. A copy of the Articles of Incorporation of the organization to which the permit is being assigned.
13. A copy of the Bylaws certified by the Secretary of the organization to which the permit is being assigned.
14. Name, residence address and occupation of all controlling persons, directors and principal officers of the organization to which the permit is being assigned.
15. Biographical Statements that will evidence that the management of the assuming organization is competent and trustworthy and can successfully manage its affairs in compliance with the law. (<http://oci.wi.gov/ociforms/33-004.pdf>)
16. A statement of the history and operations of the sponsor including a detailed description of the plan for conducting a care management business in Wisconsin.
17. For organizations that are affiliated with another organization and/or company as defined in s. Ins 57.01, Wis. Adm. Code, provide the following:
  - a. Copies of all management, exclusive agency, administrative services, or other operating contracts with affiliates or sponsors.
  - b. A copy of the latest prospectus of any affiliate required to file under the Federal Securities Act.
  - c. A copy of the organization chart showing the relationship and percentage of ownership among affiliated companies and a brief description of the principal business of affiliates within the organization.
  - d. Financial statements of any controlling affiliates or sponsors, including balance sheet as of the end of each fiscal year, and operating statement for each year of the most recent three years.
  - e. Consent to jurisdiction. (Form C – outlined in ch. Ins 57, Wis. Adm. Code, Appendix 1)

18. Organizational Information:
  - a. A narrative that discusses the business environment, the strategies and tactics that will be employed to manage the business by the new organization.
  - b. A description of the care management organization's governance structure after the permit assignment, including an organizational chart that clearly demonstrates reporting lines and domains of management authority, with names of current incumbents for management positions.
19. A summary of how administrative services will be provided after the business transfer, including the size and qualifications of the administrative staff and the projected cost of administration in relation to the capitation income. If administrative services are to be provided by a person outside the organization, include a copy of the contract. The contract shall include all of the following:
  - a. The services to be provided.
  - b. The standards of performance for the manager.
  - c. Method of payment.
  - d. Contract duration.
  - e. Any provisions for modifying, terminating or renewing the contract.
20. Complete the [Permit Assignment – Balance Sheet and Obligation Listing](#), tabs titled LT Obligations and Guarantees. This is a listing of all long-term obligations for the currently permitted care management organization and for the assuming organization. Include the following information:
  - a. Identification of which organization currently has the obligation.
  - b. If the permitted organization has the obligation, indicate if the obligation will be assigned to the assuming organization.
  - c. Name of lessor, service provider, or lender.
  - d. Purpose or service provided under the agreement.
  - e. Payment terms, including frequency.
  - f. Contract length.
  - g. Monthly amount.
  - h. Annual amount.
  - i. Termination date.
  - j. Early termination provisions.
21. Employment Contracts:
  - a. A listing of all employment contracts.
  - b. Specimen copy of employment contracts.
22. A draft provider agreement with sufficient detail to determine the extent of risk assumed by the provider, the method of reimbursement, the terms for modifying or cancelling the agreement, and the assignability of the agreement.
23. A copy of the assuming organization's most recent financial statements prepared on an accrual basis in accordance with generally accepted accounting principles and audited by an independent certified public accountant.

24. All care management organizations permitted after January 1, 2010, under ch. 648, Wis. Stat., must meet the following requirements:
- a. **Insolvency Funding.** The minimum deposit into the solvency fund shall be in accordance with s. 648.75, Wis. Stat.
  - b. **Working Capital.** The permittee shall maintain a minimum working capital in accordance with s. Ins 57.04 (1), Wis. Adm. Code.
  - c. **Restricted Reserves.** The permittee shall maintain a minimum restricted reserve balance in accordance with s. Ins 57.04 (2), Wis. Adm. Code.
  - d. **Setting Greater Amounts.** The Commissioner may set greater amounts for insolvency funding, working capital, and restricted reserves on finding that the financial stability of the organization requires it.
  - e. **Financial Guarantees.** Financial guarantee information should include a summary of all financial guarantees by providers, sponsors, controlling affiliates, or parents, or any other guarantee, which is intended to ensure the financial success of the organization. Such guarantees include, but are not limited to, hold-harmless agreements by providers, solvency insurance, reinsurance, or other guarantees.
25. A copy of all transfer agreements from the existing care management organization to the assuming organization.
26. Complete the [Permit Assignment – Balance Sheet and Obligation Listing](#), tab titled Balance Sheet. This is a balance sheet using the current financial reporting format for care management organizations that shows the most recent balance sheet, the projected balance sheet as of the last day prior to the transfer of business, and the first day after the transfer of business. If there is a variance between the last day and first day, provide an explanation along with documents that outline why the asset and/or liability were not transferred.

I do solemnly swear or affirm that I am familiar with the laws of Wisconsin relating to care management organizations and that all of the foregoing information and documentary evidence submitted is true and correct to the best of my knowledge and belief.

Authorized Signature	Title	Date