



Ohio Revised Code Section 1753.32 Annual report.

Effective: March 15, 2001

Legislation: House Bill 714 - 123rd General Assembly

(A) Each domestic health insuring corporation shall, on or prior to the first day of March of every year, prepare and submit to the superintendent of insurance a report on its RBC levels as of the end of the calendar year just ended, in a form and containing such information as is required by the RBC instructions. In addition, a domestic health insuring corporation shall file its RBC report as follows:

(1) With the NAIC, in accordance with the RBC instructions;

(2) With the insurance regulatory authority of any other state in which the health insuring corporation is authorized to do business, if the insurance regulatory authority of that state has sent a written request to the health insuring corporation for the RBC report. The health insuring corporation shall file an RBC report with the requesting state no later than the later of:

(a) Fifteen days after the health insuring corporation's receipt of the insurance regulatory authority's request for the RBC report;

(b) Prior to the first day of March.

(B) A health insuring corporation's RBC levels shall be determined in accordance with the formula set forth in the RBC instructions. The formula shall take the following risks into account, and may adjust for the covariance between these risks, as determined in each case by applying the factors in the manner set forth in the RBC instructions:

(1) Asset risk;

(2) Credit risk;

(3) Underwriting risk;



(4) All other business risks and such other relevant risks as are set forth in the RBC instructions.

(C) If a domestic health insuring corporation files an RBC report that in the judgment of the superintendent is inaccurate, the superintendent shall adjust the RBC report to correct the inaccuracy and then shall provide a copy of the adjusted RBC report to the health insuring corporation. The superintendent shall also provide the health insuring corporation with a statement of the reasons for any adjustment.

(D) In enacting sections 1753.31 to 1753.43 of the Revised Code, the general assembly finds all of the following:

(1) An excess of capital over the amount produced by the risk-based capital requirements of sections 1753.31 to 1753.43 of the Revised Code, and the formulas, schedules, and instructions referenced in sections 1753.31 to 1753.43 of the Revised Code, is desirable in the business of insurance.

(2) Health insuring corporations, accordingly, should seek to maintain capital above the RBC levels required by sections 1753.31 to 1753.43 of the Revised Code.

(3) Additional capital is used and is useful in the business of insurance, helping to secure a health insuring corporation against various risks inherent in, or affecting, the business of insurance, which risks are not accounted for or are only partially measured by the risk-based capital requirements of sections 1753.31 to 1753.43 of the Revised Code.