

APPENDIX  
EXHIBIT A

**ORGANIZED DELIVERY SYSTEM**

**LICENSURE AND EXEMPTION FROM LICENSURE  
APPLICATION**

**INSTRUCTIONS**

A checklist of documents to be submitted by an organized delivery system that assumes financial risk and seeks licensure or exemption from licensure pursuant to N.J.S.A. 17:48H-11 follows.

The application asks the applicant to specify whether it seeks licensure or expects to file for exemption. Where exemption is requested, the applicant should complete the application including an explanation as to how the exposure to financial loss is limited in amount or likelihood.

The checklist of required documents is divided into three sections:

**Part A** - the Application Cover Sheet,  
organizational information and  
standard forms of contracts;

**Part B** - financial information;

**Part C** – quality of care information,

Additional information may be required for review by the Commissioner of Banking and Insurance or the Commissioner of Health and Senior Services as deemed necessary in the course of reviewing the information submitted.

Pursuant to N.J.S.A. 17:48H-35, documents provided by the applicant that are deemed by the Commissioner of Banking and Insurance and the Commissioner of Health and Senior Services to be proprietary shall be confidential and shall not be considered public documents. The applicant is asked to identify those documents submitted with the application that it believes to be proprietary in nature by marking them confidential.

When preparing your response, please number each item to correspond with the section and the number of the item on the checklist.

Submit two (2) copies of your application (Parts A, B and C) to:

New Jersey Department of Banking and Insurance  
Office of Life and Health  
Attn: Organized Delivery System License  
20 West State St.  
P.O. Box 325  
Trenton, NJ 08625-0325

**ORGANIZED DELIVERY SYSTEM**  
**LICENSURE AND EXEMPTION FROM LICENSURE**  
**APPLICATION**

**CHECKLIST OF DOCUMENTS REQUIRED**

**PART A**

1. The completed Application Cover Sheet (form enclosed).
2. The completed Irrevocable Consent to Jurisdiction of the Commissioner and New Jersey Courts (form enclosed).
3. 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 enclosed).
4. A copy of the applicant organization's basic organization documents which shall include but not be limited to, articles of incorporation, articles of association, partnership agreement, management agreement, trust agreement or other applicable documents as appropriate to the applicant's form of business entity and all amendments to those documents.
5. A copy of the executed bylaws, rules and regulations, or similar documents, regulating the conduct of the applicant's internal affairs.
6. Biographical Affidavits of the persons who are to be responsible for the conduct of the affairs of the applicant. (form enclosed) This shall include but not be limited to:
  - a) members of the board of directors, executive committee or other governing board or committee, the principal officers, medical director, if applicable, and any person or entity owning or having the right to acquire 10 percent or more of the voting securities of the applicant;
  - b) In the case of a partnership or association, the names of the partners or members;
  - c) Each person who has loaned funds to the applicant for the operation of its business; and
  - d) A statement of any criminal convictions or civil, enforcement or regulatory action, including actions relating to professional licenses, taken against any person who is a member of the board, the executive committee or other governing board or committee or the principal officers, or the person who is responsible for the conduct of the affairs of the applicant.
7. A business plan consisting of:
  - a) An organizational chart;
  - b) A statement generally describing the applicant, its facilities, personnel, and the health care services to be offered by the organized delivery system;
  - c) A list of the geographical areas in which the services are to be performed and approximate numbers of providers who will provide the services;
  - d) A description of any administrative services for which the applicant will be responsible;
  - e) A list of any affiliate of the applicant that provides services to the applicant in this State and a description of any material transaction between the affiliate and the applicant;
  - f) A description of any arrangements between the applicant and any other organized delivery system or subcontractor for services associated with the provision of health care services;

- g) A description of any reinsurance or stop loss arrangements;
  - h) A plan, in the event of insolvency of the organized delivery system, for continuation of the health care services to be provided for under the contracts;
  - i) A description of the means by which the organized delivery system will be compensated under contracts with carriers;
  - j) A description of the arrangement for the applicant's reporting of data to the carriers and a description of the carriers' oversight responsibilities.
8. A copy of the standard form of any provider agreement made or to be made between the applicant and any providers relative to the provision of health care services.
  9. A copy of the form of any contract between the applicant and any other ODS or subcontractor for services associated with the provision of health care services.
  10. A copy of the form of any contract made or to be made between the applicant and any carrier for the provision of or arrangement to provide health care services, which contract shall contain provisions establishing the respective duties of the carrier and the applicant with respect to compliance with N.J.S.A. 26:2S-1 et seq.
  11. A list of all administrative, civil or criminal actions and proceedings to which the applicant, or any of its affiliates, or persons who are responsible for the conduct of the affairs of the applicant or affiliate, have been subject and the resolution of those actions and proceedings. If a license, certificate or other authority to operate has been refused, suspended or revoked by any jurisdiction, the applicant shall provide a copy of any orders, proceedings and determinations relating thereto.
  12. A list of all states in which the applicant has been or currently is doing business as described in the application.

**ORGANIZED DELIVERY SYSTEM**

**LICENSURE AND EXEMPTION FROM LICENSURE**

**APPLICATION COVER SHEET**

1. Type of Application:            Licensure \_\_\_\_\_ Exemption \_\_\_\_\_  
If seeking exemption, explain why exemption is appropriate \_\_\_\_\_

\_\_\_\_\_

2. Name of Applicant \_\_\_\_\_

3. Physical Address of Applicant \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

4. Mailing Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

5. Organizational Information  
\_\_\_\_\_ Corporation            \_\_\_\_\_ Trust            \_\_\_\_\_ LLC  
\_\_\_\_\_ Prof. Corp.            \_\_\_\_\_ Prof. Assoc.            \_\_\_\_\_ Other

6. Provide a brief description of the services that the applicant will be providing:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. City and State of Incorporation (if appl.)    City \_\_\_\_\_ State \_\_\_\_\_

8. Federal Employer Identification number or \_\_\_\_\_ - \_\_\_\_\_  
Social Security Number            \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

9. Contact Person \_\_\_\_\_

10. Phone Number ( ) \_\_\_\_\_  
11. Toll Free Number ( ) \_\_\_\_\_  
12. Fax Number ( ) \_\_\_\_\_  
13. E-Mail Address \_\_\_\_\_  
14. Resident Status \_\_\_\_\_ Resident of New Jersey  
\_\_\_\_\_ County in which Home Office is located for NJ  
\_\_\_\_\_ Residents  
\_\_\_\_\_ Non-Resident of New Jersey

**Certification**

I (Name and Title) certify that I am authorized to file this certification on behalf of the applicant, the information set forth in the enclosed application and herein is true to the best of information, knowledge and belief, and that the Department of Banking and Insurance and Department of Health and Senior Services may rely on the information set forth in the application and herein in determining whether to grant a license pursuant to N.J.S.A. 17:48H-1 et seq.

I further certify that \_\_\_\_\_ is familiar and will comply with the  
(Name of Applicant)  
requirements set forth in N.J.S.A. 17:48H-1 et seq. and N.J.A.C. 11:22-3.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Full Legal Name ( Type or Print )

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



Witness our hands and the impress of the seal of said applicant, this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_\_.

(Corporate Seal--if applicable)

Attest:

\_\_\_\_\_  
(Signature) President  
(or authorized representative)

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_\_  
(Signature) Secretary  
(or authorized representative)

\_\_\_\_\_  
(Print or Type Name)

**Appointment of Attorney for the State of New Jersey**

KNOW ALL MEN BY THESE PRESENTS: That the \_\_\_\_\_ of the \_\_\_\_\_ of \_\_\_\_\_ in the \_\_\_\_\_ of \_\_\_\_\_, desiring to do business in the State of New Jersey in conformity with the laws thereof, hereby, constitutes and appoints the Commissioner of Banking and Insurance of New Jersey, and his or her successor in office, to be its true and lawful Attorney, upon whom all original process in any action or legal proceeding against said \_\_\_\_\_ may be served. And the said \_\_\_\_\_ hereby stipulates and agrees that any original process against it, which is served upon said Attorney, shall be of the same legal force and validity as if served upon said \_\_\_\_\_, and that the authority of said Attorney shall continue in force irrevocable so long as any liability of said \_\_\_\_\_ remains outstanding in New Jersey.

IN WITNESS WHEREOF, the said \_\_\_\_\_ has caused these presents to be subscribed by its President, and attested by its Secretary, and its corporate seal to be hereunto affixed, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

(Corporate Seal--if applicable)

\_\_\_\_\_  
President  
(or authorized representative)

\_\_\_\_\_  
(Print or Type Name)

Attest:

\_\_\_\_\_  
Secretary  
(or authorized representative)

\_\_\_\_\_  
(Print or Type Name)



**BIOGRAPHICAL AFFIDAVIT**

(Print or Type)

Full Name and Address of Applicant (Do not use Group Names). \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In connection with the above-named applicant, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS 'NO' OR 'NONE', SO STATE.

1. Affiant's Full Name\* (Initials not acceptable). \_\_\_\_\_  
\_\_\_\_\_

2. Have you ever had your name changed? \_\_\_\_\_ If yes, give the reason for the change. \_\_\_\_\_

a) Other names used at any time. \_\_\_\_\_  
\_\_\_\_\_

3. Affiant's Social Security Number\*. \_\_\_\_\_

4. Date and place of birth. \_\_\_\_\_  
\_\_\_\_\_

5. Affiant's business address. \_\_\_\_\_  
Business telephone. \_\_\_\_\_

6. List your residences for the last ten (10) years starting with your current address, giving\*:

DATE	ADDRESS	CITY and STATE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. Education: dates, names, locations and degrees.

a) College. \_\_\_\_\_  
\_\_\_\_\_

b) Graduate Studies. \_\_\_\_\_  
\_\_\_\_\_

c) Others. \_\_\_\_\_  
\_\_\_\_\_

8. List of memberships in professional societies and associations. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

9. Present or proposed position with the applicant. \_\_\_\_\_

\_\_\_\_\_

10. List complete employment record (up to and including present jobs, positions, directorates or officerships) for the past twenty (20) years, giving:

DATE	EMPLOYER and ADDRESS	TITLE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\* These items may be submitted on a separate form to maintain confidentiality.

11. Present employer may be contacted. \_\_\_\_\_ Yes \_\_\_\_\_ No  
Former employers may be contacted. \_\_\_\_\_ Yes \_\_\_\_\_ No

12. Have you ever been in a position that required a fidelity bond? \_\_\_\_\_ If any claims were made on the bond, give details. \_\_\_\_\_

a) Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? \_\_\_\_\_ If yes, give details. \_\_\_\_\_

13. List any professional, occupational and vocational licenses issued by any public or governmental licensing agency or regulatory authority which you presently hold or have held in the past (state date license issued, issuer of license, date terminated, reasons for termination).

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14. During the last ten (10) years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? \_\_\_\_\_ If yes, give details. \_\_\_\_\_

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15. List any insurers, prepaid dental plans, health service corporations or health maintenance organizations, in which you control directly or indirectly or own legally or beneficially 10% or more of the outstanding stock (in voting power). \_\_\_\_\_

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If any of the stock is pledged or hypothecated in any way, give details. \_\_\_\_\_

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16. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of the applicant-organized delivery system or its affiliates? \_\_\_\_\_. If any of the shares or stock are pledged or hypothecated in any way, give details. \_\_\_\_\_

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17. Have you ever been adjudged a bankrupt? \_\_\_\_\_

18. Have you ever been convicted or had a sentence imposed or suspended or had pronouncement of a sentence suspended or been pardoned for conviction of or pleaded guilty or *nolo contendere* to an information or indictment, charging any felony, or charging a misdemeanor involving embezzlement, theft, larceny or mail fraud, or charging a violation of any corporate securities statute or any insurance law, or have you been a subject of any disciplinary proceedings of any federal or state regulatory agency? \_\_\_\_\_ If yes, give details. \_\_\_\_\_

a) Has any company been so charged, allegedly as a result of any action or conduct on your part? \_\_\_\_\_ If yes, give details. \_\_\_\_\_

19. Have you ever been an officer, director, trustee, investment committee member, key employee or controlling stockholder of any insurer, prepaid dental plans, health service corporations or health maintenance organizations, which, while you occupied such a position or capacity with respect to it, became insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship? \_\_\_\_\_

20. Has the certificate of authority or license to do business of any insurer, prepaid dental plans, health service corporations or health maintenance organizations, of which you were an officer or director or key management person ever been suspended or revoked while you occupied such position? \_\_\_\_\_ If yes, give details.

Dated and signed this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
(Signature of Affiant)

State of \_\_\_\_\_

County of \_\_\_\_\_

Personally appeared before me the above named \_\_\_\_\_ personally known to me, who, being duly sworn, deposes and says that he executed the above

instrument and that the statements and answers contained therein are true and correct to the best of his knowledge and belief.

Subscribed and sworn to before me this \_\_\_\_\_ of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_

(Notary Public)

My Commission Expires \_\_\_\_\_

**ORGANIZED DELIVERY SYSTEM**  
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**APPLICATION**

**CHECKLIST OF DOCUMENTS REQUIRED**

**PART B**

1. A copy of the applicant's most recent financial statements audited by an independent certified public accountant. If the financial affairs of the applicant's parent company are audited by an independent certified public accountant, but those of the applicant are not, then a copy of the most recent audited financial statement of the applicant's parent company, audited by an independent certified public accountant, shall be submitted. A consolidated financial statement of the applicant and its parent company shall satisfy this requirement unless the Commissioner determines that additional or more recent financial information is required.
2. A copy of the applicant's financial plan, including:
  - a) A three-year projection of anticipated operating results, on a statutory basis in accordance with the NAIC Accounting Practices and Procedures Manual (or for one year beyond the anticipated "break-even" year). The projections shall be on a quarterly basis for the first year, and on an annual basis for the subsequent years;
  - b) A description of the assumptions used in the projections that shall include an explanation of each line item;
  - c) A statement of the sources of working capital and any other sources of funding and provisions for contingencies.
3. A copy of each reinsurance or stop loss contract.

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APPLICATION**

**CHECKLIST OF DOCUMENTS REQUIRED**

**PART C**

1. With respect to each contract made or to be made between the applicant and any other person who will provide comprehensive or limited health care services:
  - a) A list of all participating providers by county, municipality and zip code, accompanied by maps of the service area identifying the location of these providers by address. This list shall include the names of all health care professionals, physicians (by specialty and with hospital affiliation, if applicable), hospitals, health care facilities, and ancillary providers to provide health care services, including affiliates as listed in "c" below (the persons who are to provide the health care services, and the geographical area in which they are located and in which the services are to be performed);
  - b) The criteria regarding geographic accessibility and availability of the health care provider network as related to the carrier's enrollment projections and the criteria to be used to maintain the appropriate numbers and types of providers as enrollment increases;
  - c) A list of any affiliate of the applicant that provides services to the applicant in this State and a description of any material transaction between the affiliate and the applicant;
  - d) A detailed description of all health care services and/or benefits to be offered or proposed to be offered and a detailed description of all administrative services for which the applicant will be responsible;
  - e) A description and a flow chart of the complaint and appeal procedures as delineated in N.J.A.C. 8:38A-4.6, if applicable;
  - f) A description and a flow chart of the continuous quality improvement program as delineated in N.J.A.C. 8:38A-3.8, if applicable;
  - g) A description and a flow chart of the utilization management program, including the process for appealing utilization management determinations as delineated in N.J.A.C. 8:38A-3.4 – 3.7, 4.11 and 4.12, if applicable;
  - h) A description and a flow chart of the provider credentialing program as delineated in N.J.A.C. 8:38A-4.5;
  - i) A description of the arrangement for the applicant's reporting of data to the carrier and a description of the arrangement for the carrier's oversight responsibilities;
  - j) A description of the method by which enrollees and providers will be informed of changes in the health care delivery system and/or network, if applicable;
  - k) A plan, in the event of the insolvency of the organized delivery system, for continuation of the health care services to be provided for under the contract;
  - l) A description of the means by which the organized delivery system shall be compensated for each contract entered into with a carrier;
  - m) A description and a flow chart of how emergency/urgent medical services will be available 24 hours a day, seven days a week; and
  - n) The attached tables immediately following.