West Virginia Offices of the Insurance Commissioner

2018-19 Annual Report

James A. Dodrill
Insurance Commissioner

The information in this report reflects the current financial condition and economic importance of the overall insurance industry in West Virginia.

STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

James A. Dodrill
Insurance Commissioner

October 30, 2019

The Honorable Jim Justice
Governor of the State of West Virginia
State Capitol
Charleston, WV 25305

Dear Governor Justice:

The Annual Report of the Insurance Commissioner of the state of West Virginia for the calendar year 2018 is hereby submitted in accordance with Chapter 33, Article 2, Section 15, of the Code of West Virginia. An Executive Summary immediately follows this memorandum.

The information contained in this report reflects the economic importance and current financial condition of the insurance industry in our state. The included insurance entity statistics are compiled from the December 31, 2018 annual statements filed with this agency by the insurance companies licensed in this state. However, the financial information and statements in this report are from the most recent fiscal year which ended June 30, 2019. This report includes summaries of the 2018 and 2019 regular legislative session enacted bills.

Respectfully submitted,

James A. Dodrill
Insurance Commissioner

Executive Office
Post Office Box 50540
Charleston, West Virginia 25305-0540

We are an Equal Opportunity Employer

Telephone (304) 558-3354
Facsimile (304) 558-0412
www.wvinsurance.gov

EXECUTIVE SUMMARY

This report to the Governor of West Virginia provides detail of the previous calendar year operations and activities of the West Virginia Offices of the Insurance Commissioner. The budgetary and financial data included within the report are on a fiscal year basis and includes the most recent fiscal year which ended on June 30, 2019. The report is divided into three major sections. Each section is detailed below.

Section 1 of this report highlights the organization of our office and provides detail for its $213.5M in total revenue collected from the previous year. It includes an interdepartmental organizational chart, historical list of insurance commissioners, and then proceeds to identify the individual revenue streams managed by this agency.

Section 2 of this report further identifies the functional divisions of this office and enumerates each division's individual activities during the past year. A summarization of those activities follows:

- The **Board of Review** (Workers' Compensation) exercises exclusive jurisdiction over all appeals from decisions issued by the Workers' Compensation Office of Judges pursuant to West Virginia Code §23-5-11. During 2018, the Board held monthly hearings and issued written rulings on Petitions to Stay, motions, appeals, and Petitions for Award of Claimant's Attorney Fees and Costs.

- The **Claims Services Division** (Workers' Compensation) oversees management of the workers' compensation Old Fund. As of June 30, 2019, there were 11,110 open claims. More than 76.8% of old fund claims have been closed since January 31, 2008.

- The **Company Analysis and Examinations Division** is comprised of two (2) separate units. The summaries below outline each unit's activities during 2018.

  - The **Financial Conditions Unit** is responsible for the licensing, financial monitoring, and financial examinations of the insurance companies/entities admitted to do business in West Virginia, ensuring that policyholders are secure in purchasing insurance products from financially solvent and compliant insurance companies. This unit oversaw a total of 2,595 separate insurance entities transacting business in West Virginia during 2018. The unit has also been tasked with the licensing and registration process for Pharmacy Benefit Managers (PBMs) as a result of 2019 legislation.

  - The **Market Conduct Unit** performs examinations of insurance companies doing business in West Virginia for the purpose of determining statutory compliance. In 2018, the unit conducted twenty-nine (29) Level One and ten (10) Level Two examinations of licensed companies relating to compliance. Four (4) Agreed Orders were entered by the Insurance Commissioner with penalties totaling $12,500.00 assessed as a result of violations discovered during examinations. The unit also participated in eleven (11) multi-state collaborative actions which resulted in $39,824.04 in penalties and other assessments. The Market Conduct Unit completed two (2) comprehensive compliance audits of self-insured employers, resulting in penalties of $12,500.00.

- The **Office of Consumer Advocacy** assisted consumers with complaints which yielded financial awards totaling $7,869.97 in 2018. The Office of Consumer Advocacy also participated in the review of 189 Certificate of Need applications.

- The **Consumer Service Division** assists insurance consumers with questions and complaints. The Division received a total of 1,836 written complaints from insurance consumers in 2018. Over the course of the year, the Division responded to an average of 103 consumer inquiries per day.

- The **Employer Accounts Division** is made up of three (3) workers' compensation units. The separate units are Employer Coverage, Revenue Recovery and Self Insurance. The three (3) units encompass all OIC workers' compensation regulatory functions relating to employers. The summaries below outline each unit's activities during 2018.

  - The **Employer Coverage Unit** (Workers' Compensation) reviews and grants requests for exemptions from statutory workers' compensation coverage as well as serving as the contact point for injured workers of uninsured employers. In 2018, the Unit reviewed 1,856 applications for exemption, of which 1,608 were granted.

  - The **Revenue Recovery Unit** (Workers' Compensation) is responsible for the collection of all monies due the Uninsured Employers' Fund and the Old Fund, as well as the collection of fines imposed upon employers where workers' compensation coverage has been cancelled.

  - The **Self-Insurance Unit** (Workers' Compensation) is responsible for regulating 60 employers that currently self-insure their workers' compensation coverage in West Virginia and approximately 110 employers who no longer self-insure but continue to administer claims incurred during their periods of self-insurance. No companies were approved for self-insured status in calendar year 2018.

- The **Financial Accounting Division** is responsible for the preparation of audited financial statements, monthly financial reports, the budget, management and administration of federal grant funds, daily cash management and investment processing which includes accounts payable and all agency cash receipts processing through the state's accounting system. The Division also contains the Tax Unit which collects premium taxes and surcharges for approximately 2,970 insurance companies and surplus lines licensees licensed in West Virginia. In 2019, the Division received its fourteenth consecutive unmodified or "clean" opinion in the Audited Financial Statements.

- The **Fraud Division (Office of the Inspector General)** is responsible for facilitating a cooperative approach in the detection, investigation, and prosecution of insurance fraud. In 2018, the Division received a total of 610 insurance fraud referrals from the industry and public. The Fraud Division completed 60 field investigations, delivering investigative reports to State and Federal prosecutors, identifying more than $3,800,000 in fraud, and resulting in 210 felony indictments.

- The **Health Policy Division** works toward the implementation of a Health Insurance Marketplace in West Virginia in conjunction with the Patient Protection and Affordable Care Act (ACA). In February 2013, West Virginia announced it would become a Partnership state, meaning that West Virginia consumers could utilize 'The Marketplace' as an online portal at www.Healthcare.gov to compare information on available health plan options, enroll in health plans and receive subsidies, if financially eligible.

- The **Legal Division** provides legal counsel to the Insurance Commissioner and staff, drafts and promulgates statutes, investigates code/rule violations, responds to litigation, hearings and coordinates receivership activities. During 2018, the Division was involved with 12 new statutes or regulations directly impacting insurance; 308 matters of litigation, administrative, or circuit court hearings; and 1,579 investigations by the regulatory compliance unit which resulted in the issuance of 93 orders. This report includes 18 enacted bills from the 2019 Regular Legislative Session.

- The **Licensing and Education Division** presides over licensing, processing and maintaining records for more than 141,000 licensees transacting insurance business in West Virginia. In 2018, more than 287,000 company appointments and appointment cancellations were processed and monitored by this Division. The Licensing Division continues to see growth in the number of insurance adjusters licensed and maintained. The Division maintains compliance with all Federal Bureau of Investigation (FBI) and West Virginia State Police criminal background search requirements.

- The **Office of Judges** (Workers' Compensation) provides the first level of judicial review in workers' compensation litigation by processing appeals from initial workers' compensation claim management decisions. During 2018, this unit ruled upon 7,073 written motions and issued 1,696 decisions.

- The **Rates and Forms Division** reviews and makes disposition on proposed insurance rates and forms for all regulated lines of insurance in West Virginia. During 2018, the Division received a total of 6,305 filings for all lines of insurance. Of the 6,305 new filings received, 43% (2,697) were property and casualty filings and 57% (3,608) were life and health filings.

- The **State Agency Workers' Compensation (SAWC) Program** is a combined insurance policy providing workers' compensation coverage for more than 100 state agencies and boards. The program includes over 900 locations throughout the state and provides coverage for approximately 25,000 state employees.

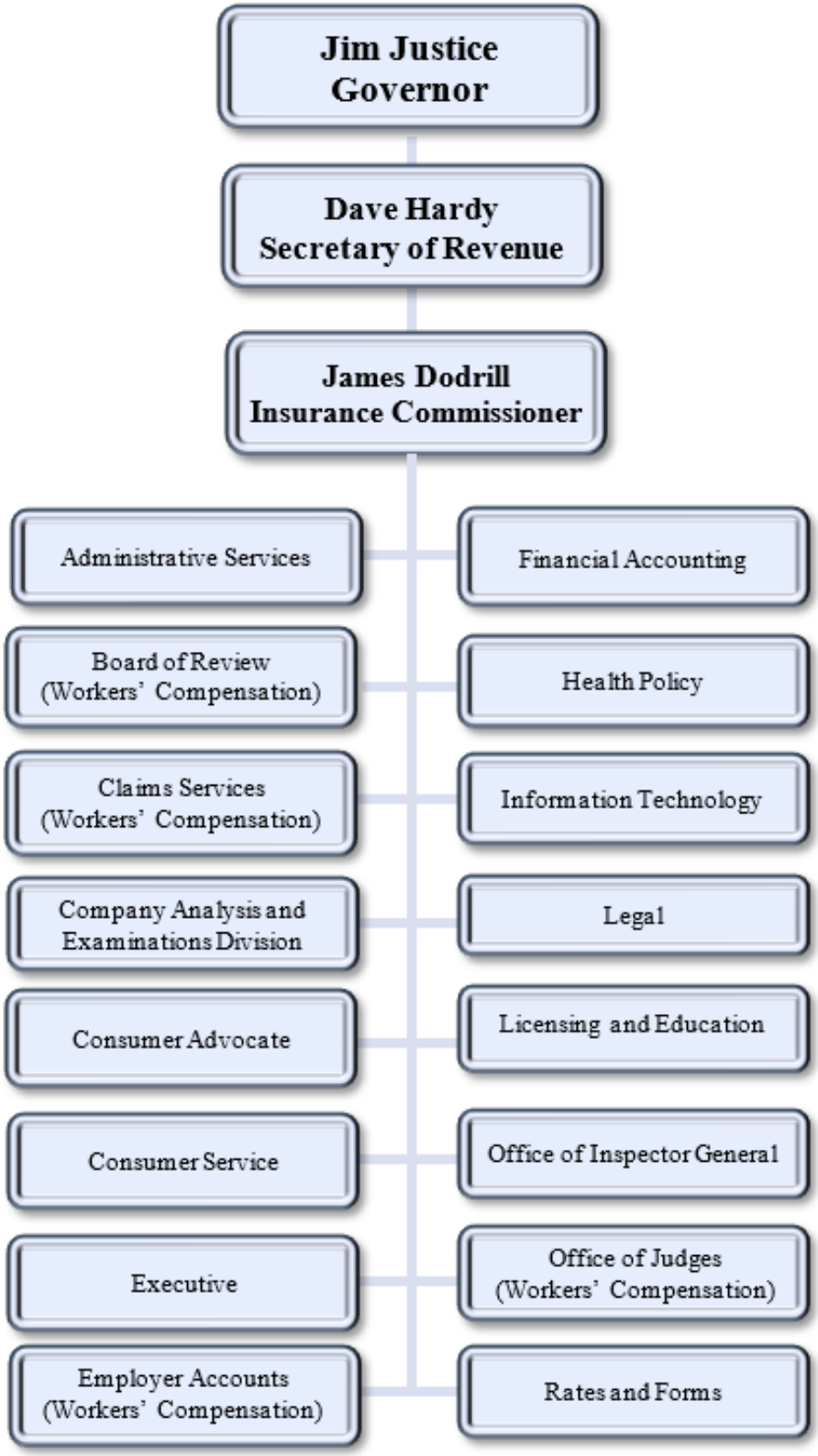
Section 3 of this report provides enhanced detail from each regulated line of insurance. This section separates the State's insurance market into Property and Casualty insurance companies and Life and Health insurance companies, and proceeds to identify the top ten (10) licensed carriers by earned premium market share percentage.

TABLE OF CONTENTS

Executive Summary 2
Table of Contents 5
Section 1: General **6**
Organizational Chart 6
West Virginia Insurance Commissioners 7
Financial Information 8
Section 2: Division Reports **15**
Board of Review (Workers' Compensation) 15
Claims Services Division (Workers' Compensation) 16
Company Analysis and Examinations Division 21
Consumer Advocate Division 23
Consumer Service Division 34
Employer Accounts Division (Workers' Compensation) 39
Financial Accounting Division 44
Office of Inspector General Fraud Division 46
Health Policy Division 48
Legal Division 54
Licensing and Education Division 76
Office of Judges Division (Workers' Compensation) 79
Rates and Forms Division 83
State Agency Workers' Compensation (SAWC) Program 87
Section 3: Insurance Business in West Virginia **93**

SECTION 1: GENERAL

ORGANIZATIONAL CHART



WEST VIRGINIA INSURANCE COMMISSIONERS

D. S. Butler	July 1, 1947 to April 30, 1948
Robert A. Crichton	May 1, 1949 to June 30, 1952
Hugh N. Mills	July 1, 1952 to June 30, 1953
Thomas J. Gillooly	July 1, 1953 to September 30, 1956
Louis Miller, Jr.	October 1, 1956 to June 30, 1957
Harold E. Neely	July 1, 1957 to February 5, 1958
C. Judson Pearson	February 7, 1958 to January 15, 1961
Hugh N. Mills	January 16, 1961 to May 16, 1961
Virginia Mae Brown	May 17, 1961 to September 3, 1962
Harlan Justice	September 4, 1962 to January 15, 1966
Frank Montgomery	January 16, 1966 to September 30, 1968
Robert J. Shipman	October 1, 1968 to January 30, 1969
Samuel H. Weese	January 31, 1969 to January 16, 1975
Donald W. Brown	January 16, 1975 to January 14, 1977
Richard G. Shaw	January 17, 1977 to January 11, 1985
Fred L. Wright	February 21, 1985 to June 30, 1988
Hanley C. Clark	July 1, 1988 to January 17, 1989*
Hanley C. Clark	January 18, 1989 to January 15, 2001
Jane L. Cline	January 15, 2001 to June 30, 2011
Michael D. Riley	July 1, 2011 to January 8, 2012*
Michael D. Riley	January 9, 2012 to January 31, 2017
Andrew R. Pauley	February 1, 2017 to March 31, 2017*
Allan L. McVey	April 1, 2017 to January 24, 2019
Erin K. Hunter	January 25, 2019 to March 1, 2019*
James A. Dodrill	March 2, 2019 to present

**Acting Insurance Commissioner during interim period*

FINANCIAL INFORMATION

FEES AND TAXES COLLECTED DURING THE LAST 5 FISCAL YEARS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
GENERAL REVENUE					
INSURER EXAMINATION ASSESSMENT FEE	$552,850	$562,525	$571,125	$542,525	$516,375
PENALTY FEE	$545,762	$288,810	$538,560	$594,853	$541,348
TOTAL FOR GENERAL REVENUE	**$1,098,612**	**$851,335**	**$1,109,685**	**$1,137,378**	**$1,057,723**
SPECIAL REVENUE					
*INSURANCE TAX FUND	$115,208,951	$116,588,197	$119,635,733	$123,661,383	$128,049,651
INSURER EXAMINATION ASSESSMENT FEES	$927,200	$993,300	$1,001,050	$956,900	$903,000
FEES AND CHARGES	$37,443,566	$36,138,127	$33,541,878	$35,557,222	$35,596,021
FIRE MARSHAL	$1,648,009	$1,298,879	$609,178	$2,075,092	$2,130,494
MUN. PENSION & PROTECTION FUND	$27,340,083	$27,724,028	$28,190,439	$29,907,039	$30,816,675
VOL. FIREMEN AND TEACHERS RETIREMENT	$13,216,445	$13,328,521	$13,539,015	$14,536,542	$14,965,354
TOTAL FOR SPECIAL REVENUE	**$195,784,254**	**$196,071,053**	**$196,517,293**	**$206,694,178**	**$212,461,195**
GRAND TOTAL COLLECTED	**$196,882,866**	**$196,922,388**	**$197,626,978**	**$207,831,556**	**$213,518,918**

* Revenue is net of Tobacco Settlement loan repayment, medical malpractice and Federal Flood transfer

APPROPRIATED EXPENDITURE SCHEDULE
EXAMINATION FUND 7150
FISCAL YEAR 2019
JULY 1, 2018 - JUNE 30, 2019

APPROPRIATED

Personal Services	519,696		
Increment	9,952		
Employee Benefits	191,469		
Other Expenses	1,461,290		
			$2,182,407

ACTUAL EXPENDITURES

Personal Services	338,908		
Increment	6,049		
Employee Benefits	92,891		
Other Expenses	391,255		
TOTAL EXPENDITURES		829,103	

APPROPRIATION BALANCE

Personal Services	180,788		
Increment	3,903		
Employee Benefits	98,578		
Other Expenses	1,070,035		
TOTAL FUNDS REMAINING		1,353,304	
			$2,182,407

APPROPRIATED EXPENDITURE SCHEDULE
CONSUMER ADVOCATE FUND 7151
FISCAL YEAR 2019
JULY 1, 2018 - JUNE 30, 2019

APPROPRIATED			
Personal Services	384,395		
Increment	8,640		
Employee Benefits	159,193		
Other Expenses	265,702		
			$817,930
ACTUAL EXPENDITURES			
Personal Services	216,517		
Increment	3,540		
Employee Benefits	67,489		
Other Expenses	51,915		
TOTAL EXPENDITURES		339,461	
APPROPRIATION BALANCE			
Personal Services	167,878		
Increment	5,100		
Employee Benefits	91,704		
Other Expenses	213,787		
TOTAL FUNDS REMAINING		478,469	
			$817,930

APPROPRIATED EXPENDITURE SCHEDULE
INSURANCE COMMISSION FUND 7152
FISCAL YEAR 2019
JULY 1, 2018 - JUNE 30, 2019

APPROPRIATED			
Personal Services	15,103,396		
Increment	443,362		
Employee Benefits	7,492,969		
Other Expenses	10,960,273		
			$34,000,000
ACTUAL EXPENDITURES			
Personal Services	11,046,594		
Increment	264,784		
Employee Benefits	3,678,313		
Other Expenses	5,911,008		
TOTAL EXPENDITURES		20,900,700	
APPROPRIATION BALANCE			
Personal Services	4,056,802		
Increment	178,578		
Employee Benefits	3,814,656		
Other Expenses	5,049,265		
TOTAL FUNDS REMAINING		13,099,300	
			$34,000,000

Financial Statements

To view the OIC's FY2019 Financial Statements in their entirety, as well as access prior years' Financial Statements, please refer to the OIC website.

West Virginia Offices of the Insurance Commissioner
Statement of Net Position
June 30, 2019 (In Thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	$ 23,321	$ 1,461,848	$ 1,485,169
Receivables, Net:			
Statutory Allocations	-	2	2
Assessments	244	67	311
Employer Surcharge	4,822	795	5,617
Premiums	-	1	1
Other	39	123	162
Prepaid Assets	-	1,010	1,010
Loss Reserve Fund	-	14,021	14,021
Total Current Assets	28,426	1,477,867	1,506,293
Noncurrent Assets			
Other Receivables	171	-	171
Capital Assets, Net	154	-	154
Total Noncurrent Assets	325	-	325
Total Assets	28,751	1,477,867	1,506,618
Deferred Outflows of Resources			
Deferred outflows related to pension	1,223	-	1,223
Deferred outflows related to other post-employment benefit	533	-	533
Total Deferred Outflows of Resources	1,756	-	1,756
Total Assets and Deferred Outflows of Resources	30,507	1,477,867	1,508,374
LIABILITIES			
Current Liabilities			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	-	177,500	177,500
Compensated Absences	499	-	499
Accrued Expenses and Other Liabilities	1,139	1,459	2,598
Total Current Liabilities	1,638	178,959	180,597
Noncurrent Liabilities			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	-	1,270,300	1,270,300
Net Pension Liability	2,074	-	2,074
Compensated Absences	446	-	446
OPEB Liability	5,530	-	5,530
Total Noncurrent Liabilities	8,050	1,270,300	1,278,350
Total Liabilities	9,688	1,449,259	1,458,947
Deferred Inflows of Resources			
Deferred inflows related to pension	1,561	-	1,561
Deferred inflows related to other post-employment benefit	1,399	-	1,399
Total Deferred Inflows of Resources	2,960	-	2,960
Total Liabilities and Deferred Inflows of Resources	12,648	1,449,259	1,461,907
Net Position			
Invested in Capital Assets, Net of Related Debt	154	-	154
Restricted for:			
Coal Workers' Pneumoconiosis	-	12,833	12,833
Uninsured Fund	-	13,021	13,021
Self-Insured Funds	-	35,334	35,334
State Entities Workers' Compensation Program Fund	-	17,847	17,847
Unrestricted (Deficit)	17,705	(50,427)	(32,722)
Total Net Position	$ 17,859	$ 28,608	$ 46,467

West Virginia Offices of the Insurance Commissioner
Statement of Activities
For the Fiscal Year Ended June 30, 2019 (In Thousands)

Functions/Programs	Expenses and Claims Provisions	Program Revenues: Charges for Services	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Business-Type Activities	Totals
Primary Government					
Governmental Activities					
General Government	$ 21,085	$ 37,929	$ 16,844	$ -	$ 16,844
Depreciation, Unallocated	13	-	(13)	-	(13)
Total Governmental Activities	21,098	37,929	16,831	-	16,831
Business-type Activities					
Workers' Compensation	139,992	18,222	-	(121,770)	(121,770)
State Entities Workers' Compensation Program Fund	8,871	9,304	-	433	433
Total Business-Type Activities	148,863	27,526	-	(121,337)	(121,337)
Total Primary Government	$ 169,961	$ 65,455	16,831	(121,337)	(104,506)
General Revenues:					
Investment Earnings			13	67,865	67,878
Severance Tax			-	-	-
Total General Revenues			13	67,865	67,878
Change in Net Position Before Reappropriations/Interfund Transfers			16,844	(53,472)	(36,628)
Reappropriation to State of West Virginia General Revenue			(15,000)	(11,867)	(26,867)
Payments on Behalf of the WVOIC			349	-	349
Change in Net Position			2,193	(65,339)	(63,146)
Net Position, Beginning of year			15,666	93,947	109,613
Net Position, End of Year			$ 17,859	$ 28,608	$ 46,467

SECTION 2: DIVISION REPORTS

BOARD OF REVIEW (WORKERS' COMPENSATION)

The statutory role of the Workers' Compensation Board of Review is set forth in West Virginia Code § 23-5-12, which provides as follows: "Any employer, employee, claimant or dependent who shall feel aggrieved at any final action of the administrative law judge taken after a hearing held in accordance with the provisions of section nine of this article shall have the right to appeal to the board created in section eleven of this article for a review of such action. The Workers' Compensation Commission, the successor to the commission, other private insurance carriers and self-insured employers, whichever is applicable, shall likewise have the right to appeal to the board any final action taken by the administrative law judge." The primary goal at the Board of Review is to resolve appeals in a fair, efficient, and timely manner. The Board of Review is governed by procedural rules found in 102 CSR 1, Rules of Practice and Procedure.

During the course of an appeal, motions are submitted by the parties and the Board issues timely rulings in response to the motions. In addition to motions, the parties submit briefs and may present oral argument to the Board in accordance with West Virginia Code § 23-5-12(b). At the conclusion of the appeal process, the Board issues a written decision that is appealable to the Supreme Court of Appeals as set forth in West Virginia Code § 23-5-15.

When a claimant successfully appeals the denial of medical benefits, the claimant's attorney may file a Petition for Award of Claimant's Attorney Fees and Costs if the claimant meets the criteria set forth in West Virginia Code § 23-5-16(c). The Petition is submitted to the Board of Review if the final decision on the issue is entered by the Board. At the appropriate time, the Board issues a ruling on the Petition.

A statistical report is provided to the Workers' Compensation Industrial Council every month. This report includes information regarding incoming appeals, such as the issues being appealed and the parties filing the appeals. Additionally, the report provides data regarding the Board's decisions.

The Board and staff are committed to an appeal process that fairly and efficiently resolves appeals. In order to promote speedier resolution of claims for the parties and to provide consistent decisions, the Board at times consolidates the appeals in a claim for decision purposes. When this happens, the Board issues one order addressing multiple issues involved in a single injury.

Board members Rita Hedrick-Helmick, James Gray, and Nick Casey continued to serve on the Board in 2018-19.

CLAIMS SERVICES DIVISION (WORKERS' COMPENSATION)

The Claims Services Division is comprised of 21 employees who provide oversight of the Old Fund Program; the legacy claims liability that existed upon the privatization of workers' compensation and the Document and Imaging Unit that was transitioned to the Claims Services Division in February, 2019. In addition, this Division provides claims oversight of the Uninsured Employer Fund (UEF), the Federal Black Lung Program with dates of last exposure prior to January 1, 2006, Guarantee and Security Funds, and the State Agency Workers' Compensation (SAWC) Program. Its primary objectives are to ensure claims are properly reserved and administered to the Best Claims Practice standards and are handled in compliance with statutory and regulatory provisions. The Claims Services Division is responsible for additional internal controls assuring proper management of these claims which include the Best Claims Practice Reviews conducted on-site, on-going quality assurance reviews, large loss review staffing with each third-party administrator (TPA), indemnity payment approval threshold of $25,000.00 or greater, and the settlement initiative. Regulatory duties of this Division include maintaining the Occupational Pneumoconiosis (OP) Board and the Permanent Total Disability Review Board (PTDRB) dockets, the Claims Index, and the Electronic Data Interchange (EDI) program. The Claims Services Division also coordinates with the West Virginia State Auditor's Office and the TPAs to establish Electronic Fund Transfers (EFTs) for injured workers or their dependents who receive benefits.

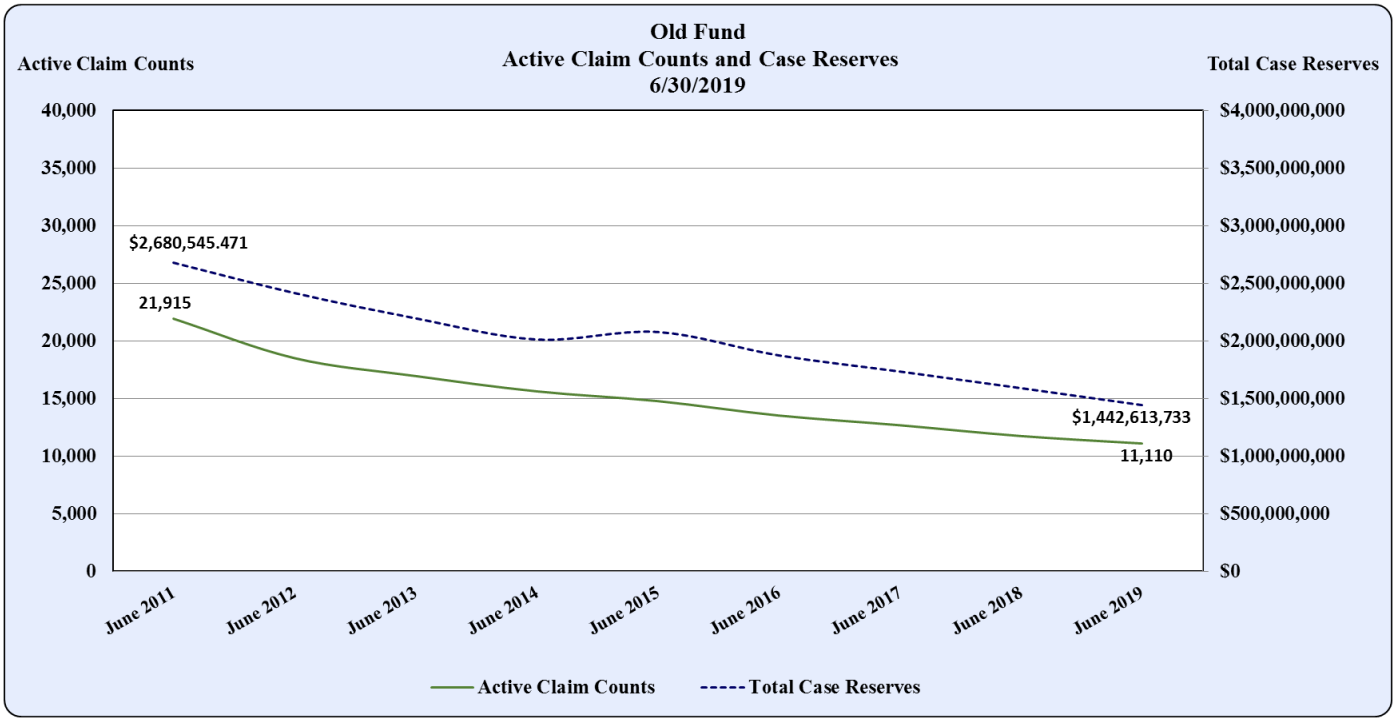
CLAIMS STATISTICS

On December 1, 2007, the OIC officially began managing 47,961 active old fund claims. Since that time, through proper claims handling utilizing industry accepted standards and a focused settlement initiative, approximately 76.84% of the active claim load has been closed. With the passage of SB 531, which went into effect June 4, 2019, we predict this will have a positive impact on the reduction of hearing loss claims through full and final settlement negotiations to further reduce the active claim count.

Annual active old fund claims counts for the TPAs are as follows:

Counts as of	Sedgwick	HealthSmart	American Mining	Totals	Closed
1/31/2008	39,227	4,750	3,984	47,961	-
6/30/2008	25,484	3,455	3,792	32,731	31.75%
6/30/2009	22,425	2,894	3,237	28,556	40.46%
6/30/2010	19,837	2,373	2,814	25,024	47.82%
6/30/2011	17,346	2,188	2,381	21,915	54.31%
6/30/2012	15,451	1,871	1,179	18,501	61.42%
6/30/2013	14,075	1,775	1,101	16,951	64.66%
6/30/2014	13,114	2,512	-0-	15,626	67.42%
6/30/2015	12,376	2,406	-0-	14,782	69.18%
6/30/2016	11,236	2,298	-0-	13,534	71.78%
6/30/2017	10,485	2,209	-0-	12,694	73.53%
6/30/2018	9,687	2,071	-0-	11,758	75.48%
6/30/2019	9,213	1,897	-0-	11,110	76.84%

A graphical representation of the Old Fund claim changes and total reserves is shown below.



QUALITY MEDICAL CARE AND COST CONTAINMENT INITIATIVES

We are pleased to report that the TPAs have contracted with Coventry, a managed care organization, on the Old Fund, UEF, Guaranty and Security Fund claims. This allows the OIC to monitor the quality of the care and provider efficiency, while obtaining further cost reduction for services. SmartCasualty Claims, formerly HealthSmart, is utilizing the HealthSmart Care Management Solutions transplant network, which has resulted in substantial cost savings.

OCCUPATIONAL DISEASE CLAIMS

Please note that new occupational disease claims, such as Occupational Pneumoconiosis (OP) and Hearing Loss (HL) claims, are submitted to the Claims Services Division for entry and establishment of a new claim. The claim(s) is(are) then assigned to a TPA for administration. These applications have a date of last exposure prior to July 1, 2005. The State OP claims are part of the Old Fund liability. We have two other separate and distinct funds in which we receive new claim filings. The Uninsured Employer Fund (UEF), as previously indicated, commenced as of January 1, 2006. The Claims Services Division establishes these claims and assigns them to a TPA for administration. In addition, new claims for Federal Black Lung (FBL) benefits where the date of last exposure must be prior to January 1, 2006, are filed with this Division. The FBL claims are paid via the Coal Workers' Pneumoconiosis Fund (CWPF).

New Claim Filings	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
State OP	28	79	66	116	134	62	**53**
HL and OD	8	7	11	8	11	5	**6**
Uninsured Employer Fund	16	20	11	12	11	10	**4**
FBL	217	460	328	385	400	416	**448**

REGULATORY BOARDS

As stated previously, regulatory duties of the Claims Services Division include maintaining the Occupational Pneumoconiosis (OP) Board and the Permanent Total Disability Review Board (PTDRB) dockets. We have one full-time designated occupational pneumoconiosis (OP) employee who is responsible for OP applications. This individual prepares the files and maintains the docket for the OP Board and prepares the files for hearings before the Office of Judges. In FY2019, there were 561 examinations scheduled before the OP Board and 44 fatality reviews. This Division has additionally provided PTDRB docket oversight since October 2008. In FY2019, the PTDRB had 10 reviews, including initial, remand, and final reviews. Applications are received for the Old Fund, new insurers and self-insured employers.

Regulatory Board	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
OP Board Examinations	515	582	383	724	1,064	950	**561**
OP Board Fatal Reviews	143	94	33	66	46	53	**44**
PTDRB Reviews	183	209	38	17	23	29	**10***

**The PTDRB changed their docket from monthly meetings to bi-monthly meetings in FY2019.*

ELECTRONIC DATA INTERCHANGE (EDI) PROGRAM

The implementation of the Electronic Data Interchange (EDI) program resulted from the passage of §Title 85, Series 2, Workers' Compensation Claims Index. The purpose of EDI is to provide a consistent method for insurers or self-insured employers to report claims to the OIC. Any workers' compensation claim that is filed in the state of West Virginia is captured on the Claims Index System. Pursuant to regulations, the First Report of Injury (FROI) and Second Report of Injury (SROI) must be submitted electronically within 10 days of notification that an injury has occurred, using the Release 3 EDI standards as adopted by the International Association of Industrial Accident Boards and Commissions (IAIABC). The OIC's public website contains information and links to the EDI Implementation Guide. In addition, we provide the procedural steps on how to apply for a trading partner profile and become eligible to file as a Carrier/TPA/Self-Insured Employer through the EDI. The program has continued to positively evolve and EDI transaction errors are trending downward.

SCHEDULE OF MAXIMUM ALLOWED MEDICAL REIMBURSEMENT

An Actuarial Analyst within the Claims Services Division is tasked with maintaining the maximum allowable fee schedule that is utilized for the West Virginia claimants in the workers' compensation industry. The fee schedule serves as a "maximum allowable" reimbursement reference exclusively and is applied to all workers' compensation medical care, except for care provided under the OIC approved Managed Health Care Plan (MHCP), which is exempt from the maximum fee schedule.

The current maximum fee schedule became effective on July 1, 2013 and is calculated by utilizing 100% of current Medicare allowed amounts, plus an approximate 35% mark-up. This methodology will remain effective until an update for efficiency is otherwise determined. All inquiries pertaining to the maximum allowable fee schedule are reviewed and answered by the Actuarial Analyst.

CLAIMS INDEX

The Claims Services Division also reviews applications for access to the Workers' Compensation Claims Index. The Claims Index is a legislatively mandated uniform system of gathering workers' compensation claim information through EDI and allows access to the information by approved participants. The Index contains basic demographic data to assist insurers in obtaining information from other insurers regarding previously filed workers' compensation claims by particular claimants. Applications are approved or denied by a WC System Specialist III within this Division.

NURSE PROGRAM

The RN III monitors the monthly pharmacy reports that show a high expenditure in the Old Fund claims and claimants who receive opioids. In addition, the RN III closely reviews and monitors the lung transplant and complicated pneumoconiosis claims. The RN III also participates in on-site large loss staffings, roundtable claim discussions, and provides needed assistance with complicated medical issues identified by the specialists during their ongoing quality assurance reviews on all programs. The RN III coordinates and participates in wellness programs and maintains the AED machines. The RN III serves on the ICC-Early Intervention Birth to Three, as appointed by the Commissioner. In addition, the RN III was appointed by the Commissioner to serve on the board providing oversight of the West Virginia Traumatic Brain and Spinal Cord Injury Rehabilitation Fund Act, pursuant to Code §18-10K-2. This resource has allowed medical reviews of greater detail in the areas indicated above, which is a significant contribution to the programs.

DOCUMENT AND IMAGING UNIT

This unit is the repository for workers' compensation claim records, x-rays, etc., and distributes copies of records upon proper validation of requests. Strict internal controls are in place and executed when relinquishing the records, including the redaction of personally identifiable information (PII) as well as psychiatric records. A primary initiative for this unit is the conversion of the old and degrading microfiche to an electronic medium for record retention and storage. This will allow for proper retention and preservation of the records, and provide for a secure method of distribution, thus resolving the daily decline of image quality. This conversion project will also allow for the unit to be relocated to the Lottery Building with the

other Claims Services staff, eliminating the need for additional rental space. Additionally, this project will address and improve the retention, storage and distribution equipment, which is over 17 years old, and provide the unit's staff with cross-training and ongoing security training.

Number of Claims and Policy Microfiche Files: 2,765,800

- Conservative estimate of the microfiche sheets using an average of three (3) translates to 8,297,400
- Up to 60 images on each microfiche sheet

X-ray Films: 161,250

- Conservative estimate using an average of three (3) films (some have nine) per jacket
- 53,750 jackets

Archive of WC Records	Approximate Count
Claimant Microfiche	2,567,800
Policy Microfiche	198,000
X-ray Film	161,250
X-ray CDs	9,000

COMPANY ANALYSIS AND EXAMINATIONS DIVISION

In 2019 the Company Analysis and Examinations Division was created by combining two (2) units that were previously separate but similar in function. The Company Analysis and Examinations Division is responsible for the financial regulation and market conduct examinations of all insurers admitted to transact insurance business in West Virginia. The Company Analysis and Examinations Division includes the following units:

- Financial Conditions Unit - responsible for the licensing, financial monitoring and financial examinations of insurance companies and entities.

- Market Conduct Unit – performs examinations of insurance companies and self-insured employers doing business in West Virginia for the purpose of determining statutory compliance.

FINANCIAL CONDITIONS UNIT

The primary functions of the Unit include, but are not limited to:

- Licensing/Registration of Insurance Risk-Bearing Entities
- Financial Analysis/Surveillance of Admitted Insurance Companies
- Financial Examinations of Domestic Insurance Companies

The types of insurance companies/entities licensed and monitored include, but are not limited to, traditional Life and Health and Property and Casualty insurers as well as health care corporations such as Blue Cross/Blue Shield plans and Health Maintenance Organizations (HMOs). The Unit is also responsible for registering, licensing and/or monitoring Risk Retention Groups, Risk Purchasing Groups, Managing General Agents, Third-Party Administrators, Reinsurance Intermediaries, Viatical Settlement Providers, Discount Medical Plans, Discount Prescription Drug Plans, Professional Employer Organizations, Charitable Gift Annuities and Surplus Lines Insurers planning to do business in the State of West Virginia.

Prior to being admitted, companies must file an application with the West Virginia Offices of the Insurance Commissioner. The Unit utilizes the National Association of Insurance Commissioners (NAIC) Uniform Certificate of Authority Application (UCAA) process which is designed to allow insurers to file copies of the same application for admission in numerous jurisdictions. These applications, either foreign or domestic, are reviewed by the Unit to ensure that all applicable insurance laws and regulations have been satisfied regarding the companies' general corporate organization and financial strength. Recommendations are then made to the Commissioner as to the admissibility of the applicant companies.

Companies admitted by the WVOIC are then monitored by the Unit to ensure they maintain financial stability and solvency requirements necessary for the protection of West Virginia policyholders. Monitoring of the insurance industry is effectuated through complex analysis and/or financial examinations performed by financial analysts and certified financial examiners.

The Unit is also responsible for processing various corporate amendments submitted by a licensed entity. Corporate amendments include, but are not limited to, name changes, re-domestications, mergers, and amendments to articles of incorporation or bylaws.

MARKET CONDUCT UNIT

Throughout 2018, the Legal Division housed the Market Conduct Unit, which performs market wide research and analysis, and examines insurance entities regulated by the West Virginia Offices of the Insurance Commissioner. In January, 2019, the Market Conduct Unit was paired with the Financial Conditions Unit within the Company Analysis and Examinations Division.

The market conduct examiners are charged with reviewing insurers on a regular basis as well as reacting to developments in the marketplace. Examiners validate the operations of insurers to comply with all applicable laws and rules.

Market Analysis consists generally of gathering large volumes of data from insurers that reveals how the insurer is behaving in our marketplace and, from that data, determining which companies may need further analysis or review. West Virginia cooperates with other jurisdictions in this process to foster possible collaborative actions.

Four (4) agreed orders were entered by the Insurance Commissioner in 2018 as a result of market conduct examinations conducted in accordance with W. Va. Code §33-2-9. Penalties totaling $12,500.00 were assessed as a result of violations discovered during these market conduct examinations. West Virginia also participated in four (4) multi-state collaborative actions, resulting in $3,028.92 in penalties and other assessments. Furthermore, the Market Conduct Unit completed two (2) comprehensive compliance examinations of employers which are self-insured for workers' compensation, resulting in penalties totaling $10,500.00.

Additionally, the Market Conduct Unit conducted twenty-nine (29) level one and ten (10) level two analyses on licensed companies concerning compliance with the West Virginia Code and the West Virginia Code of State Rules, as well as claims compliance analysis of each of the sixty (60) employers that are actively self-insured for workers' compensation.

The West Virginia Offices of the Insurance Commissioner also received a total of 542 market conduct annual statements per National Association of Insurance Commissioners' (NAIC) guidelines, further broken down by the following lines of business: Private Passenger Auto, 76 filings; Homeowners, 76 filings; Life, 193 filings; Annuity, 105 filings; Long-term Care, 76 filings; and Health 16 filings.

CONSUMER ADVOCATE DIVISION

In 2018, the Office of the Consumer Advocate served the interests of West Virginia insurance consumers and fulfilled the expanded duties conferred upon the Office in the tort reform measures of Senate Bill 418 passed in 2005. A large portion of the Office of the Consumer Advocate's time and resources was devoted to first- and third-party administrative cases.

During 2018, the efforts of the Office of the Consumer Advocate on behalf of West Virginia insurance consumers yielded financial awards totaling $7,869.97 which go directly into the pocket of the consumer, as well as several other important settlements and regulatory orders directly benefiting the West Virginia insurance consumer.

During the entirety of the Consumer Advocate's tenure, the Office of the Consumer Advocate has been involved in obtaining financial settlements totaling $3,837,845.89 on behalf of West Virginia insurance consumers. These awards go directly into the pocket of the consumer. The Office of the Consumer Advocate is very proud of this accomplishment.

In the health care arena in 2018, the Office of the Consumer Advocate reviewed 189 Certificate of Need Applications. The Office of the Consumer Advocate was also previously charged with reviewing Rate Review Applications before the West Virginia Health Care Authority. With the passage of SB 68, the West Virginia Health Care Authority's ability to establish and regulate hospital rates ceased in 2017. As such, the Office of the Consumer Advocate no longer reviews Rate Review Applications.

The Office of the Consumer Advocate attended many State conferences and State festivals as a means of interacting with and disseminating information to West Virginia insurance consumers. State festivals attended in 2018 include the Strawberry Festival, the State Fair, the Pumpkin Festival, the Forest Festival, and the West Virginia Hunting Show.

The Office of the Consumer Advocate participated in mandatory continuing legal education with a focus on insurance and consumer related education.

The Office of the Consumer Advocate kept abreast of legislation affecting West Virginia insurance consumers. When needed, representatives from the Office of the Consumer Advocate reviewed legislation and attended or watched via live web camera legislative hearings in both the House of Delegates and the Senate.

The Office of the Consumer Advocate also kept abreast of any cases before the West Virginia Supreme Court of Appeals regarding insurance law issues. The Consumer Advocate read any pertinent opinions and attended or watched via live web camera oral arguments at the Supreme Court chambers when insurance related cases were on the Court's docket.

The Office of the Consumer Advocate maintained progress toward the ongoing goal of consumer outreach and education. The Office achieved progress by fielding hundreds of calls and contacts from consumers. These contacts were responded to directly and/or referred to the proper agency for response.

In 2018, the Office of the Consumer Advocate provided formal representation to insurance consumers in fourteen (14) consumer complaints before the West Virginia Insurance Commission. Eight (8) of these complaints were third party complaints and the remaining six (6) were first party complaints. First party complaints are complaints filed by a consumer against their own insurer, while third party complaints are complaints filed by a consumer against another person's insurer. In addition to formal representation, it should be noted that the Office of the Consumer Advocate also assisted and advised hundreds of West Virginia consumers throughout the year via email inquiries, telephonic inquiries, office visits, or other means. This assistance has directly benefited those consumers and in many cases has resolved the consumers' insurance issues or queries without the need for filing an actual consumer complaint with the WVOIC.

Whenever a complaint is received by the Office of the Consumer Advocate, it is evaluated carefully. A number of different things may occur at this time including, but not limited to: the consumer can opt to not request representation; a consumer can request representation, but after careful review of the case the Office of the Consumer Advocate can decline to represent; the consumer can request representation and the Office of the Consumer Advocate can accept; or the Office of the Consumer Advocate can assist the consumer in finding and obtaining private counsel because the damages in the matter merit a civil lawsuit.

The Office of the Consumer Advocate is proud of the representation that it has provided to consumers. Further, the Office of the Consumer Advocate is also proud of the countless hours that have been spent assisting consumers in evaluating their claims and assisting them in exploring all their options including possible retention of private counsel when it is in their best interests.

First Party Complaints

The Office of the Consumer Advocate actively worked six (6) first party cases in 2018. The results of said cases are as follows:

- A total of $6,000 was awarded directly to West Virginia consumers in the form of settlements in one (1) of the six (6) first party consumer complaints.
- In one (1) consumer complaint case, the Hearing Examiner dismissed the claim after a full hearing on the merits.
- In one (1) consumer complaint, the consumer opted to withdraw the claim after discussions had occurred between the insurance company, the Consumer Advocate's office and the consumer.
- In two (2) consumer complaint cases, the Consumer Advocate's office declined to represent the consumer after a full investigation of the matter.
- In one (1) consumer complaint case, the matters are still pending and are either awaiting hearing, awaiting final order or appealed to Circuit Court.

Third Party Complaints

The Office of the Consumer Advocate actively worked eight (8) third party cases in 2018. The results of said cases are as follows:

- A total of $1,869.97 was awarded directly to West Virginia consumers in the form of settlements in one (1) of the consumer complaints.
- In three (3) consumer complaint cases, the consumer opted to obtain private counsel for representation.
- In one (1) consumer complaint case, the matter went to a hearing and parties agreed that the consumer would withdraw the consumer complaint if the insurance company would re-evaluate the claim using additional information that had been obtained during the litigation.
- In two (2) consumer complaint cases, the consumer opted to withdraw the claim after discussions had occurred between the insurance company, the Consumer Advocate's office and the consumer.
- In one (1) consumer complaint case, the matters are still pending and awaiting hearing.

Certificate of Need Reviews

All health care providers must obtain a CON from the West Virginia Health Care Authority to develop, add, or acquire new health care facilities and equipment. The Office of the Consumer Advocate reviews all CON applications and may intervene for the interests of West Virginia residents in the Health Care Authority's CON review process. The Office of the Consumer Advocate carefully reviewed and considered the following 189 CON applications:

January 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Lewisburg AID II OPCO LLC d/b/a Seasons Place	17-4-11229-X	Exemption, transfer of indirect ownership interests	$0
Oak Hill AID II OPCO LLC d/b/a Oak Hill Place	17-4-11230-X	Exemption, transfer of indirect ownership interests	$0
Scott Depot AID II OPCO LLC d/b/a Rolling Meadows Place	17-3-11231-X	Exemption, transfer of indirect ownership interests	$0
Charleston AID II OPCO LLC d/b/a Kanawha Place	17-3-11228-X	Exemption, transfer of indirect ownership interests	$0
Raleigh General Hospital	17-1-11254-P	Raleigh General Orthopedic Surgeon Practice	$100,000.00
United Hospital Center, Inc.	17-6-11256-P	Fairmont Specialty Physicians	$14,000.00
LHC Group, Inc.	17-2-11255-A	All stock, noncash acquisition and merger	$596,000.00
West Virginia University Hospitals, Inc.	17-6-11240-X	Exemption, review for construction of parking garage for employees	$0
Berkeley Medical Center	11235-X	Exemption, renovation and expansion of surgery suites	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
West Virginia University Hospitals, Inc.	17-6-11245-X	Exemption, acquisition of property near hospital campus	$0
Recover Together, Inc. d/b/a Groups	17-5-11243-X	Office based medication-assisted treatment program	$0
Recover Together, Inc. d/b/a Groups	17-10-11242-X	Office based medication-assisted treatment program	$0
Recover Together, Inc. d/b/a Groups	17-5-11241-X	Office based medication-assisted treatment program	$0
Recover Together, Inc. d/b/a Groups	17-3-11244-X	Office based medication-assisted treatment program	$0
Coplin Health Systems	17-5-11246-X	Expansion of community-based nonprofit organization	$0
Weirton Dialysis Center, LLC	17-11-11253-X	Kidney disease treatment center	$0
Lincoln County Primary Care Center, Inc. d/b/a Southern West Virginia Health System – Madison	17-3-11258-X	Community-based nonprofit to provide primary care and geriatric services	$0
West Virginia University Hospitals, Inc.	17-6-11239-X	Blanchette Rockefeller Neurosciences Institute and MRI unit for research	$0
Berkeley Medical Center	17-9-11263-P	Acquisition of Jefferson Internal Medicine Practice	$83,000.00
CSI Community Services, Inc.	18-3-11271-PC	Personal Care Services	$0
WV IL-AL Investors, LLC	17-3-11238-X	Assisted living facility in Charleston, WV	$0
Belington Community Medical Services Association, Inc.	17-7-11250-X	Add The Myers Clinic, Inc. as new service delivery site	$0
Mental Health Balance & Development	17-5-11249-X	Outpatient behavioral services to residents of Wood County	$0
Children's Hospital of Pittsburgh of UPMC	18-6-11274-P	Ambulatory care center for pediatric services	$212,682.00
Kentucky Homecare Parent Inc. Kentucky Homecare Holdings, Inc.	18-1/2/3/4/5/6-11277-A	Acquisition of Gentiva Health Services, Inc.	$50,639,325.00

February 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Hospital Development Co. d/b/a Roane General Hospital	18-5-11280-P	Ambulatory care building	$7,000,00.000
Clay Battelle Health Services Association	17-6-11260-X	Outpatient psychiatry and medication assisted treatment	$0
St. George Medical Clinic, Inc.	17-7-11251-X	Provision of substance abuse services	$0
Paramount Senior Living at Ona LLC	18-2-11270-X	Assisted living services	$0
St. George Medical Clinic, Inc.	18-7-11265-X	Behavioral health services	$0
St. George Medical Clinic, Inc.	18-7-11264-X	Behavioral health services	$0
Linx Community Services, LLC	18-5/10-11291-BH	IDD Waiver Behavioral Health Center	$13,000.00
Heart 2 Heart Volunteers, Inc.	18-10-11288-X	Residential treatment facility in Wheeling, Ohio Co.	$0
Mountaineer Behavioral Health	18-9-11284-X	Residential substance abuse treatment facility in Berkeley Co.	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Reynolds Memorial Hospital, Inc.	18-10-11275-X	Development of birthing center in the hospital	$0
Falvo Detox and Rehabilitation, Inc.	18-2-11266-X	Substance abuse detox and recovery facility in Wayne Co.	$0
Monroe County Health Center	18-1-11269-X	Primary care site in Summers Co.	$0
Mullens Manor, Inc. d/b/a Rose Manor	18-1-11287-X	Assisted living facility in Wyoming Co.	$0
West Virginia University Hospitals, Inc.	18-6-11297-H	Women and Children's Hospital	$215,000,000.00
Edgewood Summit, Inc.	18-3-11267-X	Renovation of apartment at The Ridgemont	$0
Countryside Assisted Living, LLC	18-9-11273-X	865 square foot addition to Berkeley Station Road site	$0

March 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
West Virginia University Hospitals, Inc.	18-6-11300-P	Mobile Lung Cancer Screening	$1,282,000.00
St. George Medical Clinic, Inc.	18-7-11298-X	On-site radiology services	$0
The Board of Child Care of the United Methodist Church, Inc.	18-9-11289-X	Addition of 10 licensed residential childcare beds	$0
McDowell County Alternative Sentencing Program	18-1-11296-X	Outpatient behavioral facility	$0
Stonerise Reliable Healthcare LLC	18-7/8-11305-Z	Expansion of Home Health Services	$10,000.00
St. Joseph's Hospital of Buckhannon, Inc.	18-7-11319-P	Podiatric Outreach Clinic - Flatwoods	$10,000.00
Appalachian Regional Healthcare, Inc.	18-1-11318-P	ARH gastroenterology	$80,410.00
Appalachian Regional Healthcare, Inc.	18-1-11317-P	ARH Beaver Family Clinic	$63,123.00
Tri-State Addiction Recovery Resources	18-2-11295-X	Outpatient behavioral health and substance abuse services	$0
EC Opco Martinsburg LLC	18-9-11292-X	Control change in licensed owner of Elmcroft	$0
Change, Inc.	18-11-11307-X	School-based health center in Brooke Co.	$0
Sugar Grove MBH-GA, LLC	18-8-11316-X	28-day residential drug treatment program	$0
Lots of Hearts Home Care, LLC	18-3-11325-Z	In home health care agency	$10,000.00
LifeChangers Outreach d/b/a LifeChangers Outreach, Inc.	18-1-11315-X	Residential and outpatient behavioral health and substance abuse center	$0
Hometown Care, LLC	18-6-11334-PC	Hometown Care Personal Care Services	$1,500.00

April 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
St. Joseph's Hospital of Buckhannon, Inc.	18-7-11335-P	Podiatric Outreach Clinic – Weston	$10,000.00
Jackson General Hospital	18-5-11336-P	Clinic at Fruth Pharmacy	$80,000.00

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Discovery Ridge Recovery Center	18-5-11322-X	Substance abuse treatment and behavioral health services	$0
Rainelle Medical Center, Inc.	18-4-11312-X	School based health services at Ansted Elementary	$0
Rainelle Medical Center, Inc.	18-4-11313-X	School based health services at Ansted Middle	$0
St. Mary's Medical Center	18-2-11327-X	Conversion of medical beds to ICU beds	$0
United Hospital Center, Inc.	18-7-11343-P	UHC Cardiology at Elkins	$34,000.00
Sweetbriar Assisted Living, LLC	18-3-11324-X	Acquisition of existing assisted living facility	$0
Recover Together, Inc. d/b/a Groups	18-1-11331-X	Office based medication-assisted treatment program	$0
New Hope Counseling Inc..	18-2-11328-X	School-based behavioral health services	$0
KVC Behavioral Healthcare West Virginia, Inc.	18-5-11321-X	Expansion of Jackson KVC	$0
Recover Together Inc. d/b/a Groups	18-6-11332-X	Office based medication-assisted treatment program	$0
New Living Youth Services, LLC	18-3-11329-X	Behavioral health/substance abuse facility for children ages 10-17	$0
Claire-Frances Health Services LLC (Infusion Solutions)	18-3-11347-P	Ambulatory Infusion Center	$15,366.39
East Mountain Health Advantage, Inc.	18-9-11348-P	Spring Mills medical office building	$16,988,000.00
Elder Aide d/b/a Right at Home	18-3-11353-Z	Provision of Home Health Services	$10,000.00
CSI Community Services, Inc.	18-3-11366-PC	Personal care services	$0
Bridgeport AL Investors, LLC	18-3/6-11323-X	Assisted living facility	$0
War Memorial Hospital, Inc.	18-9-11352-P	Establishment of Therapy Services Morgan Co., WV	$94,000.00

May 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
The Renovo Center LLC	18-9-11350-X	Outpatient behavioral health and substance abuse services	$0
Diversified Assessment & Therapy Services	18-2/3/4-11344-X	Licensed behavioral health office	$0
Rainelle Medical Center, Inc.	18-1-11340-X	School based behavioral health services	$0
Rainelle Medical Center, Inc.	18-1-11341-X	School based behavioral health services	$0
University Physicians & Surgeons, Inc. d/b/a Marshall Health	18-2-11345-X	Pro-Act behavioral health center	$0
University Physicians & Surgeons, Inc. d/b/a Marshall Health	18-2-11346-X	Project Hope residential behavioral health center	$0
WomenCare, Inc. d/b/a FamilyCare Health Centers	18-3-11363-X	School based health center at Capital HS	$0
Guardian Elder Care at Fairmont, LLC	18-6-11365-X	Change of ownership	$0
Rainelle Medical Center, Inc.	18-4-11364-X	School based primary care services at Davis Stuart	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Wirt County Health Services Association, Inc. d/b/a Coplin Health Systems	18-5-11354-X	Expansion of community-based nonprofit organization	$0
Lots of Hearts Home Care, LLC	18-3-11372-Z	In home health care agency	$10,000.00
Community Care of West Virginia, Inc.	18-7-11359-X	Primary care services of Community Care of Weston, II	$0

June 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Charleston Hospital, Inc. d/b/a Saint Francis Hospital	18-3-11369-X	Medication Assisted Treatment Program	$0
Hospital Development Company d/b/a Roane General Hospital	18-5-11377-H	Ambulatory Care Services Renovation	$19,000,000.00
St. Joseph's Hospital of Buckhannon, Inc.	18-7-11393-P	Podiatric Outreach Clinic - Elkins	$10,000.00
Recover Together Inc. d/b/a Groups	18-3-11384-X	Office based medication-assisted treatment program near St. Albans	$0
Recover Together Inc. d/b/a Groups	18-4-11388-X	Office based medication-assisted treatment program near Summersville	$0
Recover Together Inc. d/b/a Groups	18-4-11386-X	Office based medication-assisted treatment program near White Sulphur Springs	$0
Recover Together Inc. d/b/a Groups	18-7-11387-X	Office based medication-assisted treatment program near Elkins	$0
Recover Together Inc. d/b/a Groups	18-2-11385-X	Office based medication-assisted treatment program near Logan	$0
Recover Together Inc. d/b/a Groups	18-6-11380-X	Office based medication-assisted treatment program near Clarksburg	$0
Recover Together Inc. d/b/a Groups	18-1-11381-X	Office based medication-assisted treatment program near Beckley	$0
Recover Together Inc. d/b/a Groups	18-10-11382-X	Office based medication-assisted treatment program near Wheeling	$0
Recover Together Inc. d/b/a Groups	18-6-11383-X	Office based medication-assisted treatment program near Morgantown	$0
Ten Up Ministries, Inc. d/b/a The Anchor Project	18-3-11376-X	Substance abuse treatment program in Charleston	$0
Potomac Valley Hospital	18-8-11397-P	Relocation of Wound Care and Diabetic Education	$48,000.00

July 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
New Martinsville Propco, LLC	18-10-11400-X	Skilled nursing facility Wetzel County	$0
Glenville Propco, LLC	18-7-11399-X	Skilled nursing facility Gilmer County	$0
Road To Recovery, LLC	18-5-11394-X	Office based medication-assisted treatment program	$0
WomenCare, Inc. d/b/a FamilyCare Health Centers	18-3-11396-X	School based health center at Stonewall Jackson Middle School	$0

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Pleasant Valley Hospital, Inc.	18-2-11391-X	Conversion of 18 acute care beds to swing beds	$0
Potomac Valley Hospital	18-8-11398-X	Conversion of 4 licensed medical-surgical/swing beds to ICU beds	$0
Ronceverte Physician Group, LLC	18-1/4-11402-P	Acquisition of Greenbrier Valley Urology Associates	$815,000.00
War Memorial Hospital, Inc.	18-9-11404-P	Outpatient Rehabilitation Services	$10,000.00
Bluefield Clinic Company, LLC	18-1-11410-P	Bluefield Surgical Services	$100,000
West Virginia University Hospitals, Inc.	18-11411-P	Mobile Lung Cancer Screening	$1,282,000.00

August 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Moundsville Center, LLC	18-10-11379-X	Acquisition of licensed operations of Mound View Health Center	$0
Hometown Care	18-6-11418-PC	Personal care services	$1,500.00
G and G, Inc.	18-9-11417-A	Acquisition of Martinsburg Institute, Inc.	$4,000,000.00
Chesapeake Healthcare Center, LLC	18-3-11419-P	Ambulatory/Primary Care Component	$9,000.00
The Evangelical Lutheran Good Samaritan Society, Inc. d/b/a Good Samaritan Society	18-7-11416-P	Provision of outpatient therapy services	$16,000.00
Raleigh General Hospital	18-1-11424-P	Raleigh General GI Practice	$50,000.00
RegionalCare Hospital Partners Holdings, Inc.	18-1/2-11425-A	Acquisition of LifePoint Health, Inc.	$350,000,000.00
Service Station LLC	18-1/2/3/5-11426-BH	IDD Waiver Behavioral Health Center	$10,000.00
Personal Touch Home Care of W. Va., Inc.	18-2-11421-Z	Home Health Services in Cabell and Wayne County	$30 million line of credit
Herbert J. Thomas Memorial Hospital Association	18-3-11405-X	Development of Neonatal Transitional Unit	$0
Chappell Holding Company LLC	18-10-11401-X	Acquisition of owner of real property/equipment of MVHC	$0
West Virginia University Hospitals, Inc.	18-6-11431-H	Heart Transplant Services	$1,150,000.00
West Virginia University Hospitals, Inc.	18-6-11429-H	Kidney Transplant Services	$50,000.00
Chesapeake Healthcare Center, LLC	18-3-11403-X	Office-based medication assisted treatment program	$0
Synergy Health, Inc.	18-3-11407-X	Behavioral health outpatient services	$0
West Virginia University Hospitals, Inc.	18-6-11408-X	Reconfiguration of psychiatric beds	$0
Crittenton Services, Inc.	18-3-11415-X	Behavioral health services	$0
Camden on Gauley Medical Center, Inc.	18-4-11422-X	Substance abuse services in Summersville, WV	$0
Reynolds Memorial Hospital, Inc.	18-10-11414-X	Mobile lithotripsy services	$0
Bishop Maplewood Lessee LLC	18-6-11420-X	Change in ownership of Brooksdale Maplewood	$0
WomenCare, Inc. d/b/a FamilyCare Health Centers	18-3-11412-X	New health center site	$0

September 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Berkeley Medical Center	18-9-11435-P	Spring Mills outpatient rehabilitation services	$285,000.00
Charleston Area Medical Center, Inc.	18-3-11434-P	Ambulatory health care facility	$277,740.00
Community Care of West Virginia, Inc.	18-7-11430-X	Primary care services at WV Wesleyan College	$0
West Virginia University Hospital, Inc.	18-7-11436-A	Acquisition of Braxton County Memorial Hospital	$12,500,000.00
Community Health Systems, Inc. d/b/a AccessHealth	18-1-11423-X	Internal medicine clinic	$0
Wheeling Hospital	18-10/11-11440-A	Home Health Agency operated by Alternative Home Health, Inc.	$1,420,000.00
Diversified Assessment & Therapy Services	18-2-11454-BH	ICF/IID Group Home	$23,000.00
Diversified Assessment & Therapy Services	18-3-11455-BH	ICF/IID Group Home	$32,000.00
RSCR West Virginia, Inc.	18-3-11446-BH	ICF/IID – Kanawha County Group Home 2	$45,000.00
RSCR West Virginia, Inc.	18-3-11444-BH	ICF/IID – Kanawha County Group Home 1	$45,000.00
RSCR West Virginia, Inc.	18-3-11443-BH	ICF/IID – Putnam County Group Home	$45,000.00
RSCR West Virginia, Inc.	18-7-11445-BH	ICF/IID – Barbour County Group Home	$45,000.00
VOCA Corporation of West Virginia, Inc.	18-1-11442-BH	ICF/IID – Wyoming County Group Home	$45,000.00
VOCA Corporation of West Virginia, Inc.	18-1-11441-BH	ICF/IID –Summers County Group Home	$45,000.00
Starlight Behavioral Health	18-3-11447-BH	4 Bed Adult Transitional ICF/IID Group Home	$124,000.00
Starlight Behavioral Health	18-3-11448-BH	4 Bed Adult Transitional ICF/IID Group Home	$124,000.00
REM West Virginia, LLC	18-4-11449-BH	ICF/IID 4 bed facility	$200,000.00
REM West Virginia, LLC	18-11-11450-BH	ICF/IID 4 bed facility	$200,000.00
REM West Virginia, LLC	18-3-11451-BH	ICF/IID 4 bed facility	$200,000.00
REM West Virginia, LLC	18-9-11452-BH	ICF/IID 4 bed facility	$200,000.00
REM West Virginia, LLC	18-3-11453-BH	ICF/IID 4 bed facility	$200,000.00
Valley Health Systems, Inc.	18-2-11432-X	Provider Response Organization for Addition Care and Treatment	$0
Rainelle Medical Center, Inc.	18-4-11437-X	New FQHC site in Greenbrier Co.	$0
Personal Touch Home Care of W.Va., Inc.	18-6/7-11459-Z	Home Health Services	$64,000.00
Personal Touch Home Care of W.Va., Inc.	18-9-11458-Z	Home Health Services	$47,000.00

October 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
United Hospital Center, Inc.	18-6-11462-P	Fairmont Oncology	$153,500.00
New Horizons Therapy Services, LLC	18-3-11457-X	Behavioral health services	$0
Charleston Area Medical Center, Inc.	18-3-11463-P	Ambulatory health care facility	$2,438,000.00
Charleston Area Medical Center, Inc.	18-5-11464-P	Ambulatory health care facility	$700,000.00
Providence Holdings, LLC	18-2-11465-X	Acquisition of Fairhaven OpCo, LLC	$0
Wetzel County Hospital Association	18-10-11470-P	New Martinsville Family Medicine	$15,000.00

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Prompt Care, Inc.	18-1-11471-A	Acquisition of physician owned facility from estate	$400,000.00
Sandord	18-7-11461-X	Affiliation with The Evangelical Lutheran Good Samaritan Society	$0
Hospice Care Corporation d/b/a West Virginia Caring	18-4/5/6/7/10-11472-A	Removal of Corporate Member	$7,400,000.00
CTR Partnership, L.P.	18-2-11469-X	Acquisition of real property Madison Park Healthcare	$0

November 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Safe Haven Care Services, LLC	18-1/2/3/4/5/7-11480-BH	Provide individuals with intellectual and development disabilities	$1,500.00
Fresenius Medical Care HIMG Dialysis Center, LLC d/b/a FMC River Hills	18-11485-R	Expand existing facility by adding four dialysis stations	$491,420.00
Camden-Clark Memorial Hospital Corporation Camden-Clark Physician Corporation	18-5-11487-P	WVU Medicine Specialty Clinic and Diagnostic Center	$166,000.00
Lifeline Addiction Psychiatric and Wellness Clinic	18-4-11473-X	OMBAT program/outpatient mental healthcare center	$0
Mercer Nursing & Rehabilitation Center, LLC	18-1-11482-X	Acquisition/relocation of beds from McDowell Nursing	$0
Bridgeport Health Care Center, LLC	18-6-11483-X	Acquisition/relocation of beds from Taylor Health Care Center	$0
West Virginia University Hospitals, Inc.	18-6-11478-X	Construction of parking garage near hospital campus	$0
Board of Child Care of the United Methodist Church, Inc.	18-9-11492-X	Behavioral health services	$0
Ten Up Ministries, Inc. d/b/a The Anchor Project	18-3-11376-X	Substance abuse treatment program	$0
Dumas Psychology Collective, LLC	18-1-11496-X	Licensed behavioral health center	$0
Camden on Gauley Medical Center, Inc.	18-4-11474-X	Camden Family Health School-Based Health Center	$0
Princeton Community Hospital Association, Inc.	18-1-11504-P	Ambulatory Health Care Facility	$75,000.00
Williamson Health & Wellness Center, Inc.	18-2-11489-X	Satellite clinic in Mingo County, WV	$0

December 2018

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Stonerise Reliable Healthcare LLC	18-8/9-11510-Z	Expansion of Home Health Services	$10,000.00
Stonerise Reliable Healthcare LLC	18-9-11512-Z	Expansion of Home Health Services	$60,000.00
Stonerise Reliable Healthcare LLC	18-8-11511-Z	Expansion of Home Health Services	$10,000.00
Fresenius Medical Care Kanawha County	18-3-11513-R	Expand facility by adding four dialysis stations	$394,274.00
Reynolds Memorial Hospital	18-10-11518-H	Primary PCI services	$10,000.00
ABBE Education and Staffing, LLC	18-2-11521-Z	In-home personal care services	$100,000.00

FACILITY	CON NO.	REQUEST	CAPITOL EXPENDITURE
Prompt Care, Inc.	18-1-11519-P	Acquisition of physician owned private practice care facility from estate of non-physician	$400,000.00
Charleston Area Medical Center, Inc.	18-3-11520-P	Ambulatory care facility in South Charleston, WV	$277,740.00
Phoenix Guarantor Inc. Phoenix Intermediate Holdings Inc. Phoenix Parent Holdings Inc.	18-WV-11522-A	Acquisition of Onex ResCare Holdings Corp.	$90,240,000.00

CONSUMER SERVICE DIVISION

The Consumer Service Division is responsible for the review of facts surrounding complaints received against insurance companies, adjusters, and agents. It is the Division's aim to evaluate the facts of each complaint received to ensure compliance with West Virginia's insurance laws and the insurance contract in question. The Division attempts to facilitate a fair resolution to each complaint and a better understanding among the parties of their rights and responsibilities.

The Division also educates the public regarding insurance topics through presentations at schools, civic organizations and events. The Division staff identifies problem areas and trends by collecting information gathered from complaints. It performs research and surveys about areas that need special attention. The Division is thus uniquely able to inform the Insurance Commissioner, lawmakers and other policymakers and officials about the potential or likely impact of decisions on insurance consumers.

ORGANIZATION AND ACTIVITIES

The Consumer Service Division is comprised of eight (8) Insurance Complaint Specialists and three (3) Insurance Complaint Specialist Supervisors who serve as liaison personnel between the insurance industry and insureds, two (2) Clerical Staff, one (1) Secretary, and a Director.

The Division receives consumer inquiries by mail, webmail, email, telephone, an online complaint form, and walk-in visits from the public. A complaint file is set up for each written inquiry. A total of 1,836 written inquiries were received by the Division in 2018. In addition, there were 154 walk-in clients and and the Division fielded 24,794 telephone calls, of which the clerical staff handled 58 walk-in clients for other divisions and 8,514 telephone calls. On average, the Division handles 103 consumer inquiries of all types each day. In 2018, complaint files were concluded in an average of 32 days.

The Consumer Service Division handled 260 third party liability complaints during 2018. 151 of these were not resolved during the statutory 60-day cure period resulting in those files being referred to the Legal Division for a determination of merit.

The Division participated in the Insurance Commissioner's Public Outreach Initiative by attending fairs, festivals, presentations and other events, reaching more than 70,000 consumers.

CONSUMER SERVICE DIVISION
COMPLAINTS
CALENDAR YEAR 2018

Files Opened 1,836

Life, Accident and Sickness 854

Property and Casualty 736

Workers' Compensation 246

Telephone Activity 24,794

Life, Accident and Sickness 6,006

Property and Casualty 6,587

Workers' Compensation. 3,687

Clerical 8,514

Office Visits 154

Life, Accident and Sickness 49

Property and Casualty. 37

Workers' Compensation 10

Clerical (Other Divisions) 58

CONSUMER SERVICE COMPLAINTS
CALENDAR YEAR 2018

PROPERTY AND CASUALTY COMPANIES WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
Erie Insurance Property and Casualty Company	86
State Farm Mutual Automobile Insurance Company	84
State Farm Fire and Casualty Company	31
Allstate Property and Casualty Insurance Company	26
Safeco Insurance Company of America	26
Allstate Insurance Company	25
Progressive Max Insurance Company	18
Nationwide Insurance Company of America	16
Nationwide Mutual Insurance Company	16
Farmers and Mechanics Mutual Insurance Company Of WW	14
Westfield Insurance Company	13
GEICO Advantage Insurance Company	11
LM Insurance Corporation	11
Trumbull Insurance Company	11
GEICO General Insurance Company	10
15 Companies	398 Complaints

WORKERS' COMPENSATION COMPANIES AND THIRD PARTY ADMINISTRATORS WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
Sedgwick Claims Management Services, Inc.	37
HealthSmart Benefit Solutions, Inc.	16
Gallagher Bassett Services, Inc.	13
New Hampshire Insurance Company	13
American Zurich Insurance Company	12
BrickStreet Mutual Insurance Company	12
6 Companies	103 Complaints

LIFE, ACCIDENT AND SICKNESS COMPANIES AND HEALTH MAINTENANCE ORGANIZATIONS WITH TEN OR MORE COMPLAINTS

COMPANY NAME	# COMPLAINTS
Highmark West Virginia Inc.	120
CareSource West Virginia Co.	59
Humana Insurance Company	45
American General Life Insurance Company	38
UnitedHealthcare Insurance Company	33
PEIA	31
Transamerica Premier Life Insurance Company	29
Coventry Health and Life Insurance Company	18
West Virginia Family Health Plan, Inc.	18
WV Dept Of Health and Human Resources	18
Aetna Life Insurance Company	17
Centers for Medicare & Medicaid Services (CMS)	13
Lincoln National Life Insurance Company	13
Prudential Insurance Company Of America	13
UniCare Health Plan Of West Virginia, Inc.	13
Globe Life and Accident Insurance Company	12
Washington National Insurance Company	12
American Income Life Insurance Company	11
Bankers Life & Casualty Company	11
Cigna Health and Life Insurance Company	11
Health Insurance Innovations	11
The Health Plan of West Virginia, Inc.	11
Western and Southern Life Insurance Company	10
23 Companies	567 Complaints

TOP FIVE INSURANCE COVERAGE TYPES FOR COMPLAINTS

COVERAGE TYPES	# COMPLAINTS
Individual Accident and Health	733
Private Passenger Auto	448
Workers' Compensation	259
Individual Life and Annuity	249
Group Accident and Health	215
5 Coverage Types	1,904 Complaints

TOP FIVE INSURANCE REASONS FOR COMPLAINTS

COMPLAINT REASONS	# COMPLAINTS
Accident and Health Claim Handling - Denial of Claim	246
Workers' Compensation Claim Handling - Delays	145
Life and Annuity Policy Holder Service - Coverage Question	121
Auto Claim Handling - Denial of Claim	110
Auto Claim Handling - Delays	95
5 Complaint Reasons	717 Complaints

EMPLOYER ACCOUNTS DIVISION (WORKERS' COMPENSATION)

In 2018 the Employer Accounts Division was created from the combination of three (3) units that were previously separate but similar in function. The Employer Accounts Division is responsible for the workers' compensation regulation of West Virginia employers. The Employer Accounts Division includes the following units:

- Employer Coverage Unit - ensures employers are compliant with current workers' compensation laws as they relate to requirements for coverage.

- Revenue Recovery Unit – imposes and collects fines from uninsured employers not compliant with mandatory workers' compensation laws.

- Self-Insurance Unit – regulates self-insured employers and ensure compliance with West Virginia Code as well as monitor employers who no longer self-insure but continue to administer claims incurred during their periods of self-insurance.

EMPLOYER COVERAGE UNIT

The Employer Coverage Unit consists of a team of four. This Unit works with West Virginia employers to ensure they are compliant with current workers' compensation laws as they relate to requirements for coverage.

The Unit has three primary functions. The first function focuses on compliance. The Unit verifies current coverage for other agencies and governmental bodies. They also try to ensure all employers required to carry workers' compensation comply with the law. This is done by extracting expired policy data provided by the National Council on Compensation Insurance (NCCI) and comparing to other agency information to determine if coverage is needed. If an employer is found to be non-compliant, the Unit sets up a system account to assess the employer a fine. In 2018, the Unit was responsible for setting up 490 of these accounts. These fines are related to Code § 23-2C-8(d)(3), the Workers' Compensation Uninsured Employers Fund.

The Unit also has the task of insurer compliance with the Proof of Coverage (POC) system. Insurers that fail to report timely as required by the POC guidelines are reported to OIC Legal for further review.

The second primary function of the Unit relates directly to the Uninsured Employers' Fund. The Unit serves as the entry point of contact for the processing of workers' compensation claims filed by employees of West Virginia employers that are uninsured. These claims are governed by Title 85 Series 8 of the Code of State Regulations, The Workers' Compensation Uninsured Employers' Fund. This Fund was established to provide a safety net for workers who are injured while working for an employer illegally operating without workers' compensation coverage. Once a claim is accepted into the Fund, the employer is responsible for reimbursement to the Fund for all monies paid on their behalf.

The third function of the Unit is to review requests for exemptions from coverage from employers and make appropriate determinations of exemption. State law does not require that exempt employers file for an exemption, but many do because of local governments, individuals or contractors requiring proof that an employer has coverage or meets the criteria for being exempt before they begin a job. In these cases, the Employer Coverage Unit issues letters of opinion to employers stating whether they are required to carry workers' compensation insurance under current law. This function relates directly to Title 85, Series 8 of the Code of State Regulations, Workers' Compensation Policies, Coverage Issues and Related Topics.

In 2018, the Unit processed 1,856 exemption applications, of which 1,608 exemptions were granted. These exemptions were entered into the West Virginia Offices of the Insurance Commissioner's Proof of Coverage (POC) system in order to include these employers for automated compliance purposes. In addition to providing public support for coverage verification, the Unit is responsible for maintaining the POC system which is widely used for statutory coverage verification.

The unit works hand in hand with the Revenue Recovery Unit and the OIC's Legal Division to identify and fine employers not carrying the mandatory coverage.

Employer Exemption Statistics			
CY2018	New Exemptions Issued	Renewals Granted	Total Exemptions Issued
Jan-18	31	98	129
Feb-18	31	91	122
Mar-18	39	118	157
Apr-18	48	115	163
May-18	51	133	184
Jun-18	33	111	144
Jul-18	46	93	139
Aug-18	44	120	164
Sep-18	85	105	190
Oct-18	49	84	133
Nov-18	42	41	83
Dec-18	0	0	0
Total	499	1,109	1,608

CY2018 Exemption Summary	
Total Exemptions Issued	1,608
Total Denials	248
Number of Applications Received	1,856

CY2018 Statistics	
Activity	Total
Phone Calls	3,940
Compliance Requests Completed	2,144
DOL Reports Investigated	440
Uninsured Employer Account Set-ups	490
Walk-Ins	301
Uninsured Claims Received	10

REVENUE RECOVERY UNIT

The Revenue Recovery Unit is responsible for the following:

- Collection of fines imposed on employers who fail to maintain mandatory workers' compensation coverage
- Collection from the employer when reimbursement is due the Uninsured Employer's Fund (UEF) for workers' compensation claims paid by the UEF
- Collection from the employer of all monies due to the Old Fund

The Unit contacts employers that have defaulted on their workers' compensation premium payments, and may take actions such as:

- Placement of employer on the Employer Violator System (EVS), and the Defaulted Employer Database
- Compliance Posting (notice to inform employees of the employer's default on workers' compensation coverage)
- File liens (for fines owed) against the business and its individual owners, officers, partners or members
- Request revocation of state issued licenses
- Seek to enjoin the employer's operations

The Revenue Recovery Unit also works with the Insurance Commission's Regulatory Compliance (Legal) Division and with the Employer Coverage Unit to enforce employer compliance with West Virginia workers' compensation laws and regulations.

DEFAULT NOTIFICATIONS AND EMPLOYER CONTACT

The Unit sends letters of notification to all employers that are reported as not having mandatory workers' compensation insurance. In 2018, there were 1,600 such notices sent to employers. There were over 9,200 contacts, both by telephone and in-person, between Revenue Recovery and uninsured employers.

EMPLOYER VIOLATOR SYSTEM (EVS)

The Unit reviews all employers reported to not have workers' compensation insurance and places the uninsured employer and its individual owners, officers, partners or members of the business on the EVS listing. This electronic report allows other state agencies to search for and identify a business and the individual officers, owners, partners or members associated with the business that may apply for other state licensure or permits. If the employer and its associated individual owners, officers, partners or members are on EVS, other agencies may not grant licensure or permits until the default is cured and the business is appropriately insured. In 2018, there were an average of 2,600 businesses along with the individual owners, officers, partners and members listed on EVS every month.

LIENS, INJUNCTIONS, AND REGULATORY COMPLIANCE

Liens are filed when an employer has not cured the fine caused by defaulting on its workers' compensation obligations and the lien releases are filed when the debt owed is cured. The Unit prepared and mailed 811 liens to the West Virginia county clerks in 2018. The liens were placed on the businesses as well as the individual owners, officers, partners or the members of the business as is listed on the West Virginia Secretary of State's website. During the same timeframe, 288 lien releases were prepared and mailed to the county clerk offices.

SELF-INSURANCE

The Workers' Compensation Self-Insurance Unit is responsible for regulating 60 employers that currently self-insure their workers' compensation coverage in West Virginia and the 110 or so employers that no longer self-insure but continue to administer claims incurred during their periods of self-insurance. No companies were approved for self-insured status in calendar year 2018 nor during the first six months of 2019.

Self-insured employers in West Virginia self-administer their claims. Ordinarily, the employer hires a third-party administrator (TPA) to manage and process claims, although a small number of employers truly self-administer through an internal claim management department or a subsidiary company. Self-administration provides the self-insured employer with a greater degree of control over the claim management process than participation in guaranty cost or deductible programs.

Regulation of the self-insured employers focuses primarily on two areas: maintenance of the risk pools and annual financial condition reviews. W. Va. Code St. R. § 85-19-1 et seq. establishes two risk pools in which the self-insured employers participate: the Security Risk Pool that covers claims with dates of injury, last exposure or death prior to July 1, 2004 (the date self-administration began) and the Guaranty Risk Pool that covers claims with dates of injury, last exposure or death on or after July 1, 2004. Active and inactive self-insured employers participate in the pools dependent upon each employer's exposure base since self-insured employers are joint and severely liable for defaults of other self-insured employers. The purpose of the risk pools is to provide the means to pay claims for defaulted self-insured employers without placing the burden on the taxpayers of West Virginia.

Annual financial condition reviews require the employer to submit three years of audited financial statements which are analyzed to determine whether the employer's financial condition has declined over the past year. W. Va. Code St. R. § 85-18-1 et seq. identifies the benchmarks against which the financial statements are measured and defines deteriorating financial condition. Employers that do not pass the annual review and are deemed to be in a deteriorating financial condition are required to provide additional security to cover the claims that would be paid out of the Guaranty Risk Pool in the case of a default.

FINANCIAL ACCOUNTING DIVISION

The Financial Accounting (FA) Division is responsible for the preparation of the annual audited financial statements for the OIC which includes preparation of the trial balance, footnotes, required supplementary information, and other disclosures as required by Generally Accepted Accounting Principles (GAAP.) The FA Division works closely with consulting actuaries to assist with the annual reserve study of the OIC's claims liabilities. Work performed includes the preparation and coordination of data and the preliminary review and analysis of actuarial indications. The FA Division coordinates the information for the independent auditors and provides all supporting documentation for the financial statement.

The FA Division performs all daily cash management and investing activities of the OIC, and serves as the liaison with the Treasurer's Office, the Auditor's Office, the West Virginia Investment Management Board, and the Board of Treasury Investments. The FA Division monitors investment performance and performs monthly investment analysis for all invested assets held by the OIC.

Daily operations of the FA Division include accounts payable processing through the State's accounting system. The FA Division coordinates with the OIC's contracted Third Party Administrators and claims services to disburse the claims payments to beneficiaries of the insurance programs administered by the OIC, including the workers' compensation related funds. The FA Division is also responsible for handling and processing all agency cash receipts processing for all units of the OIC through the State's accounting system and for depositing all non-lockbox checks with the Treasurer's Office.

The FA Division prepares and submits the OIC annual budget and budget narrative, as well as the appropriation and expenditure schedules as required for all OIC funds. The FA Division prepares and monitors budgets for fourteen separate OIC funds. An analysis of budget to actual expenditures is also prepared and analyzed.

The FA Division prepares and distributes monthly financial reports to the Commissioner. The OIC funds reported on a monthly basis consist of the Old fund, the State Entities Workers' Compensation fund, the Coal Workers' Pneumoconiosis fund, the Self-Insured Guaranty fund, the Self-Insured Security fund, the Uninsured fund, the Operating fund, the AccessWV fund, the Consolidated Federal funds, and the Closed Estate fund. These reports are used for internal analysis and for use at legislative interim meetings.

The FA Division is responsible for the management and administration of federal funds for the agency including preparation of required reports and the drawing down of funds on the federal payment management system.

The Tax Unit in the FA Division is responsible for ensuring that insurance companies and brokers operating in West Virginia report and pay the appropriate taxes levied by West Virginia statutes. This process involves the reconciliation of companies' quarterly reports and payments to their year-end tax returns. This function also includes the tracking and collection of taxes generated by the surplus lines market. Surplus lines refer to business placed with companies that are not admitted in West Virginia. This occurs when certain lines of business are not readily available with companies licensed in West Virginia. Coverage is written with these surplus lines insurers by a licensed insurance broker that has obtained an excess lines broker's license from the Licensing and Education division. The surplus lines licensee must provide reports to the Tax Unit on individual policies written and remit the appropriate tax payment as detailed by the West Virginia Code.

FINANCIAL ACCOUNTING ACCOMPLISHMENTS FOR 2018 - 2019

- Received a fourteenth consecutive unmodified or “clean” opinion on the OIC’s financial statements.
- Performed year end work on an interim basis when possible to do so and greatly reduced the amount of time necessary for the completion of the annual financial statement preparation.
- Prepared and distributed monthly financial reports for all OIC funds on a timely basis.
- Prepared the annual budget an all related documents on a timely basis.
- Completed all tax audits (not awaiting hearing decisions) for calendar year 2017 on a timely basis.
- Achieved all formal staff training goals and objectives.

OFFICE OF INSPECTOR GENERAL FRAUD DIVISION

The Fraud Division was created under legislation passed by the Legislature during its 2004 regular session. The Fraud Division is responsible for facilitating a cooperative approach in the detection, investigation, and prosecution of insurance fraud, as well as making the public aware of insurance fraud and providing a way to report instances of suspected insurance fraud. Further, the Fraud Division is tasked with investigating persons suspected of engaging in insurance fraud and referring cases with merit to the appropriate authorities for criminal prosecution.

The Fraud Division currently consists of eighteen (18) allocated investigative positions, four (4) field supervisors, two (2) WV State Police Officers and ten (10) allocated analyst and support positions, and one (1) Director. Field Investigators currently occupy field offices in the following cities:

- Beckley
- Charleston
- Fairmont
- Martinsburg
- Parkersburg (closing in late 2019)
- Wheeling

The geographic locations of these field offices allow investigators to respond quickly to reports of alleged insurance fraud. It also allows investigators to foster relationships with local law enforcement and prosecutors upon whom the Fraud Division relies and works with to bring about successful prosecutions.

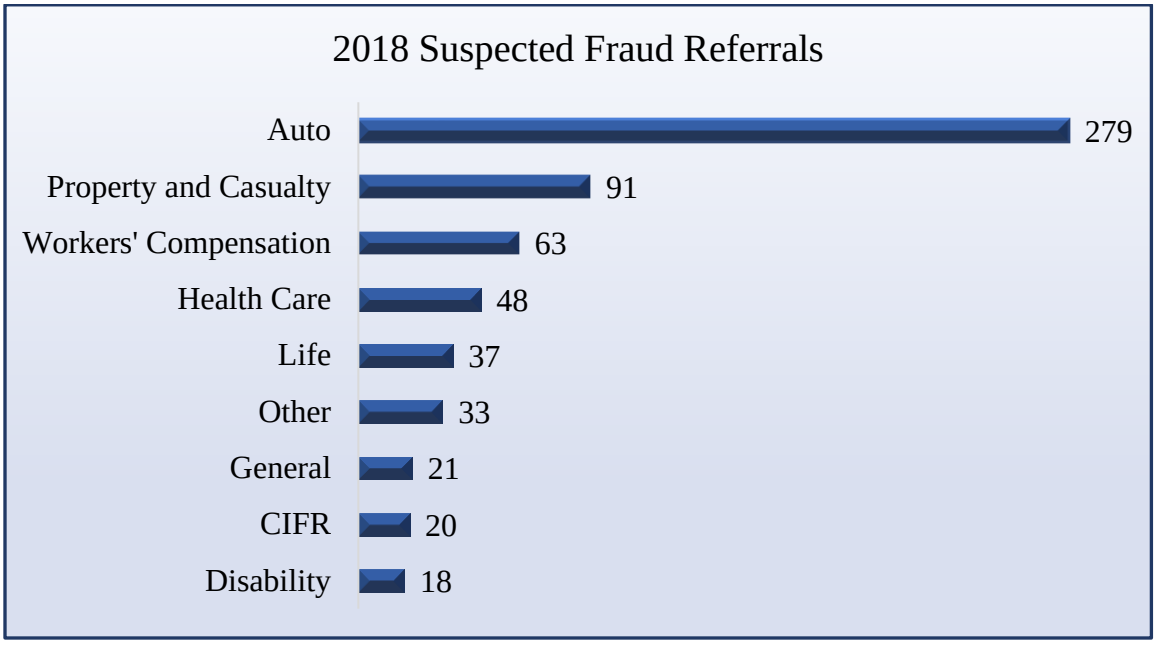
There are three ways in which the public and the insurance industry can report suspected insurance fraud to the Fraud Division:

- by calling toll free at 1-800-779-6853;
- online reporting at www.wvinsurance.gov;
- and by correspondence at P.O. Box 2901; Charleston, WV; 25301-2901.

The Fraud Division's case management and reporting application has been recognized as one of the premier systems in the Nation for its ability to manage cases, detect trends in fraud, and create investigative reports suitable for immediate presentation to prosecutors for review. It has also been designed to receive referrals directly from the online reporting function and is integrated with the National Association of Insurance Commissioners (NAIC) online reporting tool.

The Fraud Division has been proactive in its approach to educate the public on what constitutes insurance fraud as well as the costs associated with insurance fraud. A brochure explaining the types of fraud, what the penalties are and what happens when someone reports suspected fraud was developed and is given out at fairs and festivals across the State and is distributed to each West Virginia State Police Detachment. Additionally, representatives from the Division appear at various functions, events and meetings across the State, taking the message to the general public that insurance fraud is not a victimless crime, but one that victimizes everyone in the form of higher costs for goods and services.

The OIC's Fraud Division received 610 referrals or reports of suspected insurance fraud in 2018 from the insurance industry, the public and law enforcement. The following chart breaks down the referrals received:



In addition to these 610 referrals, investigators identified and opened an additional 143 criminal cases during the investigation of the initial referrals. Successful investigations resulting in prosecutions were conducted in numerous counties throughout the State. Prosecutions involved such activity as workers' compensation fraud; conventional insurance claimant fraud; staged motor vehicle crashes; fraudulent "slip, trip, and fall" claims against businesses; insurance fraud by means of arson; and embezzlement of policy holder premium funds by insurance industry personnel. Such successful prosecutions were the result of cooperation with local and state law enforcement agencies, county prosecutors, as well as the two (2) U.S. Attorney Offices. As a result of thorough investigations and well-prepared reports along with efficient case management of referrals, many successful prosecutions were realized. The Fraud Division completed 60 field investigations with reports submitted to State and Federal prosecutors which identified over $3.8 million in fraud and resulted in 210 felony indictments.

The Fraud Division Investigators maintained an average of two-hundred ten (210) open investigations throughout 2018. The Fraud Division opened twenty (20) cooperative investigations with, and at the request of, Federal and State agencies on various insurance fraud cases including arson, public corruption, falsified claims, staged accidents (crash rings), workers compensation and health care fraud. Cooperative Investigations often expand parameters of criminal investigations to include parallel insurance frauds.

HEALTH POLICY DIVISION

The Health Policy (HP) Division of the OIC was formed in 2009 to begin research for a Health Insurance Exchange. In September 2009, West Virginia was awarded the State Health Access Program (SHAP) grant by Health Resources and Services Administration (HRSA). The SHAP grant gave the State its initial ability to utilize resources for research and concept development for the State's health reform plans.

The HP Division also assists other OIC divisions in communications with the Federal government, interpretation of the ACA Federal statute and regulations, Qualified Health Plan (QHP) review and certification decisions throughout the process. The Division conducts annual training for agents and assisters on West Virginia QHP products to be offered each year. The HP Division is an available resource for QHP questions and training.

FEDERALLY FACILITATED EXCHANGE PARTNERSHIP

The Patient Protection and Affordable Care Act (ACA) was signed to law on March 23, 2010. Its stated purpose was to increase quality and affordability of health insurance and lower the uninsured rate by expanding public and private insurance coverage. The law introduced mandates, subsidies and insurance marketplaces. Each state was required to establish a Federal, a Partnership or a State Based Exchange.

In February 2013, West Virginia announced that it would become a Partnership state, meaning that the State has chosen to take on the functionalities of Consumer Assistance (through education and outreach) and Plan Management (prior approval on rates and forms) related to the Marketplace.

As a Partnership State, West Virginia consumers experience "The Marketplace" through the federal online portal at www.Healthcare.gov to compare information on available health plan options, enroll in health plans, and receive advanced premium tax credits (APTC) and cost sharing reductions (CSR), if financially eligible.

CONSUMER ASSISTANCE

The Consumer Assistance function required the State to develop an In-Person Assistance (IPA) program to help individuals with the enrollment process. The IPA is an impartial and free service to consumers. Primarily functioning as community-based outreach and education to ensure a smooth and seamless Marketplace experience. The IPA program was funded through federal grants for 2014 and 2015.

The Centers for Medicare and Medicaid Services (CMS) established the Certified Application Counselor (CAC) program for organizations that are community health centers or other health care providers, hospitals, non-federal governmental or non-profit social service agencies that would like to help by training their staff and volunteers to assist consumers. The CAC program is active throughout West Virginia.

Additional support provided directly to West Virginia from CMS includes Navigators. Through a review and application process at the federal level, various organizations competed for consideration as a State based Navigator. Each year since 2014, West Virginia has had one to three Navigator organizations that operate statewide to educate and enroll consumers in health insurance.

Licensed health insurance agents and brokers may enroll individuals in coverage through the Marketplace. Federal training and certification requirements apply to agents and brokers who enroll or assist consumers in the Marketplace. The OIC supplements the federal training with state specific training.

In addition to the Agents, IPAs, CACs and Navigators, the OIC's Consumer Service Division is available to assist consumers with health insurance.

PLAN MANAGEMENT

West Virginia is a prior approval state. This means policy rates, rules and forms must be approved by the West Virginia Insurance Commissioner prior to marketing plans to West Virginia consumers. W. Va. Code §33-6-8, 33-15-1b and 33-16B-1, is the primary authority for West Virginia to review and recommend Qualified Health Plans (QHPs) for certification.

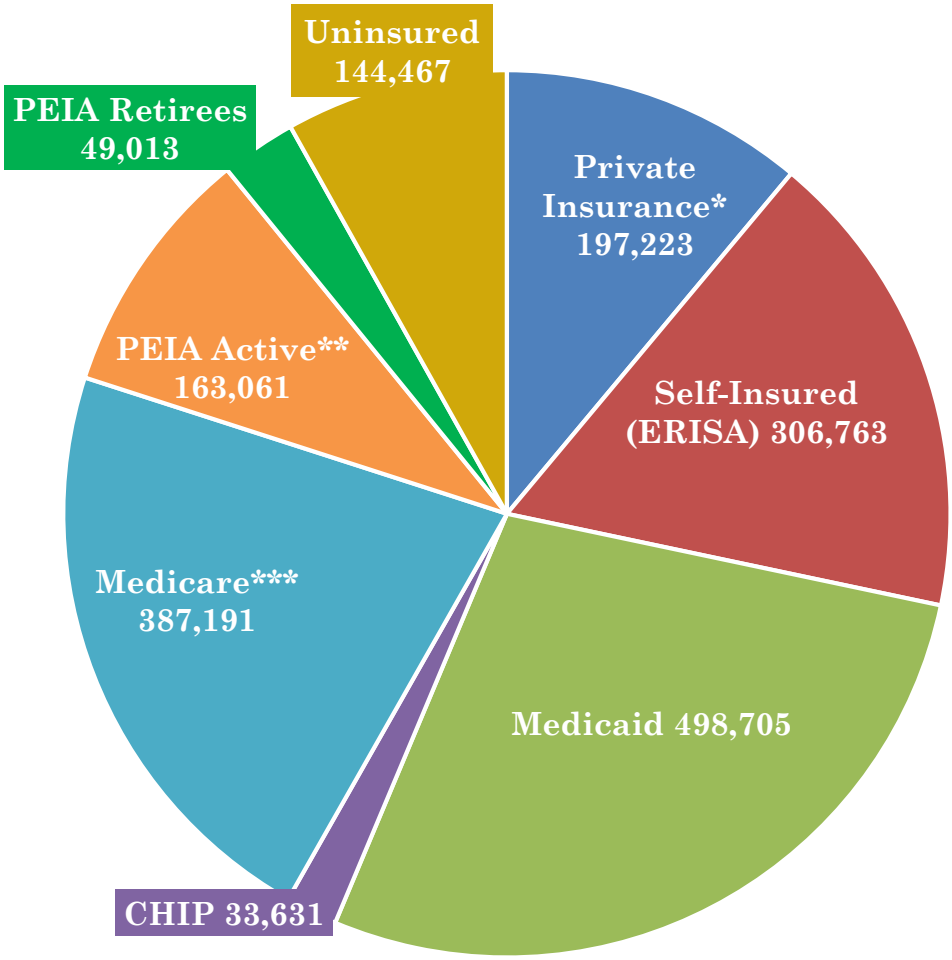
Once the plans are reviewed and approved at the OIC level, QHPs being offered "Off Marketplace" receive final approval from the State. The QHP plans to be offered "On Marketplace" are sent to CMS/HHS. CMS/HHS then reviews the plan and finalizes it as a "Certified QHP" to be a Marketplace plan listed on www.Healthcare.gov. Upon certification, contracts are sent from CMS to each issuer to sign to have their plans on the Marketplace.

The certified QHPs offered through the Marketplace at www.Healthcare.gov, enable individuals who qualify to receive APTCs and cost sharing reductions. QHPs purchased "Off" Marketplace are available for individuals to purchase, but do not allow for APTCs or cost sharing.

WEST VIRGINIA MARKETPLACE ENROLLMENT FOR 2014 - 2018

	2014	2015	2016	2017	2018
Received Advanced Premium Tax Credits (APTC)	87%	87%	88%	84%	86%
Received Cost Sharing Reduction (CSR) Payments*	56%	54%	52%	59%	55%
Did not receive premium assistance	13%	13%	12%	16%	14%
Total Enrollment	19,856	33,421	37,284	34,045	27,409

* All that received CSRs also received APTCs



2018 Population in West Virginia 1,805,832 (as of July 1, 2018)
*The WVOIC regulates 284,954 insurance policies (197,223 Private Policies + 87,731 Medicare Supplement Plans).
**The PEIA Active number does not include PEIA members insured under The Health Plan (6,786) These members are included in the private insurance number (as of December 31, 2018)
***Medicare has 300,595 in traditional Medicare + 135,609 Medicare Advantage Plans = 436,204 – 49,013 (PEIA Retirees in Medicare Advantage) = 387,191 (as of December 31, 2018)

TIMELINE FOR HEALTH POLICY DIVISION

2009

- Established the Health Policy Division
- Continued AccessWV that was launched July 2005

2010

- March 23, 2010 the Patient Protection and Affordable Care Act (ACA) became law.
  - Some provisions that went to effect in 2010
    - Children could stay on their parent's health plans to age 26
    - Prohibition on Preexisting Condition Exclusions for children
    - Prohibition against rescissions once an enrollee is covered under a group or individual plan.
    - No lifetime limits
    - First dollar coverage of preventive services
    - Disclosure of justifications for premium increases
    - Small business tax credits available
- September 20, 2010 received the Planning and Establishment Grant (PEG) for $1,000,000
  - Contracted with outside companies to help with research to establish a state exchange.
  - Health Policy staff included: Director, research specialist, 2 policy analysts and a secretary.

2011 - 2012

- Medical loss ratios with rebates
- August 13, 2011 received the Level 1 Establishment Grant for $9,667,694
- Continued research for an exchange, policy provisions, loss ratios, community rating etc.
- Consumer Assistance - research to set up an In-Person Assistance program to help enroll and educate WV consumers. Continue holding Stakeholder Meetings to received input from all stakeholders.
- Plan Management – SERFF updates made, work with issuers on QHP certification and SERFF enhancements

2013

- May 2, 2013 Governor Tomblin signed into law Medicaid Expansion starting January 2014
- July 9, 2013 received Level 1, Grant II for $10,165,134 to fund the IPA program for WV
- Issued RFP for administration of IPA program
  - Selected Maximus for IPA contract
    - Total of 160 IPAs were hired, some under Maximus direct management and others from 6 entities that were selected to receive funding
- CMS awarded Navigator Organization contracts which employed a total of 8 Navigators
- 90 Organizations registered to be Certified Application Counselors (CACs)
- Health Policy worked with Maximus to train the IPAs
- Health Policy also held training for insurance agents in Charleston and Huntington
- October 1, 2013 Open Enrollment 1 (OE1) started for an effective date of January 1, 2014

2014

- OE1 continued through March 31, 2014
- Medicaid Expansion started
- Provision effective January 2014
    - Guaranteed Issue
    - No Pre-Existing condition exclusions for adults
    - Rating rules
    - Essential benefits
    - Advanced Premium Tax Credits (APTCs) for individuals
    - Individual Mandates
    - Risk Adjustment, Reinsurance, Risk Corridors
- Additional changes
    - Subsidies for small businesses (under 25 employees)
    - Employer mandates
    - Co-Op Plans and Multistate Plans
- April 1, 2014 all AccessWV policyholders moved to other programs (Medicare, Medicaid or ACA plan) and AccessWV closed
- November 15, 2014 OE2 began

2015

- OE2 continued through February 15, 2015
- Contract with Maximus continued through July 1, 2015 for IPA management
- CareSource received their Certificate of Authority (COA) to sell in 10 counties in WV
- Funding was provided to the IPA Entities that wished to extend their contract through December 31st.
- Training was provided to the agents and assisters before OE3 began
- November 1, 2015 OE3 began

2016

- OE3 continued through January 31,2016
- The Navigators, CAC's continued assisting consumers in WV
- November 1, 2016 OE4 began with Highmark WV in all counties and CareSource in 32 counties

2017

- OE4 continued through January 31, 2017
- The Navigators, CAC's continued assisting consumers in WV
- OE5 (2018 enrollment) was only six weeks, November 1, 2017 – December 15, 2017
- Both CareSource and Highmark continued to sell in the same counties as in 2016
- The Federal Government discontinued the Cost Sharing Reduction (CSR's) payments to the Marketplace insurance companies in September. The Marketplace insurance companies in West Virginia increased their 2018 premiums by approximately 10% to make up for the lost funding.
- On December 22, 2017 the Tax Cuts and Job Acts (TCJA) was approved. This Act eliminates the individual mandate effective January 1, 2019.

2018

- OE5 (2018 open enrollment) only lasted 45 days. Previous enrollment periods were 90 days. The enrollment period was November 1, 2017 – December 15, 2017.
- The Navigators, CAC's, and Agents continued assisting consumers in West Virginia.
- The OIC offered training on the 2018 health insurance products to both the agents and the assisters in October 2017.
- Both CareSource and Highmark continued selling in the same counties as in 2016 and 2017.
- The Federal Government decreased the funding for the Navigators, outreach and advertising.
- 2018 was the last year for the individual mandate.

LEGAL DIVISION

The OIC's Legal Division performs many functions including providing legal counsel to the Insurance Commissioner and all associated divisions thereof, as well as carrying out many day-to-day legal responsibilities entrusted to the Insurance Commissioner by the West Virginia Legislature. Responsibilities of the Legal Division include:

LEGAL SUPPORT FOR ASSOCIATED DIVISIONS - The Legal Division provides general legal support for all other divisions of the OIC, including all insurance and workers' compensation related regulatory functions. This involves attending meetings with the directors and staff of other divisions, consulting on legal issues relating to activities of other divisions, and assisting with legal interpretations of statutes, case law, etc., as appropriate.

LEGISLATION AND RULES - The Legal Division consults, researches and drafts proposed legislation and legislative rules that are submitted for Legislative approval. Some bills and rules are based on models promulgated by the National Association of Insurance Commissioners ("NAIC") and others are custom-drafted. Further, the Legal Division drafts exempt legislative workers' compensation rules that are submitted to the Industrial Council for review and approval. During the legislative sessions, Legal Division attorneys attend committee meetings to respond to questions relating to the proposed bills and legislative rules. During the rule-making process, Legal Division attorneys receive and respond to public comments, and staff ensures that all steps in the process are correctly performed.

INFORMATIONAL LETTERS - When the Insurance Commissioner needs to provide information to the public and to regulated entities, an informational letter is drafted by the Legal Division. Informational letters are issued for many reasons, including the provision of guidance for compliance with laws or rules, or the introduction of clarity to an area that may be subject to differing legal interpretations. Other means of dissemination of policy and legal guidance from the Insurance Commissioner may also be drafted in the Legal Division.

ADMINISTRATIVE HEARINGS - The Legal Division is responsible for reviewing and ascertaining need for administrative hearings in First- and Third-Party Unfair Trade Practice issues or other issues as required by the West Virginia Code. The process is described respectively in W.Va. Code of State R. §114-13-1, *et seq*. (First and Third Party) and §114-76-1, *et seq*. (Third Party supplemental rule).

The Legal Division schedules hearings, engages court reporters and hearing examiners, and provides the venue for hearings relating to consumer complaints that were not resolved in the Consumer Service Division. The Legal Division also investigates complaints relating to alleged violations of unfair claims settlement practices provisions of the Unfair Trade Practices Act or other alleged violations of the West Virginia Code, and determines whether merit exists to proceed with hearing on the complaint.

INVESTIGATIONS - The Legal Division investigates complaints dealing with all aspects of insurance compliance contained in Chapters 33 and 23 of the West Virginia Code. The Legal Division receives referrals from various sources including the public, the insurance industry, and other divisions within the Insurance Commission, relating to possible misconduct by insurance industry representatives, insurance producers, and unauthorized insurers. These allegations are investigated to determine if West Virginia insurance laws or rules have been violated, and if so, the investigation will result in administrative action against the target of the investigation.

ADMINISTRATIVE ACTIONS - At the conclusion of an investigation in which it has been determined that there has been a violation of insurance laws, or when the Insurance Commissioner is informed that an insurer is in hazardous financial condition, the Legal Division files an administrative complaint against insurance companies seeking penalties and/or suspension or revocation of the Certificate of Authority, as appropriate. Administrative complaints may also be filed before the Insurance Commissioner to penalize an unauthorized insurer, or injunctive relief may be sought in Circuit Court to end the illegal operations of these entities. Administrative action may also be taken against an insurance producer when violations of statutes or rules have been committed.

LICENSURE ACTIONS - The Legal Division assists in license suspensions, revocations and/or fines regarding insurance producers and other licensees including, but not limited to, insurers that are found to be financially insolvent or found to be in such hazardous financial condition as to render their continued transaction of insurance business hazardous to their policyholders or the people of West Virginia.

APPEALS AND LITIGATION - On some occasions, an order entered by the Insurance Commissioner in either a consumer complaint proceeding, or other administrative proceeding is appealed. When this occurs, the Legal Division sends the record of the administrative proceeding to the Circuit Court of Kanawha County. If the administrative proceeding was being pursued by the Insurance Commissioner, a Legal Division attorney may appear to defend the actions taken before the Insurance Commissioner. Otherwise, support will be given to outside counsel.

FRAUD PROSECUTION - The Legal Division has attorneys who can directly represent the OIC in prosecution of fraudulent insurance activity or who provide support in an advisory role with state and federal prosecutors on similar criminal issues. When called upon to assist as special assistant prosecutors, these attorneys will perform various functions depending upon the level of assistance requested by the county prosecuting attorney or U. S. Attorney.

WORKERS' COMPENSATION PRIVATIZATION - The Legal Division has attorneys who support the "Old Fund" as created by privatization legislation in 2005, as well as open market issues. Assistance includes working with claimants and their counsel, defense counsel, third party administrators in all tribunals and courts including West Virginia circuit courts, the Office of Judges, the Board of Review and the West Virginia Supreme Court of Appeals. Further, the Legal Division directly consults with the Attorney General Defense Unit concerning Old Fund claims.

CONSUMER, INDUSTRY and OTHER STAKEHOLDER INQUIRIES - While the Legal Division cannot generally give personal legal advice concerning any matter to outside parties, it does endeavor to point inquiries in the appropriate direction where possible or provide analysis for the market as a whole, and opines on issues of broad importance.

FREEDOM OF INFORMATION ACT (FOIA) REQUESTS - All FOIA requests are directed to, and processed by, the Legal Division. Legal Division staff gathers all public records that are responsive to the request and provides them to the requester, pursuant to and in compliance with the Act.

Some of the major activities of the Legal Division are discussed in more detail below.

LEGISLATION

The following is a brief synopsis of the significant legislation enacted during the 2018 and 2019 regular sessions of the West Virginia Legislature. This information is not to be construed as inclusive of all legislation which may affect the insurance industry or insurance consumer, nor should it be construed as a comprehensive explanation of the bills addressed. Rather, the information provided is intended to highlight the bills significantly affecting the insurance community at large.

BILLS

2018 REGULAR SESSION

Senate Bill 46 – Relating to Pharmacy Benefit Managers (Effective June 8, 2018)

This legislation provides that a pharmacy, pharmacist and pharmacy technician have the right to consult with an individual covered under a health plan or contract regarding information related to lower drug cost alternatives. The bill further states that a pharmacy benefit manager may only charge or hold a pharmacy, a pharmacist or a pharmacy technician responsible for a fee related to the adjudication of a claim if: (1) the total amount of the fee is identified, reported, and specifically explained for each line item on the remittance advice of the adjudicated claim; or (2) the total amount of the fee is apparent at the point of sale and not adjusted between the point of sale and the issuance of the remittance advice.

Senate Bill 82 – Relating to Workers' Compensation Benefits for Professional Firefighters (Effective June 7, 2018)

This bill permits certain medical conditions (*i.e.*, leukemia, lymphoma, and multiple myeloma) that arose out of and in the course of employment as a professional firefighter to be included as a rebuttable presumption with respect to workers' compensation benefits. For the presumption to become effective, the person must have been actively employed by a fire department as a professional firefighter for a minimum of five years in the state of West Virginia prior to the development of the condition, have not used tobacco products for at least ten years, and be under the age of sixty-six. The amendments creating the rebuttable presumption for the subject conditions expire on July 1, 2023, unless extended by the Legislature.

Senate Bill 242 – Relating to Coverage for Lyme Disease Treatment (Effective June 6, 2018)

This legislation requires health insurance carriers to provide coverage for long-term antibiotic therapy for a patient with Lyme disease when determined to be medically necessary and ordered by a licensed physician after making a thorough evaluation of the patient's symptoms, diagnostic test results or response to treatment.

Senate Bill 299 – Relating to Coverage for Certain Medical Foods (Effective June 6, 2018)

This bill requires health insurance carriers to provide coverage, up to the age of 20, for certain medical foods for amino acid-based formulas if one of the following conditions is diagnosed by a medical provider: immunoglobulin E and nonimmunoglobulin e-medicated allergies to multiple food proteins; severe food protein-induced enterocolitis syndrome; eosinophilic disorders as evidenced by the results of a biopsy; or impaired absorption of nutrients caused by disorders affecting the absorptive surface, function, length and motility of the gastrointestinal tract (short bowel).

Senate Bill 401 – Relating to Coverage for Substance Use Disorder Treatment (Effective June 8, 2018)

This legislation requires health insurance carriers to provide coverage for the treatment of substance use disorders by January 1, 2019. The bill mandates that a health care facility treating a covered person must notify the insurer of both the admission and the initial treatment plan within forty-eight hours of admission or initiation of the treatment. If there is no in-network facility immediately available for a covered person, the health policy or plan must provide necessary exceptions to its network to ensure admission in a treatment facility within seventy-two hours. However, should an in-network facility become available during the course of the treatment plan, the insurer may transfer the covered person to the in-network facility. The bill requires that benefits for outpatient prescription drugs to treat substance use disorder must be provided when determined medically necessary by the covered person's physician or psychiatrist without the imposition of any prior authorization or other prospective utilization management requirements.

The bill further provides that if an insurer determines continued inpatient care in a facility is no longer medically necessary, the insurer must, within seventy-two hours, provide written notice to the covered person and the covered person's physician of its decision and the right to file for an expedited review of an adverse decision. Any internal appeal of such a decision must be decided by the insurer within seventy-two hours, and if the initial decision is upheld, the covered person has the right to file an expedited external review with an independent review organization that must make a determination within seventy-two hours. The bill mandates that substance use disorder benefits for the first five days of intensive outpatient or partial hospitalization services must be provided without any retrospective review of medical necessity, and medical necessity is to be determined by the covered person's physician. Benefits beginning on day six, and every six days thereafter, are subject to a concurrent review of the medical necessity of the services. The legislation requires that any medical necessity review use an evidence-based and peer-reviewed clinical review tool as developed by the Insurance Commissioner pursuant to authorized legislative rules.

Senate Bill 493 – Relating to the West Virginia Life and Health Insurance Guaranty Association (Effective June 4, 2018)

This bill amends several sections in Article 26A, Chapter 33 of the West Virginia Code and repeals Article 26B, Chapter 33 of the West Virginia Code. The article being repealed concerns the creation of the West Virginia Health Maintenance Organization Guaranty Association. With the amendments to Article 26A, the contractual obligations and assets of an insolvent health maintenance organization will be administered by the West Virginia Life and Health Insurance Guaranty Association. The bill also seeks to ensure that member insurers are assessed in a fair and reasonable manner, as well as providing that the Guaranty Association has sufficient assessment capacity regarding the insolvency of a member insurer. The legislation further updates Article 26A to maintain consistency with the National Association of Insurance Commissioners' Life and Health Insurance Guaranty Association Model Act.

Senate Bill 495 – Relating to Rate Filings for Commercial Insurance (Effective June 8, 2018)

This legislation exempts certain commercial insurance lines from rate filing requirements. The bill, however, permits the Insurance Commissioner to impose a one-year period rate filing requirement for any of the exempted lines should the Commissioner find that a reasonable degree of competition does not exist for that specific type of commercial insurance coverage. It is noted that rates must still be filed for commercial title insurance pursuant to W. Va. Code § 33-20-3(e).

House Bill 4175 – Relating to Advanced Practice Registered Nurses (Effective May 31, 2018)

This bill prevents health insurance carriers from requiring an advanced practice registered nurse to participate in a collaborative relationship in order to obtain payment for his or her services.

House Bill 4186 – Relating to Guaranteed Asset Protection Waivers (Effective June 8, 2018)

This legislation provides that guaranteed asset protection waivers are not insurance and are exempt from the insurance laws of this state. A guaranteed asset protection waiver is defined as "a contractual agreement that is part of or a separate addendum to the finance agreement in which a creditor agrees, upon payment of a separate charge, to cancel or waive all or part of amounts due to it on a borrower's finance agreement if there is a total physical damage loss or unrecovered theft of a motor vehicle." The bill sets forth the requirements for offering guaranteed asset protection waivers and mandates contractual liability insurance or other insurance coverage in connection with guaranteed asset protection waivers in certain circumstances. The legislation further requires certain disclosures and exempts certain requirements in commercial transactions pertaining to guaranteed asset protection waivers.

House Bill 4230 – Relating to Credit for Reinsurance (Effective January 1, 2019)

This bill is intended to ensure adequate regulation of insurers and reinsurers, and to provide sufficient protection for those to whom insurers and reinsurers owe obligations. The legislation amends current requirements concerning credit for reinsurance. The bill includes a mandate that upon the insolvency of a non-U.S. insurer or reinsurer that provides security to fund its U.S. obligations in accordance with the law, the assets representing the security must be maintained in the United States. The legislation also provides that claims are to be filed with and valued by the state insurance commissioner in accordance with the insurance laws of the state in which a reinsurance trust is domiciled. The bill is based upon the Credit for Reinsurance Model Law as adopted by the National Association of Insurance Commissioners.

House Bill 4400 – Relating to the West Virginia Physicians Mutual Insurance Company (Effective June 5, 2018)

This legislation amends several sections within Article 20F, Chapter 33 of the West Virginia Code, and repeals a section within said article. The bill removes language that is no longer relevant to the operation of the West Virginia Physicians Mutual Insurance Company as a private mutual insurance company and amends current law where necessary to accommodate policies written to physicians outside the state.

House Bill 4628 – Relating to Surcharges and Assessments on Self-Insured Employers (Effective June 7, 2018)

This bill authorizes the redirection of amounts collected from certain surcharges and assessments on private insurers and self-insured employers pertaining to workers' compensation benefits for periods prior to January 1, 2019 for debt reduction of the "Old Fund." All West Virginia workers' compensation policies will be assessed the 9% deficit surcharge through December 31, 2018. On January 1, 2019, the deficit surcharge will no longer be in effect and policyholders will not be subject to the 9% deficit surcharge until further notice. The West Virginia regulatory premium surcharge will remain in effect on all workers' compensation policies at 5%. The regulatory surcharge applicability remains unchanged.

2019 REGULAR SESSION

Senate Bill 30 – Eliminating tax on annuity considerations collected by life insurer (Effective June 7, 2019)

The legislation amends W.Va. Code §33-5-15 to repeal the premium tax on life insurance annuity products, effective January 1, 2021. Presently, the tax imposed is 1%.

Senate Bill 240 – Repealing certain legislative rules no longer authorized or obsolete (Effective February 11, 2019)

The bill repeals certain legislative rules that are no longer authorized or are considered obsolete. The legislation repeals the following Insurance Commissioner rules:

114 CSR 29 – Health Insurance Benefits for Temporomandibular and Craniomandibular Disorders

114 CSR 31 – Guaranteed Loss Ratios as Applied to Individual Sickness and Accident Insurance Policies

114 CSR 58 – External Review of Coverage Denials

114 CSR 73 – Small Employer Eligibility Requirements

Senate Bill 310 – Establishing certain requirements for dental insurance (Effective July 1, 2019)

The bill prohibits insurers from requiring dentists to provide a discount on noncovered services, prohibits dentists from charging covered persons more for noncovered services than their customary or usual rate for the services; and mandates that insurers may not provide for a nominal reimbursement for a dental service or material to claim that the service or material is covered. The new provisions will apply to dental plans, contracts and participating provider agreements which take effect or are renewed on or after July 1, 2019.

Senate Bill 340 – Repealing obsolete provisions of code relating to West Virginia Physicians' Mutual Insurance Company (Effective June 6, 2019)

The legislation repeals Article 20F, Chapter 33 of the West Virginia Code with respect to the formation and operation of the West Virginia Physicians' Mutual Insurance Company (the "Company"). The provisions being repealed were enacted in 2001 in response to a crisis relating to the cost and availability of medical malpractice insurance. The Company is now operating, and is being regulated by the Insurance Commissioner, in the same manner as other casualty insurance carriers issuing similar policies in the state.

Senate Bill 485 – Clarifying notification requirements for property insurance purposes (Effective March 7, 2019)

The bill provides that when a homeowners insurer intends to transfer a policyholder between companies within the same insurance group the insurer must provide notice to the policyholder of such intention and include an explanation of the reason(s) for the transfer. The legislation further states that when an insurer seeks to renew a property insurance policy with a new policy which includes changes made by the insurer resulting in the removal of coverage, diminution in the scope or reduction in coverage, change in deductible or addition of an exclusion, the insurer must provide such notice to the policyholder of such intention and include an explanation of the changes expected to be made by the insurer. This requirement does not apply to any change, reduction or elimination of coverage made at the request of the insured, any correction of typographical or scrivener's errors or the application of mandated legislative changes.

Senate Bill 489 – Relating to the Pharmacy Audit Integrity Act (Effective February 26, 2019)

The legislation requires pharmacy benefit managers (PBMs) to obtain a license from the Insurance Commissioner. An application for licensure must be submitted within six months after the Insurance Commissioner promulgates a legislative rule that addresses the required qualifications of PBMs and sets forth penalties and fines for violations of applicable law or rule provisions. The bill mandates certain information that the application must capture and provides that the license is valid for two years. The application for licensure, and subsequent renewal application, must be accompanied by evidence of financial responsibility of $1 Million.

The bill further requires a PBM to provide the Insurance Commissioner with a report describing the PBM's network. The network may not be comprised of only mail-order benefits but must have a mix of mail-order benefits and physical stores in the state. Failure to provide a timely network report is grounds for suspension or revocation of a PBM's license.

The OIC may examine or audit a PBM's books and records to determine if the PBM is following applicable law. Any information or data acquired during an examination or audit of the PBM is deemed proprietary, confidential and exempt from disclosure under the Freedom of Information Act.

The bill further provides that a PBM which reimburses a 340B entity for drugs that are subject to an agreement under 42 U.S.C. §256b shall not reimburse the 340B entity for pharmacy-dispensed drugs at a rate lower than that paid for the same drug to pharmacies similar in prescription volume that are not 340B entities. A PBM may not discriminate against a 340B entity in a manner that prevents or interferes with the patient's choice to receive such drugs from the 340B entity. A 340B entity is "an entity participating in the federal 340B drug discount program, as described in 42 U.S.C. §256b, including its pharmacy or pharmacies, or any pharmacy or pharmacies, contracted with the participating entity to dispense drugs purchased through such program."

The legislation also defines when an auditing entity may seek a fee, charge-back, recoupment or other adjustment for a dispensed product or any portion of a dispensed product. Any such fee, charge-back, recoupment or other adjustment is limited to the actual financial harm associated with the dispensed product or the actual underpayment or overpayment.

Senate Bill 531 – Relating generally to workers' compensation claims (Effective June 4, 2019)

The bill amends W. Va. Code §23-5-7 relating to the compromise and settlement of workers' compensation claims. The law currently provides that the claimant may negotiate a final settlement of any and all issues in a claim, provided that in the settlement of medical benefits for non-orthopedic occupational disease claims, the claimant must be represented by legal counsel. The subject bill amends W.Va. Code §23-5-7 to provide that, for the purposes of that code section only, the term "non-orthopedic occupational disease" claim does not include an occupational hearing loss or hearing impairment claim.

Senate Bill 545 – Relating to HIV testing (Effective March 2, 2019)

The bill eliminates the specific HIV/AIDS testing protocols required to be used by insurers in connection with applications for life and health insurance policies, as set forth in 114 CSR 27. The effect of the amendment is that insurers must use an acceptable testing protocol to deny coverage or rate a substandard risk, including the use of FDA-licensed tests, but are not required to follow any specific testing protocol set forth by the Commissioner.

House Bill 2351 – Relating to regulating prior authorizations (Effective February 20, 2019)

The legislation requires the Public Employees Insurance Agency, managed care organizations and private commercial health insurers (collectively referred to herein as the "Subject Entities") to develop prior authorization forms by October 1, 2019. The forms must include (1) instructions for the submission of clinical documentation; (2) an electronic notification confirming receipt of the prior authorization request if the forms are submitted electronically; (3) a comprehensive list of all procedures, services, drugs, devices, treatment, durable medical equipment, and anything else requiring a prior authorization; and (4) a notice to the patient if the Subject Entity requires a plan member to use step therapy protocols.

The Subject Entities must be prepared to accept electronic prior authorization requests, and respond to the requests through electronic means, by July 1, 2020. If the Subject Entity is currently accepting electronic prior authorization requests, it must implement the provisions of the bill by January l, 2020. A response to an electronic prior authorization request must be provided seven days from receipt. A two-day response is mandated if the request is for medical care or other services for a condition in which a seven-day response could either seriously jeopardize the life, health, or safety of the patient or others, or subject the patient, in the opinion of a health care practitioner, to adverse health consequences without the requested care or treatment.

If a prior authorization request is incomplete, the Subject Entity shall identify all deficiencies and return the prior authorization to the health care practitioner within two business days from the date of the electronic receipt of the request. The health care practitioner must provide the additional information requested within three business days from the date the return request is received, or the request is deemed denied and a new request must be submitted.

The Subject Entities must use national best practice guidelines to evaluate a prior authorization request. If a prior authorization request is rejected and the health care practitioner who submitted the request asks for an appeal by peer review, the peer review shall be with a health care practitioner similar in specialty, education and background. However, the Subject Entity's medical director may ultimately decide the appeal determination and the health care practitioner has the option to consult with the medical director after the peer-to-peer consultation. The timeframe regarding the appeal process must not take longer than thirty days.

If a health care practitioner has performed an average of thirty procedures per year and in a six-month time period has received a 100% prior approval rating, the bill provides that a Subject Entity shall not require the practitioner to submit a prior authorization for that procedure for the next six months. At the end of the six-month timeframe, the exemption must be reviewed prior to renewal. This exemption may be rescinded if the Subject Entity determines the health care practitioner is not performing the procedure in conformity with the insurance contract or plan.

The timeframes set forth in the bill are not applicable to prior authorization requests submitted through telephone, mail or fax.

House Bill 2474 – Relating to a reserving methodology for health insurance and annuity contracts (Effective June 7, 2019)

The bill amends West Virginia's "Standard Valuation Law," which authorizes a principle-based reserving methodology for life, annuity and health policies. West Virginia amended its Standard Valuation Law in 2014 to provide for a principle based reserving methodology for life, annuity and health policies. The 2019 revisions to West Virginia’s "Standard Valuation Law," clarify that the principle-based reserving methodology is to be applied to accident and health insurance contracts.

House Bill 2476 – Relating to the valuation of a motor vehicle involved in an insurance claim (Effective June 2, 2019)

The legislation updates W. Va. Code §33-6-33 by striking the reference to the 5% excise tax and replacing it with language referring to the consumer sales tax in W. Va. Code §l1- l 5-3c (b). W. Va. Code §33-6-33 currently provides that, upon the total loss of a motor vehicle, the insurer must include a payment equal to 5% of the cash settlement value as reimbursement to the claimant for the excise tax imposed by W. Va. Code §17A-3-4. The excise tax on the purchase of a motor vehicle was abolished and replaced with a sales tax, currently 6%. This legislation does not increase any tax but updates the code language to refer to the tax that is currently imposed.

House Bill 2479 – Corporate Governance Annual Disclosure Act (Effective June 7, 2019)

The bill requires insurers writing more than $500 Million or insurance groups writing more than $1 Billion in annual premium to maintain an internal audit function providing independent, objective and reasonable assurance to the audit committee and insurer management regarding the insurer's governance, risk management and internal controls. An “audit committee" is a committee or equivalent body established by the Board of Directors of an insurer or insurer group for the purpose of overseeing the accounting and financial reporting processes of the insurer or insurer group.

The legislation also requires an insurer or insurer group to provide confidential disclosures regarding its corporate governance practices to the lead state and/or domestic regulator annually by June 1. The annual disclosure will include the board or other entity responsible for overseeing the insurer or insurer group and the levels at which that oversight occurs. The insurer or group insurer will also be required to report, among other things, its processes for performance evaluation, compensation and corrective action to ensure effective senior management throughout the organization.

House Bill 2480 – Relating to the regulation of an internationally active insurance group (Effective June 6, 2019)

The bill revises the West Virginia Insurance Holding Company Systems Act. The amendments provide authority to a designated state to act as a group-wide supervisor for an internationally active insurance group ("IAIG"). For a holding company group to be considered an IAIG, it must meet various criteria, including premiums written in at least three countries, at least 10% of premiums written outside the United States, and total assets greater than $50 Billion or total premiums greater than $10 Billion. A group-wide supervisor may request group-level information from an IAIG, assess the enterprise risks affecting the group, compel the development and implementation of reasonable measures to recognize and mitigate enterprise risks, and communicate and share group-wide information with other regulators.

House Bill 2617 – Relating to the form for making offer of optional uninsured and underinsured coverage by insurers (Effective June 5, 2019)

The legislation provides that insurers are permitted to make the required offers of uninsured motor vehicle coverage and underinsured motor vehicle coverage via electronic means and allows for electronic signatures in conformity with the Uniform Electronic Transactions Act. Delivery by electronic means is not required and is only permitted if the policyholder has consented. The bill also requires an insurer, when offering to place an insured with an affiliate of the insurer, to make available a new uninsured and underinsured motorist coverage offer form.

House Bill 2647 – Self Storage Limited License Act (Effective June 5, 2019)

The legislation establishes a limited lines producer license for self-service storage providers. The bill permits the Commissioner to provide a limited lines license to an owner or operator of a self-service storage facility for the purpose of soliciting and selling self-service storage insurance. Such insurance is defined as "personal property insurance offered in connection with and incidental to the lease or rental of leased space at a self-service storage facility that provides coverage to occupants at the self-service storage facility where the insurance is transacted for the loss of or damage to personal property that occurs at that facility or when the property is in transit to or from that facility during the period of the rental agreement."

The subject license would apply to the owner's employees and authorized representatives. A licensee would not be subject to the agent pre-licensing education, examination or continuing education requirements provided in W. Va. Code §33-12-1 et seq. However, the insurer issuing the self-service storage coverage must appoint a supervising entity to supervise the administration of the program that includes development of a training regimen for employees and authorized representatives. The bill requires the owner to provide certain disclosures to a prospective purchaser of the subject insurance, including that the insurance may present a duplication of insurance already provided by the prospective purchaser's homeowners or renters insurance and that the purchase of the insurance is not required in order to rent space from the owner. The owner must also summarize the material terms of the insurance coverage and inform the prospective purchaser that he or she may cancel the coverage at any time. Employees and authorized representatives may receive compensation for enrolling occupants for the coverage if the compensation for those activities is incidental to their overall compensation.

The Commissioner may impose a fine not to exceed $500 per violation or $5,000 in the aggregate, and impose other discretionary penalties, for violations of the bill's provisions by an owner or its employees or authorized representatives. A supervising entity may be subject to administrative actions provided by W. Va. Code §33-12-24 if the Commissioner determines that the entity has not performed its required duties under the legislation.

House Bill 2690 – Relating to guaranty associations (Effective May 29, 2019)

The bill updates Chapter 33, Article 26A, West Virginia Life and Health Insurance Guaranty Association Act (the "Act"). The legislation removes the requirement that the Insurance Commissioner promulgate a rule establishing the form and content of a disclaimer that describes the general purposes and current limitations of the Act. Under the law’s revision, the Commissioner simply needs to establish the form and content of the disclaimer. The disclaimer must be provided by life and health insurers to their insureds at the time of delivery of the policy or contract. The bill requires an insurer to retain evidence of delivery of the disclaimer to an insured for so long as the policy or contract remains in effect.

The bill further eliminates the mandate for the Insurance Commissioner to promulgate a rule creating a notice of non-coverage to be used by life and health insurers and removes the requirement that life and health insurers provide that notice of non-coverage to their insureds.

House Bill 2770 – Fairness in Cost-Sharing Calculation Act (Effective June 7, 2019)

The legislation creates the Fairness in Cost Sharing Calculation Act by establishing cost sharing calculations for health insurance plans and pharmacy benefits. The bill provides that when an insured's contribution to an applicable cost sharing requirement is calculated, the insurer and pharmacy benefits manager must include any cost sharing amounts paid by the insured or on behalf of the insured by another person. Cost sharing means any copayment, coinsurance or deductible required by or on behalf of an insured in order to receive a specific health care item or service covered by a health plan. The new provisions are effective for policies, contracts, plans, or agreements issued or renewed on or after January 1, 2020.

House Bill 2954 – Defining certain terms used in insurance (Effective June 5, 2019)

The bill amends the definition of "provider" in W. Va. Code §33-45-1(10) to include a person or other entity who desires to provide medical services in this state and holds a valid temporary license or permit issued pursuant to Chapter 30 of the West Virginia Code. The legislation further clarifies that an insurer is obligated to pay a medical provider for services rendered during the provider's credentialing period, and that an insurer may obtain a refund of overpayments should the provider fail to become credentialed.

INFORMATIONAL LETTERS

Two (2) Informational Letters were issued in 2018:

Informational Letter No. 200 - Summary of 2018 Legislation

Informational Letter No. 201 - Letters of Exemption from Workers' Compensation Insurance Coverage

Three (3) Informational Letters were issued in 2019 (by June 30, 2019):

Informational Letter No. 202 - Permissible Duties of Unlicensed Customer Service Representatives

Informational Letter No. 203 - Summary of 2019 Legislation

Informational Letter No. 204 - West Virginia Life and Health Insurance Guaranty Association Act Summary Document

FREEDOM OF INFORMATION REQUESTS AND RESPONSES

One hundred twenty-four (124) requests for information were received and responded to by the Legal Division in accordance with the Freedom of Information Act in 2018.

EMERGENCY ORDERS

There were no emergency orders issued by the Insurance Commissioner in 2018.

LITIGATION

The Insurance Commissioner was a party to or involved in the following civil actions in the year 2018 as a result of insurance regulatory matters:

State of WV ex rel. Offices of WV Insurance Commissioner v. J & J Auto Salvage Inc. Civil Action No. 18-C-570

State of WV ex rel. Offices of WV Insurance Commissioner v. Cardinal Psychological Services LLC. Civil Action No. 18-C-617

State of WV ex rel. Offices of WV Insurance Commissioner v. E Lavoyd Morgan Jr & Associates LC. Civil Action No. 18-C-619

State of WV ex rel. Offices of WV Insurance Commissioner v. Victor Dunsmore. Civil Action No. 18-C-805

State of WV ex rel. Offices of WV Insurance Commissioner v. Rods Meats LLC. Civil Action No. 18-C-850

State of WV ex rel. Offices of WV Insurance Commissioner v. Shepherdstown Beverage Co. Inc. Civil Action No. 18-C-849

State of WV ex rel. Offices of WV Insurance Commissioner v. Sowards Oil Field Services Inc. Civil Action No. 18-C-894

State of WV ex rel. Offices of WV Insurance Commissioner v. Cary Holliday. Civil Action No. 18-C-892

State of WV ex rel. Offices of WV Insurance Commissioner v. Waggin Tails Boarding & Grooming LLC Civil Action No. 18-C-893

State of WV ex rel. Offices of WV Insurance Commissioner v. DB Construction LLC Civil Action No. 18-C-928

State of WV ex rel. Offices of WV Insurance Commissioner v. Bethany Pike Foods Inc. Civil Action No. 18-C-927

State of WV ex rel. Offices of WV Insurance Commissioner v. Jennifer Moses. Civil Action No. 18-C-943

State of WV ex rel. Offices of WV Insurance Commissioner v. Cutting Edge Lawn Care & Landscaping LLC. Civil Action No. 18-C-941

State of WV ex rel. Offices of WV Insurance Commissioner v. M & T Construction LLC. Civil Action No. 18-C-955

State of WV ex rel. Offices of WV Insurance Commissioner v. Amy Hypes. Civil Action No. 18-C-975

State of WV ex rel. Offices of WV Insurance Commissioner v. Cacapon River Camps. Civil Action No. 18-C-974

State of WV ex rel. Offices of WV Insurance Commissioner v. US Auto Sales & Transportations LLC. Civil Action No. 18-C-977

State of WV ex rel. Offices of WV Insurance Commissioner v. Diamond Flagging Services LLC. Civil Action No. 18-C-978

State of WV ex rel. Offices of WV Insurance Commissioner v. WA Medical Services Inc. Civil Action No. 18-C-1112

State of WV ex rel. Offices of WV Insurance Commissioner v. Gill General Construction Inc. Civil Action No. 18-C-1159

State of WV ex rel. Offices of WV Insurance Commissioner v. Acu-Trim Expert Tree Service LLC. Civil Action No. 18-C-1176

State of WV ex rel. Offices of WV Insurance Commissioner v. Mountaineer Cuts LLC. Civil Action No. 18-C-1177

State of WV ex rel. Offices of WV Insurance Commissioner v. Blackstone Inc. Civil Action No. 18-C-1274

State of WV ex rel. Offices of WV Insurance Commissioner v. GNM Inc. Civil Action No. 18-C-1309

State of WV ex rel. Offices of WV Insurance Commissioner v. Byrd of Pray Creations LLC. Civil Action No. 18-C-1358

State of WV ex rel. Offices of WV Insurance Commissioner v. Appalachian Construction Remodeling. Civil Action No. 18-C-1377

State of WV ex rel. Offices of WV Insurance Commissioner v. Gooslin Construction LLC. Civil Action No. 18-C-1379

State of WV ex rel. Offices of WV Insurance Commissioner v. El Tequila Restaurant Inc. Civil Action No. 18-C-1380

State of WV ex rel. Offices of WV Insurance Commissioner v. Capitol Valley Contracting Inc. Civil Action No. 18-C-1414

State of WV ex rel. Offices of WV Insurance Commissioner v. Saved Salvage Equipment LLC. Civil Action No. 18-C-1452

State of WV ex rel. Offices of WV Insurance Commissioner v. Mountain Mamas Down Home Cooking LLC. Civil Action No. 18-C-1471
West Virginia Office of Insurance Commissioner in its Capacity as Administrator of the Workers' Compensation Uninsured Employer Fund v. Linda M. Treadway, Individually & as Administratrix of the Estate of Michael D. Cadle, Deceased, et al. Civil Action No. 14-C-778

Chase Carmen Hunter vs. Michael D. Riley, Individually, in His Official Capacity as Commissioner of Insurance for West Virginia, and In His Official Capacity as a Committee Member of the National Association

of Insurance Commissioners; and the West Virginia Offices of Insurance Commissioner. Civil Action No. 2:15-cv-05508

Air Evac EMS, Inc. v. Ted Cheatham, in his capacity as Director of PEIA; Mary Jane Pickens, Joshua Sword, James W. Dailey II, Troy Giatras, Elain A. Harris, William Ihlenfeld, Brian Donat, William Milam, & Michael Smith, in their capacity as members of the PEIA's Finance Bd.; & Michael D. Riley in his capacity as WV Insurance Commissioner. Civil Action #2:16-cv-05224

Patriot Mining Subsidiaries, Eastern Associated Coal Company and Pine Ridge Coal Company v. West Virginia Offices of the Insurance Commissioner. Civil Action No. 13-AA-125

REFERRALS OPENED

A total of 1,579 referrals were opened by the Regulatory Compliance Unit of the Legal Division in 2018. A referral is an issue referred to the Regulatory Compliance Unit of the Legal Division from various departments and units within the Offices of the Insurance Commissioner (Financial Conditions (FINCON), Rates and Forms, Consumer Services, Office of Inspector General (OIG), Revenue Recovery, Employer Coverage), public as well as outside agencies, including the Division of Labor and State Auditor's Office and other State collaborative actions, which require review and analysis by the Regulatory Compliance Unit prior to determining if it's appropriate to take regulatory action in accordance with the West Virginia Code and/or West Virginia Code of State Rules. Below is a breakdown of the different type referrals with the number received for 2018.

TYPE OF REFERRAL	NUMBER OF REFERRALS
Company	8
Company - Rates and Forms	0
Company - Surplus Lines	0
Company - Unauthorized Agency	0
Company - Unlicensed Business Entity	1
Company - FinCon - PEO	2
Company - FinCon	12
Company - Delinquent Taxes	4
Fin Con - MGA	4
First Party	49
First Party – Rates and Forms	0
General Inquiries	4
Market Conduct - Analysis	0
Market Conduct - Class Action	14
Market Conduct - Continuum	0
Market Conduct - External Review Application	0
Market Conduct - Multi State Collaborative - Informal	1
Market Conduct - Multi State Collaborative - National	6
Market Conduct - Multi State Collaborative - National /Advisory Organization	1

TYPE OF REFERRAL	NUMBER OF REFERRALS
Market Conduct - Multi State Collaborative -Regional	0
Market Conduct - Self Insured	0
Market Conduct - Specialized	0
Market Conduct - Statutory	4
Market Conduct - Targeted	0
Market Conduct - Third Party	0
Other Litigation - Complaint	0
Other Litigation - Other Litigation	0
Other Litigation - Subpoenas	0
Other Litigation - Third Party	0
Other Litigation - Workers' Compensation	0
Producer Licensing - Administrative Action	52
Producer Licensing - Application	21
Producer Licensing - Clearance	59
Producer Licensing - Unauthorized Agent	1
Third Party	161
WC Claims - Litigation	37
WC Claims - Settlement Review	24
WCC Compliance - 85 CSR 8 6.6(b) - Private Carrier - Audit Appeal	0
WCC Compliance - Collection	0
WCC Compliance - Contempt	3
WCC Compliance - General Referral	0
WCC Compliance - Failure to Timely Act	37
WCC Compliance - Fine Reductions	0
WCC Compliance - Investigation	9
WCC Compliance - Injunctions	74
WCC Compliance - Injunction Investigations	3
WCC Compliance - PEO	0
WCC Compliance - POC	0
WCC Compliance - Pending Accounts	835
WCC Compliance - Postings	153
WCC Compliance - Self Insured	0
WCC Compliance - UEF Issues	0
WCC Compliance - Writs and Suggestions	0
Total	**1,579**

ADMINISTRATIVE PROCEEDING CASES OPENED

A total of 244 administrative proceeding cases were opened by the Regulatory Compliance Unit of the Legal Division in 2018. An administrative proceeding is a case in which an action is being taken or an investigation is being opened. Below is a breakdown of the different type of administrative proceedings with the number opened for 2018.

TYPE OF REFERRAL	# CASES OPENED
Administrative Proceeding - Producer Licensing	14
Administrative Proceeding - First Party	11
Administrative Proceeding - FinCon	11
Administrative Proceeding - Failure to Timely Act	38
Administrative Proceeding - General Referral	0
Administrative Proceeding - Market Conduct	7
Administrative Proceeding - Market Conduct - Self Insured	2
Administrative Proceeding - Company	1
Administrative Proceeding - Company - Rates and Forms	0
Administrative Proceeding - Third Party	160
Total	**244**

ADMINISTRATIVE PROCEEDING CASES CLOSED

A total of 251 administrative proceeding cases were closed by the Regulatory Compliance Unit of the Legal Division in 2018. Below is a breakdown of the different type of administrative proceedings with the number closed for 2018.

TYPE OF REFERRAL	# CASES CLOSED
Administrative Proceeding - Producer Licensing	20
Administrative Proceeding - First Party	9
Administrative Proceeding - Company	0
Administrative Proceeding - FinCon	11
Administrative Proceeding - Failure to Timely Act	35
Administrative Proceeding - Market Conduct	5
Administrative Proceeding - Market Conduct – Self-Insured	9
Administrative Proceeding - Rates and Forms	0
Administrative Proceeding - Third Party	162
Total	**251**

HEARINGS

A total of 25 hearings were held in 2018. Below is a breakdown of the different types of hearings held in 2018. The WC Contempt and WC Injunction hearings were held in Circuit Court.

TYPE OF HEARINGS	# HEARINGS SCHEDULED	# HEARINGS HELD
1033 Committee Hearing	2	0
Appeal - Third Party	0	0
Company	0	0
FinCon	2	0
First Party	27	5
Producer Licensing	9	5
Third Party	16	2
Third Party - Initial	157	1
Third Party - Out of County	1	0
Third Party - Restitution	2	1
WC Contempt	0	0
WC Injunction	32	11
Total	**248**	**25**

INVESTIGATIONS OPENED

A total of 1,426 investigations on all matters were opened by the Regulatory Compliance Unit of the Legal Division in 2018. Below is a breakdown of the different types of investigations opened during 2018.

TYPE OF INVESTIGATIONS	# CASES OPENED
Producer Licensing	133
Company	7
First Party	7
General Referral	0
Third Party	160
WC Contempt	1
WC General Referral	7
WC Injunction Investigation	1
WC Pending	948
WC Posting	162
Total	**1,426**

INVESTIGATIONS CLOSED

A total of 1,436 investigations on all matters were closed by the Regulatory Compliance Unit of the Legal Division in 2018. Below is a breakdown of the different types of investigations closed during 2018.

TYPE OF INVESTIONS	# CASES CLOSED
Producer Licensing	147
Company	0
First Party	8
General Referral	0
Third Party	162
WC Contempt	1
WC General Referrals	0
WC Injunction Investigation	1
WC Investigation	7
WC Pending Account	948
WC Postings	162
Total	**1,436**

POSTINGS

A total of 1,110 posting requests for employers that failed to maintain mandatory workers' compensation coverage were referred to the Regulatory Compliance Unit of the Legal Division in 2018. 327 non-compliant employers were posted and/or handled by the Regulatory Compliance Unit. 783 postings were attempted but could not be completed due to various reasons, e.g. employer was no longer in business, employer was no longer at the address on file, etc. The remainder were employers that were brought into compliance or whose accounts were otherwise resolved.

ORDERS AND COLLABORATIVE ACTIONS

A total of 93 orders were prepared by the Regulatory Compliance Unit (RCU) of the Legal Division in 2018, and 11 collaborative actions were entered into as a result of market conduct actions concerning issues with multistate insurers in 2018. Below is a breakdown of the types of orders prepared by the RCU, collaborative actions and fine and restitution amounts for 2018.

TYPE OF CASE	FINAL ORDERS PREPARED BY RCU	COLLABOR-ATIVE ACTION	FINE AMOUNT	RESTITUTION AMOUNT
Company	3	0	$6,000.00	$0.00
Company - Rates and Forms	0	0	$0.00	$0.00
Company - FinCon	10	0	$500.00	$0.00
First Party	5	0	$0.00	$0.00

TYPE OF CASE	FINAL ORDERS PREPARED BY RCU	COLLABOR-ATIVE ACTION	FINE AMOUNT	RESTITUTION AMOUNT
Market Conduct - Multi State Collaborative Action	0	11	$39,824.04	$0.00
Market Conduct - Statutory	2	0	$0.00	$0.00
Market Conduct - Targeted	2	0	$5,000.00	$0.00
Market Conduct - Third Party	1	0	$7,500.00	$0.00
Market Conduct - Self Insured	2	0	$10,500.00	$0.00
Producer Licensing	15	0	$16,400.00	$0.00
Third Party	5	0	$0.00	$0.00
WCC Compliance - Contempt	0	0	$0.00	$0.00
WCC - Failure to Timely Act	36	0	$16,500.00	$0.00
WCC Compliance - Injunctions	12	0	$67,935.89	$0.00
Total	**93**	**11**	**$170,159.93**	**$0.00**

DISPOSITIONS OF CASES

A total of 326 cases were closed by the Regulatory Compliance Unit of the Legal Division in 2018. A disposition is the outcome of the case. The information below reflects the number of each type of case, the specific issue and the number for that issue.

TYPE OF CASE	# CASES
FINCON - COA Revoked	0
FINCON COA - Suspended	1
LICENSING - Revoked	13
LICENSING - Suspended	0
FINCON - Final Report Adopted	8
MARKET CONDUCT - Final Report Adopted	5
WC POSTINGS - Posted	279
WC INJUNCTIONS - Injunctions Granted	12
WC CONTEMPT - Contempt Granted	8
Total	**326**

APPEALS OPENED

Three (3) appeal cases were opened by the Regulatory Compliance Unit of the Legal Division in 2018. Below is a breakdown of the type of appeal with the number opened in 2018.

TYPE OF APPEAL	NUMBER OF APPEALS
FinCon	1
Failure to Timely Act	1
First Party	1
Total	**3**

DISCIPLINARY ACTIONS

INDIVIDUAL INSURANCE PRODUCERS

During the year 2018, $16,400.00 in penalties were assessed as a result of disciplinary actions taken against individual insurance producers for violation of, and in accordance with W. Va. Code §33-12-12(a)(1), the person is currently licensed as a resident and in good standing in his or her home state; §33-12-12(e), if the insurance department of the nonresident insurance producer's resident state suspends, terminates, or revokes the producer's insurance license in that state, the nonresident insurance producer shall notify the commissioner and shall return the West Virginia nonresident license; §33-12-24(b)(1), providing incorrect, misleading, incomplete or materially untrue information in the license application; §33-12-24(b)(2), violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner; §33-12-24(b)(4), improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; §33-12-24(b)(7), having been convicted of or pleaded nolo contendere to a misdemeanor in connection with his or her activities as an agent, solicitor, or excess line broker; §33-12-24(b)(9), using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; §33-12-34(a), failure to report to the insurance commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter, including a copy of the order, consent to order or other relevant legal documents; and §33-12-34(b), failure to report to the Insurance Commissioner within thirty days of the initial pretrial hearing date, any criminal prosecution of the producer taken in any jurisdiction, including a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

The licenses of 13 individual insurance producers were revoked in 2018 for violation of and in accordance with W. Va. Code §33-12-12(a)(1), the person is currently licensed as a resident and in good standing in his or her home state; §33-12-12(e), if the insurance department of the nonresident insurance producer's resident state suspends, terminates, or revokes the producer's insurance license in that state, the nonresident insurance producer shall notify the commissioner and shall return the West Virginia nonresident license; §33-12-24(b)(1), providing incorrect, misleading, incomplete or materially untrue information in the license application; §33-12-24(b)(2), violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner; §33-12-24(b)(4),

improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; §33-12-24(b)(7), having been convicted of or pleaded nolo contendere to a misdemeanor in connection with his or her activities as an agent, solicitor, or excess line broker; §33-12-24(b)(9), using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; §33-12-34(a), failure to report to the insurance commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter, including a copy of the order, consent to order or other relevant legal documents; and §33-12-34(b), failure to report to the Insurance Commissioner within thirty days of the initial pretrial hearing date, any criminal prosecution of the producer taken in any jurisdiction, including a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

INSURERS

During the year 2018, $6,500.00 in penalties and fees were assessed as a result of disciplinary actions taken against insurers in accordance with and for violation of W. Va. Code §33-2-9(i)(3), the refusal of any company, by its officers, directors, employees or agents, to submit to examination or to comply with any reasonable written request of the examiners shall be grounds for suspension, revocation, refusal or nonrenewal of any license or authority held by the company to engage in an insurance or other business subject to the commissioner's jurisdiction; and §33-4-14(d), each domestic, foreign and alien insurer, organization or corporation that is subject to the requirements of this section shall annually, on or before March 1 each year, and forty-five days after the end of the first, second and third calendar quarters, file with the National Association of Insurance Commissioners a copy of its annual statement convention blank and the quarterly statement blanks, along with such additional filings as prescribed by the commissioner and shall pay the fee established by the National Association of Insurance Commissioners for filing, review or processing of the information. The information filed with the National Association of Insurance Commissioners shall be in the same format and scope as that required by the commissioner and shall include the signed jurat page and any other required information. Any amendments and addenda to the annual statement filing and quarterly statement filings subsequently filed with the commissioner shall also be filed with the National Association of Insurance Commissioners.

$16,500.00 in penalties were assessed as a result of Reports to the Insurance Commissioner Upon Petition Alleging Failure to Timely Act, for violation of time standards set forth in W. Va. Code §23-4-1c(b), §23-4-8(a), and W. Va. Code of State Rules §85-1-10.2, §85-1-10.3, §85-1-10.7, and §85-21-10.2.c. $12,500.00 in penalties were assessed as a result of actions taken by the Insurance Commission's Market Conduct Unit for violations discovered during market conduct examinations conducted in accordance with W. Va. Code §33-2-9. West Virginia also participated in 11 Market Conduct Multi-State Collaborative Actions which resulted in $39,824.04 in penalties and other assessments.

The certificate of authority of one (1) insurer was revoked in 2018 in accordance with and under the authority of W. Va. Code §33-46A-8, Professional Employer Organizations - Enforcement; penalties; and for violation of W. Va. Code of State Rules §114-85-3.7, any incomplete application, as determined by the Commissioner, that remains incomplete for a period of four (4) months from the date of notice from the Commissioner that the application is incomplete will be considered withdrawn and a new application and application fees will be required. An existing license, not suspended, revoked or otherwise limited by the Commissioner, shall remain in effect during the review of a renewal application by the Commissioner.

The certificate of authority of one (1) insurer was voluntarily surrendered and cancelled in accordance with and under the authority of W. Va. Code §33-3-10(b), insurer no longer meets the requirements for the license originally granted, because of deficiency of assets or otherwise; and §33-3-11(a)(4), insurer is found by the Commissioner to be in an unsound condition or in such condition as to render its further transaction of insurance in West Virginia hazardous to its policyholders or the people of West Virginia.

WORKERS' COMPENSATION SUBROGATION

Workers' Compensation Subrogation Liens -- With respect to workers who suffered compensable injuries prior to July 1, 2005, resulting from the negligence of third parties, W. Va. Code §23-2A-1 creates subrogation liens in favor of the Insurance Commissioner against any amounts recovered by these workers from such third parties to the extent of medical benefits paid by the Old Fund. The statute required that workers or their attorneys inform the OIC when such third-party actions result in recoveries. In 2018, the OIC opened and closed no cases and collected $1,595.00 from settlements or awards.

PERMANENT TOTAL DISABILITY REVIEW BOARD

The Permanent Total Disability Review Board ("PTDRB") reviews claims of injured workers to determine whether the worker has met the threshold for permanent and total disability. Once the PTDRB determines a claimant has met the appropriate statutory thresholds for a permanent total disability ("PTD") award, the Board will evaluate the case to determine whether the injured worker has rehabilitation potential to return to the workforce or if the worker should receive a PTD award. The Board is staffed with three medical physicians, and two vocational rehabilitation experts.

The PTDRB meets on a monthly basis. For calendar year 2018, the PTDRB recommended granting four (4) PTD awards and denying three (3) PTD requests.

Five (5) PTD claims were remanded to the PTDRB from judicial entities (the Workers' Compensation Office of Judges, the Workers' Compensation Board of Review or the Supreme Court of Appeals of West Virginia) for consideration.

One (1) PTD request was settled by the parties (thus, removing the issue from the PTDRB).

At the end of 2018, one (1) recommendation granting benefits and three (3) recommendations denying benefits were awaiting review and approval by the PTDRB.

LICENSING AND EDUCATION DIVISION

The Licensing and Education Division is responsible for processing and maintaining records on individual producers licensed to transact business in West Virginia. Licensees include residents who must complete educational and testing requirements to obtain a license. Residents of other states who have completed similar requirements in their states of domicile may apply for a West Virginia non-resident license by submitting the appropriate application and documentation for review. In addition to licensing of individual producers, the division oversees the licensing of Adjusters, Surplus Lines Licensees, Business Entities, Viatical Settlement Brokers, Viatical Settlement Business Entities and Travel Insurance Business Entities.

Producers must be appointed to represent each insurance company for which they are transacting business in West Virginia. Insurance companies are responsible for submitting appointment information and fees to our Licensing and Education Division for processing.

Monies generated through licensing and appointment fees, letters of certification and letters of clearance are deposited into the Offices of the Insurance Commissioner's Special Revenue account.

Resident producers must periodically complete continuing education to maintain their licenses. The continuing education program is governed by a six-member board appointed by the Insurance Commissioner. The representatives (all of whom are West Virginia resident insurance producers) of this Board represent various areas of the insurance industry as prescribed by law.

Administrative functions for the continuing education program are handled by Prometric. Prometric reviews provider and course applications under guidelines established by the Board of Insurance Agent Education. Additionally, Prometric banks the continuing education credits to the producers' records and, at compliance time, provides the Insurance Commissioner with data on compliant and noncompliant producers.

The Division continues to see an increase in adjusters applying for and obtaining the various adjuster license types. The Division continues to follow FBI and West Virginia State Police background requirements.

The following are current statistics for the various aspects of the Licensing and Education Division.

LICENSING ACTIVITY

NEW LICENSES ISSUED	2018
Resident Agent	993
Non-Resident Agent	23,042
Surplus Lines	189
Adjuster	7,070
Viatical Settlement Broker	4
Business Entities (Includes all Types)	725
TOTAL	**32,023**

LICENSING TRANSACTIONS	2018
Renewed Licenses	56,972
Companies' Appointments of Agent	166,578
Cancellation of Agents' Appointments	120,814
Licenses Denied	258
Revocations	13
TOTAL	**344,635**

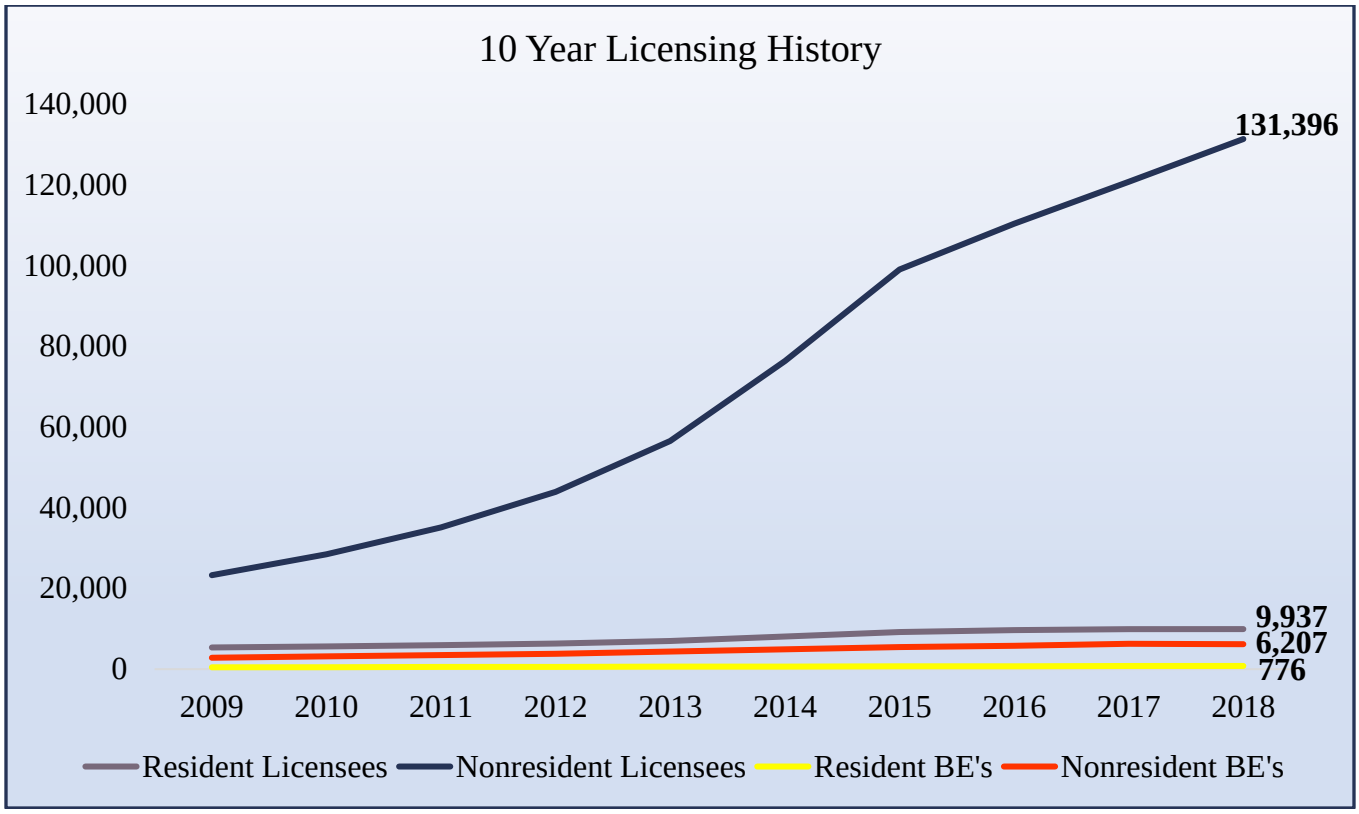
LICENSING CONTACT	2018
Telephone Activity	6,467
Office Visits	62
TOTAL	**6,529**

CONTINUING EDUCATION	2018
Total Required to be Compliant	2,740
Total Suspended	934
Total Compliant	**1,806**

LICENSING EXAMINATION SUMMARY

TYPE OF EXAM	2018 Tested	2018 Passed
Life	985	524
Accident and Sickness	648	454
Property and Casualty	638	300
Property	16	5
Casualty	4	3
Company Adjuster	304	182
Surplus Lines	1	1
Public Adjuster	1	1
Personal Lines	7	4
TOTAL	**2,604**	**1,474**

TEN YEAR LICENSING HISTORY



OFFICE OF JUDGES DIVISION (WORKERS' COMPENSATION)

The primary responsibility of the Office of Judges is to process initial appeals, commonly referred to as "protests," from workers' compensation claim management decisions made by insurers or their agents. Jurisdiction of the Office of Judges commenced on July 1, 1991. Early in the history of the office, the sole responsibility was to perform judicial review of actions of the Administrative Agency, the Workers' Compensation Division. Since privatization of the workers' compensation market in 2005, the Office of Judges reviews claim management decisions from private insurance carriers, self-insured employers, as well as claim management decisions from third-party administrators, which administer the legacy claims of the former Workers' Compensation Commission. The goal of the Office of Judges is to resolve these protests in a fair, efficient and timely manner.

Currently, in addition to the Chief Administrative Law Judge, a gubernatorial appointee, two Deputy Chief Administrative Law Judges and nine Administrative Law Judges, the Office of Judges maintains a staff of 26 support personnel. The operation is housed in two locations including Charleston and Beckley. Additionally, evidentiary hearings are conducted in seven venues across the State, including Charleston, Beckley, Fairmont, Parkersburg, Wheeling, Elkins and Charles Town.

The issues in litigation traditionally arise under Chapter 23 of the West Virginia Code, as well as Workers' Compensation Rules found in Title 85 of the Code of State Rules. The Office of Judges is governed by procedural rules found in W.Va. C.S.R. § 93-1, Litigation of Protests, and W.Va. C.S.R. § 93-2, Time Standard Rules. Pursuant to rule, the Office of Judges establishes a deadline for the filing of evidence by the parties. After all parties have been allowed an opportunity to submit evidence and argument to the Office of Judges, a written decision is issued by an Administrative Law Judge. Decisions from the Office of Judges may be appealed to the Workers' Compensation Board of Review.

In addition to traditional workers' compensation claim appeals (protests), the Office of Judges also conducts hearings or review of related legal matters, including the following:

Failure to Timely Act or Rule on a Claim Request: The Offices of the Insurance Commissioner ("OIC") has jurisdiction to hear complaints that an insurer has failed to perform an act required by Statute or rule within the time limits set by law. The OIC assigns the hearing of these matters to the Office of Judges.

Award of Attorney Fees for Unreasonable Denial of Benefits by the Insurance Carrier: W.Va. Code § 23-2C-21(c) provides that the Office of Judges may order a self-insured employer or any private insurance carrier to pay reasonable attorney fees and expenses to claimants when the Office of Judges determines that the original denial of a claim or treatment request was unreasonable.

Award of Claimant's Attorney Fees and Expenses: W.Va. Code § 23-5-16(c) provides that an attorney's fee for successful recovery of denied medical benefits may be charged or received by an attorney and paid by the private carrier or self-insured employer for a claimant or dependent.

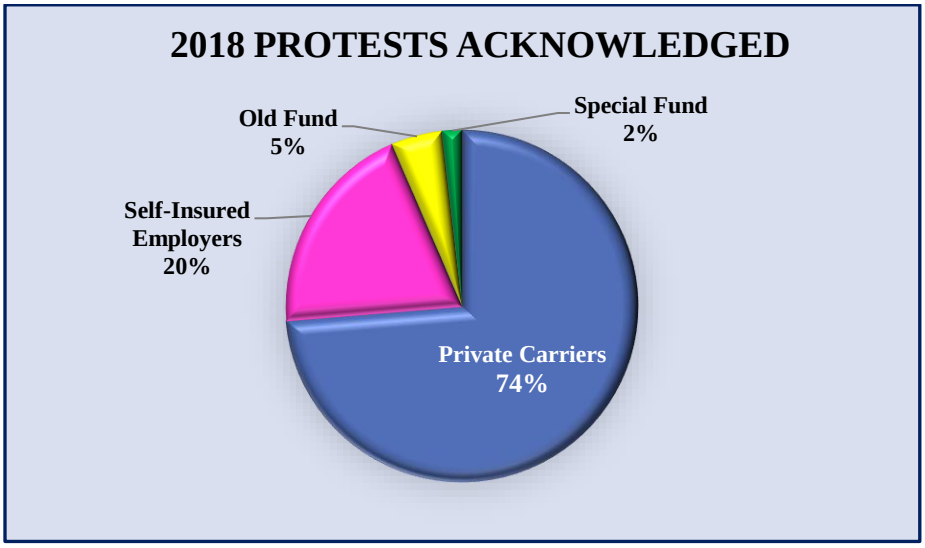
Unconscionable Settlement Review: In accordance with the provisions of W.Va. Code § 23-5-7, the Insurance Commissioner may review any workers' compensation settlement entered into between an unrepresented claimant and their responsible insurance carrier and may declare any such settlement void if the Insurance Commissioner determines the settlement to be unconscionable pursuant to criteria set forth in W.Va. C.S.R. § 85-12. The Office of Judges has been designated by the Commissioner as the entity to review requests for settlement review by the OIC.

Workers' Compensation Default List: An employer that fails to provide statutorily required workers' compensation insurance may be liable to the OIC for all medical and indemnity payments, administrative expenses, attorney fees and interest. The employer will remain on the default list until all payments are current and can be fined up to $10,000.00. The Office of Judges has been designated by the Commissioner as the entity to review final decisions regarding placement of an employer on the Workers' Compensation Default List. Review by the Office of Judges must be conducted in accordance with the West Virginia Administrative Procedures Act.

WV Health Care Authority: Pursuant to Executive Order No. 3-99, the Office of Judges is designated as the entity to review final decisions of the West Virginia Health Care Authority on matters relative to certificates of need for new institutional health services and rate setting of hospitals pursuant to W.Va. Code § 16-2D-1, *et. seq.* and § 16-29B-1, *et. seq.* The review is conducted in accordance with the West Virginia Administrative Procedures Act.

PROTESTS ACKNOWLEDGED

In calendar year 2018, the Office of Judges acknowledged 2,807 protests. The breakdown of protests is as follows: 2,055 protests from private carrier market, 535 protests from the self-insured market, 165 protests arising from the Old Fund, and 52 protests arising from Special Fund claims.

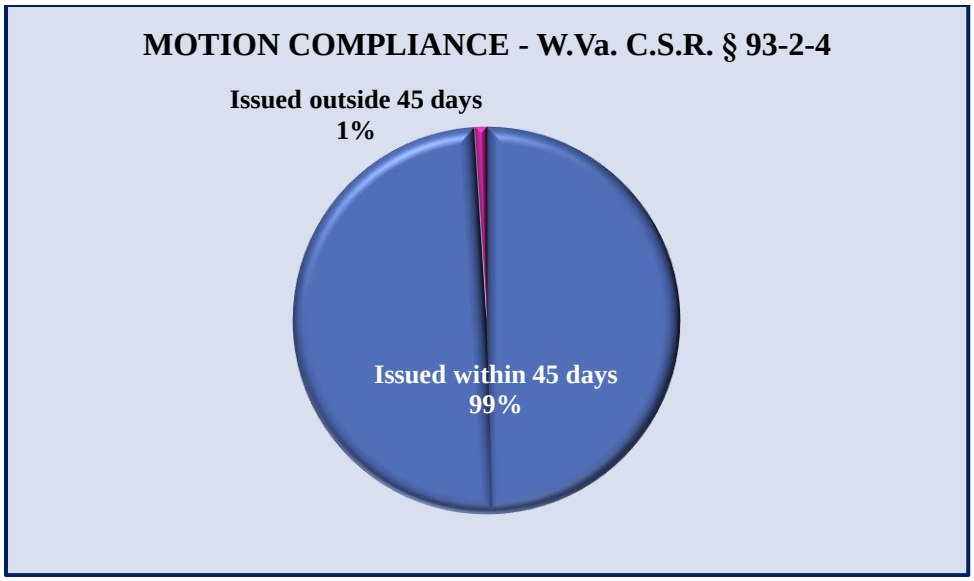


TIME STANDARD COMPLIANCE

Pursuant to regulation, the Office of Judges is required to process protests in a timely manner so that the parties to litigation may receive decisions without unreasonable delay. Additionally, on an annual basis, the Office of Judges is required to report on "the degree of compliance" with the time limitations set forth in the Rule. The following statistical analyses reflects the performance of the Office of Judges for calendar year 2018.

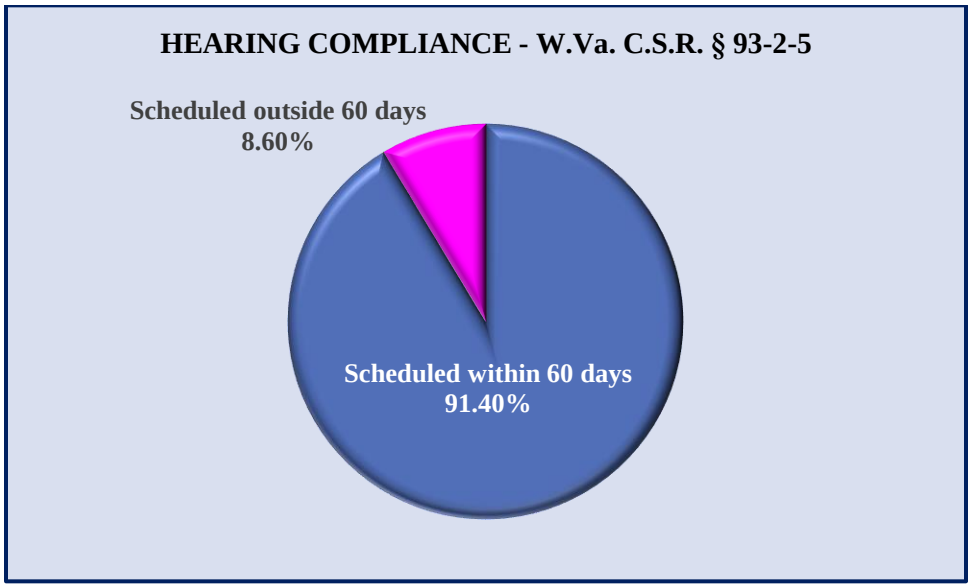
A. W.VA. C.S.R. § 93-2-4 MOTIONS

The Rule requires the Office of Judges to act upon a motion "within 45 days of the date of submission" of the motion or on the date of the final decision, whichever is earlier. Of the 7,073 written motions ruled upon in the 2018 calendar year, 99.0% were issued in compliance with the time standard.



B. W.VA. C.S.R. § 93-2-5 HEARINGS

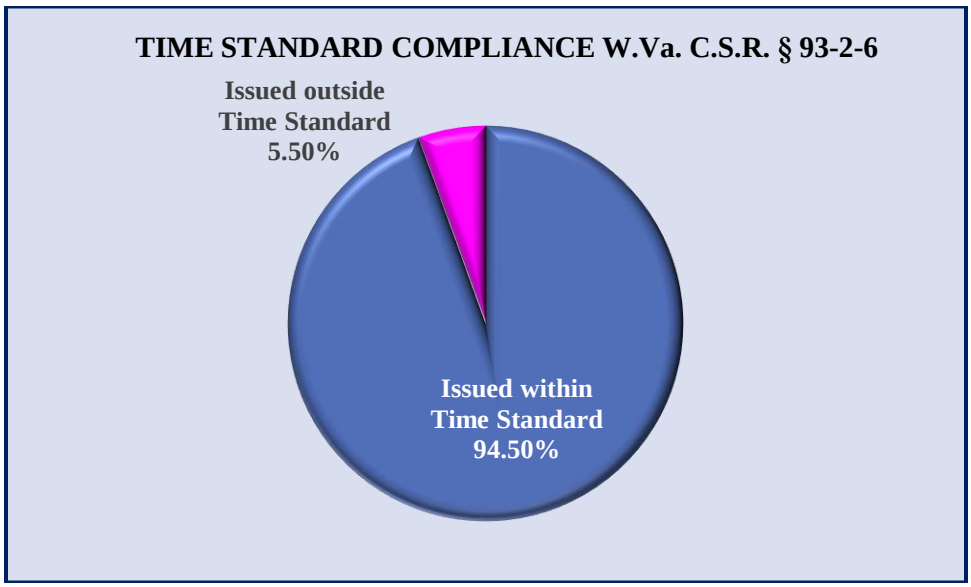
The Rule requires the Office of Judges to schedule a hearing "within 60 days from the receipt of the request for hearing." Of the 570* hearings scheduled from motions in calendar year 2018, 91.4% were scheduled in compliance with the time standard.



* The Office of Judges scheduled a total of 933 hearings in calendar year 2018, including 363 hearings that did not require a motion.

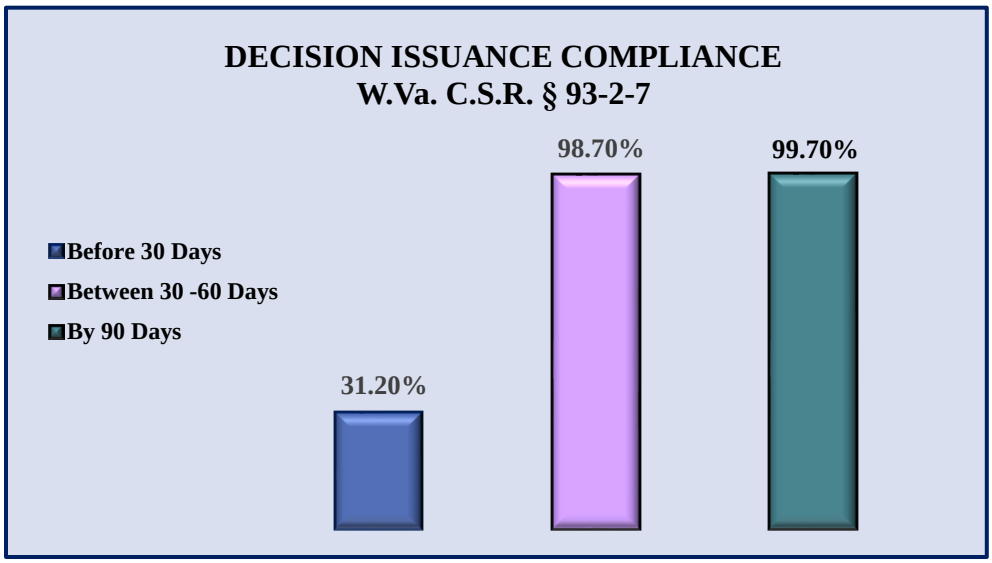
C. W.VA. C.S.R. § 93-2-6 TIME STANDARDS

The Rule requires the Office of Judges to issue a final decision within various time limits depending upon the issue involved (measuring time from the date of receipt of the protest to issuance of the decision). Pursuant to W.Va. C.S.R.§ 93-2-3.1, the percentage of final decisions that must be at or under the applicable time standards as provided in W.Va. C.S.R. § 93-2-6 is 80%. The Office of Judges issued 94.5% of its decisions within the time standard.



D. W.VA. C.S.R. § 93-2-7 ISSUANCE OF DECISIONS

The Rule requires the Office of Judges to issue 60% of its decisions within 30 days of the Order to Submit; 80% of its decisions within 60 days of the Order to Submit; and 100% of its decisions within 90 days of the Order to Submit. Of the 1,696 decisions issued in calendar year 2018, 31.2% were issued in less than 30 days, 98.7% were issued within 60 days and 99.7% were issued within 90 days of the Order to Submit.



RATES AND FORMS DIVISION

The Rates and Forms Division analyzes all rate, rule, form and advertising filings proposed by licensed insurance companies for use in the West Virginia insurance markets. Analysts review all such filings for automobile, homeowners, motorcycle, mobile homes, umbrella, business owners, inland marine, medical malpractice, credit, workers' compensation products, group and individual accident and sickness, life, disability, Medicare supplements, long term care, and annuities products. Filings are submitted through the System for Electronic Rate and Form Filings (SERFF) and divided among the OIC's analysts. West Virginia is a "prior approval" state, which means policy rates, rules and forms must be approved by the West Virginia Insurance Commissioner prior to marketing plans to West Virginia consumers.

In addition, analysts review binders as submitted by major medical and dental companies as part of the certification process for Qualified Health Plans (QHPs) within the statutes of the Patient Protection and Affordable Care Act (ACA). Binders are also submitted through SERFF and consist of a series of templates that are used to transfer the plan data to the federal marketplace (www.Healthcare.gov). W. Va. Code §33-6-8, 33-15-1b and 33-16B-1, is the primary authority for West Virginia to review and recommend Qualified Health Plans (QHPs) for certification.

The OIC has established a certification "checklist" or set of standards against which QHP applications are evaluated. Reviews of QHP applications are performed by the Rates and Forms Division, in coordination and cooperation with other divisions within the OIC, such as Consumer Services, Financial Conditions, Health Policy, and Market Conduct, as necessary. SERFF is the primary technical system used to manage all steps in these business processes, including communications between the OIC and issuers during the evaluation and revisions to the plans.

Once the plans are reviewed and approved by the OIC, QHPs offered "Off Marketplace" receive final approval from the State. QHPs to be offered "On Marketplace" are sent to CMS/HHS via transmission from the SERFF binder through the Health Insurance Oversight System (HIOS). CMS/HHS then reviews the plan and finalizes it as a "Certified QHP" to be a Marketplace plan listed on www.Healthcare.gov. The final step of certification is a contract between CMS and the issuer, which must be signed, countersigned and distributed to states prior to the plans being included on the marketplace.

Analysts participate on various committees with the NAIC to work on national solutions to issues that span more than West Virginia. For example, the Life and Health Team joined the NAIC's Long-Term Care Executive Task Force, along with Commissioner Dodrill. This Task Force is working on the tough issues surrounding long-term care using a multifaceted approach, and its efforts will affect and, hopefully, benefit West Virginia Long-Term Care Insurance consumers.

Filings for noncommercial lines must be filed with the Division no less than 60 days in advance of the desired effective date per Code §33-6-8(b)(1) and §33-16B-1, and unless more information is requested from the insurance company, will be deemed approved at the end of the 60-day timeframe. Commercial lines and casualty risks, as well as any mass-marketed life and health product offered to members of an association must be filed with the Division as noted in Code §33-6-8(b)(2). However, there is no OIC prior approval needed before an insurer can implement the filing. The Commissioner may take action on such forms within 30 days. Code 33-6-9(e) requires the Insurance Commissioner to disapprove a form "if the coverages provided therein are not sufficiently broad to be in the public interest." As of June 2018, certain commercial lines of insurance are excluded from rate filing requirements pursuant to SB 495.

Property and Casualty	
Total Received	**2,697**
Acknowledged	127
Approved	2,562
Disapproved	12
Withdrawn	45
Total Resolved	**2,746**

Life and Health	
Total Received	**3,608**
Acknowledged	579
Approved	2,303
Disapproved	4
Withdrawn	192
Total Resolved	**3,078**

Although the majority of filings are ultimately approved, we regularly require additional information, data and time to complete a comprehensive review. Several parties are involved in the rate review process. We also rely on evaluations by consulting actuaries and opinions from our Legal Department before a final determination is made.

There are 282 insurers eligible to write workers' compensation insurance in West Virginia. Of the 282 carriers, 233 are writing at least one policy. That represents 82.6% of eligible insurers that are actively writing policies in West Virginia.

There have been 15 consecutive annual workers' compensation loss cost decreases filed since the privatization in 2006. These decreases represent an overall premium savings to West Virginia employers of 75.8%.

Issues with Long-Term Care Insurance (LTC) continue to plague West Virginia consumers, as well as consumers around the Country, with high increases and benefit reductions. Analysts work with LTC companies and the NAIC to find the balance between the needs of the consumer and the financial solvency of the company. This issue will continue to evolve over the next several years.

Approved Rate Change History of Top 5 Carriers in the Market for:					
Private Passenger Auto					
Market Share as of 2018	**Company**	**Effective Date**	**% Requested**	**% Granted**	**WV File #:**
24.70%	***State Farm Mutual Auto Ins Co***				
		1/1/2019	0.10%	0.10%	100048678
		10/15/2018	-2.40%	-2.40%	100047985
		8/20/2018	-2.90%	-2.90%	100047453
		5/7/2018	-2.90%	-2.90%	100046984
		1/1/2018	0.00%	0.00%	100045528
		12/11/2017	-0.30%	-0.30%	100045037
		1/1/2017	0.00%	0.00%	100040811
		4/25/2016	-0.70%	-0.70%	100036061
		1/5/2015	-1.80%	-1.80%	100029046
		1/1/2014	0.10%	0.10%	100023109
15.20%	***Erie Ins Property & Casualty***				
		1/1/2018	1.00%	1.00%	100045111
		1/1/2017	(0.10%)	(0.10%)	100043697
		1/1/2017	0.00%	0.00%	100040047
		1/1/2016	0.00%	0.00%	100034414
		1/1/2014	0.00%	0.00%	100022600
6.10%	***Nationwide Mutual Insurance Company***				
		11/7/2018	1.10%	1.10%	100046860
		9/23/2017	0.00%	0.00%	100042248
		3/23/2017	0.00%	0.00%	100041070
		9/23/2016	2.90%	2.90%	100038244
		9/23/2015	0.00%	0.00%	100032839
		3/23/2015	0.00%	0.00%	100029646
		8/27/2014	0.00%	0.00%	100025959
		2/27/2013	1.30%	1.30%	100017236
4.70%	***Nationwide Ins Co of America***				
		4/28/2019	-1.70%	-1.70%	100049390
		11/7/2018	1.10%	1.10%	100046860
		9/23/2017	0.00%	0.00%	100042248
		3/23/2017	0.00%	0.00%	100041070
		9/23/2016	3.00%	3.00%	100038244
		9/23/2015	-1.40%	-1.40%	100032839
		3/23/2015	0.00%	0.00%	100029646

Approved Rate Change History of Top 5 Carriers in the Market for:					
Private Passenger Auto (Continued)					
Market Share as of 2018	**Company**	**Effective Date**	**% Requested**	**% Granted**	**WV File #:**
4.40%	***Allstate Property & Casualty***				
		9/24/2018	0.00%	0.00%	100048222
		9/17/2018	0.00%	0.00%	100047713
		5/14/2018	0.00%	0.00%	100047221
		11/20/2017	9.90%	9.90%	100045406
		9/18/2017	0.00%	0.00%	100044998
		8/14/2017	0.00%	0.00%	100044200
		9/19/2016	0.00%	0.00%	100039646
		7/25/2016	0.00%	0.00%	100038542

Approved Rate Change History of Top Carriers in the Market for:			
Comprehensive Major Medical - Individual			
2018 Market Share	**Company**	**Eff Date**	**SERFF #**
97.89%	***Highmark West Virginia, Inc.***	1/1/2018	MSBC-131076367
2.11%	***CareSource***	1/1/2018	CASO-131064019

Comprehensive Major Medical - Group			
2018 Market Share	**Company**	**Eff Date**	**SERFF #**
62.95%	***Highmark West Virginia, Inc.***	1/1/2018	MSBS-131067785
16.09%	***United Healthcare Insurance***	1/1/2017	UHLC-131096138
9.14%	***The Health Plan of the Upper Ohio Valley, Inc.***	1/1/2017	THPI-1310808430
8.80%	***Aetna Health Inc***	1/1/2017	AETN-131041164
3.02%	***THP***	1/1/2017	THPI-131080433

Note: The Patient Protection and Affordable Care Act, fully in effect as of January 1, 2014, changed the underwriting and rating methodology of Individual and Small Group Major Medical Insurance.

STATE AGENCY WORKERS' COMPENSATION (SAWC) PROGRAM

As the State Agency Workers' Compensation Program (SAWC) enters the ninth policy year, the program continues to experience a positive trend with decreased frequency and severity of claims and losses. The program currently includes more than 100 agencies, boards and commissions with over 900 locations across our state. It is estimated that approximately 25,000 public employees are covered under this consolidated policy. As the plan administrator, the West Virginia Offices of the Insurance Commissioner (WVOIC) continually monitors and evaluates loss trends and exposures to determine if they are being properly addressed as well as make safety recommendations to mitigate workplace injuries. This report outlines specific portions of the program's administration including safety visits and recommendations, policy experience rating factors, claims trending and summaries, and future focus areas for specific agencies. Zurich Insurance Company was the SAWC policy coverage provider from October 2011 through June 2017. Effective July 1, 2017 the SAWC policy transitioned to the Encova Mutual Insurance Group (formerly BrickStreet Mutual Insurance Company).

SAFETY VISIT SUMMARY

Safety visits and evaluations continue to play an important role in all aspects of the SAWC Program. During the first SAWC policy year (October 2011), all plan members were visited by a safety professional. After the initial visitations to all agencies and follow-up reports were evaluated, it was determined that future safety resources should be focused on agencies with a higher frequency and severity of losses. The table below outlines the number of visits performed by policy year by Zurich (2011 -2016) and Encova (2017 - 2018) safety teams as well as the OIC Program Manager.

Policy Year	Number of Visits
2011	109
2012	102
2013	81
2014	90
2015	93
2016	90
2017	200
2018	173
Total	**938**

SAFETY AND RETURN TO WORK INITIATIVES

Many of the SAWC Program members have welcomed the safety initiatives and have worked diligently in implementing suggestions for improvement from the safety professionals. These initiatives include:

- Establishing safety committees
- Using slip resistant shoes to reduce slips, trips and falls
- Implementing an exercise program (stretch and flex) prior to beginning strenuous job duties
- Establishing transitional work assignments that provide employees the opportunity to return to work on a limited basis (Return to Work Program)
- Ergonomic assessments of employees performing repetitive functions
- Providing safety information related to using chain saws, log splitters, lawn mowers, and weed eaters
- Incident and accident investigation training
- Defensive drivers' training
- Developing Emergency Action Plans
- Training on safe lifting techniques
- Fire prevention and fire safety training
- Using floor scrubbers with degreasers to reduce slips, trips and falls
- Repairing flooring to decrease the number or slips, trips and falls
- Workplace violence training
- Enhanced patient observation by using cameras to reduce workplace violence
- Industrial hygiene studies were completed to address noise and air quality
- Industrial hygiene survey was completed related to airborne contaminants
- BRIM and OIC site visits to agencies to discuss strategies for reducing Motor Vehicle Accidents (MVA)

Many state agencies have already implemented safety programs or are in the process of implementing safety committees, policies and procedures. Some notable safety initiatives that have been developed and implemented include:

- **Department of Health and Human Resources** – Workplace Violence Prevention Training, Return to Work Program, and installation of video cameras in some locations.

- **Department of Veterans Assistance** – Workplace Violence Prevention Training and Return to Work Program

- **Department of Military Affairs** – The Division of Corrections, Division of Juvenile Services and the Regional Jail and Correctional Facility Authority have combined resources in the past to focus on workplace and employee safety programs by forming a multi-Agency Shared Services Committee on Safety, Workplace Violence Prevention Training, and Return to Work Programs. Effective July 2018, HB 4338 merged these agencies into a single entity called the Department of Corrections and Rehabilitation (DCR). DCR will share a centralized safety and health program and return-to-work program. This should improve the consistency of the safety program and return-to-work program for all DCR locations.

- **Division of Highways** – Slip, Trip and Fall Training, Confined Space Training, Silica Training, and additional OSHA training.

The WVOIC has worked extensively with SAWC Program members to develop Return to Work programs. The Return to Work programs have been finalized and implemented by several SAWC Program members. SAWC Program members have implemented functional Return to Work programs and continue to look for ways to improve the process for returning injured workers to the workplace. This is a critical area of success for the program and all agencies are encouraged to focus on implementing and maintaining an effective return to work program. The SAWC Program Manager is continuously monitoring the success of the program and is providing support to agencies that face challenges related to return to work program implementation.

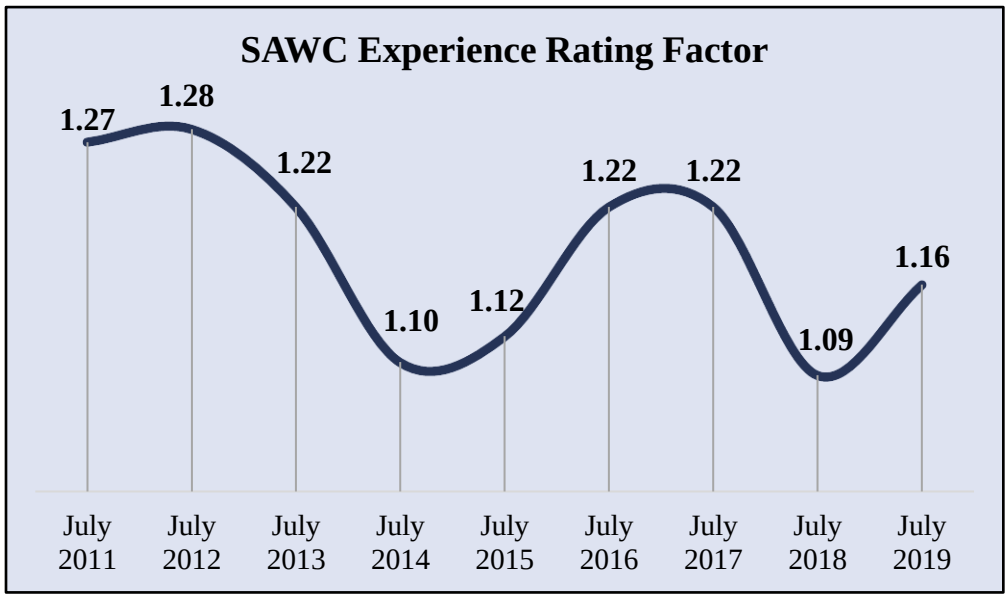
SAWC EXPERIENCE RATING FACTOR (EMOD)

An experience rating factor (emod) is an industry standard calculation that compares a policy's expected losses to actual losses for a three (3) year period. An emod can increase or decrease premium based on a policy's loss experience. If an insured has actual losses that are greater than the expected losses, a debit emod is applied to the policy. If an insured has fewer actual losses than expected losses, a credit emod is applied. The chart below illustrates how an experience rating factor impacts final premium.

Premium Component	Agency A	Agency B
Payroll	$1,000,000	$1,000,000
Rate	$3.50	$3.50
Manual Premium	$35,000	$35,000
Experience Rating Factor	1.10	0.90
Modified Premium	$38,500	$31,500
Schedule Rating Credit	25%	25%
Standard Premium	$28,875	$23,625

Through the hard work of agencies and WVOIC employees, the SAWC Program emod has decreased from 1.27 on the July 2011 policy to 1.16 for the July 2019 policy. The emod increase from the July 2014 policy includes the claim and loss effects from the 2012 derecho and 2012 Superstorm Sandy as well as several fatal claims and severe motor vehicle accidents. We are monitoring the emod increase for the 2019 policy and are working with Encova to ensure the safety of all State employees is the number one priority.

The chart below shows the experience rating factor progression throughout the SAWC Program by policy year:



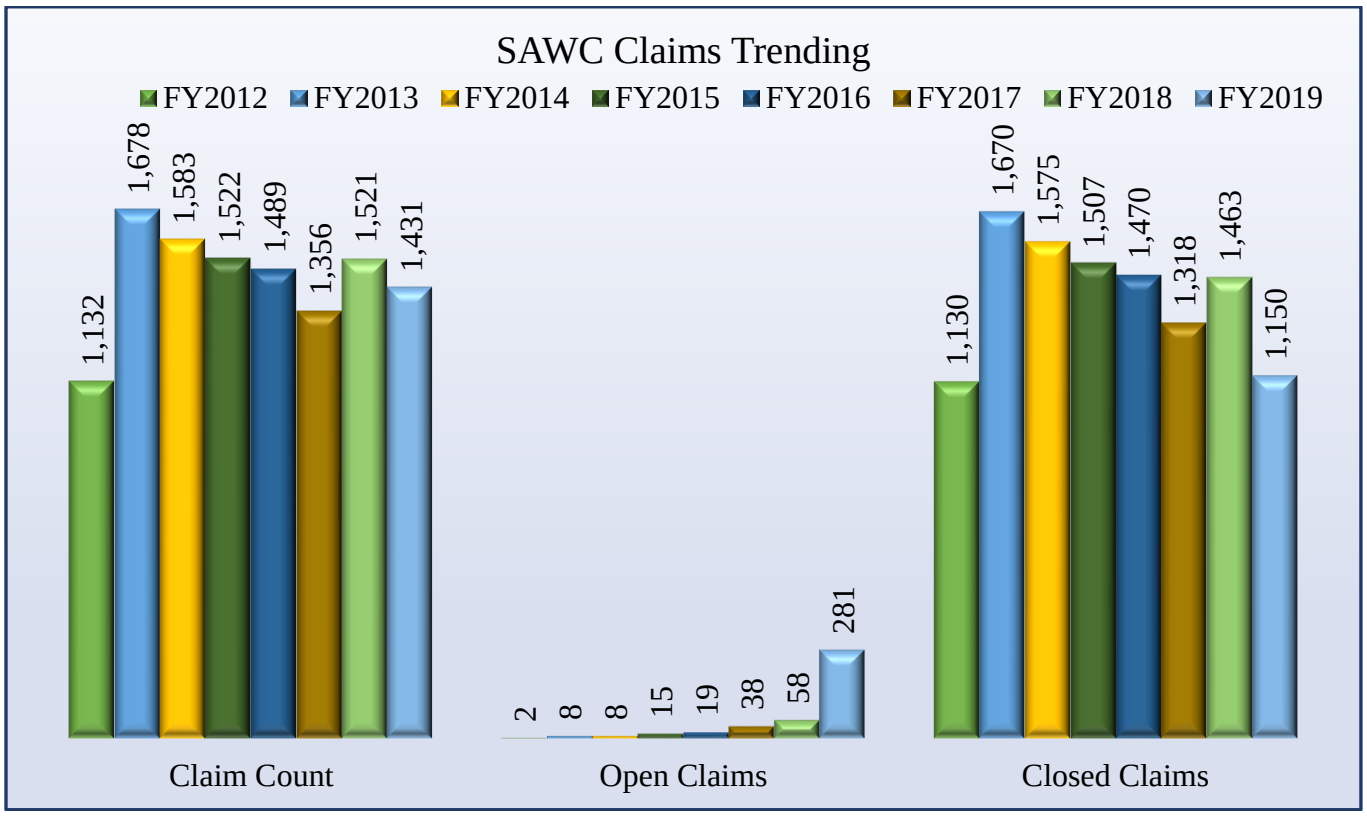
The aggregate policy emod is shown above and individual agency emods are calculated to allocate the premium by the risk and loss experience that each agency provides to the program. For the July 2019 policy, the individual agency emods summary is as follows:

Emod Range	Agency Count
Less than 1.00	25
Equal to 1.00	53
Greater than 1.00	22

The agencies with the lowest emods are the Department of Environmental Protection (0.43), the Department of Education and the Geological-Economic Survey (both at 0.64). The agencies with the highest emods are Mildred Mitchell Bateman Hospital (2.68) and Jackie Withrow Hospital (1.91).

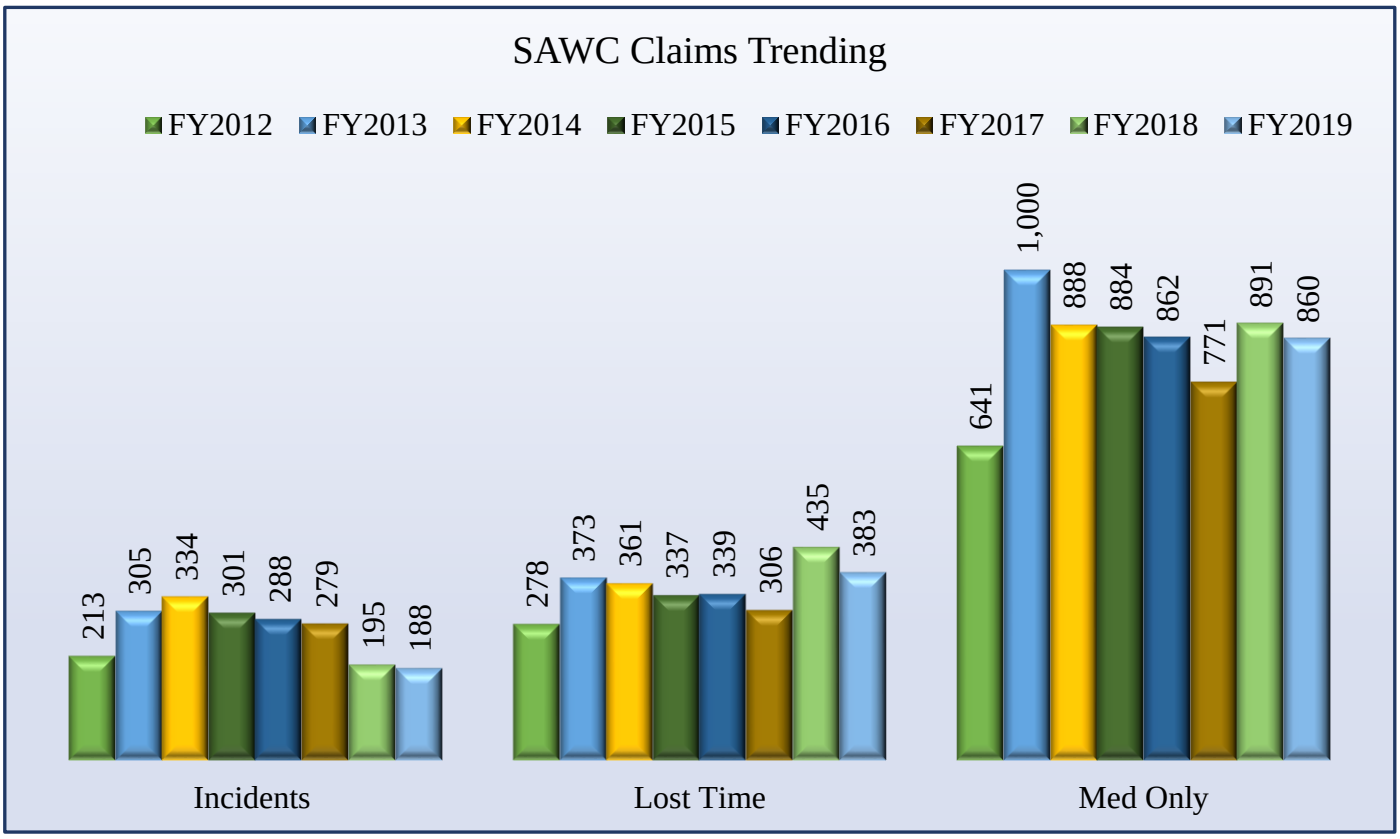
SAWC CLAIMS SUMMARY

As of July 31, 2019, there have been 8,760 SAWC claims submitted to Zurich with dates of injury between October 2011 and June 2016. There have been 2,952 SAWC claims submitted to Encova with dates of injury between July 2017 and June 2019 for a total SAWC claim count of 11,712. The charts below represent claims trending analysis by fiscal year:

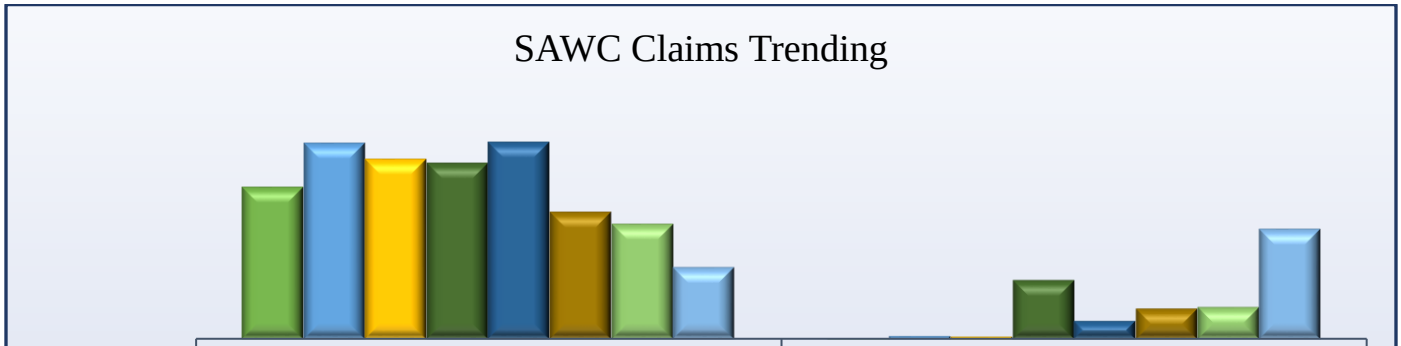


Data as of July 31, 2019 **FY2012 from October 2011 – June 2012**

FY2012 – FY2017 are Zurich claims; FY2018 – FY2019 are Encova claims



Of the 11,712 total claims reported to Zurich and Encova 2,103 (18%) have resulted in being closed with no payments (incidents).



	Total Paid	Total Reserves
FY2012	$8,995,593	$26,463
FY2013	$11,575,300	$198,018
FY2014	$10,606,681	$156,573
FY2015	$10,398,090	$3,487,609
FY2016	$11,616,543	$1,094,684
FY2017	$7,486,290	$1,801,260
FY2018	$6,792,294	$1,897,088
FY2019	$4,216,027	$6,433,847

Data as of July 31, 2019 **FY2012 from October 2011 – June 2012**

FY2012 – FY2017 are Zurich claims; FY2018 and FY2019 are Encova claims

As indicated by the trending charts, the SAWC Program realized decreasing frequency from FY2013 through FY2017. However, FY2018 had a 12% frequency increase over FY2017. While the FY2019 frequency is slightly lower than FY2018, the frequency is at the same approximate levels of FY2016. The average cost per claim decreased 14.5% from FY2015 ($8,706) through FY2019 ($7,442) at current incurred values. However, the severity increased, from FY2018 to FY2019, approximately 30% due to large loss claims. Due to the increases in both frequency (FY2018) and severity (FY2019), the OIC is actively monitoring these claims and taking proactive safety and awareness measures to ensure these trends do not continue.

There are currently 19 claims in excess of the $250,000 deductible per claim limit. These 19 claims have a total incurred claims cost of $14,736,685.

Further claims analysis of the SAWC Program shows there are 92 employees with five (5) or more claims each between October 2011 and June 2019. The total incurred claims cost for these multiple claimants is $3,364,624. A claimant review is below:

- Three employees have 11 claims each for a total incurred cost of $90,819
- Two employees have 10 claims each for a total incurred cost of $204,617
- Two employees have nine claims each for a total incurred cost of $196,342
- One employee has eight claims for a total incurred cost of $3,667
- 13 employees have seven claims each for a total incurred cost of $527,382
- 22 employees have six claims each for a total incurred cost of $464,731
- 49 employees have five claims each for a total incurred cost of $1,877,066

CONCLUSION

The SAWC Program has a complex workforce doing tasks that at times place employees in danger. Our employees are our greatest asset and their safety is of the utmost importance. Safety policies and procedures have been developed for employees to follow to minimize these risks. Efforts have been made in all agencies to ensure that policies and procedures are in place and are being followed by all employees to prevent workplace injuries. This task has been hindered due to employee turnover in State agencies, adversely impacting implementation of safety programs, initiatives and return to work programs.

Major training campaigns will continue in 2020 for motor vehicle accident (MVA) prevention strategies, defensive driving training, Return to Work Implementation, workplace violence, sprain and strain reduction as well as fall prevention.

The OIC has partnered with BRIM in a shared services approach to provide motor vehicle accident prevention techniques and strategies to agencies with a goal of reducing the frequency and severity of MVAs. During the FY2018 and FY2019 policies written by Encova, MVAs accounted for 73 of the total 2,952 claims or ~2.5% of the claims frequency. Those 73 claims accounted for $620,348 of the total incurred or ~3.2% of the claims severity.

The SAWC Program will continue to host its annual conference outlining the state of the Program, ongoing commitments and processes in place to reduce costs and prevent workplace injuries, as well as demonstrate effective Return to Work programs for agencies to implement and administer.

2018 WEST VIRGINIA PROPERTY AND CASUALTY MARKET SHARE REPORT

Graphs display Top 10 licensed carriers of Market Share per Line by Earned Premiums

Aggregate Write-Ins		
Company Name	Market Share	Premiums
Triton Ins Co	22.04%	$720,344
American Road Ins Co	21.80%	$712,767
Farmers Mut Ins Co	16.04%	$524,294
Courtesy Ins Co	11.49%	$375,731
Midwest Employers Cas Co	7.36%	$240,742
Farmers Mech Mut Fire Ins Of WV	6.55%	$214,014
Yosemite Ins Co	5.71%	$186,764
Independence Amer Ins Co	3.47%	$113,556
Municipal Mut Ins Co	1.63%	$53,446
Ace Amer Ins Co	0.83%	$27,260

Total for Top 10 Insurers	96.94%	$3,168,918
Total for All Other 13 Insurers	3.06%	$100,094
Total for All 23 Insurers	100.00%	$3,269,012

Aircraft		
Company Name	Market Share	Premiums
Starr Ind & Liab Co	17.49%	$552,902
National Union Fire Ins Co Of Pitts	14.68%	$464,269
Endurance Amer Ins Co	12.90%	$407,858
Insurance Co Of The State Of PA	9.87%	$311,898
Old Republic Ins Co	8.52%	$269,381
Allianz Global Risks US Ins Co	4.17%	$131,861
Avemco Ins Co	3.36%	$106,222
US Specialty Ins Co	3.11%	$98,277
North Amer Elite Ins Co	2.97%	$94,034
Hallmark Ins Co	2.52%	$79,625

Total for Top 10 Insurers	79.59%	$2,516,327
Total for All Other 17 Insurers	20.41%	$645,200
Total for All 27 Insurers	100.00%	$3,161,527

Allied Lines		
Company Name	Market Share	Premiums
Farm Family Cas Ins Co	14.23%	$4,405,321
State Auto Prop & Cas Ins Co	6.37%	$1,971,205
Factory Mut Ins Co	6.13%	$1,896,010
Standard Guar Ins Co	5.86%	$1,813,077
Farmers Mech Mut Fire Ins Of WV	4.62%	$1,429,271
HDI Global Ins Co	4.59%	$1,420,654
Zurich Amer Ins Co	4.40%	$1,361,646
American Modern Select Ins Co	4.17%	$1,289,905
Westfield Ins Co	3.66%	$1,132,947
Nationwide Mut Fire Ins Co	2.94%	$909,603

Total for Top 10 Insurers	56.97%	$17,629,639
Total for All Other 156 Insurers	43.03%	$13,317,942
Total for All 166 Insurers	100.00%	$30,947,581

Boiler and Machinery		
Company Name	Market Share	Premiums
Factory Mut Ins Co	23.86%	$1,571,622
National Union Fire Ins Co Of Pitts	14.95%	$984,669
Federal Ins Co	6.18%	$407,153
Allianz Global Risks US Ins Co	4.35%	$286,566
Hartford Steam Boil Inspec & Ins Co	4.20%	$276,953
Travelers Prop Cas Co Of Amer	3.94%	$259,637
The Cincinnati Ins Co	3.34%	$219,810
Tokio Marine Amer Ins Co	2.85%	$187,633
Liberty Mut Fire Ins Co	2.65%	$174,753
Westport Ins Corp	2.64%	$173,594

Total for Top 10 Insurers	68.95%	$4,542,390
Total for All Other 96 Insurers	31.05%	$2,045,514
Total for All 106 Insurers	100.00%	$6,587,904

Burglary and Theft		
Company Name	Market Share	Premiums
Travelers Cas & Surety Co Of Amer	42.66%	$337,037
The Cincinnati Ins Co	7.65%	$60,434
Federal Ins Co	5.06%	$39,984
Ironshore Ind Inc	4.94%	$39,000
Motorists Mut Ins Co	4.39%	$34,681
Continental Cas Co	3.40%	$26,900
Hiscox Ins Co Inc	2.87%	$22,671
National Union Fire Ins Co Of Pitts	2.53%	$19,985
Nationwide Mut Ins Co	2.48%	$19,578
Federated Serv Ins Co	1.87%	$14,787
Total for Top 10 Insurers	77.84%	$615,057
Total for All Other 60 Insurers	22.16%	$175,054
Total for All 70 Insurers	100.00%	$790,111

Commercial Automobile		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	11.22%	$21,673,909
National Union Fire Ins Co Of Pitts	9.99%	$19,294,175
United Financial Cas Co	7.95%	$15,345,540
National Cas Co	4.81%	$9,290,921
Westfield Ins Co	4.56%	$8,802,179
The Cincinnati Ins Co	3.16%	$6,096,607
Zurich Amer Ins Co	2.91%	$5,617,687
Motorists Mut Ins Co	2.81%	$5,434,084
St Paul Fire & Marine Ins Co	2.63%	$5,072,794
National Liab & Fire Ins Co	2.60%	$5,021,226
Total for Top 10 Insurers	52.63%	$101,649,122
Total for All Other 213 Insurers	47.37%	$91,484,576
Total for All 223 Insurers	100.00%	$193,133,698

Commercial Multi-Peril (Liability)		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	18.25%	$12,699,121
Westfield Ins Co	8.82%	$6,135,360
The Cincinnati Ins Co	5.39%	$3,754,177
Atlantic Specialty Ins Co	5.12%	$3,562,024
Philadelphia Ind Ins Co	3.90%	$2,715,952
American Alt Ins Corp	3.79%	$2,638,334
Charter Oak Fire Ins Co	3.62%	$2,516,442
State Auto Prop & Cas Ins Co	3.02%	$2,103,228
Federal Ins Co	2.75%	$1,913,315
Westfield Natl Ins Co	2.59%	$1,803,538

Total for Top 10 Insurers	57.25%	$39,841,491
Total for All Other 163 Insurers	42.75%	$29,748,134
Total for All 173 Insurers	100.00%	$69,589,625

Commercial Multi-Peril (Non-Liability)		
Company Name	Market Share	Premiums
Erie Ins Prop & Cas Co	19.80%	$24,666,763
Westfield Ins Co	6.95%	$8,653,365
The Cincinnati Ins Co	4.64%	$5,778,919
Nationwide Mut Ins Co	3.66%	$4,557,842
Travelers Prop Cas Co Of Amer	3.36%	$4,182,554
Federal Ins Co	3.10%	$3,859,533
National Union Fire Ins Co Of Pitts	2.95%	$3,675,170
Brotherhood Mut Ins Co	2.80%	$3,484,641
State Auto Prop & Cas Ins Co	2.46%	$3,062,136
Motorists Mut Ins Co	2.39%	$2,979,513

Total for Top 10 Insurers	52.10%	$64,900,436
Total for All Other 169 Insurers	47.90%	$59,668,334
Total for All 179 Insurers	100.00%	$124,568,770

Credit		
Company Name	Market Share	Premiums
Great Amer Assur Co	19.03%	$1,346,470
First Colonial Ins Co	17.62%	$1,246,876
Old Republic Ins Co	10.09%	$714,277
Arch Ins Co	8.58%	$607,174
Wesco Ins Co	8.39%	$593,792
Great Amer Ins Co	7.83%	$554,448
Atradius Trade Credit Ins Co	5.64%	$399,051
Euler Hermes N Amer Ins Co	5.49%	$388,773
Ohio Ind Co	3.71%	$262,245
Cumis Ins Society Inc	3.43%	$242,753

Total for Top 10 Insurers	89.81%	$6,355,859
Total for All Other 16 Insurers	10.19%	$721,121
Total for All 26 Insurers	100.00%	$7,076,980

Earthquake		
Company Name	Market Share	Premiums
State Farm Fire & Cas Co	13.17%	$126,612
Allianz Global Risks US Ins Co	10.61%	$102,015
XL Ins Amer Inc	10.50%	$100,961
United Serv Automobile Assn	5.08%	$48,839
Continental Cas Co	5.07%	$48,779
Travelers Ind Co	4.81%	$46,286
State Auto Prop & Cas Ins Co	3.82%	$36,701
Travelers Prop Cas Co Of Amer	3.65%	$35,074
Westfield Ins Co	3.27%	$31,447
Nationwide Prop & Cas Ins Co	2.89%	$27,796

Total for Top 10 Insurers	62.88%	$604,510
Total for All Other 85 Insurers	37.12%	$356,895
Total for All 95 Insurers	100.00%	$961,405

Excess Workers' Compensation		
Company Name	Market Share	Premiums
Rockwood Cas Ins Co	32.76%	$1,922,730
LM Ins Corp	17.60%	$1,032,687
Zurich Amer Ins Co	14.06%	$825,042
Ace Amer Ins Co	11.76%	$690,295
Safety Natl Cas Corp	10.99%	$645,031
Arch Ins Co	6.99%	$410,527
Travelers Prop Cas Co Of Amer	2.61%	$153,332
Old Republic Ins Co	1.53%	$89,513
Mitsui Sumitomo Ins Co of Amer	1.39%	$81,684
XL Specialty Ins Co	0.22%	$12,769

Total for Top 10 Insurers	99.91%	$5,863,610
Total for All Other 1 Insurer	0.09%	$5,449
Total for All 11 Insurers	100.00%	$5,869,059

Federal Flood		
Company Name	Market Share	Premiums
American Bankers Ins Co Of FL	37.69%	$4,656,353
Hartford Ins Co Of The Midwest	15.27%	$1,885,890
Wright Natl Flood Ins Co	12.02%	$1,485,323
Westfield Ins Co	9.67%	$1,195,160
Allstate Ins Co	6.99%	$863,773
Selective Ins Co Of The Southeast	4.91%	$607,059
USAA Gen Ind Co	2.48%	$306,291
Philadelphia Ind Ins Co	2.33%	$287,790
Homesite Ins Co Of The Midwest	2.00%	$246,591
Liberty Mut Fire Ins Co	1.69%	$208,360

Total for Top 10 Insurers	95.05%	$11,742,590
Total for All Other 15 Insurers	4.95%	$611,584
Total for All 25 Insurers	100.00%	$12,354,174

Fidelity		
Company Name	Market Share	Premiums
Travelers Cas & Surety Co Of Amer	24.71%	$974,014
Cumis Ins Society Inc	20.84%	$821,453
Federal Ins Co	10.83%	$426,775
Great Amer Ins Co	8.29%	$326,689
Everest Natl Ins Co	4.34%	$170,996
Western Surety Co	3.63%	$143,077
Security Natl Ins Co	2.66%	$104,974
Continental Cas Co	2.08%	$81,896
National Union Fire Ins Co Of Pitts	1.63%	$64,446
Motorists Mut Ins Co	1.54%	$60,794

Total for Top 10 Insurers	80.55%	$3,175,114
Total for All Other 76 Insurers	19.45%	$766,667
Total for All 86 Insurers	100.00%	$3,941,781

Financial Guaranty		
Company Name	Market Share	Premiums
Assured Guar Municipal Corp	86.24%	$2,630,135
MBIA Ins Corp	5.97%	$182,151
Ambac Assur Corp	5.53%	$168,727
National Public Finance Guar Corp	1.59%	$48,398
Build Amer Mut Assur Co	0.60%	$18,350
Assured Guar Corp	0.05%	$1,475
Municipal Assur Cor	0.02%	$619

Total for Top 7 Insurers	100.00%	$3,049,855
Total for All Other 0 Insurers	0.00%	$0
Total for All 7 Insurers	100.00%	$3,049,855

Fire		
Company Name	Market Share	Premiums
Farm Family Cas Ins Co	7.35%	$3,901,903
WVa Ins Co	6.23%	$3,306,684
Farmers Mech Mut Fire Ins Of WV	6.14%	$3,257,836
American Modern Select Ins Co	4.66%	$2,473,059
Liberty Mut Ins Co	4.32%	$2,292,326
Municipal Mut Ins Co	4.11%	$2,182,371
HDI Global Ins Co	4.02%	$2,130,981
State Auto Prop & Cas Ins Co	3.91%	$2,076,297
Zurich Amer Ins Co	3.75%	$1,988,029
Nationwide Mut Fire Ins Co	3.52%	$1,868,639

Total for Top 10 Insurers	48.01%	$25,478,125
Total for All Other 147 Insurers	51.99%	$27,594,556
Total for All 157 Insurers	100.00%	$53,072,681

Homeowners Multi-Peril		
Company Name	Market Share	Premiums
State Farm Fire & Cas Co	25.55%	$114,429,647
Erie Ins Prop & Cas Co	9.65%	$43,243,756
Erie Ins Co	9.11%	$40,827,915
Nationwide Prop & Cas Ins Co	4.84%	$21,658,576
Nationwide Mut Fire Ins Co	4.40%	$19,698,918
Farmers Mech Mut Fire Ins Of WV	2.88%	$12,917,534
Westfield Ins Co	2.77%	$12,410,667
Allstate Ins Co	2.35%	$10,522,001
United Serv Automobile Assn	2.27%	$10,168,342
State Auto Prop & Cas Ins Co	2.14%	$9,582,816

Total for Top 10 Insurers	65.96%	$295,460,172
Total for All Other 80 Insurers	34.04%	$152,491,686
Total for All 90 Insurers	100.00%	$447,951,858

Inland Marine		
Company Name	Market Share	Premiums
Continental Cas Co	34.67%	$28,737,727
Liberty Ins Underwriters Inc	11.55%	$9,569,986
State Farm Fire & Cas Co	3.42%	$2,834,732
Travelers Prop Cas Co Of Amer	2.94%	$2,434,831
Westfield Ins Co	2.86%	$2,373,808
Arch Ins Co	2.50%	$2,076,012
National Union Fire Ins Co Of Pitts	2.11%	$1,748,765
Jefferson Ins Co	2.05%	$1,700,939
Zurich Amer Ins Co	1.86%	$1,544,109
American Bankers Ins Co Of FL	1.76%	$1,455,609
Total for Top 10 Insurers	65.72%	$54,476,518
Total for All Other 219 Insurers	34.28%	$28,416,130
Total for All 229 Insurers	100.00%	$82,892,648

Medical Malpractice		
Company Name	Market Share	Premiums
West Virginia Mut Ins Co	41.08%	$20,985,581
National Union Fire Ins Co Of Pitts	19.51%	$9,964,323
Norcal Mut Ins Co	7.87%	$4,020,358
Medical Protective Co	6.59%	$3,364,822
Health Care Industry Liab Recip	5.34%	$2,726,283
Community Hospital RRG	3.37%	$1,721,065
American Cas Co Of Reading PA	1.93%	$985,760
Doctors Co An Interins Exch	1.73%	$881,421
Applied Medico Legal Solutions	1.71%	$875,258
Ophthalmic Mut Ins Co RRG	1.53%	$783,346
Total for Top 10 Insurers	90.65%	$46,308,217
Total for All Other 36 Insurers	9.35%	$4,776,735
Total for All 46 Insurers	100.00%	$51,084,952

Mortgage Guaranty		
Company Name	Market Share	Premiums
Mortgage Guar Ins Corp	35.47%	$4,784,168
Genworth Mortgage Ins Corp	15.90%	$2,143,854
Radian Guar Inc	13.80%	$1,861,403
Essent Guar Inc	11.44%	$1,542,394
United Guar Residential Ins Co	10.10%	$1,362,583
National Mortgage Ins Corp	5.58%	$752,953
ARCH Mortgage Ins Co	4.32%	$582,547
Republic Mortgage Ins Co	1.86%	$250,996
PMI Mortgage Ins Co	1.52%	$205,447
ARCH Mortgage Assur Co	0.00%	$139

Total for Top 10 Insurers	100.00%	$13,486,484
Total for All Other 0 Insurers	0.00%	$0
Total for All 10 Insurers	100.00%	$13,486,484

Multi-Peril Crop		
Company Name	Market Share	Premiums
Rural Comm Ins Co	45.89%	$978,068
Ace Prop & Cas Ins Co	42.76%	$911,355
Stratford Ins Co	7.73%	$164,671
Agri Gen Ins Co	1.87%	$39,908
NAU Country Ins Co	1.06%	$22,549
CGB Ins Co	0.55%	$11,671
US Specialty Ins Co	0.15%	$3,231

Total for Top 7 Insurers	100.00%	$2,131,453
Total for All Other 0 Insurers	0.00%	$0
Total for All 7 Insurers	100.00%	$2,131,453

Ocean Marine		
Company Name	Market Share	Premiums
National Union Fire Ins Co Of Pitts	14.93%	$484,330
Starr Ind & Liab Co	14.42%	$467,836
Navigators Ins Co	11.61%	$376,662
GEICO Marine Ins Co	10.18%	$330,340
Travelers Prop Cas Co Of Amer	9.72%	$315,467
Atlantic Specialty Ins Co	6.46%	$209,498
AGCS Marine Ins Co	5.80%	$188,115
Continental Ins Co	4.54%	$147,314
AXA Ins Co	2.54%	$82,292
New York Marine & Gen Ins Co	2.28%	$74,056

Total for Top 10 Insurers	82.48%	$2,675,910
Total for All Other 40 Insurers	17.52%	$568,250
Total for All 50 Insurers	100.00%	$3,244,160

Other Liability		
Company Name	Market Share	Premiums
National Union Fire Ins Co Of Pitts	24.34%	$48,862,673
St Paul Fire & Marine Ins Co	4.64%	$9,320,706
Travelers Prop Cas Co Of Amer	3.09%	$6,210,205
Erie Ins Prop & Cas Co	2.95%	$5,923,961
Great Midwest Ins Co	2.91%	$5,851,184
Travelers Cas & Surety Co Of	2.48%	$4,983,832
Westfield Ins Co	2.31%	$4,633,722
ALPS Prop & Cas Ins Co	2.22%	$4,457,508
Zurich Amer Ins Co	2.12%	$4,263,470
Motorists Mut Ins Co	2.08%	$4,182,150

Total for Top 10 Insurers	49.16%	$98,689,411
Total for All Other 322 Insurers	50.84%	$102,043,065
Total for All 332 Insurers	100.00%	$200,732,476

Private Passenger Automobile		
Company Name	Market Share	Premiums
State Farm Mut Auto Ins Co	24.87%	$314,297,839
Erie Ins Prop & Cas Co	14.83%	$187,391,102
Nationwide Mut Ins Co	6.29%	$79,474,865
Nationwide Ins Co Of Amer	4.69%	$59,272,472
Allstate Prop & Cas Ins Co	4.29%	$54,210,611
Progressive Max Ins Co	4.12%	$52,049,331
GEICO Advantage Ins Co	4.11%	$51,917,079
Progressive Classic Ins Co	3.32%	$41,957,899
Safeco Ins Co Of Amer	2.35%	$29,744,518
GEICO Choice Ins Co	1.98%	$25,080,493
Total for Top 10 Insurers	70.86%	$895,396,209
Total for All Other 92 Insurers	29.14%	$368,300,271
Total for All 102 Insurers	100.00%	$1,263,696,480

Products Liability		
Company Name	Market Share	Premiums
St Paul Fire & Marine Ins Co	11.67%	$876,926
Hartford Fire Ins Co	10.48%	$787,851
American Guar & Liab Ins	9.87%	$741,714
State Auto Prop & Cas Ins Co	6.43%	$483,291
Continental Cas Co	6.23%	$468,546
The Cincinnati Ins Co	4.38%	$329,387
Twin City Fire Ins Co Co	4.25%	$319,392
Federal Ins Co	4.02%	$302,089
National Union Fire Ins Co Of Pitts	3.73%	$280,659
Zurich Amer Ins Co	3.54%	$265,734
Total for Top 10 Insurers	64.60%	$4,855,589
Total for All Other 107 Insurers	35.40%	$2,660,311
Total for All 117 Insurers	100.00%	$7,515,900

Surety		
Company Name	Market Share	Premiums
Indemnity Natl Ins Co	18.32%	$8,316,944
Lexon Ins Co	11.20%	$5,083,153
Travelers Cas & Surety Co Of Amer	9.56%	$4,339,799
Fidelity & Deposit Co Of MD	5.82%	$2,642,350
Liberty Mut Ins Co	5.09%	$2,309,675
Continental Heritage Ins Co	5.08%	$2,305,416
First Surety Corp	5.02%	$2,280,095
Western Surety Co	3.95%	$1,791,826
Great Amer Ins Co	3.80%	$1,726,951
Aspen Amer Ins Co	3.46%	$1,571,042

Total for Top 10 Insurers	71.30%	$32,367,251
Total for All Other 118 Insurers	28.70%	$13,031,748
Total for All 128 Insurers	100.00%	$45,398,999

Warranty		
Company Name	Market Share	Premiums
Heritage Ind Co	50.54%	$1,594,426
Universal Underwriters Ins Co	18.61%	$586,973
Dealers Assur Co	11.69%	$368,699
National Cas Co	10.11%	$318,977
Wesco Ins Co	3.85%	$121,483
Continental Cas Co	2.68%	$84,546
Old Republic Ins Co	1.13%	$35,544
Great Amer Ins Co of NY	0.59%	$18,697
MIC Prop & Cas Ins Corp	0.43%	$13,490
Starr Ind & Liab Co	0.14%	$4,543

Total for Top 10 Insurers	99.77%	$3,147,378
Total for All Other 5 Insurers	0.23%	$7,110
Total for All 15 Insurers	100.00%	$3,154,488

Workers' Compensation		
Company Name	Market Share	Premiums
BrickStreet Mut Ins Co (now, Encova)	44.18%	$121,597,188
Rockwood Cas Ins Co	4.64%	$12,776,530
Zurich Amer Ins Co	3.75%	$10,317,219
Travelers Cas Ins Co Of Amer	3.35%	$9,216,980
Travelers Prop Cas Co Of Amer	3.17%	$8,719,774
Summitpoint Ins Co	2.75%	$7,557,275
Flagship City Ins Co	1.81%	$4,986,174
Zurich Amer Ins Co Of IL	1.61%	$4,438,662
American Mining Ins Co	1.60%	$4,402,614
LM Ins Corp	1.44%	$3,964,353

Total for Top 10 Insurers	68.29%	$187,976,769
Total for All Other 223 Insurers	31.71%	$87,280,591
Total for All 233 Insurers	100.00%	$275,257,360

Property and Casualty Total		
Company Name	Market Share	Premiums
State Farm Mut Auto Ins Co	11.01%	$326,288,917
Erie Ins Prop & Cas Co	10.14%	$300,322,553
State Farm Fire & Cas Co	4.77%	$141,182,997
BrickStreet Mut Ins Co	4.10%	$121,597,188
Nationwide Mut Ins Co	3.11%	$92,046,582
National Union Fire Ins Co Of Pitts	2.98%	$88,267,026
Westfield Ins Co	2.30%	$68,233,279
Allstate Prop & Cas Ins Co	2.05%	$60,778,088
Nationwide Ins Co Of Amer	2.00%	$59,273,102
Progressive Max Ins Co	1.77%	$52,314,232

Total for Top 10 Insurers	44.23%	$1,310,303,964
Total for All Other 579 Insurers	55.77%	$1,652,425,192
Total for All 589 Insurers	100.00%	$2,962,729,156

Graphs display Top 10 licensed carriers of Market Share per Line by Earned Premiums

Annuities		
Company Name	Market Share	Premiums
Teachers Ins & Ann Assoc Of Amer	7.73%	$95,665,632
Forethought Life Ins Co	7.24%	$89,572,247
Jackson Natl Life Ins Co	6.64%	$82,149,997
American Gen Life Ins Co	4.04%	$50,011,131
Lincoln Natl Life Ins Co	3.84%	$47,502,955
Athene Ann & Life Co	3.83%	$47,428,973
Pacific Life Ins Co	3.81%	$47,173,962
Prudential Ins Co Of Amer	3.70%	$45,786,644
AXA Equitable Life Ins Co	3.53%	$43,658,021
Delaware Life Ins Co	3.13%	$38,759,431

Total for Top 10 Insurers	47.50%	$587,708,993
Total for All Other 169 Insurers	52.50%	$649,497,553
Total for All 179 Insurers	100.00%	$1,237,206,546

Collectively Renewable Accident and Health		
Company Name	Market Share	Premiums
GCU	52.81%	$97,606
Horace Mann Life Ins Co	12.68%	$23,434
Unum Life Ins Co Of Amer	11.51%	$21,265
The Cincinnati Life Ins Co	7.57%	$13,996
Continental Gen Ins Co	5.30%	$9,803
Washington Natl Ins Co	4.66%	$8,604
Combined Ins Co Of Amer	2.52%	$4,660
Union Fidelity Life Ins Co	1.14%	$2,105
Mutual Of Omaha Ins Co	0.71%	$1,314
Unified Life Ins Co	0.64%	$1,188

Total for Top 10 Insurers	99.54%	$183,975
Total for All Other 7 Insurers	0.46%	$855
Total for All 17 Insurers	100.00%	$184,830

Credit Accident and Health		
Company Name	Market Share	Premiums
CMFG Life Ins Co	38.27%	$1,424,146
American Hlth & Life Ins Co	33.19%	$1,235,118
Merit Life Ins Co	10.44%	$388,564
Minnesota Life Ins Co	9.86%	$366,885
Plateau Ins Co	3.83%	$142,460
American Bankers Ins Co Of FL	1.34%	$50,019
Transamerica Life Ins Co	0.74%	$27,531
State Farm Mut Auto Ins Co	0.54%	$20,199
Protective Life Ins Co	0.31%	$11,616
Life Of The South Ins Co	0.29%	$10,757

Total for Top 10 Insurers	98.80%	$3,677,295
Total for All Other 14 Insurers	1.20%	$44,487
Total for All 24 Insurers	100.00%	$3,721,782

Credit Life		
Company Name	Market Share	Premiums
American Hlth & Life Ins Co	45.43%	$2,464,516
Minnesota Life Ins Co	24.71%	$1,340,621
CMFG Life Ins Co	18.30%	$992,914
Plateau Ins Co	13.97%	$757,936
Central States H & L Co Of Omaha	1.10%	$59,633
American Bankers Life Assur Co Of FL	1.01%	$55,039
Pavonia Life Ins Co of MI	0.63%	$34,304
Securian Life Ins Co	0.40%	$21,770
Life Of The South Ins Co	0.35%	$19,222
Investors Heritage Life Ins Co	0.16%	$8,630

Total for Top 10 Insurers	106.08%	$5,754,585
Total for All Other 11 Insurers	-6.08%	-$329,581
Total for All 21 Insurers	100.00%	$5,425,004

Federal Employees Health Benefits Program		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	98.36%	$385,421,179
Aetna Life Ins Co	1.58%	$6,178,931
Humana Ins Co	0.07%	$265,244

Total for Top 3 Insurers	100.00%	$391,865,354
Total for All Other 0 Insurers	0.00%	$0
Total for All 3 Insurers	100.00%	$391,865,354

Fraternal Life		
Company Name	Market Share	Premiums
National Slovak Society Of The Usa	33.24%	$6,366,859
Woodmen World Life Ins Soc	16.54%	$3,168,757
Independent Order Of Foresters Us Br	14.81%	$2,837,287
Modern Woodmen Of Amer	10.38%	$1,988,226
Thrivent Financial For Lutherans	9.54%	$1,827,690
Knights Of Columbus	9.17%	$1,755,850
Royal Neighbors Of Amer	2.36%	$452,583
Catholic United Financial	2.05%	$392,170
Catholic Financial Life	0.84%	$160,262
Assured Life Assn	0.18%	$35,274

Total for Top 10 Insurers	99.11%	$18,984,958
Total for All Other 17 Insurers	0.89%	$171,284
Total for All 27 Insurers	100.00%	$19,156,242

Group Accident and Health		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	44.87%	$523,442,495
UnitedHealthcare Ins Co	14.46%	$168,691,261
Aetna Life Ins Co	7.24%	$84,441,934
The Health Plan of WVA Inc	6.44%	$75,166,593
THP Ins Co	3.28%	$38,317,376
Cigna Health & Life Ins Co	2.73%	$31,873,717
Metropolitan Life Ins Co	2.19%	$25,520,913
Guardian Life Ins Co Of Amer	1.39%	$16,256,750
HM Life Ins Co	1.37%	$15,974,386
Life Ins Co Of N Amer	1.06%	$12,383,581
Total for Top 10 Insurers	85.04%	$992,069,006
Total for All Other 171 Insurers	14.96%	$174,544,032
Total for All 181 Insurers	100.00%	$1,166,613,038

Group Life		
Company Name	Market Share	Premiums
Minnesota Life Ins Co	20.86%	$37,353,729
Metropolitan Life Ins Co	13.67%	$24,466,242
New York Life Ins Co	9.64%	$17,263,259
Prudential Ins Co Of Amer	7.65%	$13,696,122
Homesteaders Life Co	5.74%	$10,276,512
Securian Life Ins Co	4.12%	$7,377,494
Unum Life Ins Co Of Amer	3.56%	$6,366,227
Life Ins Co Of N Amer	3.27%	$5,857,516
Lincoln Natl Life Ins Co	2.72%	$4,876,976
Globe Life & Accident Ins Co	2.59%	$4,629,749
Total for Top 10 Insurers	73.82%	$132,163,826
Total for All Other 135 Insurers	26.18%	$46,874,882
Total for All 145 Insurers	100.00%	$179,038,708

Health Insurers Reporting Dental Only		
Company Name	Market Share	Premiums
Delta Dental of W VA	75.15%	$27,403,267
Renaissance Life & Hlth Ins Co of Am	6.66%	$2,429,200
Highmark West Virginia Inc.	5.78%	$2,106,704
United Concordia Ins Co	5.70%	$2,078,798
Delta Dental Ins Co	3.22%	$1,175,819
Humana Ins Co	3.05%	$1,112,437
Compbenefits Ins Co	0.34%	$123,549
Dentegra Ins Co	0.08%	$30,330
Pennsylvania Life Ins Co	0.01%	$3,610

Total for Top 9 Insurers	100.00%	$36,463,714
Total for All Other 0 Insurers	0.00%	$0
Total for All 9 Insurers	100.00%	$36,463,714

Health Insurers Reporting Medicare Supplement		
Company Name	Market Share	Premiums
UnitedHealthcare Ins Co	45.66%	$89,529,838
Highmark West Virginia Inc.	9.22%	$18,081,742
Omaha Ins Co	7.59%	$14,889,683
Continental Life Ins Co Brentwood	4.94%	$9,675,552
United Of Omaha Life Ins Co	4.44%	$8,708,674
Aetna Hlth & Life Ins Co	3.58%	$7,015,566
American Retirement Life Ins Co	3.39%	$6,653,458
State Farm Mut Auto Ins Co	2.56%	$5,028,685
Colonial Penn Life Ins Co	2.37%	$4,645,021
Humana Ins Co	1.98%	$3,876,147

Total for Top 10 Insurers	85.74%	$168,104,366
Total for All Other 77 Insurers	14.26%	$27,954,458
Total for All 87 Insurers	100.00%	$196,058,824

Health Insurers Reporting Other		
Company Name	Market Share	Premiums
SilverScript Ins Co	24.70%	$32,318,438
Humana Ins Co	19.58%	$25,621,503
Highmark West Virginia Inc.	18.78%	$24,577,330
Medco Containment Life Ins Co	11.26%	$14,740,367
Wellcare Prescription Ins Inc	7.07%	$9,257,954
Envision Ins Co	6.73%	$8,802,116
Symphonix Hlth Ins Inc	3.63%	$4,755,570
HM Hlth Ins Co	3.59%	$4,703,141
THP Ins Co	1.88%	$2,464,411
Avalon Ins Co	0.61%	$797,630

Total for Top 10 Insurers	97.84%	$128,038,460
Total for All Other 7 Insurers	2.16%	$2,825,266
Total for All 17 Insurers	100.00%	$130,863,726

Health Insurers Reporting Title XIX Medicaid		
Company Name	Market Share	Premiums
Coventry Health Care of W VA Inc	34.40%	$562,483,178
Unicare Health Plan of WV Inc	27.46%	$449,020,262
West Virginia Family Health Plan Inc	20.65%	$337,723,788
The Health Plan of WVA Inc	17.49%	$285,990,422

Total for Top 4 Insurers	100.00%	$1,635,217,650
Total for All Other 0 Insurers	0.00%	$0
Total for All 4 Insurers	100.00%	$1,635,217,650

Health Insurers Reporting Title XVIII Medicare		
Company Name	Market Share	Premiums
Humana Ins Co	69.46%	$993,143,756
Coventry Health & Life Ins Co	6.96%	$99,579,871
Humana Benefit Plan of IL Inc	6.05%	$86,459,291
The Health Plan of WVA Inc	5.72%	$81,728,596
Coventry Health Care of W VA Inc	5.04%	$72,104,229
Highmark Senior Solutions Co	4.18%	$59,744,775
Mamsi Life & Health Ins Co	1.00%	$14,347,347
THP Ins Co	0.86%	$12,225,059
West Virginia Senior Advantage Inc	0.72%	$10,308,437
UPMC Health Plan Inc	0.01%	$81,562

Total for Top 10 Insurers	100.00%	$1,429,722,923
Total for All Other 0 Insurers	0.00%	$0
Total for All 10 Insurers	100.00%	$1,429,722,923

Health Insurers Reporting Vision Only		
Company Name	Market Share	Premiums
Vision Serv Plan Ins Co	48.41%	$2,987,447
Highmark West Virginia Inc.	36.00%	$2,221,632
Renaissance Life & Hlth Ins Co of Am	7.33%	$452,305
Humana Ins Co	4.10%	$252,799
Vision Benefits of Amer Inc	3.54%	$218,467
Compbenefits Ins Co	0.46%	$28,286
United Concordia Ins Co	0.17%	$10,682

Total for Top 7 Insurers	100.00%	$6,171,618
Total for All Other 0 Insurers	0.00%	$0
Total for All 7 Insurers	100.00%	$6,171,618

Individual Accident and Health		
Company Name	Market Share	Premiums
Highmark West Virginia Inc.	45.10%	$204,945,775
CareSource W VA Co	11.09%	$50,411,512
American Family Life Assur Co of Col	5.12%	$23,278,437
Omaha Ins Co	3.22%	$14,616,794
Continental Life Ins Co Brentwood	2.06%	$9,379,634
Washington Natl Ins Co	1.93%	$8,766,918
United Of Omaha Life Ins Co	1.90%	$8,651,233
Northwestern Mut Life Ins Co	1.89%	$8,607,314
Combined Ins Co Of Amer	1.60%	$7,286,627
Aetna Health & Life Ins Co	1.51%	$6,880,294

Total for Top 10 Insurers	75.44%	$342,824,538
Total for All Other 222 Insurers	24.56%	$111,637,807
Total for All 232 Insurers	100.00%	$454,462,345

Industrial Life		
Company Name	Market Share	Premiums
Transamerica Premier Life Ins Co	46.43%	$13,192
The Cincinnati Life Ins Co	17.86%	$5,074
Athene Annuity & Life Assur Co	17.02%	$4,836
Western & Southern Life Ins Co	8.06%	$2,289
United Ins Co Of Amer	6.66%	$1,891
Baltimore Life Ins Co	1.22%	$348
Universal Guar Life Ins Co	1.17%	$332
Lincoln Life & Ann Co of NY	0.82%	$233
American Natl Ins Co	0.32%	$92
Liberty Natl Life Ins Co	0.23%	$65

Total for Top 10 Insurers	99.79%	$28,352
Total for All Other 4 Insurers	0.21%	$60
Total for All 14 Insurers	100.00%	$28,412

Long Term Care (Individual + Group)		
Company Name	Market Share	Premiums
Genworth Life Ins Co	27.05%	$8,632,553
Northwestern Long Term Care Ins Co	15.44%	$4,926,925
Metropolitan Life Ins Co	8.24%	$2,630,963
John Hancock Life Ins Co USA	6.89%	$2,198,637
Bankers Life & Cas Co	6.67%	$2,128,705
Unum Life Ins Co Of Amer	5.26%	$1,679,689
RiverSource Life Ins Co	3.67%	$1,171,081
Mutual Of Omaha Ins Co	3.61%	$1,153,539
State Farm Mut Auto Ins Co	3.19%	$1,017,432
Continental Cas Co	2.36%	$754,347

Total for Top 10 Insurers	82.40%	$26,293,871
Total for All Other 51 Insurers	17.60%	$5,616,334
Total for All 61 Insurers	100.00%	$31,910,202

Ordinary Life		
Company Name	Market Share	Premiums
Northwestern Mut Life Ins Co	11.59%	$51,913,891
State Farm Life Ins Co	7.21%	$32,309,562
Transamerica Premier Life Ins Co	3.83%	$17,136,526
American Income Life Ins Co	3.51%	$15,736,737
Massachusetts Mut Life Ins Co	3.24%	$14,510,690
United Of Omaha Life Ins Co	3.14%	$14,045,591
American Gen Life Ins Co	3.01%	$13,469,547
John Hancock Life Ins Co USA	2.96%	$13,272,930
Lincoln Natl Life Ins Co	2.79%	$12,509,114
New York Life Ins Co	2.56%	$11,459,517

Total for Top 10 Insurers	43.85%	$196,364,105
Total for All Other 286 Insurers	56.15%	$251,490,888
Total for All 296 Insurers	100.00%	$447,854,993