

2012 Kansas Statutes

40-3005. Definitions. As used in this act:

- (a) "Account" means either of the three accounts created under K.S.A. 40-3006, and amendments thereto;
- (b) "association" means the Kansas life and health insurance guaranty association created under K.S.A. 40-3006, and amendments thereto;
- (c) "commissioner" means the commissioner of insurance of this state;
- (d) "contractual obligation" means any obligation of a policy or contract or certificate under a group policy or contract, or portion thereof, for which coverage is provided under K.S.A. 40-3003, and amendments thereto;
- (e) "covered policy" means any policy or contract within the scope of this act under K.S.A. 40-3003, and amendments thereto;
- (f) "impaired insurer" means a member insurer which, after the effective date of this act, is not an insolvent insurer, and is placed under an order of rehabilitation or conservation by a court of competent jurisdiction;
- (g) "insolvent insurer" means a member insurer which, after the effective date of this act, is placed under an order of liquidation by a court of competent jurisdiction with a finding of insolvency;
- (h) "member insurer" means any insurer licensed or holding a certificate of authority to transact in this state any kind of insurance for which coverage is provided under K.S.A. 40-3003, and amendments thereto, and includes any insurer whose license or certificate of authority in this state may have been suspended, revoked, nonrenewed or voluntarily withdrawn, but does not include: (1) A hospital or medical service organization regardless of whether such hospital or medical service organization is organized for profit or not-for-profit;
- (2) a health maintenance organization;
- (3) a fraternal benefit society;
- (4) a mandatory state pooling plan;
- (5) a mutual assessment company or any entity that operates on an assessment basis;
- (6) an insurance exchange, except a reciprocal or interinsurance exchange governed by the provisions of article 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto; or
- (7) any entity similar to any of the organizations listed in paragraphs (1) through (6) inclusive;
- (i) "Moody's corporate bond yield average" means the monthly average corporates as published by Moody's investors service, inc., or any successor thereto;
- (j) "person" means any individual, corporation, partnership, association, voluntary organization or provider;
- (k) "policyholder" and "contract holder" means the person who is identified as the legal owner under the terms of the policy or contract or who is otherwise vested with legal title to the policy or contract through a valid assignment completed in accordance with the terms of the policy or contract and properly recorded as the owner on the books of the insurer. The terms "policyholder" and "contract holder" do not include persons with a mere beneficial interest in a policy or contract;
- (l) "provider" means a person who is entitled to receive compensation for providing medical services to an insured covered under any health insurance contract or policy issued by a member insurer, regardless of whether the provider is obligated by statute or by agreement with the member insurer to hold any insured covered by any health insurance contract or policy harmless from liability for services;
- (m) "premiums" means amounts received on covered policies or contracts less premiums, considerations and deposits returned thereon, and less dividends and experience credits thereon. Premiums does not include any amounts received for any policies or contracts or for the portions of any policies or contracts for which coverage is not provided under subsection (b) of K.S.A. 40-3003, and amendments thereto, except that assessable premiums shall not be reduced on accounts for subsection (n)(3) of K.S.A. 40-3008, and amendments thereto, relating to interest limitations and subsection (o)(2) of K.S.A. 40-3008, and amendments thereto, relating to limitations with respect to any one life and any one contract holder. Premiums shall not include:
 - (1) Any premiums on any unallocated annuity contract; or
 - (2) any premiums in excess of \$5,000,000 with respect to multiple nongroup policies of life insurance owned by one policyholder, regardless of the number of policies or contracts held by the policyholder and regardless of whether:
 - (A) The policyholder is an individual, firm, corporation or other person; and
 - (B) the persons insured are officers, managers, employees or other persons;
- (n) "resident" means any person who resides in this state at the time a member insurer is determined by court order to be an impaired or insolvent insurer and to whom a contractual obligation is owed. A person may be a resident of only one state which, in the case of a person other than a natural person, shall be its principal place of business. Citizens of the United States that are either residents of foreign countries or residents of United States possessions, territories or protectorates that do not have an association similar to the association created by this act, shall be deemed residents of the state of domicile of the insurer that issued the policies or contracts;
- (o) "structured settlement annuity" means an annuity purchased in order to fund periodic payments for a plaintiff or other claimant in payment for or with respect to personal injury suffered by the plaintiff or other claimant, but excludes an annuity policy or contract awarded pursuant to K.S.A. 60-3407 or 60-3409, and amendments thereto;
- (p) "supplemental contract" means any written agreement entered into for the distribution of proceeds under a life, health or annuity policy or contract; and
- (q) "unallocated annuity contract" means any annuity contract or group annuity certificate which is not issued to and owned by an individual, except to the extent of any annuity benefits guaranteed to an individual by an insurer under such contract or certificate.

History: L. 1972, ch. 190, § 5; L. 1986, ch. 180, § 3; L. 2001, ch. 21, § 2; L. 2011, ch. 17, § 2; July 1.