

INSURANCE ADVISORY COMMITTEE MEETING MINUTES

October 28th, 2003

Committee Members Present: James Davis, Justin Delaney, Krista Fisher, Richard Kingsley, John Powell

Committee Members Absent: Steve Dixon, Dean Kortge, Ellen Lowe, Lisa Trussell, Wendy VanElverdinghe

Insurance Division Staff Present: Joel Ario, Jann Goodpaster, Lewis Littlehales, Carl Lundberg, Michael Morter, Carmen Mendiola, Carol Simila

Others Present: Tom Jovick, Kathy Barrie, Muriel Dittler, Nancy Nevins, Lori Long, Brian Miller, Jack Munro, Toni Chodrick

1. Legislation update and discussion:

- Michael M., OID, reported that
 - HB3630 - Medical liability for rural doctors - effective upon passage, Rules being finalized.
 - HB3051 - OIGA bill - passed - effective 11/26/03
 - SB260 - Credit scoring bill -passed
 - SB253 - Insurance producers bill - statutory terminology changed "agent" to "producer"
 - HB2987 - Individual and small group health insurance - waiver of coverage on preexisting conditions for up to 24 months - sunsets in 4 years.
 - HB3431 - Individual health insurance - limits the choice of plans for individuals - sunsets in 4 years.
 - SB397 - Environmental clean-up bill
 - HB3668 - PIP coverage - "reasonable and necessary" languageJoel added that we are trying to clarify aspects of HB3668 through a bulletin.

- Lewis L., OID, reported the proposed rulemaking bills are:
 - Health care service contractors
 - Insurance agents fees and charges - hearing on 12/2/03
 - Health benefit plans - HIPPA, hearing 12/4/03 - last day for comments is 11/11/03
 - Life Insurance mortality table, hearing 12/11/03 - last day for comments is 11/11/03
 - Annual statements for 2003 and 2004
 - Workers Compensation tables - effective 1/1/04

2. Division update:

- Joel A., OID, reported that our current Market Conduct Manager Gayle Woods has accepted the position as assistant manger for the rates and forms unit. We are in the process of creating a new Market Regulation section by joining the Rates & Forms Unit, the Investigations Unit, Market Analysis, Market Conduct and the Enforcement Unit. Jann Goodpaster will manage the Market Regulation Section. We will be recruiting a new Consumer Services Manager to oversee the Consumer Protection Section and the SHIBA program.
- Guide for rates and forms filings are on the website. The laws, rules and market conduct compliance standards are being evaluated and will be posted on the website as well.

- Discretionary clauses in health and disability policies are being discussed.
- Suitability - A life insurance issue. Has a lot of disclosure requirements. The Insurance Division is looking at a model similar to Iowa and the NAIC model. A new advisory committee will be established within 2-4 weeks.

- Jann G., OID, reported that the updated satisfaction survey form has been re-engineered and the results are very good. The survey is on the web site.
A complaint review program has been developed through Carol.

- Carl L., OID, reported
 - A new Rates and Forms survey is being developed for our website.
 - The product locator project is operational. The property and casualty line is working, the health line is being loaded, the annuity tables are up and the life mortality tables are being developed.
 - The PC pilot program has posted discretionary groups and all of the PC forms are available with the exception of the Workers Compensation forms. We are in the process of writing a Bulletin to improve the filing process.

Issues & Discussion:

- Statewide outreach: Carol S., OID, reported that we are looking for ways to improve consumers' access to help and information throughout the state.
- Jim Davis, United Seniors, reported that one way would be to set up an outreach program to educate consumers, modeled on the SHIBA program. He would also like to see an online rate comparison chart that will show fair and correct information.
- Carol S. asked if the agenda format is agreeable to all members. Consensus was yes. Consumer representations' attendance in these meetings has not been consistent. She would like to find ways to encourage consumer participation in the advisory committee.

3. Future Meetings, all at 9 AM:

January 27th, 2004; April 27th, 2004; July 27th, 2004; October 26th, 2004;

4. Meeting started at 9AM - Adjourned at 11AM