

§ 58-50A-90. Annual reports; actuarial certifications; quarterly reports.

(a) Annually, a MEWA shall file a report with the Commissioner that meets all of the following requirements:

- (1) The report is due no later than 150 days after the end of the fiscal year applicable to the operation of the MEWA. The Commissioner may, with good cause, grant an extension of this deadline.
- (2) The report shall be submitted on forms prescribed by the Commissioner and verified by the oath of a member of the board of trustees and by an administrative executive appointed by the board.
- (3) The report shall indicate the financial condition of the MEWA on the last day of the preceding fiscal year.
- (4) The report shall contain an audited financial statement of the MEWA prepared in accordance with statutory accounting principles, including its balance sheet and a statement of the operations for the preceding fiscal year certified by an independent certified public accountant.
- (5) The report shall include an analysis of the adequacy of reserves and contributions or premiums charged, based on a review of past and projected claims and expenses related to the operation of the MEWA.

(b) In addition to the information submitted in the annual report required in subsection (a) of this section, if reasonable grounds exist, the Commissioner may request information that summarizes paid and incurred expenses and contributions or premiums received; and may request evidence satisfactory to the Commissioner that the MEWA is actuarially sound. That information and evidence shall be furnished by the MEWA not later than 30 days after the request, unless the Commissioner, for good cause, grants an extension.

(c) Annually, in conjunction with the annual report required in subsection (a) of this section, the MEWA shall submit an actuarial certification prepared by an independent qualified actuary that indicates all of the following:

- (1) The MEWA is actuarially sound. The certification of actuarial soundness shall consider the rates, benefits, and expenses of, and any other funds available for the payment of obligations of, the MEWA.
- (2) The rates being charged and to be charged for contracts are actuarially adequate to the end of the period for which rates have been guaranteed.
- (3) Incurred but not reported claims and claims reported but not fully paid have been adequately provided for.
- (4) Any other information relating to the performance of the MEWA that is required by the Commissioner.

(d) If reasonable grounds exist, the Commissioner may require a MEWA to file quarterly, within 45 days after the end of each of its fiscal quarters, an unaudited financial statement on a form prescribed by the Commissioner, verified by the oath of a member of the board of trustees and an administrative executive appointed by the board, showing its financial condition on the last day of the preceding quarter.

(e) Any MEWA that fails to file a report as required by this section is subject to G.S. 58-2-70; and after notice and opportunity for hearing, the Commissioner may suspend the MEWA's authority to enroll new insureds or to do business in this State while the failure continues. (1991, c. 611, s. 1; 2019-202, s. 2(g); 2024-57, s. 3G.1(b).)