WEST VIRGINIA CODE: §33-6C-2

§33-6C-2. Insurance commissioner to establish guaranteed loss ratios; minimum rates; participation by insurer; calculation of ratios; minimum rate; application.

(a) The Insurance Commissioner shall establish a guaranteed loss ratio which may be implemented by any insurer offering individual sickness and accident insurance policies other than limited benefits accident and sickness insurance policies or certificates, which are subject to loss ratio requirements set forth in sections three and four, article sixteen-e of this chapter. The loss ratios shall be calculated by the commissioner and each individual insurer and shall be based upon studies and relevant information collected from various sources, including, but not limited to, the health care cost review authority and the national association of Insurance Commissioners' rate filing guidelines: Provided, That the guaranteed loss ratio shall not be less than sixty percent. The guaranteed loss ratio for each insurer shall be published by the Insurance Commissioner in the register maintained by the Secretary of State.

(b) The guaranteed loss ratio shall be based upon experience periods during which the insurer earns $1 million in premium in West Virginia: Provided, That if the annual earned premium volume in West Virginia is less than $1 million, the loss ratio guarantee shall be based on such other actuarially sound methods as the commissioner may determine are appropriate, including, but not limited to, the actual nationwide loss ratios: Provided, however, That if the aggregate earned premium for all states is less than $1 million , the experience period will be extended until the end of the calendar year in which $1 million of earned premium is attained.

(c) Any insurer may apply to the commissioner to operate on a guaranteed loss ratio basis. The Insurance Commissioner may review each application and, in his or her discretion, approve or reject the same. Any insurer approved by the commissioner shall be exempt from filing rate increase applications as required by the commissioner and other provisions of this chapter.

WV Legislature