



John R. Kasich, Governor

Mary Taylor, Lt. Governor/Director

BULLETIN 2016-03

Operative Date of the Valuation Manual—January 1, 2017

Effective June 24, 2016

Ohio Revised Code (“ORC”) 3903.728 describes the minimum reserve standard for policies issued on or after the operative date of the National Association of Insurance Commissioners’ (“NAIC”) Valuation Manual. ORC 3903.728(B) enumerates the conditions that must be met to trigger the operative date of the Valuation Manual. Specifically, the operative date of the Valuation Manual is January 1 of the first calendar year following the first July 1 as of which all of the following have occurred:

1. The Valuation Manual has been adopted by the NAIC by an affirmative vote of at least forty-two members, or three-fourths of the members voting, whichever is greater;
2. The Standard Valuation Law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by states representing greater than seventy-five percent of the direct premiums written as reported in one or more of the following annual statements submitted for 2008: Life, Accident, and Health Annual Statements; Health Annual Statements; or Fraternal Annual Statements; and
3. The Standard Valuation Law, as amended by the NAIC in 2009, or legislation including substantially similar terms and provisions, has been enacted by at least forty-two of the following fifty-five jurisdictions: the fifty states of the United States, American Samoa, the American Virgin Islands, the District of Columbia, Guam, and Puerto Rico.

The Ohio Department of Insurance has determined that all of the above conditions have been met. Therefore, ORC 3903.728 and 3903.729, enabling Principle Based Reserving, are operative for policies issued on or after January 1, 2017.

Any questions concerning this Bulletin should be directed to Peter Weber at peter.weber@insurance.ohio.gov or (614) 644-3311.

Superintendent of Insurance

Mary Taylor
Lt. Governor/Director