

ARTHUR COCCODRILLI, CHAIRMAN  
GEORGE D. BEDWICK  
NANCY SABOL FRANTZ, ESQ.  
KAREN A. MILLER  
JOHN F. MIZNER, ESQ.  
KIM KAUFMAN, EXECUTIVE DIRECTOR  
LESLIE A. LEWIS JOHNSON, 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

April 15, 2009

Honorable Joel Scott Ario, Commissioner  
Insurance Department  
1326 Strawberry Square  
Harrisburg, PA 17120

Re: Regulation #11-238 (IRRC #2740)  
Insurance Department  
Annual Audited Insurers' Financial Report Required

Dear Commissioner Ario:

Enclosed are the Commission's comments for consideration when you prepare the final version of this regulation. These comments are not a formal approval or disapproval of the regulation. However, they specify the regulatory review criteria that have not been met.

The comments will be available on our website at [www.irrc.state.pa.us](http://www.irrc.state.pa.us). If you would like to discuss them, please contact me.

Sincerely,

Kim Kaufman  
Executive Director  
wbg  
Enclosure

cc: Honorable Donald C. White, Majority Chairman, Senate Banking and Insurance Committee  
Honorable Michael J. Stack, III, Minority Chairman, Senate Banking and Insurance Committee  
Honorable Tony DeLuca, Majority Chairman, House Insurance Committee  
Honorable Nicholas A. Micozzie, Minority Chairman, House Insurance Committee

# Comments of the Independent Regulatory Review Commission



## Insurance Department Regulation #11-238 (IRRC #2740)

### Annual Audited Insurers' Financial Report Required

**April 15, 2009**

We submit for your consideration the following comments on the proposed rulemaking published in the February 14, 2009 *Pennsylvania Bulletin*. Our comments are based on criteria in Section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b). Section 5.1(a) of the Regulatory Review Act (71 P.S. § 745.5a(a)) directs the Insurance Department (Department) to respond to all comments received from us or any other source.

#### **General – Consistency; Reasonableness; Clarity.**

The Insurance Federation of Pennsylvania (IFP) submitted a letter dated March 13, 2009, expressing overall support for the proposed regulation. In addition, the letter provided suggestions to improve clarity and consistency with nationwide standards in Sections 147.3a, 147.4, 147.6 and 147.6a of the proposed regulation.

It is our understanding that the Department intends to adopt most, if not all, of the IFP's suggestions in amendments to the final-form regulation. We encourage the Department to make revisions to the regulation that improve its clarity and consistency with nationwide standards issued by the National Association of Insurance Commissioners.

APR-15-2009 WED 09:34 AM

FAX NO.

P. 01

RECEIVED

2009 APR 15 AM 9:30

Facsimile Cover Sheet

INDEPENDENT REGULATORY  
REVIEW COMMISSION



Phone: (717) 783-5417  
Fax #: (717) 783-2664  
E-mail: irrc@irrc.state.pa.us  
Website: www.irrc.state.pa.us

INDEPENDENT REGULATORY REVIEW COMMISSION  
333 MARKET STREET, 14<sup>TH</sup> FLOOR, HARRISBURG, PA 17101

To: Pete Salvatore  
~~Sue Worley~~  
Agency: Insurance Department  
Phone: (717) 787-4429  
Fax: (717) 705-3873  
Date: April 15, 2009  
Pages: 3

**Comments:** We are submitting the Independent Regulatory Review Commission's comments on the Insurance Department's regulation #11-238 (IRRC #2740). Upon receipt, please sign below and return to me immediately at our fax number 783-2664. We have sent the original through interdepartmental mail. You should expect delivery in a few days. Thank you.

Accepted by: Pete J. Salvatore Date: 4/15/09