



STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

Indiana Department of Insurance

Amy L. Beard, Commissioner
311 W. Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: 317-232-2385
Fax: 317-232-5251
Website: in.gov/doi

INDIANA DEPARTMENT OF INSURANCE RULEMAKING DOCKET

(Last updated: November 18, 2022)

FINAL AND EMERGENCY RULES:

- (1) [Credit for Reinsurance](#)
- (2) [Charitable Bail Organizations](#)

RULE READOPTION:

- (1) [Notice of Intent to Readopt](#)

PROPOSED RULES:

- (1) **LSA Document #22-245—Term and Universal Life Insurance Reserve Financing**

Subject Matter of the Rule:

Adds 760 IAC 1-82 to establish uniform standards governing reserve financing arrangements pertaining to life insurance policies containing guaranteed nonlevel gross premiums, guaranteed nonlevel benefits and universal life insurance policies with secondary guarantees and to ensure that, with respect to each such financing arrangement, funds consisting of primary security and other security are held by or on behalf of ceding insurers in the forms and amounts required.

Notices Related to the Proposed Rule:

- [Notice of Intent](#)
- [Proposed Rule](#)
- [Economic Impact Statement](#)

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES
317-232-2389

COMPANY COMPLIANCE
317-232-3495

CONSUMER SERVICES
317-232-2395/1-800-622-4461

FINANCIAL SERVICES
317-232-2390

MEDICAL MALPRACTICE
317-232-2402

COMPANY RECORDS
317-232-5692

STATE HEALTH INSURANCE PROGRAM
1-800-452-4800

- [Notice of Public Hearing](#)
- [Comments of the Indiana Economic Development Corporation](#)

Public Comments May Be Made:

Via e-mail: mbrumbaugh@idoi.in.gov
Via facsimile: (317) 234-6476
Via U.S. mail: Meggan Brumbaugh
Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Time Within Which Public Comments May Be Made:

Public comments may be made now and through the date of the public hearing.

Public Comments And Responses to Public Comments May Be Inspected Upon Request At:

Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Public Hearing Information:

Thursday, December 8, 2022, at 1:00 p.m.
Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Relevant Scientific and Technical Findings Related to the Proposed Rule:

Not applicable.

Estimated Timetable for Action*:

Date of filing of proposed rule: October 19, 2022
Date of public hearing: December 8, 2022
Date of final adoption: December 19, 2022
Date of filing with the Office of the Attorney General: December 19, 2022
Anticipated date of review by the Governor: January 31, 2023
Anticipated effective date: March 2, 2023

* This timeline is subject to change during the rulemaking process. This timeline will be updated when changes occur.

(2) LSA Document #22-287—Pharmacy Benefit Manager Standards

Subject Matter of the Rule:

Adds 760 IAC 5 to implement IC 27-1-24.5 concerning pharmacy benefit managers. Sets forth provisions for licensure and financial requirements, application and renewal fees, pharmacy claims audits, maximum allowable cost pricing, annual reporting, and penalties for violations.

Notices Related to the Proposed Rule:

- [Notice of Intent](#)
- [Proposed Rule](#)
- [Economic Impact Statement](#)
- [Notice of Public Hearing](#)
- [Comments of the Indiana Economic Development Corporation](#)

Public Comments May Be Made:

Via e-mail: mbrumbaugh@idoi.in.gov
Via facsimile: (317) 234-6476
Via U.S. mail: Meggan Brumbaugh
Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Time Within Which Public Comments May Be Made:

Public comments may be made now and through the date of the public hearing.

Public Comments And Responses to Public Comments May Be Inspected Upon Request At:

Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Public Hearing Information:

Thursday, December 8, 2022, at 1:30 p.m.
Department of Insurance
311 West Washington Street
Suite 103
Indianapolis, IN 46204

Relevant Scientific and Technical Findings Related to the Proposed Rule:

Not applicable.

Estimated Timetable for Action*:

Date of filing of proposed rule: October 28, 2022

Date of public hearing: December 8, 2022

Date of final adoption: December 19, 2022

Date of filing with the Office of the Attorney General: December 19, 2022

Anticipated date of review by the Governor: January 31, 2023

Anticipated effective date: March 2, 2023

* This timeline is subject to change during the rulemaking process. This timeline will be updated when changes occur.





VIA EMAIL

November 3, 2022

Meggan Brumbaugh
General Counsel
Legal Services
Indiana Department of Insurance
311 W. Washington Street, Suite 103
Indianapolis, IN 46204-2787

Re: LSA Document #22-245/Economic Impact Statement

Dear Ms. Brumbaugh,

Pursuant to Indiana Code 4-22, as the Indiana Small Business Ombudsman, I have reviewed the economic impact analysis for small businesses associated with the rule changes contained in LSA Document #22-245 proposed by the Indiana Department of Insurance (IDOI).

The proposed rule by IDOI under LSA #22-245 seeks to impose uniform standards governing reserve financial agreements as they pertain to life insurance policies. Further, the proposed rule outlines actuarial methods prescribed to determining the required level of primary security for each reinsurance treaty subject to this rule. Additionally, as IDOI noted in the provided economic impact analysis, the proposed rule does not impose costs or requirements on small businesses in Indiana pursuant to IC 4-22-22.1-5. It is the assumption of the Indiana Small Business Ombudsman that the proposed rule should be within the normal capabilities of those designated to carry out the actuarial methods and issue financing arrangements pertaining to life insurance policies.

Based upon this statement and review, the Small Business Ombudsman supports the proposed rule related to the economic impact to small business if the IDOI conclusion reflects the actual result after promulgation. If you have any questions about these comments, please contact me at majaworowski@iedc.in.gov.

Sincerely,

Matt Jaworowski
Small Business Ombudsman
Manager, Interagency Affairs
Indiana Economic Development Corporation



VIA EMAIL

November 16, 2022

Meggan Brumbaugh
General Counsel
Legal Services
Indiana Dept. of Insurance
311 W Washington St, Suite 103
Indianapolis, IN 46204

Re: LSA Document #22-287/Economic Impact Statement

Dear Ms. Brumbaugh,

Pursuant to Indiana Code 4-22, as the Small Business Ombudsman, I have reviewed the economic impact analysis for small businesses associated with the rule changes contained in LSA Document #22-287 proposed by the Indiana Department of Insurance (IDOI) as it related to Pharmacy Benefit Managers (PBM).

Based on my assessment of IDOI's economic impact statement, as the Indiana Small Business Ombudsman, I have concluded that proposed rule LSA #22-287 does not provide an undue burden to small businesses. This is largely due to the fact that only three of forty-five operating PBMs in the state may be considered small businesses and the total small business economic impact would amount of \$250,800.00 across all PBM small businesses in this industry. Furthermore, the estimated individual breakdown of costs for preparing an application (~\$1,000), an annual financial audit of PBMs (~\$10,000), and retaining a licensed pharmacist for the purposed of auditing pharmacy claims all appear to fall within routine duties of regulation of PBMs.

Based upon this statement and review, the Small Business Ombudsman supports the proposed rule related to the economic impact to small business if the IDOI conclusion reflects the actual result after promulgation. If you have any questions about these comments, please contact me at majaworowski@iedc.in.gov.

Sincerely,

Matt Jaworowski
Small Business Ombudsman
Manager, Interagency Affairs
Indiana Economic Development Corporation