

JOHN R. MCGINLEY, JR., ESQ., CHAIRMAN
ALVIN C. BUSH, VICE CHAIRMAN
ARTHUR COCCODRILLI
ROBERT J. HARBISON, III
JOHN F. MIZNER, ESQ.
ROBERT E. NYCE, EXECUTIVE DIRECTOR
MARY S. WYATTE, CHIEF COUNSEL



PHONE: (717) 783-5417
FAX: (717) 783-2664
irrc@irrc.state.pa.us
<http://www.irrc.state.pa.us>

INDEPENDENT REGULATORY REVIEW COMMISSION
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

November 2, 2000

Honorable M. Diane Koken, Commissioner
Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: Regulation #11-184 (IRRC #2143)
Insurance Department
Policies and Forms; General Filing Requirements
and General Contents of Forms

Dear Commissioner Koken:

Enclosed are our Comments. They will soon be available on our website at www.irrc.state.pa.us.

Our Comments list objections and suggestions for consideration when you prepare the final version of this regulation. We have also specified the regulatory criteria which have not been met. These Comments are not a formal approval or disapproval of the proposed version of this regulation.

If you would like to discuss these Comments, please contact my office at 783-5417.

Sincerely,

Robert E. Nyce
Executive Director
cae

Enclosure

cc: Honorable Nicholas A. Micozzie, Majority Chairman, House Insurance Committee
Honorable Anthony DeLuca, Democratic Chairman, House Insurance Committee
Honorable Edwin G. Holl, Chairman, Senate Banking and Insurance Committee
Honorable Jay Costa, Jr., Minority Chairman, Senate Banking and Insurance Committee
Pete Salvatore, Regulatory Coordinator, Insurance Department

Comments of the Independent Regulatory Review Commission

on

Insurance Department Regulation No. 11-184

Policies and Forms; General Filing Requirements and General Contents of Forms

November 2, 2000

We submit for your consideration the following objections and recommendations regarding this regulation. Each objection or recommendation includes a reference to the criteria in the Regulatory Review Act (71 P.S. § 745.5a(h) and (i)) which have not been met. The Insurance Department (Department) must respond to these Comments when it submits the final-form regulation. If the final-form regulation is not delivered by October 2, 2002, the regulation will be deemed withdrawn.

1. Section 89.2. Scope. and Chapter 89a. - Clarity.

Existing Section 89.2, relating to scope, covers life insurance forms. Section 89a.3 also mentions life insurance forms. For clarity, the Department should explain the differences between Chapter 89 and Chapter 89a, or combine them.

2. Section 89a.6. General contents of forms. - Clarity.

Subsection (c)(3) requires forms to indicate whether the form is a "participating or nonparticipating" form. We understand that the intent is to indicate whether a member may participate in the divisible surplus of an insurer. However, one commentator believes members of a health care network may mistakenly believe "participating and nonparticipating" refers to providers in the health care provider network. Could a different phrase be used?

3. Electronic filing compatibility. - Clarity.

In regard to electronic filings, there is no mention of how compatibility problems will be resolved. What will happen if a filing is made electronically, but it is unusable or unreadable?