

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 3901-8-11

**Rule Type:** Amendment

**Rule Title/Tagline:** Unfair health claim practices.

**Agency Name:** Department of Insurance

**Division:**

**Address:** 50 W Town Street Suite 300 Columbus OH 43215

**Contact:** Tina Chubb **Phone:** (614) 728-1044

**Email:** Tina.Chubb@insurance.ohio.gov

#### I. Rule Summary

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?** 8/30/2023
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 3901.041, 3901.20, 3901.21, 3901.38 to 3901.3813
5. **What statute(s) does the rule implement or amplify?** 3901.20, 3901.21, 3901.22, 3901.38 to 3901.3813
6. **What are the reasons for proposing the rule?**

The proposed amendments to this rule are to modernize requirements in accordance with a request from the common sense initiative office (CSI).

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

The purpose of rule 3901-8-11 is to define certain additional unfair trade practices and to set forth minimum standards in connection with the investigation and disposition of

health claims arising under policies, certificates or contracts issued pursuant to Ohio's insurance statutes, rules and regulations under Titles XVII and XXXIX of the Revised Code. Nothing herein shall be construed to create or imply a private cause of action for violation of this rule.

The purpose for amending rule 3901-8-11 is to change the terminology in paragraph (E)(1)(c) from "type" to "font".

- 8. Does the rule incorporate material by reference? No**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

- 11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

\$0.00

Not applicable.

- 12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not applicable.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not applicable.

### III. Common Sense Initiative (CSI) Questions

16. Was this rule filed with the Common Sense Initiative Office? No

17. Does this rule have an adverse impact on business? Yes

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes

Under paragraph (J) of this rule, the superintendent may impose sanctions according to section 3901.3812 of the Revised Code for any violation of paragraphs (D)(1) or (D)(4) of this rule. All other violations of this rule are considered unfair and deceptive practices within the meaning of section 3901.21 of the Revised Code and are subject to penalties set forth in section 3901.22 of the Revised Code. Paragraph (J) of this rule also states that any agreement consented to pursuant to division (G) of section 3901.22 of the Revised Code may include the recovery of the costs of the investigation in addition to the penalty so agreed.

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? No

- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))

18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No

**A. How many new regulatory restrictions do you propose adding?**

Not Applicable

**B. How many existing regulatory restrictions do you propose removing?**

Not Applicable