
HOUSE BILL No. 1559

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-1; IC 27-8; IC 27-13.

Synopsis: Funding for the department of insurance. Deposits various insurance filing fees into the department of insurance fund rather than the state general fund. Increases the internal audit fee for domestic and foreign insurers and health maintenance organizations to \$1,000. Increases the internal audit fee of other entities from \$100 to \$250. Provides that each policy, rider, or endorsement filed with the state constitutes an individual filing for purposes of the \$35 product filing fee. Imposes a \$1,000 cap per filing per insurer for product filing fees. Allows the commissioner of the department of insurance (commissioner) to issue certificates suitable for framing to insurance producers. Provides that insurance producer and limited lines producer license renewal fees are due every two years rather than every four years. Removes the requirement that resident surplus lines producers file a bond with the commissioner. Provides for the deposit of fees paid to the commissioner by health maintenance organizations into the department of insurance fund.

Effective: July 1, 2007.

Ripley

January 23, 2007, read first time and referred to Committee on Insurance.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

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HOUSE BILL No. 1559



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 27-1-3-15 IS AMENDED TO READ AS	
2	FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) Except as	
3	provided in subsection (g), the commissioner shall collect the following	
4	filing fees:	
5	Document	Fee
6	Articles of incorporation	\$ 350
7	Amendment of articles of	
8	incorporation	\$ 10
9	Filing of annual statement	
10	and consolidated statement	\$ 100
11	Annual renewal of company license	
12	fee	\$ 50
13	Withdrawal of certificate	
14	of authority	\$ 25
15	Certified statement of condition	\$ 5
16	Any other document required to be	
17	filed by this article	\$ 25



1 **The commissioner shall deposit fees collected under this subsection**
2 **into the department of insurance fund established by IC 27-1-3-28.**

3 (b) The commissioner shall collect a fee of ten dollars (\$10) each
4 time process is served on the commissioner under this title.

5 (c) The commissioner shall collect the following fees for copying
6 and certifying the copy of any filed document relating to a domestic or
7 foreign corporation:

8 Per page for copying	As determined by the 9 commissioner but not to 10 exceed actual cost
11 For the certificate	\$10

12 (d) Each domestic and foreign insurer **and each health**
13 **maintenance organization** shall remit annually to the commissioner
14 for deposit into the department of insurance fund established by
15 IC 27-1-3-28 ~~three hundred fifty one thousand~~ **dollars (\$1,000)**
16 as an internal audit fee. All assessment insurers, farm mutuals, **and**
17 fraternal benefit societies ~~and health maintenance organizations~~ shall
18 remit to the commissioner for deposit into the department of insurance
19 fund ~~one two hundred fifty~~ **dollars (\$250)** annually as an
20 internal audit fee.

21 (e) ~~Beginning July 1, 1994,~~ Each insurer shall remit to the
22 commissioner for deposit into the department of insurance fund
23 established by IC 27-1-3-28 a fee of thirty-five dollars (\$35) for each
24 policy, rider, and endorsement filed with the state. **Each policy, rider,**
25 **or endorsement filed as part of a particular product filing and**
26 **associated with that product filing is an individual filing subject to**
27 **the fee under this subsection.** However, each policy, rider, and
28 endorsement filed as part of a particular product filing and associated
29 with that product filing shall be considered to be a single filing and
30 subject only to ~~one (1) thirty-five dollar (\$35) fee.~~ **the total amount of**
31 **fees paid under this subsection by each insurer for a particular**
32 **product filing may not exceed one thousand dollars (\$1,000).**

33 (f) The commissioner shall pay into the state general fund by the
34 end of each calendar month the amounts collected during that month
35 under subsections ~~(a)~~, (b) and (c).

36 (g) The commissioner may not collect fees for quarterly statements
37 filed under IC 27-1-20-33.

38 (h) The commissioner may adopt rules under IC 4-22-2 to provide
39 for the accrual and quarterly billing of fees under this section.

40 SECTION 2. IC 27-1-3-28 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28. (a) The department
42 of insurance fund is established for the following purposes:

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- 1 (1) To provide supplemental funding for the operations of the
- 2 department of insurance.
- 3 (2) To pay the costs of hiring and employing staff.
- 4 (3) To provide staff salary differentials as necessary to equalize the
- 5 average salaries and staffing levels of the department of insurance
- 6 with the average salaries and staffing levels reported in the most
- 7 recent Insurance Department Resources Report published by the
- 8 National Association of Insurance Commissioners.
- 9 (4) To enable the department of insurance to maintain
- 10 accreditation by the National Association of Insurance
- 11 Commissioners.
- 12 **(5) To carry out any other purpose determined necessary by**
- 13 **the department of insurance to carry out the department's**
- 14 **duties under this title.**
- 15 (b) The fund shall be administered by the commissioner. The
- 16 following shall be deposited in the department of insurance fund:
- 17 (1) Audit fees remitted by insurers to the commissioner under
- 18 IC 27-1-3-15(d).
- 19 (2) Filing fees remitted by insurers to the commissioner under
- 20 **IC 27-1-3-15(a) or IC 27-1-3-15(e).**
- 21 (3) Any other amounts remitted to the commissioner or the
- 22 department that are required by rule or statute to be deposited into
- 23 the department of insurance fund.
- 24 (c) The expenses of administering the fund shall be paid from
- 25 money in the fund.
- 26 (d) The treasurer of state shall invest the money in the fund not
- 27 currently needed to meet the obligations of the fund in the same
- 28 manner as other public funds may be invested. Interest that accrues
- 29 from these investments shall be deposited in the fund.
- 30 (e) Money in the fund at the end of a particular fiscal year does not
- 31 revert to the state general fund.
- 32 (f) There is annually appropriated to the department of insurance,
- 33 for the purposes set forth in subsection (a), the entire amount of money
- 34 deposited in the fund in each year.
- 35 SECTION 3. IC 27-1-15.6-7.3 IS ADDED TO THE INDIANA
- 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 37 [EFFECTIVE JULY 1, 2007]: **Sec. 7.3. (a) The commissioner may**
- 38 **design or have designed an insurance producer certificate suitable**
- 39 **for framing and display.**
- 40 **(b) Upon request of an insurance producer, the commissioner**
- 41 **may issue a certificate described in subsection (a).**
- 42 **(c) The commissioner may impose and collect a reasonable fee**

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1 **for a certificate issued under subsection (b). The commissioner**
2 **shall deposit fees collected under this subsection into the**
3 **department of insurance fund established by IC 27-1-3-28.**

4 SECTION 4. IC 27-1-15.6-24 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. (a) This section
6 applies to commercial property and casualty insurance coverage
7 described in Class 2 and Class 3 of IC 27-1-5-1.

8 (b) A licensed insurance producer may charge a commercial insured
9 a reasonable fee to reimburse the insurance producer for expenses
10 incurred by the insurance producer at the specific request of the
11 commercial insured, subject to the following requirements:

12 (1) Before incurring any expense described in this subsection, the
13 insurance producer must provide written notice to the commercial
14 insured stating that a fee will be charged and setting forth the:

- 15 (A) amount of the fee; or
- 16 (B) basis for calculating the fee.

17 (2) The amount of a fee and the basis for calculating a fee may not
18 vary among commercial insureds.

19 (3) Any fee that is charged must be identified separately from
20 premium and itemized in any bill provided to the commercial
21 insured.

22 (c) A licensed insurance producer may charge a commercial insured
23 a reasonable fee for services that are provided at the request of the
24 commercial insured in connection with a policy that provides coverage
25 described in subsection (a) and for which the insurance producer does
26 not receive a commission or other compensation, subject to the
27 following requirements:

28 (1) Before providing services, the insurance producer must provide
29 to the commercial insured a written description of the services to
30 be provided and the fee for the services.

31 (2) Any fee that is charged must be identified separately from
32 premium and itemized in any bill provided to the commercial
33 insured.

34 (d) A licensed insurance producer who acts as a consultant and
35 provides services described in this section shall comply with the
36 requirements of this section and section 23 of this chapter.

37 (e) A licensed insurance producer may charge a late fee for agency
38 billed accounts or policies that are more than thirty (30) days
39 delinquent. A late fee may not exceed one and three quarters percent
40 (1.75%) per month of the amount due on the due date.

41 **(f) A licensed insurance producer may charge a reasonable fee**
42 **for personal line property and casualty insurance or services**

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1 **related to personal line property and casualty insurance subject to**
2 **the following requirements:**

3 **(1) The amount of a fee and the basis for calculating a fee may**
4 **not vary among those insured.**

5 **(2) The amount of a fee is subject to the approval of the**
6 **commissioner.**

7 SECTION 5. IC 27-1-15.6-32 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 32. (a) The department
9 shall adopt rules under IC 4-22-2 to set fees for licensure under this
10 chapter, IC 27-1-15.7, and IC 27-1-15.8.

11 (b) Insurance producer and limited lines producer license renewal
12 fees are due every ~~four (4)~~ **two (2)** years. The fee charged by the
13 department every ~~four (4)~~ **two (2)** years for a:

- 14 (1) resident license is forty dollars (\$40); and
- 15 (2) nonresident license is ninety dollars (\$90).

16 (c) Consultant renewal fees are due every twenty-four (24) months.

17 (d) Surplus lines producer renewal fees are due ~~annually~~. **every two**
18 **(2) years. The fee charged by the department every two (2) years**
19 **for a:**

- 20 **(1) resident license is eighty dollars (\$80); and**
- 21 **(2) nonresident license is one hundred twenty dollars (\$120).**

22 (e) The commissioner may issue a duplicate license for any license
23 issued under this chapter. The fee charged by the commissioner for the
24 issuance of a duplicate:

- 25 (1) insurance producer license;
- 26 (2) surplus lines producer license;
- 27 (3) limited lines producer license; or
- 28 (4) consultant license;

29 may not exceed ten dollars (\$10).

30 **(f) A fee charged and collected under this section shall be**
31 **deposited into the department of insurance fund established by**
32 **IC 27-1-3-28.**

33 SECTION 6. IC 27-1-15.8-4 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. ~~(a) During the period~~
35 ~~that a resident surplus lines producer's license is in effect, the licensee~~
36 ~~shall keep in force a bond in the penal sum of not less than twenty~~
37 ~~thousand dollars (\$20,000) with an authorized corporate surety~~
38 ~~approved by the commissioner. The aggregate liability of the surety for~~
39 ~~any and all claims on a bond does not exceed the penal sum of the~~
40 ~~bond. A bond may not be terminated unless written notice of~~
41 ~~termination is provided by the surety to the licensee and the~~
42 ~~commissioner not less than thirty (30) days before termination. Upon~~

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1 termination of a resident license for which a bond was in effect, the
 2 commissioner shall notify the surety of the termination within ten (10)
 3 business days. All surety protection under this section inures to the
 4 benefit of the state of Indiana to assure the payment of all premium
 5 taxes.

6 (b) A resident surplus lines producer shall, at the time of an initial
 7 filing under subsection (c), file with the commissioner proof of the
 8 bond in the amount required under subsection (a). In each subsequent
 9 calendar year, the resident surplus lines producer shall file proof that
 10 the bond remains in effect. A subsequent filing under this subsection
 11 shall be made in conjunction with the annual filing required under
 12 subsection (c).

13 (c) (a) In addition to all other charges, fees, and taxes that may be
 14 imposed by law, a surplus lines producer licensed under this chapter
 15 shall, on or before February 1 and August 1 of each year, collect from
 16 the insured and remit to the department for the use and benefit of the
 17 state of Indiana an amount equal to two and one-half percent (2 1/2%)
 18 of all gross premiums upon all policies and contracts procured by the
 19 surplus lines producer under the provisions of this section during the
 20 preceding six (6) month period ending December 31 and June 30,
 21 respectively. The declarations page of a policy referred to in this
 22 subsection must itemize the amounts of all charges for taxes, fees, and
 23 premiums.

24 (d) (b) A licensed surplus lines producer shall execute and file with
 25 the department of insurance on or before the twentieth day of each
 26 month an affidavit that specifies all transactions, policies, and contracts
 27 procured during the preceding calendar month, including:

- 28 (1) the description and location of the insured property or risk and
- 29 the name of the insured;
- 30 (2) the gross premiums charged in the policy or contract;
- 31 (3) the name and home office address of the insurer whose policy
- 32 or contract is issued, and the kind of insurance effected; and
- 33 (4) a statement that:

34 (A) the licensee, after diligent effort, was unable to procure from
 35 any insurer authorized to transact the particular class of
 36 insurance business in Indiana the full amount of insurance
 37 required to protect the insured; and

38 (B) the insurance placed under this chapter is not placed for the
 39 purpose of procuring it at a premium rate lower than would be
 40 accepted by an insurer authorized and licensed to transact
 41 insurance business in Indiana.

42 (e) (c) A licensed surplus lines producer shall file with the

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1 department, not later than March 31 of each year, the financial
 2 statement, dated as of December 31 of the preceding year, of each
 3 unauthorized insurer from whom the surplus lines producer has
 4 procured a policy or contract. The insurance commissioner may, in the
 5 commissioner's discretion, after reviewing the financial statement of
 6 the unauthorized insurer, order the surplus lines producer to cancel an
 7 unauthorized insurer's policies and contracts if the commissioner is of
 8 the opinion that the financial statement or condition of the
 9 unauthorized insurer does not warrant continuance of the risk.

10 ~~(f)~~ (d) A licensed surplus lines producer shall keep a separate
 11 account of all business transacted under this section. The account may
 12 be inspected at any time by the commissioner or the commissioner's
 13 deputy or examiner.

14 ~~(g)~~ (e) An insurer that issues a policy or contract to insure a risk
 15 under this section is considered to have appointed the commissioner as
 16 the insurer's attorney upon whom process may be served in Indiana in
 17 any suit, action, or proceeding based upon or arising out of the policy
 18 or contract.

19 ~~(h)~~ (f) The commissioner may revoke or refuse to renew a surplus
 20 lines producer's license for failure to comply with this section.

21 ~~(i)~~ (g) A surplus lines producer licensed under this chapter may
 22 accept and place policies or contracts authorized under this section for
 23 an insurance producer duly licensed in Indiana, and may compensate
 24 the insurance producer even though the insurance producer is not
 25 licensed under this chapter.

26 ~~(j)~~ (h) If a surplus lines producer does not remit an amount due to
 27 the department within the time prescribed in subsection ~~(c)~~; (a), the
 28 commissioner shall assess the surplus lines producer a penalty of ten
 29 percent (10%) of the amount due. The commissioner shall assess a
 30 further penalty of an additional one percent (1%) of the amount due for
 31 each month or portion of a month that any amount due remains unpaid
 32 after the first month. Penalties assessed under this subsection are
 33 payable by the surplus lines producer and are not collectible from an
 34 insured.

35 SECTION 7. IC 27-1-25-12.2 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.2. (a) An
 37 administrator that:

- 38 (1) performs the duties of an administrator in Indiana; and
- 39 (2) does not hold a license issued under section 11.1 of this
 40 chapter;

41 shall obtain a nonresident administrator license under this section by
 42 filing a uniform application with the commissioner.

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1 (b) Unless the commissioner verifies the nonresident administrator's
 2 home state license status through an electronic data base maintained by
 3 the NAIC or by an affiliate or a subsidiary of the NAIC, a uniform
 4 application filed under subsection (a) must be accompanied by a letter
 5 of certification from the nonresident administrator's home state,
 6 verifying that the nonresident administrator holds a resident
 7 administrator license in the home state.

8 (c) A nonresident administrator is not eligible for a nonresident
 9 administrator license under this section unless the nonresident
 10 administrator is licensed as a resident administrator in a home state that
 11 has a law or regulation that is substantially similar to this chapter.

12 (d) Except as provided in subsections (b) and (h), the commissioner
 13 shall issue a nonresident administrator license to a nonresident
 14 administrator that makes a filing under subsections (a) and (b) upon
 15 receipt of the filing.

16 (e) Unless a nonresident administrator is notified by the
 17 commissioner that the commissioner is able to verify the nonresident
 18 administrator's home state licensure through an electronic data base
 19 described in subsection (b), the nonresident administrator shall:

20 (1) on September 15 of each year, file a statement with the
 21 commissioner affirming that the nonresident administrator
 22 maintains a current license in the nonresident administrator's home
 23 state; and

24 (2) pay a filing fee as required by the commissioner.

25 **The commissioner shall collect a filing fee required under**
 26 **subdivision (2) and deposit the fee into the department of insurance**
 27 **fund established by IC 27-1-3-28.**

28 (f) A nonresident administrator that applies for licensure under this
 29 section shall:

30 (1) produce the accounts of the nonresident administrator;

31 (2) produce the records and files of the nonresident administrator
 32 for examination; and

33 (3) make the officers of the nonresident administrator available to
 34 provide information with respect to the affairs of the nonresident
 35 administrator;

36 when reasonably required by the commissioner.

37 (g) A nonresident administrator is not required to hold a nonresident
 38 administrator license in Indiana if the nonresident administrator's
 39 function in Indiana is limited to the administration of life, health, or
 40 annuity coverage for a total of not more than one hundred (100) Indiana
 41 residents.

42 (h) The commissioner may refuse to issue or may delay the issuance

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1 of a nonresident administrator license if the commissioner determines
2 that:

- 3 (1) due to events occurring; or
4 (2) based on information obtained;

5 after the nonresident administrator's home state's licensure of the
6 nonresident administrator, the nonresident administrator is unable to
7 comply with this chapter or grounds exist for the home state's
8 revocation or suspension of the nonresident administrator's home state
9 license.

10 (i) If the commissioner makes a determination described in
11 subsection (h), the commissioner:

12 (1) shall provide written notice of the determination to the
13 insurance regulator of the nonresident administrator's home state;
14 and

15 (2) may delay the issuance of a nonresident administrator license
16 to the nonresident administrator until the commissioner determines
17 that the nonresident administrator is able to comply with this
18 chapter and that grounds do not exist for the home state's
19 revocation or suspension of the nonresident administrator's home
20 state license.

21 SECTION 8. IC 27-1-25-12.3 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12.3. (a) An
23 administrator that is licensed under section 11.1 of this chapter shall,
24 not later than July 1 of each year unless the commissioner grants an
25 extension of time for good cause, file a report for the previous calendar
26 year that complies with the following:

27 (1) The report must contain financial information reflecting a
28 positive net worth prepared in accordance with section 11.1(b)(4)
29 of this chapter.

30 (2) The report must be in the form and contain matters prescribed
31 by the commissioner.

32 (3) The report must be verified by at least two (2) officers of the
33 administrator.

34 (4) The report must include the complete names and addresses of
35 insurers with which the administrator had a written agreement
36 during the preceding fiscal year.

37 (5) The report must be accompanied by a filing fee determined by
38 the commissioner.

39 **The commissioner shall collect a filing fee paid under subdivision**
40 **(5) and deposit the fee into the department of insurance fund**
41 **established by IC 27-1-3-28.**

42 (b) The commissioner shall review a report filed under subsection

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- 1 (a) not later than September 1 of the year in which the report is filed.
- 2 Upon completion of the review, the commissioner shall:
- 3 (1) issue a certification to the administrator:
- 4 (A) indicating that:
- 5 (i) the financial statement reflects a positive net worth; and
- 6 (ii) the administrator is currently licensed and in good
- 7 standing; or
- 8 (B) noting deficiencies found in the report; or
- 9 (2) update an electronic data base that is maintained by the NAIC
- 10 or by an affiliate or a subsidiary of the NAIC:
- 11 (A) indicating that the administrator is solvent and in compliance
- 12 with this chapter; or
- 13 (B) noting deficiencies found in the report.

14 SECTION 9. IC 27-8-16-5 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) A claim review
 16 agent may not conduct medical claims review concerning health care
 17 services delivered to an enrollee in Indiana unless the claim review
 18 agent holds a certificate of registration issued by the department under
 19 this chapter.

20 (b) To obtain a certificate of registration under this chapter, a claim
 21 review agent must submit to the department an application containing
 22 the following:

- 23 (1) The name, address, telephone number, and normal business
- 24 hours of the claim review agent.
- 25 (2) The name and telephone number of a person that the
- 26 department may contact concerning the information in the
- 27 application.
- 28 (3) Documentation necessary for the department to determine that
- 29 the claim review agent is capable of satisfying the minimum
- 30 requirements set forth in section 7 of this chapter.
- 31 (c) An application submitted under this section must be:
- 32 (1) signed and verified by the applicant; and
- 33 (2) accompanied by an application fee in the amount established
- 34 under subsection (d).

35 **The commissioner shall deposit an application fee collected under**
 36 **this subsection into the department of insurance fund established**
 37 **by IC 27-1-3-28.**

38 (d) The department shall set the amount of the application fee
 39 required by subsection (c) and section 6(a) of this chapter in the rules
 40 adopted under section 14 of this chapter. The amount may not be more
 41 than is reasonably necessary to generate revenue sufficient to offset the
 42 costs incurred by the department in carrying out the department's

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responsibilities under this chapter.

(e) The department shall issue a certificate of registration to a claim review agent that satisfies the requirements of this section.

SECTION 10. IC 27-8-16-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5.2. (a) A person may not act as a claim review consultant concerning health care services delivered to an enrollee in Indiana unless the person holds a certificate of registration issued by the department under this chapter.

(b) To obtain a certificate of registration under this chapter, a person must submit to the department an application containing the following:

(1) The name, address, telephone number, and normal business hours of the person.

(2) The name and telephone number of a person that the department may contact concerning the information in the application.

(3) Documentation necessary for the department to determine that the person is capable of satisfying the minimum requirements set forth in this chapter.

(c) An application submitted under this section must be:

(1) signed and verified by the applicant; and

(2) accompanied by an application fee in the amount established under subsection (d).

The commissioner shall deposit an application fee collected under this subsection into the department of insurance fund established by IC 27-1-3-28.

(d) The department shall set the amount of the application fee required by subsection (c) and section 6(a) of this chapter in the rules adopted under section 14 of this chapter. The amount may not be more than is reasonably necessary to generate revenue sufficient to offset the costs incurred by the department in carrying out the department's responsibilities under this chapter.

(e) The department shall issue a certificate of registration to a claim review consultant that satisfies the requirements of this section.

SECTION 11. IC 27-8-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) To remain in effect, a certificate of registration issued under this chapter must be renewed on June 30 of each year. To obtain the renewal of a certificate of registration, a claim review agent or a claim review consultant must submit an application to the commissioner. The application must be accompanied by a registration fee in the amount set under section 5(d) of this chapter. **The commissioner shall deposit a registration fee collected under this subsection into the department of insurance**

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fund established by IC 27-1-3-28.

(b) A certificate of registration issued under this chapter may not be transferred unless the department determines that the person to which the certificate of registration is to be transferred has satisfied the requirements of this chapter.

(c) If there is a material change in any of the information set forth in an application submitted under this chapter, the claim review agent or claim review consultant that submitted the application shall notify the department of the change in writing not more than thirty (30) days after the change.

SECTION 12. IC 27-8-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) A utilization review agent may not conduct utilization review in Indiana unless the utilization review agent holds a certificate of registration issued by the department under this chapter.

(b) To obtain a certificate of registration under this chapter, a utilization review agent must submit to the department an application containing the following:

- (1) The name, address, telephone number, and normal business hours of the utilization review agent.
- (2) The name and telephone number of a person that the department may contact concerning the information in the application.
- (3) Documentation necessary for the department to determine that the utilization review agent is capable of satisfying the minimum requirements set forth in section 11 of this chapter.

(c) An application submitted under this section must be:

- (1) signed and verified by the applicant; and
- (2) accompanied by an application fee in the amount established under subsection (d).

The commissioner shall deposit an application fee collected under this subsection into the department of insurance fund established by IC 27-1-3-28.

(d) The department shall set the amount of the application fee required by subsection (c) and section 10(a) of this chapter in the rules adopted under section 20 of this chapter. The amount may not be more than is reasonably necessary to generate revenue sufficient to offset the costs incurred by the department in carrying out its responsibilities under this chapter.

(e) The department shall issue a certificate of registration to a utilization review agent that satisfies the requirements of this section.

SECTION 13. IC 27-8-17-10 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) To remain in
 2 effect, a certificate of registration issued under this chapter must be
 3 renewed on June 30 of each year. To obtain the renewal of a certificate
 4 of registration, a utilization review agent must submit an application to
 5 the commissioner. The application must be accompanied by a
 6 registration fee in the amount set under section 9(d) of this chapter.
 7 **The commissioner shall deposit a registration fee collected under**
 8 **this subsection into the department of insurance fund established**
 9 **by IC 27-1-3-28.**

10 (b) A certificate of registration issued under this chapter may not be
 11 transferred unless the department determines that the entity to whom
 12 the certificate is to be transferred has satisfied the requirements of this
 13 chapter.

14 (c) If there is a material change in any of the information set forth
 15 in an application submitted under this chapter, the utilization review
 16 agent that submitted the application shall notify the department of the
 17 change in writing within thirty (30) days after the change.

18 SECTION 14. IC 27-13-27-1 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. Each health
 20 maintenance organization subject to this article shall pay to the
 21 commissioner **for deposit into the department of insurance fund**
 22 **established by IC 27-1-3-28** the following fees:

- 23 (1) Three hundred fifty dollars (\$350) for filing:
 - 24 (A) an application for a certificate of authority; or
 - 25 (B) an application for an amendment to a certificate of authority.
- 26 (2) Fifty dollars (\$50) for filing each annual report.

27 SECTION 15. IC 27-13-34-23 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 23. (a) A limited
 29 service health maintenance organization subject to this chapter shall
 30 pay to the commissioner **for deposit into the department of**
 31 **insurance fund established by IC 27-1-3-28** the following fees:

- 32 (1) For filing an application for a certificate of authority or an
 33 amendment to an application, three hundred fifty dollars (\$350).
- 34 (2) For filing each annual report, fifty dollars (\$50).

35 (b) In addition to the fees required by subsection (a), a limited
 36 service health maintenance organization subject to this chapter must
 37 pay the fees required by IC 27-1-3-15.

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