

FILED

2001 MAY -2 P 11: 51

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**WEST VIRGINIA LEGISLATURE**

*Regular Session, 2001*

---

**ENROLLED**

**SENATE BILL NO.** 493

**(By Senators** Minard and Kessler **)**

---

**PASSED** April 14, 2001

**In Effect** 90 days from Passage



**ENROLLED**  
**Senate Bill No. 493**

(BY SENATORS MINARD AND KESSLER)

---

[Passed April 14, 2001; in effect ninety days from passage.]

---

AN ACT to amend and reenact section nine, article two, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section four, article twenty-four of said chapter, all relating to examination of persons transacting insurance in the state; and requiring examination of domestic insurers and hospital, medical, dental and health service corporations every five years with discretion to perform examinations more frequently.

*Be it enacted by the Legislature of West Virginia:*

That section nine, article two, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that section four, article twenty-four of said chapter be amended and reenacted, all to read as follows:

**ARTICLE 2. INSURANCE COMMISSIONER.**



**§33-2-9. Examination of insurers, agents, brokers and solicitors;  
access to books, records, etc.**

1 (a) The purpose of this section is to provide an effective  
2 and efficient system for examining the activities, opera-  
3 tions, financial condition and affairs of all persons trans-  
4 acting the business of insurance in this state and all  
5 persons otherwise subject to the jurisdiction of the com-  
6 missioner. The provisions of this section are intended to  
7 enable the commissioner to adopt a flexible system of  
8 examinations which directs resources as may be consid-  
9 ered appropriate and necessary for the administration of  
10 the insurance and insurance related laws of this state.

11 (b) For purposes of this section, the following definitions  
12 shall apply:

13 (1) "Commissioner" means the commissioner of insur-  
14 ance of this state;

15 (2) "Company" or "insurance company" means any  
16 person engaging in or proposing or attempting to engage  
17 in any transaction or kind of insurance or surety business  
18 and any person or group of persons who may otherwise be  
19 subject to the administrative, regulatory or taxing author-  
20 ity of the commissioner, including, but not limited to, any  
21 domestic or foreign stock company, mutual company,  
22 mutual protective association, farmers mutual fire compa-  
23 nies, fraternal benefit society, reciprocal or inter-insur-  
24 ance exchange, nonprofit medical care corporation,  
25 nonprofit health care corporation, nonprofit hospital  
26 service association, nonprofit dental care corporation,  
27 health maintenance organization, captive insurance  
28 company, risk retention group or other insurer, regardless  
29 of the type of coverage written, benefits provided or  
30 guarantees made by each;

31 (3) "Department" means the department of insurance of  
32 this state; and



33 (4) "Examiners" means the commissioner of insurance  
34 or any individual or firm having been authorized by the  
35 commissioner to conduct an examination pursuant to this  
36 section, including, but not limited to, the commissioner's  
37 deputies, other employees, appointed examiners or other  
38 appointed individuals or firms who are not employees of  
39 the department of insurance.

40 (c) The commissioner or his or her examiners may  
41 conduct an examination under this section of any company  
42 as often as the commissioner in his or her discretion  
43 considers appropriate. The commissioner or his or her  
44 examiners shall at least once every five years visit each  
45 domestic insurer and thoroughly examine its financial  
46 condition and methods of doing business and ascertain  
47 whether it has complied with all the laws and regulations  
48 of this state. The commissioner may also examine the  
49 affairs of any insurer applying for a license to transact any  
50 insurance business in this state.

51 (d) The commissioner or his or her examiners shall, at a  
52 minimum, conduct an examination of every foreign or  
53 alien insurer licensed in this state not less frequently than  
54 once every five years. The examination of an alien insurer  
55 may be limited to its United States business: *Provided,*  
56 That in lieu of an examination under this section of any  
57 foreign or alien insurer licensed in this state, the commis-  
58 sioner may accept an examination report on the company  
59 as prepared by the insurance department for the com-  
60 pany's state of domicile or port-of-entry state until the  
61 first day of January, one thousand nine hundred  
62 ninety-four. Thereafter, the reports may only be accepted  
63 if:

64 (1) The insurance department was at the time of the  
65 examination accredited under the national association of  
66 insurance commissioners' financial regulation standards  
67 and accreditation program; or



68       (2) The examination is performed under the supervision  
69 of an accredited insurance department or with the partici-  
70 pation of one or more examiners who are employed by an  
71 accredited state insurance department and who, after a  
72 review of the examination work papers and report, state  
73 under oath that the examination was performed in a  
74 manner consistent with the standards and procedures  
75 required by their insurance department.

76       (e) In scheduling and determining the nature, scope and  
77 frequency of examinations conducted pursuant to this  
78 section, the commissioner may consider such matters as  
79 the results of financial statement analyses and ratios,  
80 changes in management or ownership, actuarial opinions,  
81 reports of independent certified public accountants and  
82 other criteria as set forth in the examiners' handbook  
83 adopted by the national association of insurance commis-  
84 sioners and in effect when the commissioner exercises  
85 discretion under this section.

86       (f) For purposes of completing an examination of any  
87 company under this section, the commissioner may  
88 examine or investigate any person, or the business of any  
89 person, insofar as the examination or investigation is, in  
90 the sole discretion of the commissioner, necessary or  
91 material to the examination of the company.

92       (g) The commissioner may also cause to be examined, at  
93 the times as he or she considers necessary, the books,  
94 records, papers, documents, correspondence and methods  
95 of doing business of any agent, broker, excess lines broker  
96 or solicitor licensed by this state. For these purposes, the  
97 commissioner or his or her examiners shall have free  
98 access to all books, records, papers, documents and  
99 correspondence of all the agents, brokers, excess lines  
100 brokers and solicitors wherever the books, records, papers,  
101 documents and records are situate. The commissioner may  
102 revoke the license of any agent, broker, excess lines broker  
103 or solicitor who refuses to submit to the examination.



104 (h) In addition to conducting an examination, the  
105 commissioner or his or her examiners may, as the commis-  
106 sioner considers necessary, analyze or review any phase of  
107 the operations or methods of doing business of an insurer,  
108 agent, broker, excess lines broker, solicitor or other  
109 individual or corporation transacting or attempting to  
110 transact an insurance business in the state of West Vir-  
111 ginia. The commissioner may use the full resources  
112 provided by this section in carrying out these responsibili-  
113 ties, including any personnel and equipment provided by  
114 this section as the commissioner considers necessary.

115 (i) Examinations made pursuant to this section shall be  
116 conducted in the following manner:

117 (1) Upon determining that an examination should be  
118 conducted, the commissioner or his or her designee shall  
119 issue an examination warrant appointing one or more  
120 examiners to perform the examination and instructing  
121 them as to the scope of the examination. In conducting the  
122 examination, the examiner shall observe those guidelines  
123 and procedures set forth in the examiners' handbook  
124 adopted by the national association of insurance commis-  
125 sioners. The commissioner may also employ any other  
126 guidelines or procedures as the commissioner may consider  
127 appropriate;

128 (2) Every company or person from whom information is  
129 sought, its officers, directors and agents shall provide to  
130 the examiners appointed under subdivision (1) of this  
131 subsection timely, convenient and free access at all  
132 reasonable hours at its offices to all books, records,  
133 accounts, papers, documents and any or all computer or  
134 other recordings relating to the property, assets, business  
135 and affairs of the company being examined. The officers,  
136 directors, employees and agents of the company or person  
137 shall facilitate the examination and aid in the examination  
138 so far as it is in their power to do so;



139       (3) The refusal of any company, by its officers, directors,  
140 employees or agents, to submit to examination or to  
141 comply with any reasonable written request of the exam-  
142 iners shall be grounds for suspension, revocation, refusal  
143 or nonrenewal of any license or authority held by the  
144 company to engage in an insurance or other business  
145 subject to the commissioner's jurisdiction. Any proceed-  
146 ings for suspension, revocation, refusal or nonrenewal of  
147 any license or authority shall be conducted pursuant to  
148 section eleven, article two of this chapter;

149       (4) The commissioner or his or her examiners shall have  
150 the power to issue subpoenas, to administer oaths and to  
151 examine under oath any person as to any matter pertinent  
152 to the examination, analysis or review. The subpoenas  
153 shall be enforced pursuant to the provisions of section six,  
154 article two of this chapter;

155       (5) When making an examination, analysis or review  
156 under this section, the commissioner may retain attorneys,  
157 appraisers, independent actuaries, independent certified  
158 public accountants or other professionals and specialists  
159 as examiners, the cost of which shall be borne by the  
160 company which is the subject of the examination, analysis  
161 or review or, in the commissioner's discretion, paid from  
162 the commissioner's examination revolving fund. The  
163 commissioner may recover costs paid from the commis-  
164 sioner's examination revolving fund pursuant to this  
165 subdivision from the company upon which the examina-  
166 tion, analysis or review is conducted unless the subject of  
167 the examination, analysis or review is an individual,  
168 described in subdivision (2), subsection (q) of this section;

169       (6) Nothing contained in this section may be construed  
170 to limit the commissioner's authority to terminate or  
171 suspend any examination, analysis or review in order to  
172 pursue other legal or regulatory action pursuant to the  
173 insurance laws of this state. The commissioner or his or  
174 her examiners may at any time testify and offer other  
175 proper evidence as to information secured during the



176 course of an examination, analysis or review, whether or  
177 not a written report of the examination has at that time  
178 either been made, served or filed in the commissioner's  
179 office;

180 (7) Nothing contained in this section may be construed  
181 to limit the commissioner's authority to use and, if appro-  
182 priate, to make public any final or preliminary examina-  
183 tion report, any examiner or company workpapers or other  
184 documents or any other information discovered or devel-  
185 oped during the course of any examination, analysis or  
186 review in the furtherance of any legal or regulatory action  
187 which the commissioner may, in his or her sole discretion,  
188 consider appropriate. An examination report, when filed,  
189 shall be admissible in evidence in any action or proceeding  
190 brought by the commissioner against an insurance com-  
191 pany, its officers or agents and shall be prima facie  
192 evidence of the facts stated therein.

193 (j) Examination reports prepared pursuant to the  
194 provisions of this section shall comply with the following  
195 requirements:

196 (1) All examination reports shall be comprised of only  
197 facts appearing upon the books, records or other docu-  
198 ments of the company, its agents or other persons exam-  
199 ined or as ascertained from the testimony of its officers or  
200 agents or other persons examined concerning its affairs  
201 and any conclusions and recommendations the examiners  
202 find reasonably warranted from the facts;

203 (2) No later than sixty days following completion of the  
204 examination, the examiner in charge shall file with the  
205 commissioner a verified written report of examination  
206 under oath. Upon receipt of the verified report, the  
207 commissioner shall transmit the report to the company  
208 examined, together with a notice which shall afford the  
209 company examined a reasonable opportunity of not more  
210 than ten days to make a written submission or rebuttal



211 with respect to any matters contained in the examination  
212 report;

213 (3) Within thirty days of the end of the period allowed  
214 for the receipt of written submissions or rebuttals, the  
215 commissioner shall fully consider and review the report,  
216 together with any written submissions or rebuttals and  
217 any relevant portions of the examiner's workpapers, and  
218 enter an order:

219 (A) Adopting the examination report as filed or with  
220 modification or corrections. If the examination report  
221 reveals that the company is operating in violation of any  
222 law, rule or prior order of the commissioner, the commis-  
223 sioner may order the company to take any action the  
224 commissioner considers necessary and appropriate to cure  
225 the violation; or

226 (B) Rejecting the examination report with directions to  
227 the examiners to reopen the examination for purposes of  
228 obtaining additional data, documentation or information  
229 and refile pursuant to subdivision (2) above; or

230 (C) Calling for an investigatory hearing with no less  
231 than twenty days notice to the company for purposes of  
232 obtaining additional documentation, data, information  
233 and testimony;

234 (4) All orders entered pursuant to this subsection shall  
235 be accompanied by findings and conclusions resulting  
236 from the commissioner's consideration and review of the  
237 examination report, relevant examiner workpapers and  
238 any written submissions or rebuttals. Any order issued  
239 pursuant to paragraph (A), subdivision (3) of this subsec-  
240 tion shall be considered a final administrative decision and  
241 may be appealed pursuant to section fourteen, article two  
242 of this chapter and shall be served upon the company by  
243 certified mail, together with a copy of the adopted exami-  
244 nation report. Within thirty days of the issuance of the  
245 adopted report, the company shall file affidavits executed



246 by each of its directors stating under oath that they have  
247 received a copy of the adopted report and related orders.

248 (k) Hearings conducted pursuant to this section shall be  
249 subject to the following requirements:

250 (1) Any hearing conducted pursuant to this section by  
251 the commissioner or the commissioner's authorized  
252 representative shall be conducted as a nonadversarial  
253 confidential investigatory proceeding as necessary for the  
254 resolution of any inconsistencies, discrepancies or disputed  
255 issues apparent upon the face of the filed examination  
256 report or raised by or as a result of the commissioner's  
257 review of relevant workpapers or by the written submis-  
258 sion or rebuttal of the company. Within twenty days of the  
259 conclusion of any hearing, the commissioner shall enter an  
260 order pursuant to paragraph (A), subdivision (3), subsec-  
261 tion (j) of this section;

262 (2) The commissioner may not appoint an examiner as  
263 an authorized representative to conduct the hearing. The  
264 hearing shall proceed expeditiously with discovery by the  
265 company limited to the examiner's workpapers which tend  
266 to substantiate any assertions set forth in any written  
267 submission or rebuttal. The commissioner or the commis-  
268 sioner's representative may issue subpoenas for the  
269 attendance of any witnesses or the production of any  
270 documents considered relevant to the investigation  
271 whether under the control of the commissioner, the  
272 company or other persons. The documents produced shall  
273 be included in the record and testimony taken by the  
274 commissioner or the commissioner's representative shall  
275 be under oath and preserved for the record. Nothing  
276 contained in this section shall require the commissioner to  
277 disclose any information or records which would indicate  
278 or show the existence or content of any investigation or  
279 activity of a criminal justice agency;

280 (3) The hearing shall proceed with the commissioner or  
281 the commissioner's representative posing questions to the



282 persons subpoenaed. Thereafter, the company and the  
283 department may present testimony relevant to the investi-  
284 gation. Cross-examination may be conducted only by the  
285 commissioner or the commissioner's representative. The  
286 company and the commissioner shall be permitted to make  
287 closing statements and may be represented by counsel of  
288 their choice.

289 (l) Adoption of the examination report shall be subject  
290 to the following requirements:

291 (1) Upon the adoption of the examination report under  
292 paragraph (A), subdivision (3), subsection (j) of this  
293 section, the commissioner may continue to hold the  
294 content of the examination report as private and confiden-  
295 tial information for a period of ninety days except to the  
296 extent provided in subdivision (6), subsection (i) of this  
297 section. Thereafter, the commissioner may open the report  
298 for public inspection so long as no court of competent  
299 jurisdiction has stayed its publication;

300 (2) Nothing contained in this section may prevent or be  
301 construed as prohibiting the commissioner from disclosing  
302 the content of an examination report, preliminary exami-  
303 nation report or results or any matter relating thereto or  
304 the results of any analysis or review to the insurance  
305 department of this or any other state or country or to  
306 law-enforcement officials of this or any other state or  
307 agency of the federal government at any time, so long as  
308 the agency or office receiving the report or matters  
309 relating thereto agrees in writing to hold it confidential  
310 and in a manner consistent with this section;

311 (3) In the event the commissioner determines that  
312 regulatory action is appropriate as a result of any exami-  
313 nation, analysis or review, he or she may initiate any  
314 proceedings or actions as provided by law;

315 (4) All working papers, recorded information, documents  
316 and copies thereof produced by, obtained by or disclosed



317 to the commissioner or any other person in the course of an  
318 examination, analysis or review made under this section  
319 must be given confidential treatment and are not subject  
320 to subpoena and may not be made public by the commis-  
321 sioner or any other person, except to the extent provided  
322 in subdivision (5), subsection (i) of this section. Access  
323 may also be granted to the national association of insur-  
324 ance commissioners. The parties must agree in writing  
325 prior to receiving the information to provide to it the same  
326 confidential treatment as required by this section, unless  
327 the prior written consent of the company to which it  
328 pertains has been obtained.

329 (m) No examiner may be appointed by the commissioner  
330 if the examiner, either directly or indirectly, has a conflict  
331 of interest or is affiliated with the management of or owns  
332 a pecuniary interest in any person subject to examination  
333 under this section. This section shall not be construed to  
334 automatically preclude an examiner from being:

335 (1) A policyholder or claimant under an insurance  
336 policy;

337 (2) A grantor of a mortgage or similar instrument on the  
338 examiner's residence to a regulated entity if done under  
339 customary terms and in the ordinary course of business;

340 (3) An investment owner in shares of regulated diversi-  
341 fied investment companies; or

342 (4) A settlor or beneficiary of a "blind trust" into which  
343 any otherwise impermissible holdings have been placed;

344 (5) Notwithstanding the requirements of this subsection,  
345 the commissioner may retain, from time to time, on an  
346 individual basis, qualified actuaries, certified public  
347 accountants or other similar individuals who are inde-  
348 pendently practicing their professions, even though these  
349 persons may from time to time be similarly employed or  
350 retained by persons subject to examination under this  
351 section.



352 (n) Personnel conducting examinations, analyses or  
353 reviews of either a domestic, foreign or alien insurer shall  
354 be compensated for each day worked at a rate set by the  
355 commissioner. The personnel shall also be reimbursed for  
356 their travel and living expenses at the rate set by the  
357 commissioner. Other individuals who are not employees  
358 of the department of insurance shall all be compensated  
359 for their work, travel and living expenses at rates ap-  
360 proved by the commissioner, or as otherwise provided by  
361 law. As used in this section the costs of an examination,  
362 analysis or review means:

363 (1) The entire compensation for each day worked by all  
364 personnel, including those who are not employees of the  
365 department of insurance, the conduct of the examination,  
366 analysis or review calculated as hereinbefore provided;

367 (2) Travel and living expenses of all personnel, including  
368 those who are not employees of the department of insur-  
369 ance, directly engaged in the conduct of the examination,  
370 analysis or review calculated at the rates as hereinbefore  
371 provided for;

372 (3) All other incidental expenses incurred by or on  
373 behalf of the personnel in the conduct of any authorized  
374 examination, analysis or review.

375 (o) All insurers subject to the provisions of this section  
376 shall annually pay to the commissioner on or before the  
377 first day of July, one thousand nine hundred ninety-one,  
378 and every first day of July thereafter an examination  
379 assessment fee of eight hundred dollars. Four hundred  
380 fifty dollars of this fee shall be paid to the treasurer of the  
381 state to the credit of a special revolving fund to be known  
382 as the "Commissioner's Examination Revolving Fund"  
383 which is hereby established and three hundred fifty dollars  
384 shall be paid to the treasurer of the state. The commis-  
385 sioner may at his or her discretion, upon notice to the  
386 insurers subject to this section, increase this examination  
387 assessment fee or levy an additional examination assess-



388 ment fee of two hundred fifty dollars. In no event may the  
389 total examination assessment fee including any additional  
390 examination assessment fee levied exceed one thousand  
391 five hundred dollars per insurer in any calendar year.

392 (p) The moneys collected by the commissioner from an  
393 increase or additional examination assessment fee shall be  
394 paid to the treasurer of the state to be credited to the  
395 commissioner's examination revolving fund. Any funds  
396 expended or obligated by the commissioner from the  
397 commissioner's examination revolving fund may be  
398 expended or obligated solely for defrayment of the costs of  
399 examinations, analyses or reviews of the financial affairs  
400 and business practices of insurance companies, agents,  
401 brokers, excess lines brokers, solicitors or other individu-  
402 als or corporations transacting or attempting to transact  
403 an insurance business in this state made by the commis-  
404 sioner pursuant to this section or for the purchase of  
405 equipment and supplies, travel, education and training for  
406 the commissioner's deputies, other employees and ap-  
407 pointed examiners necessary for the commissioner to  
408 fulfill the statutory obligations created by this section.

409 (q) The commissioner may require other individuals who  
410 are not employees of the department of insurance who  
411 have been appointed by the commissioner to conduct or  
412 participate in the examination, analysis or review of  
413 insurers, agents, brokers, excess lines brokers, solicitors or  
414 other individuals or corporations transacting or attempt-  
415 ing to transact an insurance business in this state to:

416 (1) Bill and receive payments directly from the insurance  
417 company being examined, analyzed or reviewed for their  
418 work, travel and living expenses as previously provided for  
419 in this section; or

420 (2) If an individual agent, broker or solicitor is being  
421 examined, analyzed or reviewed, bill and receive payments  
422 directly from the commissioner's examination revolving  
423 fund for their work, travel and living expenses as previ-



424 ously provided for in this section. The commissioner may  
425 recover costs paid from the commissioner's examination  
426 revolving fund pursuant to this subdivision from the  
427 person upon whom the examination, analysis or review is  
428 conducted.

429 (r) The commissioner and his or her examiners shall be  
430 entitled to immunity to the following extent:

431 (1) No cause of action shall arise nor shall any liability  
432 be imposed against the commissioner or his or her examin-  
433 ers for any statements made or conduct performed in good  
434 faith while carrying out the provisions of this section;

435 (2) No cause of action shall arise, nor shall any liability  
436 be imposed, against any person for the act of communicat-  
437 ing or delivering information or data to the commissioner  
438 or his or her examiners pursuant to an examination,  
439 analysis or review made under this section if the act of  
440 communication or delivery was performed in good faith  
441 and without fraudulent intent or the intent to deceive;

442 (3) The commissioner or any examiner shall be entitled  
443 to an award of attorney's fees and costs if he or she is the  
444 prevailing party in a civil cause of action for libel, slander  
445 or any other relevant tort arising out of activities in  
446 carrying out the provisions of this section and the party  
447 bringing the action was not substantially justified in doing  
448 so. For purposes of this section a proceeding is "substan-  
449 tially justified" if it had a reasonable basis in law or fact  
450 at the time that it was initiated;

451 (4) This subsection does not abrogate or modify in any  
452 way any constitutional immunity or common law or  
453 statutory privilege or immunity heretofore enjoyed by any  
454 person identified in subdivision (1) of this subsection.

**ARTICLE 24. HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE  
CORPORATIONS, DENTAL SERVICE CORPORATIONS  
AND HEALTH SERVICE CORPORATIONS.**



**§33-24-4. Exemptions; applicability of insurance laws.**

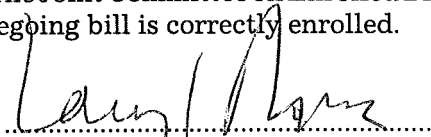
1 Every corporation defined in section two of this article  
2 is hereby declared to be a scientific, nonprofit institution  
3 and exempt from the payment of all property and other  
4 taxes. Every corporation, to the same extent the provi-  
5 sions are applicable to insurers transacting similar kinds  
6 of insurance and not inconsistent with the provisions of  
7 this article, shall be governed by and be subject to the  
8 provisions as hereinbelow indicated, of the following  
9 articles of this chapter: Article two (insurance commis-  
10 sioner); article four (general provisions), except that  
11 section sixteen of said article shall not be applicable  
12 thereto; section thirty-four, article six (fee for form and  
13 rate filing); article six-c (guaranteed loss ratio); article  
14 seven (assets and liabilities); article eleven (unfair trade  
15 practices); article twelve (agents, brokers and solicitors),  
16 except that the agent's license fee shall be twenty-five  
17 dollars; section two-a, article fifteen (definitions); section  
18 two-b, article fifteen (guaranteed issue); section two-d,  
19 article fifteen (exception to guaranteed renewability);  
20 section two-e, article fifteen (discontinuation of coverage);  
21 section two-f, article fifteen (certification of creditable  
22 coverage); section two-g, article fifteen (applicability);  
23 section four-e, article fifteen (benefits for mothers and  
24 newborns); section fourteen, article fifteen (individual  
25 accident and sickness insurance); section sixteen, article  
26 fifteen (coverage of children); section eighteen, article  
27 fifteen (equal treatment of state agency); section nineteen,  
28 article fifteen (coordination of benefits with medicaid);  
29 article fifteen-a (long-term care insurance); article fif-  
30 teen-c (diabetes insurance); section three, article sixteen  
31 (required policy provisions); section three-a, article sixteen  
32 (mental health); section three-c, article sixteen (group  
33 accident and sickness insurance); section three-d, article  
34 sixteen (medicare supplement insurance); section three-f,  
35 article sixteen (treatment of temporomandibular joint  
36 disorder and craniomandibular disorder); section three-j,  
37 article sixteen (benefits for mothers and newborns);



38 section three-k, article sixteen (preexisting condition  
39 exclusions); section three-l, article sixteen (guaranteed  
40 renewability); section three-m, article sixteen (creditable  
41 coverage); section three-n, article sixteen (eligibility for  
42 enrollment); section eleven, article sixteen (coverage of  
43 children); section thirteen, article sixteen (equal treatment  
44 of state agency); section fourteen, article sixteen (coordi-  
45 nation of benefits with medicaid); section sixteen, article  
46 sixteen (diabetes insurance); article sixteen-a (group  
47 health insurance conversion); article sixteen-d (marketing  
48 and rate practices for small employers); article  
49 twenty-six-a (West Virginia life and health insurance  
50 guaranty association act), after the first day of October,  
51 one thousand nine hundred ninety-one; article  
52 twenty-seven (insurance holding company systems); article  
53 twenty-eight (individual accident and sickness insurance  
54 minimum standards); article thirty-three (annual audited  
55 financial report); article thirty-four (administrative  
56 supervision); article thirty-four-a (standards and commis-  
57 sioner's authority for companies considered to be in  
58 hazardous financial condition); article thirty-five (criminal  
59 sanctions for failure to report impairment); article  
60 thirty-seven (managing general agents); article forty-one  
61 (privileges and immunity); and no other provision of this  
62 chapter may apply to these corporations unless specifically  
63 made applicable by the provisions of this article. If,  
64 however, the corporation is converted into a corporation  
65 organized for a pecuniary profit or if it transacts business  
66 without having obtained a license as required by section  
67 five of this article, it shall thereupon forfeit its right to  
68 these exemptions.



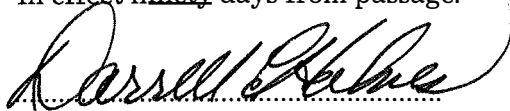
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

  
 .....  
 Chairman Senate Committee

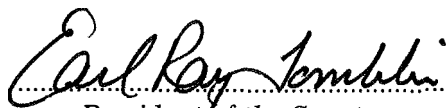
  
 .....  
 Chairman House Committee

Originated in the Senate.

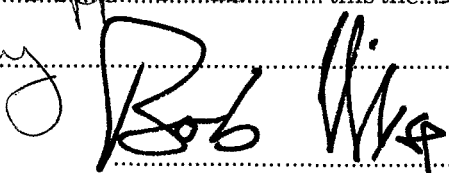
In effect ninety days from passage.

  
 .....  
 Clerk of the Senate

  
 .....  
 Clerk of the House of Delegates

  
 .....  
 President of the Senate

  
 .....  
 Speaker House of Delegates

The within is approved this the 2nd  
 Day of May, 2001.  
  
 .....  
 Governor



PRESENTED TO THE

GOVERNOR

Date 4/30/01

Time 2:45pm