

11 NCAC 18 .0102 GENERAL ELIGIBILITY

(a) Each MEWA shall provide to the Commissioner adequate documentation that the exemption under Section 501(c) of the Internal Revenue Code has been granted, or that the MEWA will operate solely for the benefit of the members of the MEWA. Any profits from the operation of the MEWA shall be invested in securities as allowed by G.S. 58-7-160 through G.S. 58-7-200, and the interest or other profits accrued or received thereon shall be used to provide rate stability or provide other such benefits for the members to which the trustees and the Commissioner agree; and the trust agreement shall so state.

(b) Each MEWA shall be established by a trade association, industry association, or professional association.

(c) As used in this Rule:

(1) "Industry association" means member employers who are in the same major group code, as defined by the Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget; unless restricted by Subparagraph (c)(2) or (3) of this Rule.

(2) "Professional association" means member employers who are of the same type of profession, such as physicians, dentists, accountants, lawyers, or architects; but is not limited to those professions. However, the profession must be one that is recognized by the required licensing agency.

(3) "Trade association" means member employers who are in the same type of trade, such as plumbers or electricians; and any others that are trade designations as recognized by the required licensing agency.

(d) The feasibility study required by G.S. 58-49-50(7) shall disclose all material assumptions.

*History Note: Authority G.S. 58-2-40(1); 58-49-40; 58-49-50;
Eff. August 3, 1992;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 16, 2014.*