



Ohio Revised Code

Section 3903.81 Risk-based capital for insurers model act definitions.

Effective: September 29, 2015

Legislation: House Bill 64 - 131st General Assembly

As used in sections 3903.81 to 3903.93 of the Revised Code:

- (A) "Adjusted RBC report" means an RBC report that has been adjusted by the superintendent of insurance in accordance with division (C) of section 3903.82 of the Revised Code.
- (B) "Authorized control level RBC" means the number determined under the risk-based capital formula in accordance with the RBC instructions.
- (C) "Company action level RBC" means the product of 2.0 and an insurer's authorized control level RBC.
- (D) "Corrective order" means an order issued by the superintendent of insurance in accordance with division (B)(3) of section 3903.84 of the Revised Code specifying corrective actions that the superintendent has determined are required.
- (E) "Domestic insurer" means any insurance company organized under Chapter 3907. or 3925. of the Revised Code.
- (F) "Foreign insurer" means any insurance company licensed under section 3909.01 or 3927.01 of the Revised Code.
- (G) "Life or health insurer" means any insurance company licensed under section 3907.08 or 3909.01 of the Revised Code, a company possessing a certificate of authority pursuant to section 3929.01 of the Revised Code that writes only accident and health insurance, a fraternal benefit society licensed under Chapter 3921. of the Revised Code, or a multiple employer welfare arrangement issued a certificate of authority under Chapter 1739. of the Revised Code.
- (H) "Mandatory control level RBC" means the product of .70 and an insurer's authorized control level



RBC.

(I) "NAIC" means the national association of insurance commissioners.

(J) "Negative trend" means a negative trend over a period of time for a life or health insurer as determined in accordance with the trend test calculation included in the RBC instructions.

(K) "Property and casualty insurer" means any insurance company that has a certificate of authority pursuant to section 3929.01 of the Revised Code. "Property and casualty insurer" does not include monoline mortgage guarantee insurers, financial guarantee insurers, or title insurers.

(L) "RBC" means risk-based capital.

(M) "RBC instructions" means the RBC report, including risk-based capital instructions, as adopted by the NAIC and as amended by the NAIC from time to time in accordance with the procedures adopted by the NAIC. "RBC instructions" shall also include any modifications adopted by the superintendent, as the superintendent considers to be necessary.

(N) "RBC level" means an insurer's company action level RBC, regulatory action level RBC, authorized control level RBC, or mandatory control level RBC.

(O) "RBC plan" means a comprehensive financial plan containing the elements specified in division (B) of section 3903.83 of the Revised Code.

(P) "Revised RBC plan" means an RBC plan rejected by the superintendent of insurance and then revised by an insurer with or without incorporating the superintendent of insurance's recommendation.

(Q) "RBC report" means the report required by section 3903.82 of the Revised Code.

(R) "Regulatory action level RBC" means the product of 1.5 and an insurer's authorized control level RBC.



(S) "Total adjusted capital" means the sum of both of the following:

(1) An insurer's statutory capital and surplus as determined in accordance with the statutory accounting applicable to the annual statements prepared on a form adopted under section 3901.77 of the Revised Code, as required to be filed by sections 3907.19, 3909.06, and 3929.30 of the Revised Code;

(2) Such other items, if any, as the RBC instructions may provide.