§ 417.164 Effect of revocation of qualification on inclusion in employee's health benefit plans.

When an HMO's qualification is revoked under §417.163(d), the following rules apply:

(a) The HMO may not seek inclusion in employees health benefit plans under subpart E of this part.

(b) Inclusion of the HMO in an employer's health benefits plan—

(1) Is disregarded in determining whether the employer is subject to the requirements of subpart E of this part; and

(2) Does not constitute compliance with subpart E of this part by the employer.

§ 417.165 Reapplication for qualification.

An entity whose qualification as an HMO has been revoked by CMS for purposes of section 1310 of the PHS Act may, after completing the corrective action required under §417.163(c)(2), reapply for a determination of qualification in accordance with the procedures specified in subpart D of this part.

§ 417.166 Waiver of assurances.

(a) General rule. CMS may release an HMO from compliance with any assurances the HMO gives under subpart D of this part if—