

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.3555 Financial plan.

Sec. 3555. A health maintenance organization shall maintain a financial plan evaluating, at a minimum, cash flow needs and adequacy of working capital. The plan under this subsection must do all of the following:

(a) Demonstrate compliance with all health maintenance organization financial requirements provided for in this act.

(b) Provide for adequate working capital, which must not be negative at any time. The director may establish a minimum working capital requirement for a health maintenance organization to ensure the prompt payment of liabilities.

(c) Identify the means of achieving and maintaining a positive cash flow, including provisions for retirement of existing or proposed indebtedness.

History: Add. 2000, Act 252, Imd. Eff. June 29, 2000;—Am. 2016, Act 276, Imd. Eff. July 1, 2016.

Popular name: Act 218

Popular name: HMO