# WEST VIRGINIA CODE: §33-15-1B

**§33-15-1b. Rates, individual major medical policies.**

(a) No individual major medical coverage policy may be approved by the commissioner for use in this state unless:

(1) The premium rates for the policy, after adjustment for any difference in policy benefits, which include, but are not limited to, deductibles, copayments and levels of care management, do not exceed by more than thirty percent the premium rates charged by the same insurer on any and all other individual major medical policies for those individuals with similar characteristics and factors, which the insurer has had approved by the commissioner within a five-year period preceding the date of the new policy filing by the insurer;

(2) The insurer files with the commissioner the opinion of a qualified actuary or other person acceptable to the commissioner which states:

(A) That the policy premium rate is in compliance with subdivision (1) of this subsection; and

(B) That the anticipated loss ratio for the combined experience of the policy taken together with all other individual major medical coverage policies which the insurer has had approved by the commissioner within a five-year period preceding the date of the new policy filing is equal to or greater than the loss ratio requirements set forth in section one-a of this article.

(3) For a period of three years after the effective date of this section, an insurer may have one or more policy forms which exceed the one hundred thirty percent requirement of subdivision (2) of this subsection: Provided, That any rate schedule increase for such policy form shall not exceed thirty-three and one-third percent of the rate schedule increase for the lowest rate policy form. During the final twelve months of this three- year period, an insurer may request an extension of time for compliance from the commissioner based on extenuating circumstances.

(b) An initial individual major medical policy form may be disapproved by the commissioner if the commissioner determines that the rates proposed by the insurer for the policy form are set at a level substantially less than rates charged by other insurers for comparable insurance coverage.

(c) Nothing contained in this section may be construed to prevent the use of age, sex, area, industry, occupational, and avocational factors in setting premium rates or to prevent the use of different rates after approval by the commissioner for smokers and nonsmokers or for any other habit or habits of an insured person which have a statistically proven effect on the health of the person. Nothing contained in this section shall preclude the establishment of a substandard classification based upon the health condition of the insured: Provided, That the initial classification may not be changed adversely to the insured after the initial issuance of

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the policy.

(d) The commissioner has the right, upon application by an insurer, and for good cause shown, to grant relief from any requirement of this section.

WV Legislature