

11 NCAC 18 .0114 DEFINITIONS

As used in this Rule and in 11 NCAC 18 .0115, 11 NCAC 18 .0116, and 11 NCAC 18 .0117, the following terms have the meanings ascribed to them:

- (1) "Claims accrued" means that portion of claims incurred on or prior to the valuation date that result in liability of the MEWA for the payment of benefits for medical services that have been rendered on or prior to the valuation date, and for the payment of benefits for days of hospitalization and days of disability that have occurred on or prior to the valuation date, that the MEWA has not paid as of the valuation date, but for which it is liable, and will have to pay after the valuation date. This liability is sometimes referred to as a liability for accrued benefits.
- (2) "Claims reported" means when a MEWA has been informed that a claim has been incurred, if the date reported is on or prior to the valuation date, the claim is considered as a reported claim for annual statement purposes.
- (3) "Claims unaccrued" means that portion of claims incurred on or before the valuation date that result in liability of the MEWA for the payment of benefits for medical services expected to be rendered after the valuation date, and for benefits expected to be payable for days of hospitalization and days of disability occurring after the valuation date. This liability is sometimes referred to as a liability for unaccrued benefits.
- (4) "Claims unreported" means when a MEWA has not been informed, on or before the valuation date, concerning a claim that has been incurred on or prior to the valuation date, the claim is considered as an unreported claim for annual statement purposes.
- (5) "Claim reserves" mean reserves or liabilities held for claims incurred on or before the valuation date, but unpaid as of the valuation date. Claim reserves include both reported and unreported claims. Claim reserves are established for both accrued and unaccrued benefits.
- (6) "Incurred date" means the date that a claim is determined to be a liability of the MEWA. For example, the charges for inpatient hospital and physician visits in hospitals would be assigned an incurred date equal to the date of admission; outpatient hospital charges would be assigned an incurred date equal to the date of service; surgical expenses would be assigned an incurred date equal to the date of the surgery.
- (7) "Unearned premium reserves" mean reserves established for premiums received that produce insuring periods extending beyond the valuation date.

*History Note: Authority G.S. 58-2-40; 58-49-40; 58-49-60;
Eff. July 1, 1992;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 16, 2014.*