

Bulletin 102

**ACCOUNTING PRACTICES AND PROCEDURES REQUIRED FOR
AUTHORIZED INSURERS, HEALTH MAINTENANCE ORGANIZATIONS AND
LIMITED SERVICE HEALTH MAINTENANCE ORGANIZATIONS**

July 10, 2000

This Bulletin is directed to all insurers, as defined by Indiana Code s 27-1-2-3(x), health maintenance organizations (HMOs) and limited service health maintenance organizations (LSHMOs) authorized to conduct business in the state of Indiana.

Indiana Code s 27-1-3-13 requires each insurance company authorized to conduct business in Indiana and required to file an annual statement with the Department of Insurance to submit the statement on the National Association of Insurance Commissioners (NAIC) Annual Statement Blank. The statement shall be prepared in accordance with NAIC Annual Statement Instructions and following practices and procedures prescribed by the most recent NAIC Accounting Practices and Procedures Manual. Pursuant to IC 27-13-8-1, the Department has required HMOs and LSHMOs to file the NAIC HMO Annual Statement Blank in accordance with the practices and procedures prescribed in the most recent NAIC Accounting Practices and Procedures Manual.

Over the past several years, the NAIC has significantly rewritten its Accounting Practices and Procedures Manual. The project was referred to as the "Codification of Statutory Accounting Principles". A new NAIC Accounting Practices and Procedures Manual has been issued with an effective date of January 1, 2001 (the 2001 Manual). Effective January 1, 2001, companies authorized by the Department of Insurance to conduct business in Indiana, including insurers, HMOs and LSHMOs, will be required to comply with the 2001 Manual.

This Department is currently preparing an analysis of Indiana's statute, regulations, and bulletins as compared to the 2001 Manual. The Department anticipates circulating a draft of the analysis to interested parties for comment by October 1, 2000. To be included on the list of interested parties please submit a written request to the attention of Julia Conrad, Indiana Department of Insurance, 311 West Washington Street, Suite 300, Indianapolis, Indiana 46204 or via email at jconrad@doi.state.in.us.

Sally McCarty
Insurance Commissioner