

# Accreditation

In 1988, the National Association of Insurance Commissioners (NAIC) appointed a committee to develop and establish a comprehensive list of financial surveillance and regulation standards for insurance departments. The committee determined that the financial regulation standards should be presented in the form of an NAIC policy statement, and also decided that the list of standards should be divided into three major categories: laws and regulations; regulatory practices and procedures; and organizational and personnel practices. Under this plan, each insurance department is reviewed by an independent review team whose job is to assess that department's compliance with the financial regulation standards. In addition to the original certification, states must submit to an annual evaluation process and must undergo a full recertification review every five years.

The West Virginia Insurance Commission became certified under the Financial Regulation Standards and Accreditation Program in November 2002. West Virginia Insurance Commissioner Jane Cline says "a system of effective solvency regulation provides crucial safeguards for West Virginia's insurance consumers." Cline says "insurance consumers benefit when the insurance industry is strong enough financially to be able to pay and settle claims in a timely manner, to provide diverse and competitively priced products and to provide meaningful customer service."