

Part 1 Chapter 21: (94-104) Prescribing Form of Certificate of Contribution for Certain Assessments Paid to Mississippi Life and Health Insurance Guaranty Association and Approving

Rule 21.01 Authority

This Regulation is promulgated by the Commissioner of Insurance pursuant to the authority granted to him by *Miss. Code Ann.* §§ 83-5-1 and 83-23-217 (Rev. 1991), and is promulgated in accordance with Mississippi Insurance Department Regulation No. 88-101, said regulation being the Rules of Practice and Procedure before the Mississippi Insurance Department.

Source: *Miss. Code Ann.* §§83-5-1; 83-23-217 (Rev. 2011)

Rule 21.02 Purpose

The purpose of this Regulation is to prescribe the form of the certificate of contribution to be issued by the Mississippi Life and Health Insurance Guaranty Association to each member insurer paying a Class B assessment to the Mississippi Life and Health Insurance Guaranty Association and to approve the form and amount and period of time that a certificate of contribution may be shown as an admitted asset by the member insurer in its statutory financial statement.

Source: *Miss. Code Ann.* § 83-23-203 (Rev. 2011)

Rule 21.03 Definitions

- A. “Class B assessment” shall mean assessments by the Mississippi Life and Health Insurance Guaranty Association made to the extent necessary to carry out the powers and duties of the Mississippi Life and Health Insurance Guaranty Association under *Miss. Code Ann.* § 83-23-215 (Rev. 1991), with regard to an impaired or insolvent insurer.
- B. “Impaired insurer” shall have the same meaning as defined in *Miss. Code Ann.* §83-9-209 (Rev. 1991).
- C. “Insolvent insurer” shall have the same meaning as defined in *Miss. Code Ann.* §83-9-209 (Rev. 1991).
- D. “Member insurer” shall have the same meaning as defined in Mississippi Code Annotated Section 83-9-209.

Source: Miss. Code Ann. § 83-23-215 (Rev. 2011)

Rule 21.04: Form of Certificate of Contribution

The Mississippi Life and Health Insurance Guaranty Association shall issue to each member insurer paying a Class B assessment to the Mississippi Life and Health Insurance Guaranty Association a certificate of contribution for the amount of the assessment so paid. Such certificate of contribution shall be in substantially the form attached hereto as Appendix A, which is hereby made a part of this Regulation.

Source: Miss. Code Ann. § 83-23-211 (Rev. 2011)

Rule 21.05: Financial Statement Treatment of Certificate of Contribution

A certificate of contribution may be shown by a member insurer in its statutory financial statement as an admitted asset in such form and for such amount, if any, and period of time as the commissioner may by order approve, provided, that a member insurer shall in any event at its option have the right to show a certificate of contribution as an admitted asset at percentages of the amount assessed and paid for calendar years as follows:

- A. One hundred percent (100%) for the calendar year of issuance of the certificate of contribution;
- B. Eighty percent (80%) for the first calendar year after the year of issuance of the certificate of contribution;
- C. Sixty percent (60%) for the second calendar year after the year of issuance of the certificate of contribution;
- D. Forty percent (40%) for the third calendar year after the year of issuance of the certificate of contribution;
- E. Twenty percent (20%) for the fourth calendar year after the year of issuance of the certificate of contribution; and
- F. Zero percent (0%) for the fifth calendar year after the year of issuance of the certificate of contribution and thereafter.

Source: Miss. Code Ann. § 83-5-1 (Rev. 2011)

Rule 21.06: Severability

If any provision of any section of this Regulation or the application thereof to any circumstance or person or entity is held invalid, such invalidity shall not affect any other provision of that section or application of the Regulation which can be given effect without the invalid provision or application, and to this end the provisions of this Regulation are declared to be severable.

Source: Miss. Code Ann. § 83-5-1 (Rev. 2011)

Rule 21.07: Effective Date

This Regulation shall become effective December 31, 1994.

Source: Miss. Code Ann. § 25-43-3.106 (Rev. 2010)