

November 30, 2001

Dear:

This application for a certificate of registration should be used to complete formal registration with the Kansas Insurance Department pursuant to KSA 40-3801 through 3810. We would like to comment on a few of the provisions contained in this application to which the president and secretary of the company are required to attest. The first provision refers to the obligation to have a written agreement with each insurer before acting as an administrator. These administrative service contracts must contain provisions addressing the requirements of KSA 40-3803; KSA 40-3805 and KSA 40-3809 except as those requirements may not apply to the functions performed by the administrator.

Secondly, KSA 40-3805 provides that the Commissioner of Insurance shall have access to the books and records of a registered administrator for the purposes of examination, audit and inspection. To perform our function, we should be aware of the provisions of each agreement between an insurer and an administrator. This can be accomplished by the submission of a short synopsis of the agreement rather than by submitting a full copy of the agreement for review and approval.

Each synopsis should contain the effective date of the agreement, the name of the insurance company, the type of insurance to be administered and a description of the duties of the administrator. The synopsis may be presented in any format containing the required information and should be updated anytime changes occur.

The third provision we would like to bring to your attention is the \$100 filing fee required by KSA 40-3810. This fee should be submitted with the application form, the synopsis of agreements mentioned above and a cover letter requesting consideration of the application. If you have any questions, please contact the undersigned.

Very truly yours,

Jay J. Rogers  
Accident and Health Division

JJR:ch

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**INSURANCE DEPARTMENT  
STATE OF KANSAS  
THIRD PARTY ADMINISTRATOR  
APPLICATION FOR CERTIFICATE OF REGISTRATION**

COMMISSIONER OF INSURANCE, Topeka, Kansas:

On behalf of \_\_\_\_\_  
(Name of Person, Company, Corporation, Partnership or Other Legal Entity)

with principal office at \_\_\_\_\_,  
(Street) (City)

\_\_\_\_\_, I hereby apply for a CERTIFICATE OF  
(State) (Zip)

REGISTRATION authorizing and empowering the above entitled \_\_\_\_\_  
(Name of Person, Company,

\_\_\_\_\_  
Corporation, Partnership or Other Legal Entity)

to act as an administrator pursuant to K.S.A. 1978 Supp. 40-3801 et seq. within the State of Kansas.

Should the above entitled \_\_\_\_\_  
(Name of Person, Company, Corporation, Partnership or Other Legal Entity)

have an office in Kansas, its location is hereby recorded as \_\_\_\_\_,  
(Street)

\_\_\_\_\_  
(City) (Zip)

Furthermore, \_\_\_\_\_,  
(Name of Person, Company, Corporation, Partnership, or Other Legal Entity)

hereby certifies that:

1. the applicant shall not act as an administrator without a written agreement between the administrator and the insurer, and such agreement shall be retained as part of the official records of the administrator for the duration of the agreement and five (5) years thereafter;
2. such written agreements shall contain provisions that include the requirements of K.S.A. 1978 Supp. 40-3803, 40-3805 to 40-3809, inclusive, except insofar as those requirements do not apply to the functions performed by the administrator;
3. where a policy has been issued, or shall be issued hereafter, to a trustee or trustees, a copy of the trust agreement and any amendments thereto shall be furnished to the insurer by the administrator and shall be retained as part of the official records of the administrator for the duration of the policy and five (5) years thereafter;

4. the applicant has not had a previous application for an insurance license denied for cause within the past five (5) years;
5. the applicant has not had a previous application for registration as an administrator denied within the past (5) years;
6. the applicant has not had any professional, vocational or business license denied, suspended, revoked or restricted by any public authority in this or any other state, nor has such license been subjected to a monetary fine by any public authority or been withdrawn or surrendered to avoid disciplinary action;
7. the applicant has not had any judgment rendered against it in any court of any jurisdiction of the United States for its activities relating to the transaction of business as an administrator;
8. the applicant has not been declared insolvent or discharged from bankruptcy within the past five (5) years;
9. none of its officers and directors have been convicted in a criminal proceeding (excluding minor traffic violations) within the past ten (10) years;
10. the applicant has not had an insurance company cancel an administrative services agreement for any financial reason other than nonproduction;
11. whenever an insurer utilizes the services of the administrator under the terms of the written contract as required above, the payment to the administrator of any premiums or charges for insurance by or on behalf of the insured shall be deemed to have been received by the insurer, and the payments of return premiums or claims by the insurer to the administrator shall not be deemed payment to the insured or claimant until such payments are received by the insured or claimant, and
12. the applicant is the following type of entity (check only one):  
 Individual             Partnership             Corporation.

Very truly yours,

President \_\_\_\_\_  
(Please type name below signature.)

Secretary \_\_\_\_\_  
(Please type name below signature.)

\_\_\_\_\_  
(Please type name of contact person.)

\_\_\_\_\_  
(Mailing address if different from principal office.)

\_\_\_\_\_  
(Principal Office Telephone)