
TITLE 760 DEPARTMENT OF INSURANCE

Notice of Public Comment Period for Rule Readoption

LSA Document #23-631

Readopts rules in anticipation of [IC 4-22-2.6](#), providing that an administrative rule adopted under [IC 4-22-2](#) expires January 1 of the fifth year after the year in which the rule takes effect unless the rule contains an earlier expiration date. Effective 30 days after filing with the Publisher.

STATUTORY AUTHORITY: [IC 16-39-9-4](#); [IC 27-1-12-10.5](#); [IC 27-8-19.8-10](#); [IC 27-8-19.8-25](#); [IC 27-8-19.8-26](#)

OVERVIEW

Rules to be readopted without changes are as follows:

[760 IAC 1-61](#) Viatical Settlements

[760 IAC 1-64](#) Valuation of Life Insurance Policies

[760 IAC 1-71](#) Copies of Medical Records

Rules to be repealed are as follows:

[760 IAC 1-70](#) Health Maintenance Organization Plan for Continuation of Benefits in the Event of Receivership

SUMMARY OF FINDINGS UNDER [IC 4-22-2.6-4](#)

[760 IAC 1-61](#) establishes minimum standards and disclosure requirements to be met by viatical settlement providers. A viatical settlement is the sale of a policy owner's existing life insurance policy to a third party for more than its cash surrender value, but less than its net death benefit. [IC 27-8-19.8-10](#) and [IC 27-8-19.8-15](#) require the Department of Insurance (department) to establish viatical settlement provider initial licensing and renewal application fees. The application fees set forth in [760 IAC 1-61](#) are \$1,000 for initial licenses and \$500 for license renewals. These fees remain necessary to offset the department's administrative expenses.

[760 IAC 1-64](#) sets forth ways to calculate reserve assets compared to life insurance liabilities. The rule is based upon a model regulation adopted by the National Association of Insurance Commissioners (NAIC). This model regulation must be adopted by each state in order for that state to maintain its accreditation with the NAIC. States failing to maintain NAIC accreditation will subject domestic insurers to financial examinations from each of the other NAIC accredited jurisdictions.

[760 IAC 1-71](#) sets forth the maximum amounts providers may charge for providing copies of medical records. [IC 16-39-9-4](#) allows the department to adopt a rule to set forth these maximum charges. The rule establishes the maximum amounts that may be charged for copies of medical records in dollar amounts from one dollar (\$1) per page for the first ten (10) pages, fifty cents (\$.50) per page for pages eleven (11) through fifty (50), and twenty-five cents (\$.25) per page for pages fifty-one (51) and higher.

All of the proposed readopted rules remain necessary and meet the standards set forth in [IC 4-22-2-19.5](#). No less costly or less intrusive alternative methods of achieving the purposes of the rules have been identified. The rules avoid duplicating standards found in state or federal law, are written for ease of comprehension for the entities subject to them, and have practicable enforcement. There have been no significant changes to the cost benefit, fiscal impact, or regulatory burden statements prepared for the initial adoption of the proposed readopted rules.

REQUEST FOR PUBLIC COMMENTS

At this time, the Department of Insurance solicits the following:

- (1) The submission of alternative ways to achieve the purpose of the rule.
- (2) The submission of suggestions for the development of draft rule language.

Comments may be submitted in one of the following ways:

- (1) By mail or common carrier to the following address:

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Meggan Brumbaugh

Indiana Department of Insurance

311 West Washington Street, Suite 103

Indianapolis, IN 46204

- (2) By electronic mail to mbrumbaugh@idoi.in.gov. To confirm timely delivery of submitted comments, please request a document receipt when sending the electronic mail. **PLEASE NOTE: Electronic mail comments will NOT be considered part of the official written comment period unless they are sent to the address indicated in this notice.**

COMMENT PERIOD DEADLINE

All comments must be postmarked or time stamped not later than October 6, 2023.

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