

304.48-170 Statement of financial condition for preceding fiscal year -- Quarterly statements and acknowledgments -- Authority for administrative regulations -- Member's right to statement upon request.

- (1) All liability self-insurance groups shall file with the commissioner a statement of financial condition audited by an independent certified public accountant on or before one hundred and twenty (120) days from the end of the group's fiscal year for the immediately preceding fiscal year. The financial statement shall be in a form approved by the commissioner and shall include:
 - (a) Actuarially appropriate reserves for:
 1. Known claims and expenses associated therewith.
 2. Claims incurred but not reported and any expenses associated therewith.
 3. Unearned contributions and assessments.
 4. Bad debts, which reserves shall be known as liabilities.
 - (b) An actuarial opinion by a qualified actuary and a supporting reserve study regarding reserves for known claims and expenses associated therewith. The reserve study shall include documentation sufficient for another actuary practicing in the same field to evaluate the work. The documentation shall describe clearly the sources of data, material assumptions, and methods.
- (2) Within forty-five (45) days from the end of each fiscal quarter, all liability self-insurance groups shall file with the commissioner a statement of financial condition along with an acknowledgment signed by the board of trustees or its authorized agent indicating that the statement has been presented to the board and any other relevant financial information requested by the commissioner, including a balance sheet and income and cash flow statement, on a form prescribed by the commissioner.
- (3) No person shall make a deceptive statement or fail to correct a misstatement in connection with the solicitation of membership of a group.
- (4) The financial statements required by this section shall be completed in accordance with administrative regulations promulgated by the commissioner.
- (5) Upon the request of a group member, a liability self-insurance group shall make available the statement of financial condition required by subsection (1) of this section.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1599, effective July 15, 2010; and ch. 48, sec. 4, effective July 15, 2010. -- Created 1994 Ky. Acts ch. 358, sec. 17, effective July 15, 1994.

Legislative Research Commission Note (7/15/2010). References to the "executive director" of insurance in subsection (2) of this section, as amended by 2010 Ky. Acts ch. 48, sec. 4, have been changed in codification to the "commissioner" of insurance to reflect the reorganization of certain parts of the Executive Branch, as set forth in Executive Order 2009-535 and confirmed by the General Assembly in 2010 Ky. Acts ch. 24. These changes were made by the Reviser of Statutes pursuant to 2010 Ky. Acts ch. 24, sec. 1938.

Legislative Research Commission Note (7/15/2010) This section was amended by 2010

Ky. Acts chs. 24 and 48, which do not appear to be in conflict and have been codified together.