



**Rules of
Department of Insurance
Division 200—Financial Examination
Chapter 15—Receiverships**

Title	Page
20 CSR 200-15.100 Accounting.....	3

**Title 20—DEPARTMENT OF
INSURANCE**

**Division 200—Financial Examination
Chapter 15—Receiverships**

20 CSR 200-15.100 Accounting

PURPOSE: This rule effectuates or aids in the interpretation of sections 376.350 and 379.105, RSMo, regarding annual reports by insurers which are in receivership proceedings for rehabilitation or liquidation. In addition, this rule implements the provisions of sections 375.1166.2 and 375.1176.6(1), RSMo, regarding periodic financial reports. Insurance companies should be as publicly accountable after rehabilitation or liquidation as before. Section 375.1176.1, RSMo contains a legislative finding: "The liquidation of any insurer shall be considered the business of insurance for purposes of application of any law of this state." The business of insurance is affected with public interest. State ex rel. Mackey v. Hyde, 315 Mo. 681, 286 SW 363 (1926).

Publicly accountable insurance receiverships are, therefore, likewise in the public interest. Indeed, the public interest is even greater with regard to liquidations because the assessments insurance companies pay to guarantee associations due to insolvencies are credited against their premium taxes otherwise due the state under sections 375.774.3 and 376.745.1, RSMo. Effectively, therefore, Missouri taxpayers bear the cost of insurance insolvencies to the extent that amounts paid by guaranty associations to policyholders exceed the amounts received by guaranty associations from insurance company receiverships. Public accountability can be achieved only through the application of uniform standards so that the public may compare one receivership with another in the same way that insurers' financial performance are compared.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Except as otherwise expressly provided in this rule, each insurance company possessing a Missouri certificate of authority which is under a court order of rehabilitation and each domestic insurance company which is under a court order of liquidation shall file a sworn annual statement on or before March 1 of each year, for its business and affairs for the year ended the next previous December 31, in accordance with the National Association of Insurance Commissioners (NAIC) Annual Statement Blank and the instructions for it, or in accordance with any other form as the director expressly permits to the insurance company. This statement also shall be prepared in accordance with the *Accounting Practices and Procedures Manual for Property and Casualty Insurance Companies, Accounting Practices and Procedures Manual for Life and Accident and Health Insurance Companies, Valuation of Securities and Examiner's Handbook*, or a combination of these, except where the applicable provisions of Chapters 354 and 374–385, RSMo, or other specific rules expressly provide otherwise.

(2) In addition to the sworn annual statement referred to in section (1), each insurance company which is under a court order of liquidation or rehabilitation shall complete the receivership supplements attached as appendices to this rule as part of such sworn annual statement.

(A) Receivership Supplement A shall be considered an open public record of the Department of Insurance when filed, pursuant to Chapter 610 and section 374.070, RSMo.

(B) Receivership Supplement B shall be considered a closed public record of the Department of Insurance, when filed, as a confidential communication under sections 374.070, and 610.021(14), RSMo.

(3) Notwithstanding the provisions of section (1) of this rule, an insurance company which is under a court order of rehabilitation or liquidation need not comply with the following exhibits or requirements, unless otherwise expressly required to do so by the director:

(A) Schedule P of the property and casualty blank; and

(B) Actuarial certification of reserves, provided that the insurance company state its reserve liabilities according to its best information and belief.

(4) Notwithstanding the provisions of section (1) of this rule, an insurance company which is under a court order of liquidation need not comply with the following exhibits or

requirements, unless otherwise expressly required to do so by the director:

(A) Property and Casualty Companies.

1. Exhibit of Premiums and Losses;
2. Medicare Supplement Insurance Experience Exhibit;
3. Schedule D Part 1A Section 2;
4. Schedule D Part 3;
5. Schedule D Part 4;
6. Schedule D Part 5;
7. Schedule F All Parts (except for activity in the current year prior to liquidation);
8. Schedule H All Parts;
9. Financial Guaranty Insurance Exhibit;
10. Supplement A to Schedule T;
11. Trusteed Surplus Statement;
12. Insurance Expense Exhibit;
13. Credit Insurance Expense Exhibit;
14. Long-Term Care Experience Reporting Forms;

15. Accident and Health Policy Experience Exhibit;

16. Schedule SIS (except for the first year of the liquidation and only if there is any information to report); and

17. Supplemental Compensation Exhibit (except for the first year of the liquidation and only if there is any information to report).

(B) Life and Accident and Health.

1. Analysis of Operations by Lines of Business;

2. Analysis of Increase in Reserves and Deposit Funds During the Year;

3. Exhibit 1 Part 1;

4. Exhibit 1 Part 2;

5. Exhibit 8;

6. Exhibit 8A;

7. Exhibit 9;

8. Exhibit 10;

9. Exhibit 11 Part 1;

10. Exhibit 11 Part 2;

11. Medicare Supplement Insurance Exhibit;

12. Exhibit of Life Insurance;

13. Exhibit of Number of Policies, Contracts, Certificates, Income Payable and Account Values in Force for Supplementary Contracts, Annuities, Accident and Health and Other Policies;

14. Form for Calculating Interest Maintenance Reserve;

15. Asset Valuation Reserve All Parts;

16. Schedule D Part 1A Section 2;

17. Schedule D Part 3;

18. Schedule D Part 4;

19. Schedule D Part 5;

20. Schedule H All Parts;

21. Schedule M All Parts;



22. Schedule O All Parts;
23. Schedule S All Parts (except for activity in the current year prior to liquidation);
24. Long-Term Care Experience Reporting All Parts;
25. Schedule DS;
26. Long-Term Care Insurance Exhibit;
27. Trusteed Surplus Statement;
28. Interest Sensitive Life Products Report;
29. Credit Insurance Expense Exhibit;
30. Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit;
31. Adjustments to the Life, Health and Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit;
32. Schedule SIS (except for the first year of the liquidation and only if there is any information to report); and
33. Supplemental Compensation Exhibit (except for the first year of the liquidation and only if there is any information to report).

AUTHORITY: section 374.045, RSMo 1994.
Original rule filed Sept. 8, 1994, effective
April 30, 1995.*

**Original authority: 374.045, RSMo 1967, amended
1993.*

**RECEIVERSHIP SUPPLEMENT A
FOR THE YEAR ENDED DECEMBER 31, 19____
OF THE _____**

1. General Information

A. Names and Addresses:

1. Supervising Judge:

2. Special Deputy Receiver:

B. Date of Court Order Establishing Receivership (Inception Date):

_____, _____

C. Check one: Liquidation Rehabilitation (conservation)

2. Since inception date:

A. Total sum spent: \$ _____

B. Total sum paid to policyholders and claimants for insurance and unearned premium claims: \$ _____

C. Amounts collected in excess of admitted assets:

1. Admitted assets on inception date: \$ _____

2. Amounts collected in excess of admitted assets on inception date:
\$ _____

D. Amounts paid to each person, whether employee or independent contractor, as compensation for services rendered to the receivership and bonuses or incentives paid based on other factors, in excess of \$50,000 in the current year or \$250,000 in the aggregate since the receivership inception date:

<u>Name of Person or Firm</u>	<u>Amount Paid During this Year</u>	<u>Aggregate Amount Paid Since Inception Date</u>	<u>Nature of Services Rendered</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____



3. Regulatory actions affecting the receivership by other states during the year:

<u>State</u>	<u>Nature of Action</u>	<u>Date Action Taken</u>
AL		/ /
AK		/ /
AZ		/ /
AR		/ /
CA		/ /
CO		/ /
CT		/ /
DE		/ /
DC		/ /
FL		/ /
GA		/ /
HI		/ /
ID		/ /
IL		/ /
IN		/ /
IA		/ /
KS		/ /
KY		/ /
LA		/ /
ME		/ /
MD		/ /
MA		/ /
MI		/ /
MN		/ /
MS		/ /
MO		/ /
MT		/ /
NE		/ /
NV		/ /
NH		/ /
NJ		/ /
NM		/ /
NY		/ /
NC		/ /
ND		/ /
OH		/ /
OK		/ /
OR		/ /
PA		/ /
RI		/ /
SC		/ /
SD		/ /
TN		/ /
TX		/ /

UT	_____	____/____/____
VT	_____	____/____/____
VA	_____	____/____/____
WA	_____	____/____/____
WV	_____	____/____/____
WI	_____	____/____/____
WY	_____	____/____/____

4. Federal income tax loss carry-backs or carry-forwards used at year-end:

<u>Carry-</u>		<u>Description</u>	<u>Maximum Value</u>
_____ Forward	_____ Backward	_____	\$ _____
_____ Forward	_____ Backward	_____	\$ _____

5. Federal government claims against receivership:

A. Pending at year-end:

<u>Date Claim Filed</u>	<u>Priority Class</u>	<u>Amount Claimed</u>	<u>Brief Description</u>
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____

B. Closed during year:

<u>Date Closed</u>	<u>Priority Class</u>	<u>Amount Payable</u>	<u>Brief Description</u>
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____

6. Guaranty association transactions during the year:

<u>State</u>	<u>No. of Claim Files Transferred to Guaranty Assoc.</u>	<u>Receiver's Estimated Total Value of Transferred claims</u>	<u>No. of claims submitted by Guaranty Assoc.</u>	<u>Guar. Assoc.'s Total Value of submitted claims</u>
AL	_____	\$ _____	_____	\$ _____
AK	_____	\$ _____	_____	\$ _____
AZ	_____	\$ _____	_____	\$ _____
AR	_____	\$ _____	_____	\$ _____
CA	_____	\$ _____	_____	\$ _____
CO	_____	\$ _____	_____	\$ _____
CT	_____	\$ _____	_____	\$ _____



DE		\$		\$
DC		\$		\$
FL		\$		\$
GA		\$		\$
HI		\$		\$
ID		\$		\$
IL		\$		\$
IN		\$		\$
IA		\$		\$
KS		\$		\$
KY		\$		\$
LA		\$		\$
ME		\$		\$
MD		\$		\$
MA		\$		\$
MI		\$		\$
MN		\$		\$
MS		\$		\$
MO		\$		\$
MT		\$		\$
NE		\$		\$
NV		\$		\$
NH		\$		\$
NJ		\$		\$
NM		\$		\$
NY		\$		\$
NC		\$		\$
ND		\$		\$
OH		\$		\$
OK		\$		\$
OR		\$		\$
PA		\$		\$
RI		\$		\$
SC		\$		\$
SD		\$		\$
TN		\$		\$
TX		\$		\$
UT		\$		\$
VT		\$		\$
VA		\$		\$
WA		\$		\$
WV		\$		\$
WI		\$		\$
WY		\$		\$

7. Assumption reinsurance/transfers of direct insurance liability during the year:

<u>Date of Transfer</u>	<u>Name of Assuming Insurer</u>	<u>Reserves Transferred by Receivership</u>	<u>Briefly describe Transferred Policies</u>
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____

8. Distributions other than class 1 - administrative expense during the year.
 (Distributions for policyholder claims and unearned premium claims should be identified by guaranty association and such distributions not made to a guaranty association should be identified in the aggregate, such as "all other policyholder claims" and "all other unearned premium claims".)

<u>Date of distribution Distribution</u>	<u>Priority Class</u>	<u>Amount Distributed</u>	<u>Briefly describe Nature and Reason for</u>
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____
____/____/____	_____	\$ _____	_____



RECEIVERSHIP SUPPLEMENT B

CONFIDENTIAL

1. Summary of legal actions to which the receivership is a party (other than the receivership case itself):

A. Actions pending at year end:

<u>Date Complaint Filed</u>	<u>Title, Number and Court</u>	<u>Briefly Describe Nature of Case</u>
/ /		
/ /		
/ /		
/ /		

B. Actions closed during the year:

<u>Date Case Closed</u>	<u>Title, Number and Court</u>	<u>Briefly Describe Nature of Case</u>	<u>Amount Receivable (Payable) by Receivership (by settlement or judgment)</u>
/ /			\$
/ /			\$
/ /			\$
/ /			\$
/ /			\$

2. Ceded reinsurance collected/commuted since inception date:

<u>Name of reinsurer</u>	<u>Balances recoverable under terms of contract</u>	<u>Ceded and other balances payable</u>	<u>Was the contract commuted (yes/no)</u>	<u>Amount collected/commuted</u>	<u>Date collected/commuted</u>
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	
	\$	\$		\$	



3. Potential or Possible Recoveries Not Listed As Assets on the Annual Statement:

With respect to each of the following categories, please state whether there are potential or possible recoveries within each such category which are not listed as an asset on the Annual Statement; and if so, with respect to each such category, state the nature of the potential or possible recoverable, from whom recoverable and give your evaluation of the chances of recovery and your estimate of the amount of the probable recovery (amounts less than \$1,000 per alleged debtor may be shown in the aggregate within each category, as "all other" within each category; otherwise amounts should be specified by identified debtor within each category):

- a. Additional reinsurance recoverables.
- b. Additional recoverables from agents.
- c. Additional premium recoveries.
- d. Tax refund claims.
- e. Director's and Officer's liability claims.
- f. Other recoverables.

4. A. Letters of credit or funds held by receivership under reinsurance treaties at inception date:

<u>Name of reinsurer</u>	<u>Letters of Credit</u>	<u>Funds held by receivership under reinsurance treaties</u>	<u>Date of expiration of letter of credit or fund account</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____



_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

4. B. Letters of credit or funds held by receivership under reinsurance treaties at year-end:

<u>Name of reinsurer</u>	<u>Letters of Credit</u>	<u>Funds held by company under reinsurance treaties</u>	<u>Date of expiration of letter of credit or fund account</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____