

§ 58-93-65. Hazardous financial condition.

(a) Whenever the financial condition of any PHP indicates a condition such that the continued operation of the PHP might be hazardous to its enrollees, creditors, the general public, or the State, the Commissioner may order the PHP to take action as may be reasonably necessary to rectify the existing condition, including one or more of the following steps:

- (1) Reduce the total amount of present and potential liability for health care services by reinsurance.
- (2) Reduce the volume of new business being accepted.
- (3) Reduce the expenses by specified methods.
- (4) Suspend or limit the writing of new business for a specified period of time.
- (5) Require an increase to the PHP's capital and surplus by contribution.

(b) The Commissioner may consider any or all of the standards in G.S. 58-30-60(b) when determining whether the continued operation of a PHP is hazardous to its enrollees, creditors, the general public, or the State.

(c) The remedies under subsection (a) of this section are in addition to, and not in lieu of, the remedies and measures available to the Commissioner under the provisions of Article 30 of this Chapter.

(d) The Commissioner shall notify the Secretary of DHHS prior to taking any action against a PHP under this section. (2018-49, s. 1(a).)