



**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**  
 1000 Washington Street, Suite 810 • Boston, MA 02118-6200  
 (617) 521-7794 • <http://www.mass.gov/doi>

***APPLICATION TO BE APPROVED AS A QUALIFIED ASSOCIATION***

*(Subject to 211 CMR 151.00 in accordance with the authority granted to the Commissioner of Insurance by St. 2010, c. 288, §§ 21, 22, 23 and 34 and M.G.L. Chapter 176J, §§ 12 and 13)*

**WHEN COMPLETING THIS CHECKLIST:**

*The Division of Insurance ("Division") requests that materials submitted with this checklist be filed in Adobe® "pdf format" on CD-RW ["Compact disk re-writable"] discs, in duplicate. Please identify each requested item within its own subdirectory according to the following guidance. Any follow-up materials requested by the Bureau of Managed Care ("Bureau") should be submitted electronically in "pdf format" so that the Bureau can add the information to the originally submitted CD-RW disc(s).*

**Please place a marker (v) to identify the type of filing:**

☐ **INITIAL APPLICATION** ([211 CMR 151.05\(1\)](#))

☐ **MATERIAL CHANGE TO AN INITIAL APPLICATION** ([211 CMR 151.05\(2\)](#))

**Applicant Name**

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**Applicant Website Address**

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**Contact Name & Title:\***

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**Contact Address:**

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**Contact Telephone Number:**

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**Contact Facsimile Number:**

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**Contact Email Address:**

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**\*Applicant representative responsible for filing the application.**

Please forward your completed application to the following address:

Massachusetts Division of Insurance  
 State Rating Bureau - Bureau of Managed Care  
 Attn. Ms. Nancy Schwartz, Director  
 1000 Washington Street, Suite 810  
 Boston, MA 02118-6200

## **GENERAL**

According to 211 CMR 151.01 “Qualified Association” is defined as “[a] Massachusetts nonprofit or not-for-profit corporation; or (2) any other entity domiciled inside or outside Massachusetts; which nonprofit or not-for profit corporation or entity is organized and maintained for the purpose of advancing the occupational, professional, trade, or industry interests of Association members, other than that of obtaining health insurance, and which has been in active existence for at least five years, and which comprises at least 100 Association members, and membership in which is generally available to potential Association members of such occupation, profession, trade or industry without regard to the health condition or status of a prospective Association member, or the employees and dependents of a prospective Association member.

- The Applicant shall submit any additional information the Commissioner of Insurance (“Commissioner”) may require in order to determine that the Applicant complies with the requirements of 211 CMR 151.00.
- An Association must be approved by the Commissioner as a Qualified Association according to the requirements set forth in 211 CMR 151.00 in order for its Eligible Association Members and/or its Qualified Association Members’ Eligible Employees and Eligible Dependents to be offered Health Benefit Plans through a Certified Group Purchasing Cooperative. *See 211 CMR 151.04(1)*
- Approval as a Qualified Association pursuant to 211 CMR 151.00 shall remain in effect for 12 months, unless sooner suspended or revoked by the Commissioner. Such approval shall expire after 12 months if the Qualified Association does not timely file its annual filing. *See 211 CMR 151.04(2)*
- Any material change(s) to an application to be an approved Qualified Association shall be submitted to the Commissioner, along with a statement certified by an officer of the Qualified Association, within 30 days of such change(s). *See 211 CMR 151.05(2)*

## **Application to be Approved as a Qualified Association (211 CMR 151.05(1))**

An Applicant may file an application with the Commissioner to be approved as a Qualified Association according to 211 CMR 151.05(1) and should be **certified by an officer of the Association**. The following defined terms should be utilized when reporting statistics for the information requested:

**Association member**: An individual member or small business that is actively enrolled or registered as a member of an association according to the bylaws of the association and, where necessary, has paid any dues that are required by the association for membership.

**Eligible Association Member**: Any individual member of a Qualified Association who is a Massachusetts resident, who is also an Eligible Individual, and who meets all eligibility criteria of the Qualified Association of which he or she is a member, and who meets all eligibility criteria necessary to be offered a Health Benefit Plan through the Group Purchasing Cooperative of which the Qualified Association is a member.

**Eligible Dependent**: The spouse or child of an Eligible Employee or Eligible Association Member, subject to the applicable terms of the Health Benefit Plan covering such Eligible Employee or Eligible Association Member.

**Eligible Employee**: An employee who: (a) works on a full-time basis with a normal work week of thirty or more hours, including an owner, a sole proprietor or a partner of a partnership; provided however, that such owner, sole proprietor or partner is included as an employee under a Health Benefit Plan of an Eligible Small Business; and provided, however, that Eligible Employee does not include an employee who works on a temporary or substitute basis; and (b) is hired to work for a period of not less than five months, provided, however, that a Carrier shall not require that an employee must have worked for an unreasonable length of time in order to qualify as an Eligible Employee. For the purposes of 211 CMR 151.00, five months shall be deemed to be an unreasonable length of time when determining whether an employee is an Eligible Employee. Nothing in this definition shall exclude a sole proprietor from being determined to be an Eligible Employee, so long as that sole proprietor is otherwise eligible to be offered a Health Benefit Plan through a Group Purchasing Cooperative.

**Eligible Individual**: An individual who is a Massachusetts resident and who is not seeking health insurance coverage to replace an employer-sponsored health plan for which the individual is eligible and which provides coverage that is at least actuarially equivalent to minimum creditable coverage as defined by Connector regulation 956 CMR 5.00. For the purposes of 211 CMR 151.00, continuation coverage under M.G.L. c. 176J, § 9 or under the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA"), shall not be considered an employer-sponsored health plan.

**Eligible Small Business**: Any sole proprietorship, firm, corporation, partnership, or association actively engaged in business which, on at least 50 percent of its working days during the preceding year, employed from among one to not more than 50 Eligible Employees, the majority of whom worked in Massachusetts; provided, however, that the sole proprietorship, firm, corporation, partnership or association need not have been in existence during the preceding year in order to qualify as an Eligible Small Business. An entity is considered to be one Eligible Small Business if it is eligible to file a combined tax return, or if its companies are affiliated companies through the same corporate parent. Except as otherwise specifically provided, provisions of 211 CMR 151.00 that apply to an Eligible Small Business will continue to apply through the end of the Rating Period in which such entity no longer meets the requirements of an Eligible Small Business.

	A narrative description of the Association, including the state in which the Association has been formed and headquartered. <b>In addition, provide a statement that identifies the date the Association began actively promoting and protecting the interest and concerns of its members;</b> <b><u>211 CMR 151.05(1)(a)</u></b>
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_____	A copy of the basic organizational documents of the Association, such as the articles of incorporation, partnership agreement, or similar documentation and any amendments thereto; <u>211 CMR 151.05(1)(b)</u>
_____	A copy of the bylaws, rules, regulations or other similar documents regulating the conduct of the affairs of the Association; <u>211 CMR 151.05(1)(c)</u>
_____	A statement of the purpose of the Association that demonstrates that the Association was formed for the purpose of advancing the occupational, professional, trade, or industry interests of association members, other than that of obtaining health insurance; <u>211 CMR 151.05(1)(d)</u>
_____	The total number of Association members, the number of Massachusetts Eligible Association Members, and the number of Massachusetts Eligible Small Businesses that are members of the Association; <u>211 CMR 151.05(1)(e)</u>
_____	A listing of the services, other than health insurance, which the Association offers to its members; <u>211 CMR 151.05(1)(f)</u>
_____	The fees paid by members of the Association to join or maintain membership in the Association, including, but not limited to, membership dues, ancillary service fees, program fees and charges, fees or dues related to associate membership or any subcategory of membership, etc.; <u>211 CMR 151.05(1)(g)</u>
_____	A statement, certified by an officer of the Association, indicating that the Association does not condition membership in the Association or the offer of any Association benefits on health status, claims experience, or duration of coverage since issue, and that the Association does not discriminate based on age, sex, race, creed, ethnicity, racial background, religious preference or any criteria that is not related to the occupational, professional, trade or industry interests of association members. <b>Please clearly articulate that membership is available to potential Association members of such occupation, profession, trade or industry without regard to the health condition or status of a prospective Association member, or the employees and dependents of a prospective Association member;</b> <u>211 CMR 151.05(1)(h)</u>
_____	A statement affirming that the Association was not formed for the purposes of obtaining insurance; <u>211 CMR 151.05(1)(i)</u>
_____	Any other information required by the Commissioner. <u>211 CMR 151.05(1)(j)</u>