

STATE OF OHIO
DEPARTMENT OF INSURANCE
50 West Town Street, 3rd Floor, Suite 300
Columbus, Ohio 43215

IN THE MATTER OF :
PUBLIC HEARING FOR THE AMENDMENT :
OF OHIO ADMINISTRATIVE CODE SECTIONS :
3901-5-10 and 3901-7-02 AND THE RESCISSON :
OF OHIO ADMINISTRATIVE CODE SECTIONS : NOTICE OF PUBLIC HEARING
3901-1-35, 3901-1-40, 3901-1-59 AND THE :
PROMULGATION OF OHIO :
ADMINISTRATIVE CODE SECTIONS :
3901-5-12, 3901-8-03, and 3901-8-09 :

Pursuant to Section 119.03 of the Ohio Revised Code, the Superintendent of Insurance, State of Ohio, will hold a public hearing at 3:00 P.M., on Tuesday, September 27, 2011 at the Ohio Department of Insurance, Public Hearing Room, 50 West Town Street, 3rd Floor, Suite 300, Columbus, Ohio, to consider the amendment of Ohio Administrative Code sections 3901-5-10 Rental car insurance agent limited license; and 3901-7-02 Title insurance agents maintenance of surety bond and errors and omissions coverage. Also, to consider the rescission of Ohio Administrative Code sections 3901-1-35 Solicitation and sale of medicare supplement accident and health policies; 3901-1-40 Misconduct by insurance license applicants and licensees; and 3901-1-59 Standardized health claim form rule. Also, to consider the promulgation of Ohio Administrative Code sections 3901-5-12 Misconduct by insurance agents and solicitors; 3901-8-03 Standardized health claim form rule; and 3901-8-09 Solicitation and sale of medicare supplement accident and health policies.

The purpose of rule 3901-1-35 is to safeguard the interests of medicare-eligible persons in the solicitation and sale of any type of individual medicare supplemental accident and health insurance policies by providing for the regulation of the solicitation and sale of individual medicare supplemental accident and health insurance policies; and to assure that medicare-eligible persons are not subjected to unfair or deceptive acts or practices in the solicitation and sale of individual medicare supplemental accident and health insurance policies by defining additional unfair or deceptive acts or practices in this rule. This rule shall not apply to the solicitation of group, blanket, or franchise accident and health insurance. The purpose for rescinding this rule is to re-promulgate rule in Chapter 3901-8 (health insurance) as rule 3901-8-09.

The purpose of rule 3901-1-40 is to implement statutes setting forth standards of conduct and responsibility applicable to insurance license applicants, licensees, and/or companies licensed or authorized to transact the business of insurance by the superintendent of insurance. The purpose for rescinding this rule is to re-promulgate rule in Chapter 3901-5 (agents, licensing, continuing education) as rule 3901-5-12.

The purpose of rule 3901-1-59 is to standardize the forms used in the billing and reimbursement of health care, reduce the number of forms utilized, increase efficiency in the reimbursement of health care through standardization and encourage the use of electronic data interchange of health care expenses and reimbursement. The purpose for rescinding this rule is to re-promulgate rule in Chapter 8 (health insurance) as rule 3901-8-03.

The purpose of rule 3901-5-10 is to set forth procedures and requirements for the issuance of a limited authority rental car agent. Paragraph (F) of rule 3901-5-09 of the Administrative Code authorizes a limited lines license for rental car insurance. The purpose for amending this rule is to update the Ohio Administrative Code reference from 3901-5-09(E) to 3901-5-09(F).

The purpose of rule 3901-5-12 is to implement statutes setting forth standards of conduct and responsibility applicable to insurance license applicants, licensees, and/or companies licensed or authorized to transact the business of insurance by the superintendent of insurance. The purpose for promulgating this rule is to replace rule 3901-1-40.

The purpose of rule 3901-7-02 is to set forth the requirements regarding the surety bond and errors and omissions coverage to be maintained by title insurance agents or agencies under conditions specified in section 3953.23 of the Revised Code. The purpose for amending this rule is to further clarify that licensed agents who are employees of title insurance companies authorized to do business in this state and direct operations of title insurance companies authorized to do business in this state are not required to maintain surety bond coverage. Title insurance companies authorized to do business in this state may self-insure wholly-owned subsidiary title agencies and employees of those agencies who are licensed as title insurance agents for the purpose of surety bond coverage. Licensed agents who are employees of title insurance companies authorized to do business in this state and direct operations of title insurance companies authorized to do business in this state are not required to maintain errors and omissions insurance coverage. Title insurance companies authorized to do business in this state may self-insure wholly-owned subsidiary title agencies and employees of those agencies who are licensed as title insurance agents for the purposes of errors and omissions insurance coverage.

The purpose of rule 3901-8-03 is to standardize the forms used in the billing and reimbursement of health care, reduce the number of forms utilized, increase efficiency in the reimbursement of health care through standardization and encourage the use of electronic data interchange of health care expenses and reimbursement. The purpose for

promulgating this rule is to replace rule 3901-1-59, and to update some references as terminology has changed.

The purpose of rule 3901-8-09 is to safeguard the interests of medicare-eligible persons in the solicitation and sale of any type of medicare supplemental accident and health insurance policies by providing for the regulation of the solicitation and sale of medicare supplemental accident and health insurance policies; and to assure that medicare-eligible persons are not subjected to unfair or deceptive acts or practices in the solicitation and sale of medicare supplemental accident and health insurance policies by defining additional unfair or deceptive acts or practices in this rule. The purpose for promulgating this rule is to replace rule 3901-1-35, and to delete the exception for group, blanket, and franchise; add disclaimer to marketing material of any connection to federal government; and prohibit certain personal solicitation approaches.

Requests for copies of this rule should be addressed to Tina Chubb, Ohio Department of Insurance, 50 West Town Street, 3rd Floor, Suite 300 Columbus, Ohio 43215, or proposed rule can be viewed online at www.insurance.ohio.gov.

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3901-1-35, 3901-1-59, 3901-8-03, and 3901-8-09

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3901-1-40, 3901-5-10, and 3901-5-12

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3901-7-02

Dated at Columbus, Ohio this 26th day of August 2011.