

**40-12a02. Formation and operation; purpose.** (a) Except as otherwise provided in this act, the provisions of article 12 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, shall control the formation and operation of companies organized under this act.

(b) Any association of health care providers domiciled within the state of Kansas which has been in existence for three years or more, may, as provided in this act, form an insurance company for the purpose of issuing contracts of insurance providing insurance for health care providers which are members of the association, the member's employees, directors, professional associations and affiliates.

(c) Any two or more such associations of health care providers, may form an insurance company for the purpose of issuing contracts of insurance providing insurance for such association's respective members, the member's employees, directors, professional associations and affiliates.

(d) In addition to other requirements of law, any plan or agreement for the sale, merger, consolidation or change of control of any company organized under the provisions of this act shall not be effective unless such plan or agreement has been approved by resolution of the governing board of directors or board of trustees of the association which formed such company.

**History:** L. 1988, ch. 147, § 2; L. 1997, ch. 52, § 1; L. 2014, ch. 56, § 2; July 1.