WEST VIRGINIA CODE: §33-20B-5

§33-20B-5. Rating organizations.

(a) A corporation, an unincorporated association, a partnership or an individual, whether located within or outside this state, may make application to the commissioner for license as a rating organization for such kinds of malpractice insurance as are specified in its application and shall file therewith: (1) a copy of its Constitution, its articles of agreement or association or its certificates of incorporation, and of its bylaws, rules and regulations governing the conduct of its business; (2) a list of its members and subscribers; (3) the name and address of a resident of this state as attorney-in-fact upon whom notices or orders of the commissioner or process affecting such rating organization may be served; and (4) a statement of its qualifications as a rating organization. If the commissioner finds that the applicant is competent, trustworthy and otherwise qualified to act as a rating organization and that its Constitution, articles of agreement or association or certificate of incorporation, and its bylaws, rules and regulations governing the conduct of its business conform to the requirements of law, he shall issue a license specifying the kinds of insurance or subdivisions thereof for which the applicant is authorized to act as a rating organization. Every such application shall be granted or denied in whole or in part by the commissioner within sixty days of the date of its filing with him. Licenses issued pursuant to this section shall remain in effect for three years unless sooner suspended or revoked by the commissioner. The fee for said license shall be $25, which fee shall be in addition to all other fees, licenses or taxes to which a rating organization might otherwise be subject, and all fees so collected shall be paid to the state Treasury pursuant to subsection (b), section thirteen, article three of this chapter. In the event the rating organization ceases to meet the requirements of this article, the license issued pursuant to this section may be suspended or revoked by the commissioner upon notice and hearing pursuant to article five, chapter twenty-nine-a of this code. Every rating organization shall notify the commissioner promptly of every change in: (1) its Constitution, its articles of agreement or association or its certificate of incorporation, and its bylaws, rules and regulations governing the conduct of its business; (2) its list of members and subscribers; and (3) the name and address of the resident of this state designated as attorney-in-fact by it upon whom notices or orders of the commissioner or process affecting such rating organization may be served.

(b) The commissioner shall promulgate legislative rules pursuant to article three, chapter twenty-nine-a of this code prescribing procedures for rating organizations to permit any insurer not a member to become a subscriber to its rating services for any kind of insurance for which it is authorized to act as a rating organization pursuant to this section. Each rating organization shall furnish its rating services without discrimination to its members and subscribers. The reasonableness of any legislative rule in its application to subscribers shall be reviewed by the commissioner upon request of any such subscriber. If the commissioner finds, upon notice and hearing provided pursuant to article five, chapter twenty-nine-a of this code, that such rule or regulation is unreasonable in its application to subscribers, he

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shall order that such rule is not to be applicable to subscribers and promulgate a revised rule. The denial of any insurer's application for subscribership in contravention of a legislative rule or the failure to approve or deny such an application within thirty days after submission to the rating organization shall be reviewed by the commissioner upon request of the aggrieved insurer. If the commissioner finds, upon notice and hearing provided pursuant to article five, chapter twenty-nine-a of this code, that the insurer has been wrongfully denied subscribership, he shall order the rating organization to admit the insurer as a subscriber.

(c) No rating organization shall adopt any policy or rule the effect of which would be to prohibit or regulate the payment of dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policy holders, members or subscribers.

(d) Cooperation among rating organizations or among rating organizations and insurers in rate making or in other matters within the scope of this article or article twenty of this chapter is hereby authorized, provided the filings resulting from such cooperation are subject to all the provisions of this article and article twenty which are applicable to filings generally.

The commissioner may review such cooperative activities and practices. If the commissioner finds, upon notice and hearing provided pursuant to article five, chapter twenty-nine-a of this code, that any such activity or practice is unfair, unreasonable or otherwise inconsistent with the provisions of this article, he shall issue a written order specifying in what respects such activity or practice is unfair, unreasonable or otherwise inconsistent with the provisions of this article, and requiring that such activity or practice be discontinued immediately.

(e) Any rating organization may subscribe for or purchase actuarial, technical or other services, and such services shall be available to all members and subscribers without discrimination.

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