

Oregon Legislature passes number of insurance bills

The 2001 Oregon Legislative Assembly passed a number of bills affecting the insurance industry. Insurance-related legislation is summarized below.

Unless otherwise specified, the effective date of a bill is Jan. 1, 2002. A bill also may have one or more operative dates that apply to one or more sections, in addition to its effective date. An operative date is the date on which the affected section or sections first apply.

Laws enacted in the 2001 session are identified by their bill numbers, and, if known, their Oregon Laws chapter numbers (ch 318, for example).

SB indicates a Senate bill and HB indicates a House bill. DCBS is the Department of Consumer and Business Services.

Insurance regulation generally

SB 267 — Financial and solvency regulation of insurers (ch 318)

SB 267 strengthens and standardizes regulatory oversight of the financial condition of insurers, health care service contractors (including health maintenance organizations) and multiple em-

Legislative news on Web

This summary is not intended to be a complete and detailed statement of all insurance legislation. For more information about the session, including links to enrolled insurance bills, check our Web site: www.oregoninsurance.org.

ployer welfare arrangements. The bill:

- Increases minimum statutory requirements for capitalization of insurers and health care service contractors.
- Authorizes adoption of risk-based capital standards for health care service contractors (similar standards already apply to insurance companies generally).
- Standardizes statutory accounting principles.
- Conforms regulation of reinsurance to NAIC standards.
- Allows the DCBS director to assess member employers of a multiple employer welfare arrangement in the event of liquidation in order to cover claims.

SB 268 — Licensing of insurance agents (ch 191)

SB 268 facilitates interstate licensing of insurance agents and otherwise updates Oregon's laws governing the licensing of insurance agents, adjusters and consultants. The bill was enacted in response to the federal *Gramm-Leach-Bliley Act*, which requires states to simplify their interstate licensing processes.

SB 268 also carries out another federal law (18 U.S.C. 1033), which permanently bars a person who has been convicted of a felony involving dishonesty or a breach of trust from involvement in the business of insurance unless the state insurance authority grants a consent to that person.

SB 268 took effect July 1, 2001. The parts of the bill dealing with agent licensing become operative Jan. 1, 2002, but the bill authorizes the DCBS director to engage in rulemaking before that date.

SB 269 — Privacy; sharing confidential information; financial holding companies (ch 377)

Please see LEGISLATURE, Page 4

QUESTIONS & ANSWERS: Privacy of personal information

This set of questions and answers is intended to provide guidance for insurers, agents and other licensees who are subject to Oregon statutes governing privacy of personal information. These requirements include the duty to give notice of privacy practices and the duty to obtain an individual's authorization before personal information about the individual may be released. These requirements apply to transactions involving insurance for personal, family or household purposes.

Q: How do privacy requirements in the federal *Gramm-Leach-Bliley Act* affect insurance in Oregon?

A: New federal privacy requirements affect the insurance industry less extensively than other types of financial services, such as banking and securities. That's because Oregon has had a statutory scheme protecting consumers with respect to their insurance transactions since 1981, and relatively minor

changes were needed in Oregon law in order to incorporate Gramm-Leach-Bliley changes. Changes are primarily in terminology and in notice requirements (see ORS 746.600 as amended by Section 25 of SB 269, and ORS 746.620 as amended by Section 26 of SB 269). The effective date for changes in Oregon law was June 25, 2001, and temporary rules implementing the changes took effect July 1, 2001.

Please see PRIVACY, Page 6

AGENT LICENSING

Credit cards now accepted for license renewals, but . . .

By Margarita Nuñez

For your convenience, the Insurance Division now accepts credit card payments for license renewals. Just a note of caution: Please remember to include all the information requested on the renewal coupon. We have received a number of payments that were missing credit card information. These renewals are treated as if no money was received and a \$45 penalty fee is required to renew.

We also have had a number of payments declined by credit card companies. In most cases, the licensee used the wrong credit card number. Again, we treat such renewals as if no money was received and a \$45 penalty fee is required to renew.

The same rule applies to checks. If a check is not signed, no money has been received. In all of the above cases, the \$45 penalty fee is required only if the payment has not been received by the renewal expiration date.

Renewal coupon update

Resident agent renewal coupons were changed slightly starting in September 2001. Coupons used to request the licensee to sign the statement, "I have never been convicted of a misdemeanor or felony." That statement has now been changed to read, "I have not been convicted of a misdemeanor or felony in the last two years."

If you can't sign this statement, you must provide a written explanation with the renewal. To expedite your renewal, please remember to sign the statement. A missing signature will cause a delay in processing your renewal.

Verifying affiliations

In Oregon, agencies can only conduct business through licensed and affiliated agents. Agencies affiliate agents by filing Form 440-2139, *Firm or Corporation Affiliation of Agent*, with the Insurance Division. At renewal time, Agent Licensing staff verify that all agencies have affiliated agents. If no affiliated agents are listed, the agency is contacted to request the name of an affiliated agent before the agency's license is renewed. If you are unsure if your

agency has affiliated agents listed, please contact the Licensing Unit, (503) 947-7981.

Agency owners and agents need to be aware that when an affiliated agent's license is allowed to lapse, both the agent's affiliations and appointments are terminated. Once the license is reinstated, the affiliations and appointments are not automatically reinstated. Insurers and agency owners need to resubmit notification of appointments and affiliations, respectively.

Law, ethics CE needed for renewal

We continue to receive calls requesting clarification of the law and ethics requirement for continuing education. This requirement must be satisfied at every license renewal by all agents holding a life, health, or general lines license.

Most terminations require 90 days' written notice

State law requires an insurer to give an agent at least 90 days' written notice, which specifies the reasons for the termination. Two insurance companies were fined this year for failing to give agents proper notice prior to terminating the agent's appointment. One of the companies failed to provide the required 90 days of written notice (see Company Actions below). The other company properly gave 90 days' notice but failed to specify reasons for the termination.

We believe part of the confusion arises from the termination notice language in agent contracts. While an agent's contract may specify a shorter termination notice under the contract, state law supersedes any notice less than 90 days.

There are exceptions to the 90 days' written notice. These exceptions are set out in ORS 744.175(2). The most common exceptions are when the agent terminates his or her own contract or the agent and insurer mutually agree to terminate the contract. In these instances, the date of notice to the agent can be the same as the effective date of termination.

Margarita Nuñez is manager of the Agent Licensing Unit.

COMPANY ACTIONS

Sanctions

Equitable Life Assurance Society of the United States

New York, NY

Violation: Terminated agents without giving at least 90 days' written notice.

Penalty: \$3,500 fine

Date of order: Aug. 2, 2001

John Hancock Life Insurance Co.

Boston MA

Violation: Failed to notify an existing insurer of replacement of a long-term care policy.

Penalty: \$3,000 fine

Date of order: June 28, 2001

Suspensions

Amwest Surety Insurance Co.

June 21, 2001

PHICO Insurance Co.

Sept. 5, 2001

INSURANCE ADMINISTRATOR'S COLUMN

2001 Oregon legislative session was productive

Oregon lawmakers were able to reach agreement on a number of insurance measures in the 2001 session, thanks in part to the Insurance Division's work with stakeholders to reach consensus on some key issues. The Legislature approved three bills sponsored by the division that simplified agent licensing requirements, modified Oregon's privacy protections to comply with federal law, and strengthened solvency standards.

Work with various stakeholder groups also paid off with passage of patient protection and prompt payment laws.

Newcomer **Lori Long** helped longtime Insurance Division employee **Lewis Littlehales** manage our legislative program this session. Lori has joined the Insurance Division as a senior policy advisor. She will continue our efforts to work closely with stakeholders in rulemaking and other efforts to implement legislation.

For more information on insurance legislation, please see the Page 1 story or visit our Web site.

Check the Web for filing requirements

Filing requirements for most insurance products are now listed on our Web site.

Carl Lundberg and his staff in the Rates & Forms Section have done an outstanding job of developing standards for life, health, and most property and casualty products.

Before making a rate or form filing, insurers should check the Rates and Forms page on our Web site to determine the specific standards they must meet for each type of product. Filings that don't comply with the standards will be considered incomplete and will be returned.

Please note that certification statements are no longer being used since we have incorporated all filing requirements in the product standards on our Web site.

Insurers also may file on the System for Electronic Rate and Form Filing (SERFF).

Congratulations, Jann!

My congratulations to **Jann Goodpaster**, chief market conduct examiner, who was elected president of the Insurance Regulatory Examiners Society (IRES) at its national meeting



this summer. Jann also is serving as acting manager of the Consumer Protection Section.

The attack on America

As this issue of the *Regulator* was going to press, terrorists attacked the World Trade Center and the Pentagon. We extend our sympathy to the victims and families affected by the attack on America.

We also will be working closely with other state insurance departments, federal regulators, and Congress to address solvency and market regulation issues relating to these tragic events.



Joel Ario
Insurance Administrator

KEY CONTACTS

Oregon Insurance Division

Administration

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 Fax (503) 378-4351
 E-mail dcbs.inmail@state.or.us

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 Deputy Admin. Charles Nicoloff

Admin. Services & Operations

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 Manager Elaine Day

• **Agent Licensing** (503) 947-7981
 Manager Margarita Nuñez

Consumer Protection

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 Acting Manager Jann Goodpaster

• **Consumer Assist.** (503) 947-7240
 Manager Larry Culbertson

• **Investigations** (503) 947-7219
 Manager Cindy Jones

Company Regulation

Information (503) 947-7982
 Manager Charles Nicoloff

Rates & Forms

Information (503) 947-7983
 Manager Carl Lundberg

• **Health** (503) 947-7983
 Asst. Manager Maxi McKibben

• **Life/P & C** (503) 947-7983
 Asst. Manager Donna Bleiler

Employment opportunities

Shelley Greiner (503) 947-7222

PERSONNEL

Jann Goodpaster was named acting manager of the Consumer Protection Section.

Gayle Woods was promoted from market conduct examiner to supervising market conduct examiner.

New employees:

- **David Ball**, life/health actuary, Rates & Forms
- **Lori Long**, senior policy advisor, Administrative Services and Operations
- **Marcy Meink**, senior support assistant, Rates & Forms
- **David Mohrman**, electronic publishing design specialist 1, Administrative Services and Operations
- **Carol Simila**, field officer, Senior Health Insurance Benefits Assistance

LEGISLATURE

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SB 269 amends existing provisions of the Oregon Insurance Code that regulate privacy practices of insurers, agents and others licensed under the Insurance Code, in order to conform state insurance law to requirements of the *Gramm-Leach-Bliley Act*. These provisions apply to insurance used primarily for personal, family or household needs. The bill also amends statutes governing insurance, financial institutions and securities businesses to enable state regulators to share confidential information with state, federal and foreign regulators. Finally, the bill specifically recognizes the existence of financial holding companies, an entity established by the *Gramm-Leach-Bliley Act*.

This bill took effect June 15, 2001. The division adopted temporary rules to implement the privacy laws. The rules took effect July 1, 2001. Permanent rulemaking will follow (see related story, Page 6).

HB 3126 — Group life and health insurance; use of policy forms; modification of health policies; notice of cancellation of health insurance for nonpayment of premium (ch 943)

HB 3126:

- Grants discretion to the DCBS director to allow group life and health insurance to be offered to additional types of groups if the policies meet standards specified in statute. It also authorizes the DCBS director to approve out-of-state group insurance policies if the director determines that they meet substantially similar standards in their home states.
- Authorizes the DCBS director to modify by rule filing requirements for specific insurance policy forms.
- Authorizes the DCBS director to distinguish a modification of a health insurance policy from a discontinuance for the purpose of advance notice. A modification is to be defined by rule.
- Requires insurers to provide a grace period of at least 10 days prior to cancellation of individual or group health insurance, and to provide notice to the insured prior to cancellation.

HB 3126 took effect Aug. 9, 2001.

SB 114 — Genetic privacy (ch 588)

SB 114 amends statutes governing the use of genetic testing and genetic privacy in research and in a number of other subject areas, including insurance. The changes affecting insurance prohibit the use of genetic information about a blood relative to reject, deny, limit, cancel or otherwise affect any insurance policy. Currently, an insurer is prohibited from using genetic information for such purposes in connection with a policy for hospital or medical expenses. This prohibition continues.

SB 114 took effect June 25, 2001.

SB 609 — Insurer self-evaluative audits (ch 329)

SB 609 makes an “insurance compliance self-evaluative audit document” privileged information that is not discoverable or admissible as evidence in a civil, criminal or administrative proceeding, with exceptions. These self-evaluative audit documents are prepared by insurers in connection with voluntary internal evaluations and audits that insurers undertake to identify or prevent violations of insurance laws. The privilege does not apply in proceedings begun by the Attorney General relating to Medicaid fraud. Disclosure may be required by a court under certain specified circumstances. The bill preserves the authority of the DCBS director to acquire any such audit document, to examine any person in connection with the document and to take enforcement actions.

SB 831 — Internal governing of mutual insurers (ch 352)

SB 831 institutes a two-thirds supermajority voting requirement for a merger, sale or demutualization of a mutual insurer (an insurer that does not issue stock and is owned by its policyholders); authorizes the board of directors to condition submission of a proposed merger, acquisition, demutualization or other activity on any legal basis (such as an affirmative vote requirement exceeding a majority); requires bylaws to be submitted to the DCBS director, and specifies the contents of bylaws.

SB 977 — Liquidation, default of insurers (ch 974)

SB 977 authorizes the court overseeing liquidation of an insurer in receivership to establish a deadline date for fil-

ing claims on the insurer; limits coverage of the Oregon Insurance Guaranty Association (OIGA) to exclude persons who have a net worth exceeding \$25 million; changes the statutory priority of claims (ORS 734.360) in liquidations of insurers, placing claims of the federal government after administrative costs of receivership and claims of policyholders and the OIGA; and provides that the Workers’ Benefit Fund may pay an injury claim to an injured worker when the insurer who is supposed to pay the claim defaults.

HB 2112 — Electronic transactions (ch 535)

HB 2112 adopts the *Uniform Electronic Transactions Act* for Oregon, to govern electronic records and electronic signatures relating to transactions relating to business, commercial or governmental affairs. The uniform act establishes definitions of terms and prescribes procedures for electronic transactions.

HB 2112 took effect June 22, 2001.

Health insurance

HB 3040 — Patient protection, health insurance (ch 266)

HB 3040 provides the following consumer protections in connection with health insurance:

- **Continuity of care.** Enables an individual who is insured by a policy that allows access to a limited panel of health care providers to continue care with a specific provider in certain circumstances after the provider has left the panel.
- **Referrals to specialists.** Provides that if a health benefit plan requires a referral by a physician as a condition for coverage for specialty care services, the insurer must establish a procedure for standing referrals so that an insured will not need to obtain a referral for each appointment with the specialist.
- **Network adequacy.** Requires the DCBS director to establish uniform requirements for reporting on the scope and adequacy of networks by rule. Also specifically prohibits material misrepresentation of the provider network of an insurer offering managed health insurance or preferred provider insurance.

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LEGISLATURE

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• **External review.** Requires each insurer offering a health benefit plan to offer external review of its decisions by an independent review organization when the decisions concern the medical necessity of a service or treatment; whether a service or treatment is experimental or investigational; or whether a treatment is an active course of treatment for purposes of continuity of care. A limited right of action is available to an insured in connection with this right. External review is binding on the insurer and the insured only if the health benefit plan so provides. If a plan provides that the insurer will not be bound, external review is still available and a private right of action is available to the insured for harm occurring to the insured because of the insurer's refusal to follow an independent review organization's determination.

HB 3040 takes effect Jan. 1, 2002, but does not become operative until July 1, 2002. The earlier date enables rulemaking and other administrative implementation to occur before the bill takes full effect July 1, 2002.

SB 894 — Prompt payment (ch 747)

SB 894 requires that when a claim under a health benefit plan is submitted to an insurer by a provider on behalf of an enrollee, the insurer must pay a clean claim or deny the claim not later than 30 days after the date on which the insurer receives the claim.

The insurer may request additional information, but the time for doing so and for acting on the information are similarly limited. An insurer that fails to pay a claim to a provider within the established timelines must pay simple interest of 12 percent per annum on the unpaid portion.

SB 894 took effect July 5, 2001, in order to allow rulemaking and other administrative implementation, but does not become operative until Jan. 1, 2002.

SB 286 — Coverage of diabetes services (ch 742)

SB 286 requires group health benefit plans to cover costs of supplies, equipment and diabetes self-management pro-

grams associated with treatment of various types of diabetes.

HB 2519 — Oregon Health Plan (ch 898)

HB 2519 governs access to basic health care services provided through Medicaid, the children's health insurance program and subsidized private health insurance. The bill directs the Department of Human Services to apply to the federal government for waivers to obtain federal matching money for public subsidies for low income Oregonians to make private health insurance more accessible.

HB 2519 took effect Aug. 2, 2001.

SB 103 — Oregon Medical Insurance Pool; regulation; portability coverage (ch 356)

SB 103 deletes the examination and regulatory authority of the DCBS director with respect to the Oregon Medical Insurance Pool (OMIP), the applicability of statutorily-mandated health benefits to OMIP coverages and the DCBS director's authority to approve plans and rating and renewability requirements, and similar limitations on coverage. The bill also establishes the methods by which the OMIP board of directors must determine medical and portability risk rates, replacing current requirements.

Casualty insurance

SB 440 — Fire and homeowner policies; notice of coverage limitations (ch 85)

SB 440 limits the scope of the decision in *Fleming v. United States Automobile Assn.*, 329 Or 449, 988 P2d 378 (1999), in which the Oregon Supreme Court held that a provision in a fire insurance policy was ineffective because it wasn't prominently marked as required by state law. *Fleming* applied the requirement to a package insurance policy that included fire and other coverages. SB 440 specifically limits the statutory requirement to policies that cover fire only.

Neither *Fleming* nor SB 440 changes the principle that insurers are responsible for ensuring that their policy forms comply with Oregon statutes. SB 440 does not require an insurer to refile forms that were filed and approved after the *Fleming* decision.

SB 441 — Use of driving record abstracts by insurers (ch 327)

SB 441 authorizes insurers, for the purpose of offering and determining premium discounts to good drivers, to use abstracts of Driver and Motor Vehicle Services nonemployment driving records containing information about accidents, tickets, suspensions and other matters that are older than three years.

SB 485 — Workers' compensation (ch 865)

SB 485 makes a number of changes in workers' compensation law, indirectly affecting insurance law. The bill redefines the term "preexisting condition," authorizes spending money from the Workers' Benefit Fund to pay supplemental temporary disability benefits for workers employed in more than one job, and authorizes the DCBS director to resolve disputes about whether medical services that are provided to a person should be paid by the person's health insurance coverage or workers' compensation insurance.

SB 485 took effect July 30, 2001.

SB 597 — Liability for use of motor vehicles (ch 291)

SB 597 provides that a person who makes a motor vehicle available to another person for a test drive is not liable for injury, death or damage arising from the use of the motor vehicle unless the person providing the vehicle is negligent in maintaining the vehicle or in making it available and the harm results from the negligence. This bill does not amend the Insurance Code but affects liability and insurance coverage for that liability.

HB 2972 — Health care payment fraud; casualty insurance (ch 556)

HB 2972 establishes that an insurer of a casualty insurance policy may be a victim of a false claim for a health care payment for purposes of ORS 165.690, 165.692 and 165.694, which make a false claim for health care payment a crime.

The crime currently applies to claims made in connection with health insurance, self-insured health benefit plans, state or federal medical assistance programs and workers' compensation insurance.

PRIVACY

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Q: When is authorization needed?

A: The basic principle of Oregon's privacy statutes is that a licensee is prohibited from disclosing personal or privileged information about an individual that is collected or received in connection with an insurance transaction unless the individual first authorizes disclosure in writing. This provision is found in ORS 746.665(1)(a). This is the "opt-in" approach to obtaining authority to disclose personal information. The "opt-out" approach followed in federal law allows disclosure unless the individual chooses not to permit it. The contents of an authorization, which are specified in ORS 746.630, are intended to ensure that the individual grants the authority knowingly.

Q: Are there exceptions to the authorization requirement?

A: The authorization requirement is subject to exceptions specified in ORS 746.665(1). These exceptions allow a licensee to share information in connection with the licensee's normal course of business. For example, a licensee may share information with another person in order to determine whether to issue insurance or to determine a claim. A licensee may also share personal information with an insurance regulator, with law enforcement or other governmental authority, in response to an administrative or judicial order or if disclosure is otherwise authorized by law.

Q: When must a licensee give notice of its privacy practices?

A: Privacy notice requirements are governed by ORS 746.620. Generally, a licensee must give the notice to an individual when the individual becomes a "customer" of the licensee, which occurs when the licensee establishes a continuing relationship under which the licensee provides the indi-

vidual insurance products or services used for personal, family or household purposes. A licensee must give notice to an individual who is a "consumer" before the licensee discloses personal information collected or received in connection with an insurance transaction about the individual, unless the disclosure meets one or more of the exceptions in ORS 746.665(1).

Q: How does the requirement for giving notice of privacy practices under ORS 746.620 apply to agents?

A: An agent is a "licensee" and is therefore generally subject to the requirement of giving privacy notice to consumers and customers in ORS 746.620. There is an important exception, however. ORS 746.620(8) provides that an agent is not required to give notice if the insurer on whose behalf the agent acts satisfies the notice requirement and if the agent does not disclose personal information to any person other than the insurer or its affiliate, or as otherwise authorized by law.

Q: What information has to be included in a privacy notice?

A: The privacy notice is intended to provide a clear and conspicuous written notice of the licensee's information practices in connection with insurance transactions. Consequently, the notice is required to disclose what types of personal information the licensee collects and what types the licensee discloses, categories of third parties to whom personal information will be disclosed, the licensee's policies and practices with respect to protecting personal information, a description of the right of an individual to view the information the licensee has collected about him or her, and the opportunity to seek correction or deletion.

"Personal information" is defined broadly to include information that is identifiable with an individual, that is gathered in connection with an insurance transaction and from which judgments can be made about an individual's char-

acter, habits, health, and other personal matters. The privacy notice required by Oregon law includes nonpublic personal financial information and medical record information about an individual.

Q: If a consumer applies to an agent for insurance, and in connection with the application the agent obtains a motor vehicle report, a credit score or other necessary items that require the sharing of personal information, such as a Social Security number, must the agent give the privacy notice?

A: The agent is not required to give the privacy notice if the agent's disclosure meets at least one of the conditions in ORS 746.665(1). Disclosure of personal information in this example meets the condition in ORS 746.665(1)(b), which in relevant part authorizes disclosure to a person other than the licensee if the disclosure is reasonably necessary to enable the person to perform a business, professional or insurance function for the disclosing licensee.

Q: What activities can an agent perform without giving the privacy notice?

A: A privacy notice is not required in the following cases:

- When a consumer consults an agent, who sends personal information to another person in order to obtain information needed to underwrite a risk.
- If the insurer of a policy has already given the privacy notice to a customer, such as at the time of renewal, and the agent needs to obtain a motor vehicle report, a credit score or other necessary items that require sharing nonpublic personal information, such as a Social Security number.
- When an agent responds to a request from the Oregon Insurance Division for information on a consumer or customer that includes personal information.
- An agent responds to a request from a medical institution or

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professional to verify coverage on a consumer, or on a customer if the insurer has already provided the privacy notice.

- An agent shares personal information with an independent adjuster in order to adjust a claim.

Q: I'm a health insurer. What privacy requirements do I have to follow?

A: Changes in Oregon's privacy statutes do not apply to policies issued by an insurer to which the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) apply, until July 1, 2003. In the meantime, such an insurer must comply with HIPAA requirements.

On and after July 1, 2003, the DCBS director may apply the HIPAA requirements if they are more stringent than Oregon's insurance privacy statutes or may otherwise apply Oregon's privacy statutes. The director is authorized to determine whether the federal or state requirements are more stringent as a whole and may apply state law in a particular matter if the director determines that the federal regulation is less stringent than Oregon's privacy law.

PRODUCER ACTIONS

Bradford S. Caldeira

Creswell, OR

Violations Misrepresented information on an insurance application. Failed to maintain usual and customary records of insurance transactions.

Penalty: License suspended from July 1 to Sept. 30, 2001; \$1,000 fine

Date of order: June 18, 2001

Brian R. Da Vault

Grants Pass, OR

Violation: Misrepresented information

Check our Web site for copies of final enforcement actions:

www.oregoninsurance.org

RULES & BULLETINS

Administrative rules and bulletins recently adopted or amended by the Insurance Division are summarized below. Rules and bulletins are available on our Web site: www.oregoninsurance.org.

To request a printed copy of a rule or bulletin, please contact **Sue Munson**, administrative rules coordinator:

Phone: (503) 947-7272

Mail: Administrative Rules Coordinator
Oregon Insurance Division
350 Winter St. NE, Room 440
Salem, OR 97301-3883

E-mail: paulinesue.munson@state.or.us

Be sure to include the rule ID number or bulletin INS number with your request. There is no charge.

Administrative rules

ID 8-2001 (Temporary) — Medicare Supplement Insurance: OAR 836-052-0145, -0160, -0165, -0185

Temporarily adopts the complete set of exhibits of the most recent iteration of the National Association of Insurance Commissioners Medicare Supplement Insurance Regulation in order to ensure that the exhibits to Oregon's Medicare supplement insurance rules are up-to-date and complete.

Adopted: June 15, 2001. *Effective:* June 18, 2001, through Dec. 10, 2001.

on an insurance policy application.

Penalty: License revoked; \$1,000 fine

Date of order: May 30, 2001

Harold P. Mollin and Customized Worldwide Weather Insurance Agency Manhasset, NY

Violation: Nonresident licenses were revoked by the Connecticut Insurance Department.

Penalty: Oregon nonresident licenses revoked

Date of order: Aug. 24, 2001

Michael M. Morrow and Morrow and Associates Insurance

Eugene, OR

Violations: Made misrepresentations to

ID 9-2001 (Temporary) — Privacy of Personal Information: OAR 836-080-0500, -0505, -0510, -0515, -0520, -0525, -0530, -0535, -0540

Temporarily adopts rules implementing changes to insurance statutes governing personal information privacy by Senate Bill 269 (2001 Legislative session). *Adopted:* June 27, 2001. *Effective:* July 1, 2001, through Dec. 14, 2001.

ID 10-2001 — Continuing Education Reciprocity: OAR 836-071-0240, OAR 836-071-0247

Amends rules relating to continuing education of agent licensees in order to enable the Insurance Division to participate in the Midwest Zone Continuing Education Reciprocity Agreement through the National Association of Insurance Commissioners. The agreement provides for reciprocal approval of continuing education courses and their providers among member state insurance regulators, subject to state course content requirements established by rule, and acceptance of course credits granted in the home state.

Adopted: Aug. 29, 2001. *Effective:* Sept. 11, 2001.

Bulletins

INS 2001-3 — May 31, 2001

Effective May 1, 2001, withdraws Bulletin INS 94-3, relating to fire protection classification rules and insurers' filed rates, rating plans and procedures.

INS 2001-4 — July 1, 2001

Explains voluntary expedited filing procedures for insurance applications developed to allow depository institutions to meet their disclosure obligations under the *Gramm-Leach-Bliley Act*.

INS 2001-5 — July 27, 2001

Summarizes 2001 Oregon legislation affecting insurance

INS 2001-6 — Sept. 4, 2001

Addresses increases in the standard limits of liability for Oregon workers' compensation policies.

INS 2001-7 — Sept. 13, 2001

Effective Sept. 15, 2001, withdraws bulletins INS 98-6, INS 99-2, INS 99-3, INS 99-4.

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PRODUCERS

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policyholders. Illegally withheld money received from an applicant. Demonstrated he is a source of injury and loss to the public or others. Made untruthful statements to a representative of the DCBS director.

Penalty: Licenses revoked; \$4,000 fine
Date of order: Sept. 7, 2001

Liliana Murphy

San Antonio, TX

Violations: Filed Oregon nonresident agent license application containing false information. Nonresident license was revoked by the Oklahoma Insurance Commission.

Penalty: Oregon nonresident license revoked

Date of order: Sept. 4, 2001

Robert M. Stampfli

Beaverton, OR

Violation: Made a false, deceptive or misleading statement.

Penalty: \$1,000 fine

Date of order: July 10, 2001

Gary S. Trammell

West Linn, OR

Violations: Failed to deposit insurance premiums into an insurance premium trust account. Demonstrated he is a source of injury and loss to the public or others. Misrepresented information on insurance policy applications

Penalty: License revoked; \$6,000 fine

Date of order: Aug. 24, 2001

Michael B. Woodward and Secure Tomorrows

Vancouver, WA

Violations: Misrepresented information on insurance policy applications. Demonstrated he is a source of injury and loss to the public or others.

Penalty: Licenses revoked; \$7,000 fine

Date of order: Sept. 7, 2001

Genie M. Wolfer and Cornerstone Insurance NW, Inc.

Salem, OR

Violation: Acted in an incompetent or untrustworthy manner.

Penalty: Licenses revoked; \$4,000 fine

Date of order: Sept. 11, 2001

The *Oregon Insurance Regulator* is published in February, June and October by the Insurance Division of the Department of Consumer & Business Services (DCBS), 350 Winter St. NE, Room 440, Salem, OR 97301-3883.

Insurance Administrator

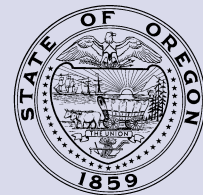
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Notice to Workers' Compensation Filers

Filers need to satisfy the requirements set forth on the Oregon Insurance Division's Web site at: www.oregoninsurance.org/docs/serff/filing_requirements.htm



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