

**State of Rhode Island and Providence Plantations
OFFICE OF THE HEALTH INSURANCE COMMISSIONER
233 Richmond Street
Providence, RI 02903**

OFFICE OF THE HEALTH INSURANCE COMMISSIONER REGULATION 1

**ADOPTION OF EXISTING ADMINISTRATIVE AND HEALTH INSURANCE-
RELATED REGULATIONS OF THE DEPARTMENT OF BUSINESS
REGULATION**

Table of Contents

Preamble	
Statement of Need for Emergency Adoption	
Section 1	Authority
Section 2	Purpose
Section 3	Regulations to be Adopted
Section 4	Interpretation and Construction
Section 5	Severability
Section 6	Effective Date

Preamble

In July of 2004, the Title 42 of the General Laws was amended to create the Office of the Health Insurance Commissioner. *See* R.I. Gen Laws § 42-14.5-1. The statute became effective upon the confirmation of the Health Insurance Commissioner, which occurred on February 17, 2005. Under this new statutory scheme, the Health Insurance Commissioner has “sole and exclusive jurisdiction over those statutes with respect to all matters related to health insurance.” R.I. Gen Laws § 42-14-5(d). Prior to the creation of the Office of the Health Insurance Commissioner, jurisdiction over all matters related to health insurance rested with the Department of Business Regulation. Under its statutory authority, the Department promulgated regulations related to health insurance. By adopting the Department’s health insurance regulations, the Office of the Health Insurance Commissioner intends to effect a seamless transition, to the greatest extent possible, of jurisdiction over health insurance matters from the Department to the Office of the Health Insurance Commissioner. In addition, the Office of the Health Insurance Commissioner is also adopting certain general procedural regulations of the Department.

Statement of Need for Emergency Adoption

Pursuant to R.I. Gen. Laws § 42-35-3(b), an agency may, if it finds adoption of a rule upon less than thirty (30) days’ notice is necessary because of imminent peril to the public health, safety, or welfare, adopt an emergency rule without prior notice or hearing

or upon any abbreviated notice and hearing that it finds practicable. The rule so adopted may be effective for a period of not longer than one hundred twenty (120) days, and may be renewed once for a period not exceeding ninety (90) days. *Id.* Furthermore, R.I. Gen. Laws § 42-35-4(b)(2) provides that, subject to constitutional or statutory provisions, an emergency rule may become effective immediately upon filing with the Secretary of State if the agency finds that such an effective date is necessary because of imminent perils to the public health, safety, or welfare.

The Office of the Health Insurance Commissioner has determined that conditions exist that necessitate the adoption of this Regulation on an emergency basis, to be effective upon filing with the Secretary of State. The Office of the Health Insurance Commissioner finds that there is imminent peril to the public health, safety and welfare in that it is the duty of the Office of the Health Insurance Commissioner to license, regulate and enforce all of the sections of Title 27 of the General Laws with respect to health insurance. The consuming public would be without a forum to redress infractions of the above-cited Chapter and their respective selections. The industry would be unregulated and the Office of the Health Insurance Commissioner would be hamstrung in its efforts to “[g]uard the solvency of health insurers,” “[p]rotect the interests of consumers,” “encourage fair treatment of health care providers,” and “encourage policies and developments that improve the quality and efficiency of health care service delivery and outcomes” as required by R.I. Gen. Laws § 42-14.5-2(a) through (d).

Section 1 **Authority**

This Regulation is promulgated in accordance with R.I. Gen. Laws §§ 42-35-1 *et seq.*, 42-14.5-1 *et seq.*, 42-14-5 and 42-14-17.

Section 2 **Purpose**

This Regulation is designed to ensure the smooth transition of regulatory and oversight responsibilities from the Department of Business Regulation to the Office of the Health Insurance Commissioner. Under this Regulation, the Office of the Health Insurance Commissioner adopts certain regulations of the Department of Business Regulation.

Section 3 **Regulations to be Adopted**

The Office of the health Insurance Commissioner adopts the following regulations of the Department of Business Regulation:

Central Management Regulations

Central Management Regulation 1 - Access to Public Records

Central Management Regulation 2 - Rules of Practice and Procedure in Administrative Hearings Before the Department of Business Regulation

Central Management Regulation 3 - Declaratory Rulings and Petitions

Division of Insurance Regulations

Insurance Regulation 17 - Insurance Holding Company Systems

Insurance Regulation 20 - Consent-to-Rate Filing

Insurance Regulation 23 - Minimum Standards of Health Benefit Plans

Insurance Regulation 30 - Standards for Foreign Insurance Company Licensing

Insurance Regulation 46 - Medicare Supplement Insurance Minimum Standards

Insurance Regulation 47 - Advertisement of Medicare Supplement Insurance

Insurance Regulation 48 - Group Insurance Coordination of Benefits

Insurance Regulation 57 - Multiple Employer Welfare Arrangements

Insurance Regulation 58 - Procedure for Surrender and Non-Renewal of Licenses by Insurers Authorized to Write Insurance in Rhode Island

Insurance Regulation 59 - Credit for Reinsurance

Insurance Regulation 61 - Activation of Domestic Insurance Charter

Insurance Regulation 65 - Proxies, Consents and Authorizations of Domestic Stock Insurers

Insurance Regulation 66 - Insider Trading of Domestic Stock Insurance Company Equity Securities

Insurance Regulation 68 - Commutation Plans

Insurance Regulation 70 - Insurance Company Licensing Notification Program

Insurance Regulation 82 - Small Employer Health Insurance Availability

Insurance Regulation 86 - Minimum Reserve Standards for Individual and Group Health Insurance Contracts

Insurance Regulation 87 - Annual Audited Financial Reports

Insurance Regulation 88 - Life and Health Reinsurance Agreements

Insurance Regulation 89 - Actuarial Opinion and Memorandum Regulation

Insurance Regulation 90 - Implementation of the Financial Institution Insurance Sales Act

Insurance Regulation 91 - Alien Insurance Companies - Rhode Island as Port of Entry State

Insurance Regulation 95 - Captive Insurance Financial Regulation

Insurance Regulation 99 - Privacy of Consumer Financial Information

Insurance Regulation 100 - Privacy of Consumer Health Information

Insurance Regulation 102 - Prompt Claims Processing

Section 4 **Interpretation and Construction**

- (a) Whenever the words “Commissioner,” “Insurance Commissioner,” or “Director” appear in the Department of Business Regulation regulations adopted by this Regulation, those words shall be construed to mean the “Health Insurance Commissioner.” Whenever the words “Department” or “Department of Business Regulation” appear in the Department of Business Regulation regulations adopted by this Regulation, those words shall be construed to mean the “Office of the Health Insurance Commissioner.”
- (b) This Regulation shall be interpreted as adopting the existing practices and procedures of the Department of Business Regulation by the Office of the Health Insurance Commissioner, except to the extent:
 - (1) such practices and procedures are superceded, repealed, or modified by regulations, rulings, or opinions issued by the Office of the Health Insurance Commissioner; or
 - (2) as may result from necessary implication.
- (c) It is hereby declared to be the intention of the Office of the Health Insurance Commissioner to provide by this Regulation for the prompt, fair, and orderly administration and enforcement of the statutes within the jurisdiction of the Office of the Health Insurance Commissioner, and this Regulation shall be liberally construed and applied to effect this intention and the remedial purpose and policies of the Office of the Health Insurance Commissioner.

- (d) Words in the singular number include the plural, and vice versa, except where the context otherwise requires or where a contrary result appears from necessary implication.
- (e) This Regulation shall apply to all proceedings, complaints, investigations, filings and all other matters currently pending before the Office of the Health Insurance Commissioner as well as all such matter arising on or after the effective date of this Regulation.
- (f) All “short form” written references to the adopted Department of Business Regulation regulations shall be in the following format: “Adopt. DBR Reg. ___.” Thus, for example, a written reference to adopted Department of Business Regulation 102 would be “Adopt. DBR Reg. 102.”

Section 5 **Severability**

If any provision of this Regulation or the application thereof to any person or circumstances is held invalid or unconstitutional, the invalidity or unconstitutionality shall not affect other provisions or applications of this Regulation which can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this Regulation are severable.

Section 6 **Effective Date**

The provisions of this Regulation shall apply on or after July 19, 2005. This Regulation shall be effective as indicated below.

EFFECTIVE DATE (EMERGENCY): July 19, 2005