

## **53326 Financial Security**

### **(a)**

Each plan shall provide evidence of and maintain financial security.

### **(b)**

Financial security may be in the form of, but is not limited to, one of the following:

(1) A guarantee bond. (2) A letter of credit. (3) A time certificate of deposit. (4) A trust agreement.

#### **(1)**

A guarantee bond.

#### **(2)**

A letter of credit.

#### **(3)**

A time certificate of deposit.

#### **(4)**

A trust agreement.

### **(c)**

The Department shall approve the form and amount of financial security required for each plan contract.

### **(d)**

The Department may waive the requirement for financial security for a plan which is qualified as an HMO under Title XIII, Public Health Service Act.

**(e)**

The Department shall take possession of financial security sufficient to indemnify the Department in the event that the plan defaults on any contractual obligation to the Department.