



Ohio Revised Code

Section 3903.72 Definitions for sections 3903.72 to 3903.7211.

Effective: September 4, 2014

Legislation: Senate Bill 140 - 130th General Assembly

(A) The definitions provided in division (B) of this section shall apply after the operative date of the valuation manual.

(B) As used in sections 3903.72 to 3903.7211 of the Revised Code:

(1) "Accident and health insurance" means a contract that incorporates morbidity risk and provides protection against economic loss resulting from accident, sickness, or medical conditions and as may be specified in the valuation manual.

(2) "Appointed actuary" means a qualified actuary who is appointed in accordance with the valuation manual to prepare the actuarial opinion required in section 3903.722 of the Revised Code.

(3) "Company" means an entity that meets either of the following criteria:

(a) The entity has written, issued, or reinsured life insurance contracts, accident and health insurance contracts, or deposit-type contracts in this state and has at least one such policy in force or on claim.

(b) The entity has written, issued, or reinsured life insurance contracts, accident and health insurance contracts, or deposit-type contracts in any state and is required to hold a certificate of authority to write life insurance, accident and health insurance, or deposit-type contracts in this state.

(4) "Deposit-type contract" means a contract that does not incorporate mortality or morbidity risks and as may be specified in the valuation manual.

(5) "Life insurance" means a contract that incorporates mortality risk, including an annuity and pure endowment contract, and as may be specified in the valuation manual.

(6) "Operative date of the valuation manual" means the date specified in division (B) of section



3903.728 of the Revised Code.

(7) "Policyholder behavior" means any action a policyholder, contract holder, or any other person with the right to elect options under a policy or contract, such as a certificate holder, may take under a policy or contract subject to this section including lapse, withdrawal, transfer, deposit, premium payment, loan, annuitization, or benefit elections prescribed by the policy or contract.

"Policyholder behavior" does not include events of mortality or morbidity that result in benefits prescribed in the terms of the policy or contract.

(8) "Principle-based valuation" means a reserve valuation that uses one or more methods or one or more assumptions determined by the insurer and that is required to comply with section 3903.729 of the Revised Code.

(9) "Qualified actuary" means an individual who is qualified to sign a statement of actuarial opinion in accordance with the American academy of actuaries qualification standards for actuaries signing such statements and who meets the requirements specified in the valuation manual.

(10) "Superintendent" means superintendent of insurance.

(11) "Tail risk" means a risk that occurs either when the frequency of low probability events is higher than expected under a normal probability distribution or when there are observed events of very significant size or magnitude.

(12) "Valuation manual" means the manual of valuation instructions adopted by the national association of insurance commissioners or as subsequently amended.