

## Article - Insurance

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§4–301.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Adjusted RBC report” means an RBC report that has been adjusted by the Commissioner in accordance with § 4–303(b) of this subtitle.
- (c) “Corrective order” means an order issued by the Commissioner that specifies corrective actions that the Commissioner has determined are required.
- (d) (1) “Domestic insurer” means an insurer:
  - (i) as defined in subsection (h) of this section; and
  - (ii) that is formed under the laws of this State.
- (2) “Domestic insurer” does not include the Maryland Automobile Insurance Fund.
- (e) “Filing date” means March 1 of any given year.
- (f) “Foreign insurer” means an insurer:
  - (1) as defined in subsection (h) of this section; and
  - (2) that is formed under the laws of a jurisdiction other than this State.
- (f–1) “Fraternal benefit society” means a person authorized to transact insurance business in the State under Title 8, Subtitle 4 of this article.
- (g) (1) “Health insurer” means an insurer that:
  - (i) is authorized to write health insurance in the State; and
  - (ii) receives the majority of its premium from the sale of health insurance.
- (2) “Health insurer” includes:
  - (i) a health maintenance organization operating under a certificate of authority issued by the Commissioner under Title 19, Subtitle 7 of the Health – General Article;
  - (ii) a nonprofit health service plan operating under Title 14, Subtitle 1 of this article;

(iii) a dental plan operating under Title 14, Subtitle 4 of this article;  
and

(iv) a provider-sponsored organization operating under Title 19, Subtitle 7A of the Health – General Article.

(3) “Health insurer” does not include a managed care organization operating under Title 15, Subtitle 1 of the Health – General Article.

(h) (1) “Insurer” means an insurer or other entity authorized to engage in the insurance business in the State under a certificate of authority issued by the Commissioner.

(2) “Insurer” includes:

(i) a health maintenance organization operating under a certificate of authority issued by the Commissioner under Title 19, Subtitle 7 of the Health – General Article;

(ii) a nonprofit health service plan operating under Title 14, Subtitle 1 of this article;

(iii) a dental plan operating under Title 14, Subtitle 4 of this article;  
and

(iv) a provider-sponsored organization operating under Title 19, Subtitle 7A of the Health – General Article.

(3) “Insurer” does not include:

(i) monoline:

1. mortgage guaranty insurers;
2. financial guaranty insurers; or
3. title insurers; or

(ii) managed care organizations operating under Title 15, Subtitle 1 of the Health – General Article.

(i) “Life insurer” means an insurer that:

(1) is authorized to write life insurance in the State; and

(2) receives the majority of its premium from the sale of life insurance.

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

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

(l) (1) “Property and casualty insurer” means an insurer that:

(i) is authorized to write property insurance or casualty insurance in the State; and

(ii) receives the majority of its premium from the sale of property insurance or casualty insurance.

(2) “Property and casualty insurer” does not include:

(i) a health maintenance organization operating under a certificate of authority issued by the Commissioner under Title 19, Subtitle 7 of the Health – General Article;

(ii) a nonprofit health service plan operating under Title 14, Subtitle 1 of this article;

(iii) a dental plan operating under Title 14, Subtitle 4 of this article;

(iv) a provider–sponsored organization operating under Title 19, Subtitle 7A of the Health – General Article; or

(v) a managed care organization operating under Title 15, Subtitle 1 of the Health – General Article.

(m) “RBC instructions” means the risk based capital instructions developed and adopted by the NAIC.

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

(1) “company action level RBC” means the product of 2.0 and the authorized control level RBC;

(2) “regulatory action level RBC” means the product of 1.5 and the authorized control level RBC;

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

(4) “mandatory control level RBC” means the product of .70 and the authorized control level RBC.

(o) “RBC plan” means a comprehensive financial plan that contains the elements specified in § 4–305(b) of this subtitle.

(p) “RBC report” means a report prepared by a domestic insurer and submitted to the Commissioner that details the domestic insurer’s RBC levels as of the end of the immediately preceding calendar year.

(q) “Revised RBC plan” means an RBC plan that has been:

(1) rejected by the Commissioner; and

(2) subsequently revised by the insurer, with or without the Commissioner’s recommendation.

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

(1) an insurer’s statutory capital and surplus as determined in accordance with the statutory accounting principles applicable to the annual financial statements required to be filed under State law and regulations; and

(2) any other items provided for in the RBC instructions.

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