

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 :
3901-2-01, 3901-2-08, 3901-2-13, 3901-3-18, : NOTICE OF PUBLIC HEARING
3901-5-01, 3901-5-02, 3901-5-03, 3901-5-04, :
3901-5-05, 3901-5-07, 3901-5-09, 3901-8-04, :
3901-8-12, AND 3901-11-03 :

Pursuant to section 119.03 of the Ohio Revised Code, the Superintendent of Insurance, State of Ohio, will hold a public hearing at 9:00 a.m., on Monday, September 30, 2019 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 3901-2-01 Application of Chapter 3901-2 of the Administrative Code, 3901-2-08 Mailing communications for security holders, 3901-2-13 Information to be contained in proxy statement, 3901-3-18 NAIC manuals, 3901-5-01 Agent continuing education, 3901-5-02 Continuing education provider, 3901-5-03 Continuing education course, 3901-5-04 Continuing education market practices/audit, 3901-5-05 Agent education violations, 3901-5-07 Regulation of agent pre-licensing education, 3901-5-09 Agent licensing and appointments, 3901-8-04 Accreditation of independent review organization, 3901-8-12 Open enrollment, and 3901-11-03 Auditor appointment, audited financial statements, actuarial opinion, and annual statements.

The purpose of rule 3901-2-01 is to set forth the application of Chapter 3901-2 of the Administrative Code.

Rule 3901-2-01 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-2-01 is to correct a citation.

The purpose of rule 3901-2-08 is to set forth mailing communications requirements for security holders.

Rule 3901-2-08 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-2-08 is a technical change to correct a spelling error and implement department standard rule formatting.

The purpose of rule 3901-2-13 is to describe in detail and provide the format for the information that must be included in a proxy statement.

Rule 3901-2-13 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-2-13 is to update industry terminology for modernization and ease of understanding error and implement department standard rule formatting.

The purpose of rule 3901-3-18 is to adopt the forms, instructions and manuals prescribed by the "National Association of Insurance Commissioners" for the preparation and filing of statutory financial statements and other financial information.

Rule 3901-3-18 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-3-18 is technical change to correct the titles of publications for a more accurate citation.

The purpose of rule 3901-5-01 is to establish continuing education (CE) requirements, standards and procedures for insurance agents.

Rule 3901-5-01 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-01 is to accurately describe license renewal date requirements and correct a citation error.

The purpose of rule 3901-5-02 is to establish the procedure employed by the Ohio department of insurance in reviewing the application of entities described in divisions (C)(1) to (C)(5) of section 3905.484 of the Revised Code to be a provider of insurance continuing education courses.

Rule 3901-5-02 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-02 is to describe procedures in a more straightforward manner and remove facsimile stamp requirements.

The purpose of rule 3901-5-03 is to establish a procedure for the review and approval of continuing education (CE) courses which licensed agents must complete for the purpose of maintaining their licenses.

Rule 3901-5-03 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-03 is to change language to align with the National Association of Insurance Commissioners model language; a requirement that course titles may not be misleading as to cause confusion to which type of credit the course is approved for; eliminate the need for a proctor at the conclusion of a self study course; and allow for a review of approved CE courses by the superintendent.

The purpose of rule 3901-5-04 is to establish criteria, standards and procedures for providers of continuing education (CE) programs.

Rule 3901-5-04 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-04 is to provide further clarification of course content or outline and information to be included in applications and registration. Paragraph (H)(1) of this rule clarifies that multiple forms of signature are acceptable on the certificate of completion.

The purpose of rule 3901-5-05 is to identify conduct related to continuing education that violates Ohio statutes or rules and may subject a continuing education provider or agent to administrative actions.

Rule 3901-5-05 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-05 is to address that sharing user names and passwords when accessing department reporting applications is a violation. This provides an important protection as accessing an agent's transcript allows the provider to change the status of course completion and other personal information. By requiring each individual within an entity to have a personal login, changes to transcripts can be tracked by the individual that made them.

The purpose of rule 3901-5-07 is to establish the criteria for agent pre-licensing education and to establish certain examination requirements.

Rule 3901-5-07 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-07 is to remove the proctor requirement for self-study exams, implement standard industry and model language, allow for greater flexibility in forms of signature and proof of attendance accepted (electronic methods). Amendments to paragraph (G) of this rule are to allow for reasonable gaps in employment.

The purpose of rule 3901-5-09 is to set forth procedures and requirements for the licensing and appointment of insurance agents in this state; and to identify lines of authority eligible for limited lines licenses.

Rule 3901-5-09 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-5-09 is to add the requirement for criminal background checks for limited lines license types, as required by Revised Code. Provide necessary updates to the limited lines definitions in light of changes to the Revised Code regarding travel and self-storage license authority. Correct an error in paragraph (F)(3) of this rule by citing the exemptions for bail-bond and title agents as these lines are required to complete continuing education requirements.

The purpose of rule 3901-8-04 is to govern the accreditation and operation of independent review organizations.

Rule 3901-8-04 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-8-04 is to ensure clinical reviewers are considering relevant federal and state laws in addition to information that is required to be reviewed in section 3922.07 of the Revised Code, which includes: a review of applicable medical

records, recommendations and reports of healthcare providers, the terms of coverage under the covered person's health benefit plan. Additionally, there are technical changes to the rule to rearrange sections for better ease of understanding.

The purpose of rule 3901-8-12 is to implement the "open enrollment" statute and creates standards for insurers related to the requirement to provide certain consumers access to basic and standard plan information regarding open enrollment.

Rule 3901-8-12 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-8-12 is to update the most recent legislative activity and current applicable dates.

The purpose of rule 3901-11-03 is to establish the process and procedure for a captive insurance company to appoint an independent certified public accountant and file audited annual financial statements, an actuarial opinion on policy reserves, and annual statements with the superintendent of insurance pursuant to section 3964.07 of the Revised Code.

Rule 3901-11-03 is being reviewed as part of the agency five year rule review. The purpose for amending rule 3901-11-03 is a technical change to correct a legal reference within the rule.

Requests for copies of these rules 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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