WEST VIRGINIA CODE: §33-40-1

§33-40-1. Definitions.

As used in this article, these terms have the following meanings:

(a) “Adjusted RBC report” means an RBC report which has been adjusted by the commissioner in accordance with subsection (e), section two of this article.

(b) “Corrective order” means an order issued by the commissioner specifying corrective actions which the commissioner has determined are required.

(c) “Domestic insurer” means any insurance company, farmers’ mutual fire insurance company or HMO domiciled in this state.

(d) “Foreign insurer” means any insurance company which is licensed to do business in this state under article three of this chapter but is not domiciled in this state.

(e) “NAIC” means the National Association of Insurance Commissioners.

(f) “Life and/or health insurer” means any insurance company licensed under article three of this chapter or a licensed property and casualty insurer writing only accident and health insurance.

(g) “Property and casualty insurer” means any insurance company licensed under article three of this chapter or any farmers’ mutual fire insurance company licensed under article twenty-two of this chapter, but may not include monoline mortgage guaranty insurers, financial guaranty insurers and title insurers.

(h) “Negative trend” means, with respect to a life and/or health insurer, negative trend over a period of time, as determined in accordance with the trend test calculation included in the RBC instructions.

(i) “RBC instructions” means the RBC report, including risk-based capital instructions adopted by the NAIC, as the RBC instructions may be amended by the NAIC, from time to time, in accordance with the procedures adopted by the NAIC.

(j) “RBC level” means an insurer’s company action level RBC, regulatory action level RBC, authorized control level RBC, or mandatory control level RBC where:

(1) “Company action level RBC” means, with respect to any insurer, the product of two and its authorized control level RBC;

(2) “Regulatory action level RBC” means the product of one and one-half and its authorized control level RBC;

WV Legislature

(3) “Authorized control level RBC” means the number determined under the risk-based capital formula in accordance with the RBC instructions;

(4) “Mandatory control level RBC” means the product of seven-tenths and the authorized control level RBC.

(k) “RBC plan” means a comprehensive financial plan containing the elements specified in subsection (b), section three of this article. If the commissioner rejects the RBC plan and it is revised by the insurer, with or without the commissioner’s recommendation, the plan shall be called the revised RBC plan.

(l) “RBC report” means the report required in section two of this article.

(m) “Total adjusted capital” means the sum of:

(1) An insurer’s statutory capital and surplus as determined in accordance with the statutory accounting applicable to the financial statements required to be filed under section fourteen, article four of this chapter; and

(2) Any other items required by the RBC instructions.

WV Legislature