SENATE FILE NO. SF0002

Insurance-financial reporting requirements.

Sponsored by: Joint Corporations, Elections and Political Subdivisions Interim Committee

A BILL

for

AN ACT relating to insurance companies; providing for independence of certified public accountants completing audits; providing for audit committees; providing for conduct of insurers preparing financial statements; providing for management reports of internal control over financial reporting; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 26-3-315 through 26-3-317 are created to read:

26-3-315. Requirements for audit committees.

(a) An audit committee shall be directly responsible for the appointment, compensation and oversight of the work of any accountant, including resolution of disagreements between management and the accountant regarding financial reporting, employed for the purpose of preparing or issuing the audited financial report or related work pursuant to this article and each accountant shall report directly to the audit committee.

(b) Each member of the audit committee shall be a member of the board of directors of the insurer or a member of the board of directors of an entity elected pursuant to W.S. 26-3-302(a)(vi) and 26-3-315(e).

(c) In order to be considered independent for purposes of this section, a member of the audit committee shall not, other than in his capacity as a member of the audit committee, the board of directors or any other board committee, accept any consulting, advisory or other compensatory fee from the entity or be an affiliated person of the entity or any subsidiary thereof. If any other provision of law requires board participation by otherwise nonindependent members, that law shall prevail and such members may participate in the audit committee and be designated as independent for audit committee purposes unless they are an officer or employee of the insurer or one (1) of its affiliates.

(d) If a member of the audit committee ceases to be independent for reasons outside the member's reasonable control, that person, with notice by the responsible entity to the state, may remain an audit committee member of the responsible entity until the earlier of the next annual meeting of the responsible entity or one (1) year from the occurrence of the event that caused the member to be no longer independent.

(e) To exercise the election of the controlling person to designate the audit committee for purposes of this article, the ultimate controlling person shall provide written notice to the commissioners of the affected insurers. Notification shall be made timely prior to the issuance of the statutory audit report and include a description of the basis for the election. The election may be changed through notice to the commissioner by the insurer which shall include a description of the basis for the change. The election shall remain in effect for perpetuity, until rescinded.

(f) The audit committee shall require the accountant that performs for an insurer any audit required by this article to timely report to the audit committee in accordance with the requirements of Statement on Auditing Standards 61, Communication with Audit Committees, or its replacement, including:

(i) All significant accounting policies and material permitted practices;

(ii) All material alternative treatments of financial information within statutory accounting principles that have been discussed with management officials of the insurer, ramifications of the use of the alternative disclosures and treatments and the treatment preferred by the accountant; and

(iii) Other material written communications between the accountant and the management of the insurer, such as any management letter or schedule of unadjusted differences.

(g) If an insurer is a member of an insurance holding company system the reports required under subsection (f) of this section may be provided to the audit committee on an aggregate basis for insurers in the holding company system, provided that any substantial differences among insurers in the system are identified to the audit committee.

(h) The proportion of independent audit committee members shall meet or exceed the following criteria, except that the commissioner has authority afforded by state law to require the entity's board to enact improvements to the independence of the audit committee membership if the insurer is in any RBC action level event, meets one (1) or more of the standards of an insurer deemed to be in hazardous financial condition or otherwise exhibits qualities of a troubled insurer:

(i) For insurers with prior calendar year direct written and assumed premiums of five hundred million dollars ($500,000,000.00) or less the audit committee shall have a majority of members that are independent and such insurers are encouraged to structure their audit committees with at least seventy-five percent (75%) of the audit committee members being independent;

(ii) For insurers with prior calendar year direct written and assumed premiums of more than five hundred million dollars ($500,000,000.00) at least seventy-five percent (75%) of the members of the audit committee shall be independent;

(iii) For purposes of this subsection, prior calendar year direct written and assumed premiums shall be the combined total of direct premiums and assumed premiums from nonaffiliates for the reporting entities.

(j) An insurer with direct written and assumed premiums, excluding premiums reinsured with the federal crop insurance corporation and federal flood program, less than five hundred million dollars ($500,000,000.00) may make application to the commissioner for a waiver from the requirements of this section based on hardship. The insurer shall file, with its annual statement filing, the approval for relief from this section with the states that it is licensed in or doing business in and the National Association of Insurance Commissioners. If the nondomestic state accepts electronic filing with the NAIC, the insurer shall file the approval in an electronic format acceptable to the NAIC.

(k) This section shall not apply to foreign or alien insurers licensed in this state or an insurer that is a SOX compliant entity or a direct or indirect wholly-owned subsidiary of a SOX compliant entity, as defined in W.S. 26-3-302(a)(xiii).

(m) The requirements of this section shall be in effect beginning January 1, 2010. An insurer or group of insurers that is not required to have independent audit committee members or only a majority of independent audit committee members because the total written and assumed premium is below the threshold and subsequently becomes subject to any of the independence requirements due to changes in premiums shall have one (1) year following the year the threshold is exceeded to comply with the independence requirements. An insurer that becomes subject to any of the independence requirements as a result of a business combination shall have one (1) calendar year following the date of acquisition or combination to comply with the independence requirements.

26-3-316. Conduct of insurer in connection with preparation of required reports and documents.

(a) No director or officer of an insurer shall, directly or indirectly:

(i) Make or cause to be made a materially false or misleading statement to an accountant in connection with any audit, review or communication required under this article; or

(ii) Omit to state or cause another person to omit to state any material fact necessary in order to make statements made, in light of the circumstances under which the statements were made, not misleading to an accountant in connection with any audit, review or communication required under this article.

(b) No officer or director of an insurer or any other person acting under the direction thereof shall directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence any accountant engaged in the performance of an audit pursuant to this article if that person knew or should have known that the action, if successful, could result in rendering the insurer's financial statements materially misleading. For purposes of this subsection, actions that, if successful, could result in rendering the insurer's financial statements materially misleading include, but are not limited to, actions taken at any time with respect to the professional engagement period to coerce, manipulate, mislead or fraudulently influence an accountant to:

(i) Issue or reissue a report on an insurer's financial statements that is not warranted in the circumstances due to material violations of statutory accounting principles prescribed by the commissioner, generally accepted auditing standards or other professional or regulatory standards;

(ii) Not perform any audit, review or other procedures required by generally accepted auditing standards or other professional standards;

(iii) Not withdraw an issued report; or

(iv) Not communicate matters to an insurer's audit committee.

(c) Violation of this section shall be punishable as provided in W.S. 26-1-107.

(d) This section is effective January 1, 2010.

26-3-317. Management's report of internal control over financial reporting.

(a) Every insurer required to file an audited financial report pursuant to this article that has annual direct written and assumed premiums, excluding premiums reinsured with the federal crop insurance corporation and federal flood program, of five hundred million dollars ($500,000,000.00) or more shall prepare a report of the insurer's or group of insurers' internal control over financial reporting. The report shall be filed with the commissioner along with the communication of internal control related matters noted in an audit described in W.S. 26-3-310. Management's report of internal control over financial reporting shall be as of the immediately preceding December 31.

(b) Notwithstanding the premium threshold in subsection (a) of this section, the commissioner may require an insurer to file management's report of internal control over financial reporting if the insurer is in any RBC level event or meets any one (1) or more of the standards of an insurer deemed to be in hazardous financial condition as defined in W.S. 26-3-116.

(c) An insurer or group of insurers that is directly subject to section 404, part of a holding company system whose parent is directly subject to section 404, not directly subject to section 404 but is a SOX compliant entity or a member of a holding company system whose parent is not directly subject to section 404 but is a SOX compliant entity, may file its or its parent's section 404 report and an addendum in satisfaction of this section provided that those internal controls of the insurer or group of insurers having material impact on the preparation of the insurer's or group of insurers' audited statutory financial statements were included in the scope of the section 404 report. The addendum shall be a positive statement by management that there are no material processes with respect to the preparation of the insurer's or group of insurers' audited financial statements excluded from the section 404 report. If there are internal controls of the insurer or group of insurers that have a material impact on the preparation of the insurer's or group of insurers' audited statutory financial statements and those internal controls were not included in the scope of the section 404 report, the insurer or group of insurers may either file a report under this section or the section 404 report and a report under this section for those internal controls that have a material impact on the preparation of the insurer's or group of insurers' audited statutory financial statements not covered by the section 404 report.

(d) A management's report of internal control over financial reporting shall include:

(i) A statement that management is responsible for establishing and maintaining adequate internal control over financial reporting;

(ii) A statement that management has established internal control over financial reporting and an assertion to the best of management's knowledge and belief, after diligent inquiry, as to whether its internal control over financial reporting is effective to provide reasonable assurance regarding the reliability of financial statements in accordance with statutory accounting principles;

(iii) A statement that briefly describes the approach or processes by which management evaluated the effectiveness of its internal control over financial reporting;

(iv) A statement that briefly describes the scope of work that is included and whether any internal controls were excluded;

(v) Disclosure of any unremediated material weaknesses in the internal control over financial reporting identified by management as of the immediately preceding December 31. Management shall not conclude that the internal control over financial reporting is effective to provide reasonable assurance regarding the reliability of financial statements in accordance with statutory accounting principles if there is one (1) or more unremediated material weakness in its internal controls over financial reporting;

(vi) A statement regarding the inherent limitations of internal control systems; and

(vii) Signatures of the chief executive officer and the chief financial officer or the equivalent position.

(e) Management shall document and make available upon financial condition examination the basis upon which its assertions required in subsection (d) of this section are made. Management may base its assertions, in part, upon its review, monitoring and testing of internal controls undertaken in the normal course of its activities. Management shall have discretion as to the nature of the internal control framework used and the nature and extent of documentation in order to make its assertions in a cost effective manner and may include assembly of or reference to existing documentation. Management's report on internal control over financial reporting and any documentation provided in support thereof during the course of a financial conditions examination shall be kept confidential by the department.

(f) The requirements of this section are effective beginning with the reporting period ending December 31, 2010 and each year thereafter. An insurer or group of insurers that is not required to file a report because the total written premium is below the threshold and subsequently becomes subject to the reporting requirements shall have two (2) years following the year the threshold is exceeded to file a report. An insurer that becomes subject to any of the reporting requirements as a result of a business combination shall have two (2) calendar years following the date of acquisition or combination to comply with the reporting requirements.

Section 2. W.S. 26-3-301(a)(intro), (b)(intro), (i) and by creating a new subsection (d), 26-3-302(a) by creating new paragraphs (v) through (xiii), 26-3-303 by creating new subsections (c) and (d), 26-3-305(a), 26-3-306(c)(intro), (d)(intro), (e) and by creating new subsections (g) through (n), 26-3-308, 26-3-309(a)(i), 26-3-310, 26-3-312(a) and (b), 26-3-313(a), 26-3-314 and 26-34-110(b)(i) are amended to read:

26-3-301. Scope of article.

(a) Every insurer as defined by W.S. 26-1-102(a)(xvi) shall be subject to this article. Insurers having direct premiums written in this state of less than one million dollars ($1,000,000.00) in any calendar year ~~or~~ and less than one thousand (1,000) policyholders or certificate holders of ~~directly~~ direct written policies nationwide at the end of a calendar year shall be exempt from this article for that year except an insurer shall not be exempt if:

(b) Foreign or alien insurers filing the audited financial ~~reports~~ report in another state, pursuant to that state's requirement for filing of audited financial reports which has been found by the commissioner to be substantially similar to the requirements of this article, are exempt from ~~this article~~ W.S. 26-3-303 through 26-3-312 if:

(i) A copy of the ~~report on significant deficiencies in internal controls,~~ audited financial report, communication of internal control related matters noted in an audit and the accountant's letter of qualifications which are filed with the other state are filed with the commissioner and a copy of the audited financial report which is on file with the other state is filed with the National Association of Insurance

Commissioners in accordance with the filing dates specified in W.S. 26-3-303, 26-3-310 and 26-3-311, respectively. Canadian insurers may submit accountants' reports as filed with the ~~Canadian dominion department of insurance~~ office of the superintendent of financial institutions, Canada; and

(d) Foreign or alien insurers required to file management's report of internal control over financial reporting in another state are exempt from filing the report in this state provided the other state has substantially similar reporting requirements and the report is filed with the commissioner of the other state within the time specified.

26-3-302. Definitions.

(a) As used in this article:

(v) "Affiliate of" or "affiliated with" a specific person means a person that directly, or indirectly through one (1) or more intermediaries, controls or is controlled by or is under common control with the person specified;

(vi) "Audit committee" means a committee established by the board of directors of an entity for the purpose of overseeing the accounting and financial reporting processes of an insurer or group of insurers and audits of financial statements of the insurer or group of insurers. The audit committee of any entity that controls a group of insurers may be deemed to be the audit committee for one (1) or more of these controlled insurers solely for the purposes of this regulation at the election of the controlling person. If an audit committee is not designated by the insurer, the insurer's entire board of directors shall constitute the audit committee;

(vii) "Independent board member" means as defined in W.S. 26-3-315(c);

(viii) "Internal control over financial reporting" means a process effected by an entity's board of directors, management and other personnel designed to provide reasonable assurance regarding the reliability of the financial statements and includes those policies and procedures that:

(A) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets;

(B) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements and that receipts and expenditures are being made only in accordance with authorizations of management and directors; and

(C) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material affect on the financial statements.

(ix) "Group of insurers" means those licensed insurers included in the reporting requirements of W.S. 26-44-101 through 26-44-117 or a set of insurers as identified by management, for the purpose of assessing the effectiveness of internal control over financial reporting;

(x) "SEC" means the United States Securities and Exchange Commission;

(xi) "Section 404" means section 404 of the Sarbanes-Oxley Act of 2002 and the SEC's rules and regulations promulgated thereunder;

(xii) "Section 404 report" means management's report on internal control over financial reporting as defined by the SEC and the related attestation report of the independent certified public accountant;

(xiii) "SOX compliant entity" means an entity that either is required to be compliant with or voluntarily is compliant with all of the following provisions of the Sarbanes-Oxley Act of 2002:

(A) The preapproval requirements of Section 201;

(B) The audit committee independence requirements of Section 301; and

(C) The internal control over financial reporting requirements of Section 404.

26-3-303. General requirements related to filing and extensions for filing of annual audited financial reports; audit committee appointment.

<u>(c) If an extension is granted in accordance with subsection (b) of this section, a similar extension of thirty (30) days is granted to the filing of the management's report of internal control over financial reporting.</u>

<u>(d) Every insurer required to file an annual audited financial report pursuant to this section shall designate a group of individuals as constituting its audit committee. The audit committee of an entity that controls an insurer may be deemed to be the insurer's audit committee for purposes of this article at the election of the controlling person.</u>

26-3-305. Designation of independent certified public accountant.

(a) Each insurer required by this article to file an annual audited financial report shall within sixty (60) days after becoming subject to the requirement, register with the commissioner in writing the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit. Insurers not retaining an independent certified public accountant on or before April 1, 1994 shall register the name and address of their retained independent certified public accountant not less than six (6) months before the date when the first audited financial report is to be filed.

26-3-306. Qualifications of independent certified public accountant.

(c) After ~~April 1, 1996 no partner or other person responsible for rendering a report under this article~~ January 1, 2010, the lead or coordinating audit partner having primary responsibility for the audit shall not act in that capacity for more than ~~seven (7)~~ five (5) consecutive years. ~~Following that period of service~~ The person shall be disqualified from acting in that or a similar capacity for the same company or its insurance subsidiaries or affiliates for a period of ~~two (2)~~ five (5) consecutive years. An insurer may make application to the commissioner for relief from the rotation requirement on the basis of unusual circumstances. This application shall be made at least thirty (30) days before the end of the calendar year. The insurer shall file with its annual statement, the approval for relief pursuant to this subsection with the states in which it is licensed or doing business and with the NAIC. If the nondomestic state accepts electronic filing with the NAIC, the insurer shall file the approval in an electronic format acceptable to the NAIC. The commissioner may consider the following factors in determining whether the relief should be granted:

(d) The commissioner shall ~~not~~ neither recognize as a qualified independent certified public accountant, nor accept any annual audited financial report, prepared in whole or in part by, any natural person who:

(e) The commissioner may hold a hearing to determine whether ~~a~~ an independent certified public accountant is qualified and, considering the evidence presented, may rule that the accountant is not qualified for purposes of expressing his opinion on the financial statements in the annual audited financial report made pursuant to this article and require the insurer to replace the accountant with another whose relationship with the insurer is qualified within the meaning of this article.

(g) The commissioner shall not recognize as a qualified independent certified public accountant, nor accept an annual audited financial report, prepared in whole or in part by an accountant who provides to an insurer, contemporaneously with the audit, the following nonaudit services:

(i) Bookkeeping or other services related to the accounting records or financial statements of the insurer;

(ii) Financial information systems design and implementation;

(iii) Appraisal or valuation services, fairness opinion or contribution-in-kind reports;

(iv) Actuarially-oriented advisory services involving the determination of amounts recorded in the financial statements. The accountant may assist an insurer in understanding the methods, assumptions and inputs used in the determination of amounts recorded in the financial statement only if it is reasonable to conclude that the services provided will not be subject to audit procedures during an audit of the insurer's financial statements. An accountant's actuary may also issue an actuarial opinion or certification on an insurer's reserves if the following conditions have been met:

(A) Neither the accountant nor the accountant's actuary has performed any management functions or made any management decisions;

(B) The insurer has competent personnel or engages a third party actuary to estimate the reserves for which management takes responsibility; and

(C) The accountant's actuary tests the reasonableness of the reserves after insurer's management has determined the amount of the reserves.

(v) Internal audit outsourcing services;

(vi) Management functions or human resources;

(vii) Broker or dealer, investment adviser or investment banking services;

(viii) Legal services or expert services unrelated to the audit; or

(ix) Any other services that the commissioner determines by regulation to be impermissible. In determining whether other services are impermissible, the commissioner shall consider the principle that the accountant may not function in the role of management, may not audit his own work and may not serve in an advocacy role for the insurer.

(h) Insurers having direct written and assumed premiums of less than one hundred million dollars ($100,000,000.00) in any calendar year may request an exemption from subsection (g) of this section. The insurer shall file with the commissioner a written statement discussing the reasons why the insurer should be exempt from subsection (g) of this section. If the commissioner finds, upon review of the statement, that compliance with subsection (g) of this section would constitute a financial or organizational hardship on the insurer, an exemption may be granted.

(j) A qualified independent certified public accountant who performs the audit may engage in other nonaudit services, including tax services, that are not described in subsection (g) of this section or that do not conflict with paragraph (g)(ix) of this section only if the activity is approved in advance by the audit committee in accordance with subsection (k) of this section.

(k) All auditing services and nonaudit services provided to an insurer by the qualified independent certified public accountant of the insurer shall be preapproved by the audit committee. The preapproval requirement shall be waived with respect to nonaudit services if the insurer is a SOX compliant entity or a direct or indirect wholly-owned subsidiary of a SOX compliant entity or if:

(i) The aggregate amount of all nonaudit services provided to the insurer constitutes not more than five percent (5%) of the total amount of fees paid by the insurer to its qualified independent certified public accountant during the fiscal year in which the nonaudit services are provided;

(ii) The services were not recognized by the insurer at the time of the engagement to be nonaudit services; and

(iii) The services are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee or by one (1) or more members of the audit committee who are the members of the board of directors to whom authority to grant such approvals has been delegated by the audit committee.

(m) The audit committee may delegate to one (1) or more designated members of the audit committee the authority to grant the preapprovals required under subsection (k) of this section. The decisions of any member to whom this authority is delegated shall be presented to the full audit committee at each of its scheduled meetings.

(n) The commissioner shall not recognize an independent certified public accountant as qualified for a particular insurer if a member of the board, president, chief executive officer, controller, chief financial officer, chief accounting officer or any person serving in an equivalent position for that insurer was employed by the independent certified public accountant and participated in the audit of that insurer during the one (1) year period preceding the date that the most current statutory opinion is due. This subsection shall only apply to partners and senior managers involved in the audit. An insurer may make application to the commissioner for relief from this subsection on the basis of unusual circumstances. The insurer shall file with its annual statement filing the approval for relief under this subsection with the states that it is licensed in or doing business in and with the NAIC. If the nondomestic state accepts electronic filing with the NAIC, the insurer shall file the approval in an electronic format acceptable to the NAIC.

26-3-308. Scope of audit and report of independent certified public accountant.

Financial statements furnished pursuant to W.S. 26-3-304 shall be examined by ~~an~~ the independent certified public accountant. The ~~examination~~ audit of the insurer's financial statements shall be conducted in accordance with generally accepted auditing standards. In accordance with

Accumulation of Audit Standards (AU) Section 319 of the professional standards of the American Institute of Certified Public Accountants, Consideration of Internal Control in a Financial Statement Audit, the independent certified public accountant shall obtain an understanding of internal control sufficient to plan the audit. To the extent required by AU 319, for those insurers required to file a management's report of internal control over financial reporting pursuant to W.S. 26-3-317, the independent certified public accountant shall consider the most recently available report in planning and performing the audit of the statutory financial statements. Consideration shall be given to the procedures illustrated in the financial condition examiner's handbook promulgated by the National Association of Insurance Commissioners as the independent certified public accountant deems necessary.

26-3-309. Notification of adverse financial condition.

(a) An insurer required to furnish an annual audited financial report shall require the independent certified public accountant to report, in writing, within five (5) business days to the board of directors or its audit committee any determination supported by adequate research conducted by the independent certified public accountant:

(i) That the insurer has materially misstated its financial condition reported to the commissioner as of the balance sheet date currently under ~~examination~~ audit; or

26-3-310. Communication of internal control related matters noted in an audit.

(a) In addition to the annual audited financial ~~statements~~ report, each insurer shall furnish the commissioner with a written ~~report prepared by the accountant describing significant deficiencies in the insurer's~~ communication as to any unremediated material weakness, as defined in statement on auditing standard 60 or its replacement, in its internal control ~~structure~~ over financial reporting noted by the accountant during the audit. ~~No additional report shall be issued if the accountant does not identify significant deficiencies. If significant deficiencies are noted, the written report shall be filed annually by the insurer with the department~~

Such communication shall be prepared by the accountant within sixty (60) days after the filing of the annual audited financial ~~statements~~ report and shall contain a description of any unremediated material weakness as of December 31 immediately preceding in the insurer's internal control over financial reporting noted by the accountant during the course of the audit of the financial statements. If no unremediated material weaknesses were noted, the communication shall so state. The insurer shall provide a description of remedial actions taken or proposed to correct ~~significant deficiencies~~ unremediated material weaknesses, if the actions are not described in the accountant's ~~report~~ communication.

26-3-312. Definition, availability and maintenance of independent certified public accountants' workpapers.

(a) Workpapers are the records kept by the independent certified public accountant of the procedures followed, the tests performed, the information obtained, and the conclusions reached pertinent to his ~~examination~~ audit of the financial statements of an insurer. Workpapers may include audit planning documentation, work programs, analyses, memoranda, letters of confirmation and representation, abstracts of company documents and schedules or commentaries prepared or obtained by the independent certified public accountant in the course of his ~~examination~~ audit of the financial statements of an insurer and which support his opinion of those financial statements.

(b) Every insurer required to file an audited financial report pursuant to this article shall require the accountant to make available for review by department examiners, all workpapers prepared in the conduct of his ~~examination~~ audit and any communications related to the audit between the accountant and the insurer, at the offices of the insurer, the department or at any other reasonable place designated by the commissioner. The insurer shall require that the accountant retain the audit workpapers and communications until the department has filed a report on examination covering the period of the audit but no longer than seven (7) years from the date of the audit report.

26-3-313. Exemptions and effective dates.

(a) Upon written application of any insurer, the commissioner may grant an exemption from compliance with any or all provisions of this article if the commissioner finds, upon review of the application, that compliance with this article would constitute a financial or organizational hardship upon the insurer. Exemptions may be granted at any time for a specified period. Within ten (10) days from a denial of an insurer's written request for an exemption from this article, the insurer may request in writing a hearing on its application for an exemption. The hearing shall be held in accordance with the rules and regulations of the department pertaining to administrative hearing procedures.

26-3-314. Canadian and British companies.

In the case of Canadian and British insurers, the annual audited financial report shall be defined as the annual statement of total business on the form filed by such companies with their ~~domiciliary~~ supervision authority duly audited by an independent chartered accountant. For Canadian and British insurers, the letter required in W.S. 26-3-305(b) shall state that the accountant is aware of the requirements relating to the annual audited ~~statement~~

financial report filed with the commissioner pursuant to W.S. 26-3-303 and shall affirm that the opinion expressed is in conformity with those requirements.

26-34-110. Annual report.

(b) The health maintenance organization shall file on or before March 1, unless otherwise stated:

(i) Audited financial statements in accordance with the provisions of W.S. 26-3-301 through ~~26-3-314~~ 26-3-317 on or before June 1;

Section 3. W.S. 26-3-313(b) and (c) is repealed.

Section 4. This act is effective January 1, 2010.

(END)