

Risk-Based Capital (RBC) Requirements, Health Organizations; SB 25

SB 25 amends certain risk-based capital (RBC) provisions in the Insurance Code to add a calculation provision associated with the determination of a company action level event for health organizations.

Specifically, the bill amends the definition of “company action level event” to include a trend test calculation and establish a trigger for the calculation: a total adjusted capital which is greater than or equal to the organization’s company action level RBC but less than the product of its authorized control level RBC and 3.0. The determination of the trend test calculation is outlined in current law (KSA 40-2d01).