

**Self-Funded Multiple Employer Welfare Arrangement  
"MEWA"**

Initial Registration

Checklist of Documents Required

1. The completed Self-Funded Multiple Employer Welfare Arrangement Application for Initial Registration Cover Sheet. (form 0406AIR-MW enclosed)
2. A check in the amount of \$1,000.00 made payable to "State of New Jersey – General Treasury".
3. The completed Irrevocable Consent to Jurisdiction of the Commissioner and New Jersey Courts. (form 0406IC-MW enclosed)
4. The completed Appointment of Attorney for the State of New Jersey appointing the Commissioner of Banking and Insurance as attorney for service of process. (form 0406AA-MW enclosed)
5. A certification of an officer, director or trustee of the self-funded MEWA (form 0406IRC-MW enclosed), stating:
  - a. The name of the self-funded MEWA, which shall not include the terms "insurance," "mutual," "casualty," surety," "indemnity," "HMO," "assurance" or any other name likely to mislead;
  - b. The names and addresses of the employers who are members of the self-funded MEWA;
  - c. The names and addresses of the trustees or other persons responsible for the operations of the self-funded MEWA;
  - d. The mailing address and telephone number at which communications to the self-funded MEWA are to be received;
  - e. The eligibility requirements for membership in the association, if any, to which the self-funded MEWA provides a health benefit plan or plans; and
  - f. The fees, if any, charged for membership in the association, if any, to which the self-funded MEWA provides a health benefit plan or plans.
6. A completed Checklist and Certification (form 0406APA-MW enclosed), along with specimen forms, for each small employer plan of benefits offered by the self-funded MEWA.
7. A specimen form of the notice to be provided to employers and employees pursuant to N.J.S.A. 17B:27C-7e.
8. A copy of the trust agreement or other organizational documents relating to the self-funded MEWA, including the agreement to establish a separate trust account for the health benefits plans.
9. A copy of any documents executed by an employer to become a member of the association, if any, to which the self-funded MEWA provides a health benefit plan or plans; and/or obtain coverage from the self-funded MEWA including the application for membership in the self-funded MEWA.
10. A description of the eligible employers that constitute the association, if any, to which the self-funded MEWA provides a health benefit plan or plans, including their common or similar type of trade or business; the common trade association, professional association or other associations.

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11. Biographical affidavits for all trustees, administrators and other persons responsible for the operations of the self-funded MEWA. (form 0406BA-MW enclosed)
12. A copy of the most recent audited financial statement of the self-funded MEWA.
13. Three-year financial projections for the separate trust account to be established pursuant to N.J.A.C. 11:4-56.8(a).
14. An actuarial opinion prepared by a qualified actuary, that the reserves for health benefits are adequate. If no opinion is provided, explain in detail the reasons for the omission.
15. A calculation of the regulatory action level Risk Based Capital, RBC. If no calculation is provided, explain in detail the reasons for the omission.
16. A demonstration that the applicant will be able to provide the deposit required by N.J.S.A. 17B:27C-5a.
17. A demonstration, such as a binder, that the applicant will obtain "stop loss" coverage as defined at N.J.S.A. 17B:27A-17 or N.J.A.C. 11:4-40.2, as applicable, as required by N.J.S.A. 17B:27C-5b and N.J.A.C. 11:4-56.8(g); and an actuarial certification with supporting documentation that the retention level for stop-loss coverage is based on sound actuarial principles.
18. A plan of operations, including but not limited to:
  - a. The procedures for the organization and administration of the self-funded MEWA;
  - b. A description of the responsibilities and obligations of the servicing organizations responsible for the operations of the self-funded MEWA with respect to its health benefits plans;
  - c. Procedures for the assessment of members for their contributions to the self-funded MEWA and for the collection of contributions in default;
  - d. Procedures for the establishment, maintenance and administration of appropriate reserves in accordance with sound actuarial principles, including the assumptions and methodology to be used for the calculation of policy and claim reserves;
  - e. Contingency plans for paying losses in the event that the self-funded MEWA is exhausted, including provision for supplemental assessments;
  - f. Procedures governing loss adjustment and legal fees;
  - g. Procedures and admission criteria for the joining of the self-funded MEWA by a non-member;
  - h. Procedures for withdrawing from the self-funded MEWA;
  - i. Procedures for expulsion of a member of the self-funded MEWA;
  - j. Procedures for the termination and liquidation of the self-funded MEWA and the payment of its outstanding obligations;
  - k. Procedures governing trust fund accounts, including transfers, withdrawals and distribution of surplus therefrom and supplemental assessments;
  - l. Specify the subrogation rights of the self-funded MEWA; and
  - m. Describe the responsibilities and obligations of the participants, the terms and conditions of continued participation and discontinuance of participation in the self-funded MEWA.
19. Provide a sample copy of each servicing organizations contract.
20. The name and address of all third party administrators collecting assessments or paying benefits on behalf of the self-funded MEWA.
21. A list of the servicing organizations and professionals retained by the self-funded MEWA including but not limited to attorneys, actuary, and auditor (See definition of servicing organizations at N.J.A.C. 11:4-56.2).

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22. Identify any documents that you consider proprietary in nature and are requesting to be kept confidential.

The application, an original and two copies, shall be sent to:

Attn: Self-Funded MEWA Registration  
NJ Department of Banking and Insurance  
20 West State Street  
P.O. Box 325  
Trenton, NJ 08625-0325

Once the Commissioner is satisfied that the plan of operation of the separate trust account is sound, supports the continuing operations of the MEWA, and complies with N.J.S.A. 17B:27C-1 et seq. and N.J.A.C. 11:4-56 et seq., the following requirements must be met.

Within fifteen (15) days of notification to the applicant by the Commissioner that the application has been approved, and prior to the issuance of the registration, the applicant shall:

1. Deposit with the Commissioner securities, as defined at and pursuant to the provisions of N.J.S.A. 17B:18-37 and N.J.A.C. 11:2-32, having a market value of \$200,000 as required by N.J.S.A. 17B:27C-5.
2. Provide a signed copy of the stop-loss or reinsurance agreement.
3. Provide evidence that the separate trust account for the health benefits plan has been established.

Upon receipt of the above materials, the Commissioner shall issue an initial registration to the applicant.