



AICP New England Chapter “E-Day”
June 6, 2018

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RI Department of Business Regulation (DBR)/Insurance Division:

Staff Directory: <http://www.dbr.ri.gov/contact/>

We encourage industry to follow us on social media for current news, updates and job opportunities, **and to subscribe to our interested parties list** to receive electronic notices of all regulatory proposals/changes/bulletins/alerts.

You may subscribe to our interested parties list directly from our website (constant contact) at:

<http://www.dbr.state.ri.us/divisions/insurance/>

Social media handles

LinkedIn: Rhode Island Department of Business Regulation/DBR

Twitter: @RIDBRInsurance

Website: <http://www.dbr.ri.gov/divisions/insurance/>

SERFF Filing Issues:

- Lack of side-by-side or tracked changes
- Use of stale rate procedural forms or lack of rate support
- Incorrect or missing filing fees.
- Incorrect filing mode (LOB)
- Referencing “competitor” filings but failing to provide details on competitor(s) filing SERFF #'s and any variances to such filings.
- Manual pages incorrectly attached to supporting document tab vs. rate tab

See more form filing guidance posted to DBR’s website:

http://www.dbr.ri.gov/documents/divisions/insurance/life_accident_health/INS_LAC_Policy_Form_Filing_Requirements.PDF.

Complaint correspondence: Reminder: [Insurance Bulletin 2012-3](#) requires all licensees reply to DOI inquiries/correspondence electronically.

2018 DBR/Insurance Legislative Package:

S2497/H7789: Insurance Data Security Act. Establishes standards for data security and for the investigation of and notification to the Commissioner of a Cybersecurity Event applicable to Licensees. Follows NAIC Model Act. Both bills have been heard and held for further study. At the request of legislators, a meeting on this legislation was held at DBR with interested parties on May 1, 2018. (Note: S2497 is scheduled for hearing and/or consideration on June 5.)

DBR Bills enacted in 2017:

2017 H5937 Consumer protection:

1. **Removes an exemption for blanket and group policies** from accident and sickness laws. Amends R.I. Gen. Laws § 27-18-19 to clarify that the Department has authority over Disability Insurance policies.
2. **Eliminates requirement** that service of process be forwarded to insurance companies by certified mail.
3. **Eliminates CE Board for providers:** To be replaced by professional approval contractors that perform the function in most other states including our neighbors of Massachusetts and Connecticut.

2017 S0783A/H6365 Financial Regulation:

1. **Credit for Reinsurance** – Amend R.I. Gen. Laws § 27-1.1 to bring the section into compliance with the most recent version of the National Association of Insurance Commissioners (NAIC) model act.
2. **Protected Cell** – An amendment is necessary to address premium that is subject to guaranty association protection. This amendment to R.I. Gen. Laws § 27-64-6 would make that change.
3. **Premium Tax** – Amends R.I. Gen. Laws § 44-14-1 to change the definition to one that has been determined to properly reflect the intent of the statute while allowing more flexibility in the information to be obtained

2018 Proposed Life Bills of Interest:

H7124/S2048 – This bill requires life insurers to provide policyholders with a notice of alternatives to lapse, including secondary market options. Both bills have been heard and the life insurers have proposed amendments to this bill that would make it acceptable to the life insurers. (Note: H7124 is placed on House calendar for June 6.)

S2496 – Requires life insurers to provide annual notice to insureds identifying the beneficiary and providing forms needed to change the beneficiary. The bill has been heard, and life insurers are ready to discuss possible amendments with the sponsor.

H7751 – Clarifies the spousal beneficiary designation in a life insurance policy following a divorce. The bill has been heard. Life insurers are likely to seek amendments

H7575 – Requires long-term care issuers to provide a 90-day written notice of premium increase and provide alternatives to maintain coverage at same cost. Also limits rate increases to 10% for plans sold on or after January 1, 2019. Bill has been heard and held for further study.

Insurance Regulations:

Note: The State of Rhode Island continues to transition regulations to an [administrative code system](#). The Department of Business Regulation has been assigned Title 230 and the Insurance Division has been assigned chapter 20. Any questions concerning the process or the status of a regulation should be sent to dbr.insurance@dbr.ri.gov. **You will also notice that forms previously contained within a regulation have been (or are in the process of) being moved to the Bulletin page. (See Bulletins [2018-4](#), [2018-2](#), [2018-1](#)). These changes are required pursuant to the Office of Regulatory Reform.**

See upcoming hearing notices, proposed amendments to insurance regulation, etc. on DBR's Proposed Rules & Regulation page: <http://www.dbr.ri.gov/rules/proposed.php>.

2017-2018 Insurance Bulletins of note:

1. 2018-6 Lender Placed Insurance Tracking Fees and Corporate Tax Rate-

- Prohibition on including tracking expenses and/or monitoring fees within lender placed property programs.
- In light of recent changes to the corporate tax rate (from 35% to 21%), all rate filings submitted to the Department must reflect the new corporate tax rate in calculating the profit provision used to determine rate level indications. This applies to all future rate filings and any pending filing that is currently under the Department's review. As to previously approved rates, any insurer whose requested rate would be decreased as a result of the lower corporate tax rate should file the lower rate. If an approved rate would not be lowered by application of the new tax rate, because the insurers requested a rate below indications, or for any other reason, the insurer should not make a rate filing.

2. 2017-2 2017 Legislative Changes

- Issued August 3, 2017, Amended December 8, 2017
- Highlights legislation enacted during the 2017 Legislative Session

2017-2018 Industry Alerts: http://www.dbr.ri.gov/divisions/insurance/industry_alerts.php

- [2018-1 March 2, 2018 Storm](#): Issued 3-8-2018
- [2017-5 E-Mail Contact for Service of Process upon Insurance Companies](#): Issued 12-8-17
- [2017-4 October 29, 2017 Storm](#): Issued 11-2-17
- [2017-3 Examinations for Insurance Producers, Motor Vehicle Damage Appraisers, and Claim Adjusters](#): Issued 9-13-17
- [2017-2 Division of Motor Vehicles Computer System Update – New 8-digit RI Driver's Licenses](#): Issued 7-17-17

2017-2018 Consumer Alerts: http://www.dbr.ri.gov/divisions/insurance/consumer_alerts.php

- [2018-2 Preparing for Spring's Extreme Weather](#): Issued 4-4-18
- [2018-1 Insurance Checklist for the New Year](#): Issued 1-23-18
- [2017-5 Credit Freezes and the Burn They Have on Hackers](#): 12-27-17
- [2017-4 American Are Driving Less, Yet Most Are Not Aware of Money-Saving Insurance Options](#): Issued 7-5-17
- [2017-3 Disaster Preparedness: Act Now to Make Filing a Claim Easier After the Storm](#): Issued 6-7-17

Miscellaneous items of note:

Enforcement Actions: http://www.dbr.ri.gov/decisions/decisions_insurance.php- Suggest licensees review frequently to ensure you are in compliance!

Self-Reporting: We encourage licensees to self-report errors detected (i.e., rating errors and/or any non-compliance issues that result from internal reviews) to include information on #insured/claimants impacted, remedy and corrective actions taken.

Special reporting requirements: REMINDER: All special reports must be filed electronically. [2018 special reporting requirements](#)/instructions are posted on our website and provided yearly with Annual Statement filing instructions.

Website: Our website has been reformatted. We continue to make changes and improvements. Please feel free to reach out with any comments or suggestions.

NAIC Participation: RI Superintendent Elizabeth Kelleher Dwyer and/or designee
2018 Letter Committee Assignments

“A”- Life Insurance and Annuities Committee, Member

“F”- Financial Regulation Standards and Accreditation Committee, Member

“EX”

Big Data (EX) WG- RI Superintendent Dwyer, Vice Chair

Executive Committee (EX) NE Zone: RI Superintendent Dwyer, Vice Chair

Government Relations (EX) Leadership Council, RI Superintendent Dwyer, Member

Innovation and Technology (EX) TF, Member

“A”

Annuity Disclosure (A) WG, Member

Annuity Suitability (A) WG, Member

Life Insurance Buyers Guide (A) WG, Member

“B”

Long Term Care Insurance (B/E) TF, Member

“C”

Advisory Organization Exam Oversight (C) WG, Member

Auto Insurance C/D WG, Member

Catastrophe Insurance (C) WG, Member

Lender-Placed Insurance Model Act (C) WG, Member

NAIC/IAIABC Joint (C) WG, Member

Surplus Lines (C) TF, Member

Travel Insurance (C) WG, Member

Terrorism Insurance Implementation (C) WG, Member

Workers' Compensation (C) TF, Member

“D”

Producer Licensing (D) TF, Member

Producer Licensing Uniformity (D) WG, Member Task Force, Member

Public Adjuster (C/D) WG, Member

Uniform Education (D) WG, Chair

“E”

Accounting Practices and Procedures (E) TF, Member

Examination Oversight (E) Task Force, Member

Financial Analysis Research and Development (E) WG, Member

Financial Analysis Handbook (E) WG, Member

Reinsurance E TF, Member

Receivership and Insolvency E TF, Member

Risk-Focused Surveillance (E)WG, Member

National Insurance Producer Registry (NIPR), RI Superintendent Dwyer, Board of Directors,
Member

Interstate Insurance Product Regulation Commission (IIPRC), RI Superintendent Dwyer,
Vice Chair

IIPRC, Product Standards Committee, Member

IIPRC, Regulatory Council Committee, Member