

MINUTES  
**HOUSE BUSINESS COMMITTEE  
ARMSTRONG SUBCOMMITTEE**

**DATE:** Thursday, January 25, 2018  
**TIME:** 1:30 P.M.  
**PLACE:** Room EW41  
**MEMBERS:** Chairman Armstrong, Representatives DeMordaunt, Troy, Monks, Kloc(Tway)  
**ABSENT/  
EXCUSED:** Rep. DeMordaunt  
**GUESTS:** Jay Shaw, Admin Rules; Dean Cameron, DOI; Tom Donovan, DOI

**Chairman Armstrong** called the meeting to order at 1:30 p.m.

**DOCKET NO. 18-0102-1701:** **Dean Cameron**, Director, Department of Insurance, presented **Docket No. 18-0102-1701**. The existing rule consists of one sentence barring the approval of any life insurance policy bearing a name which is misleading or confusing. This will repeal that rule.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0102-1701**. **Motion carried by voice vote.**

**DOCKET NO. 18-0108-1701:** **Director Cameron** stated the purpose of this rule is to repeal the chapter dealing with filing policy forms because it is outdated.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0108-1701**. **Motion carried by voice vote.**

**DOCKET NO. 18-0120-1701:** **Director Cameron** stated the proposed rule provides a standard statement regarding uninsured and underinsured motorist coverage which carriers must begin using no later than January 1, 2019. In answer to questions, Director Cameron clarified agents appreciate the change. Previously agents were required to provide the form only if a consumer rejected the uninsured or underinsured policy.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0120-1701**. **Motion carried by voice vote.**

**DOCKET NO. 18-0122-1701:** **Director Cameron** said the purpose of this rule is to repeal a chapter that deals with the sale of insurance by vending machines. No licenses currently exist to sell insurance by vending machines and none are expected. Internet options replace this mode of accessibility for the public and there are provisions for limited travel insurance on credit cards.

**MOTION:** **Rep. Monks** made a motion to recommend the full committee approve **Docket No. 18-0122-1701**. **Motion carried by voice vote.**

**DOCKET NO. 18-0125-1701:** As stated by **Director Cameron**, this rulemaking amends language to make title insurance policy cancellation fees permissive rather than mandatory. There are various scenarios where it seems inappropriate to charge a cancellation fee. Director Cameron deferred to **Jim Scanlon**, Department of Insurance and **Hillary Vaughn**, Idaho Land Title Association, to answer questions from the committee. They confirmed Title insurance agents would not charge cancellation fees if it wasn't in the current rule.

**MOTION:** **Rep. Monks** made a motion to recommend the full committee approve **Docket No. 18-0125-1701**. **Motion carried by voice vote.**

**DOCKET NO. 18-0130-1701:** **Director Cameron** stated this rule will allow, but not require, carriers to offer return of premium or cash value benefits to covered persons for specified diseases, limited benefit policies and accident only policies in addition to the other types of policies currently permitted.

**MOTION:** **Rep. Monks** made a motion to recommend the full committee approve **Docket No. 18-0130-1701. Motion carried by voice vote.**

**DOCKET NO. 18-0135-1701:** This rule repeals the requirement for insurers to furnish, to hospitals and certain other service providers, a six month supply of paper forms for the filing of claims. **Director Cameron** said the vast majority of claims are submitted electronically and it is no longer necessary for providers to have a six month supply of paper forms on hand at all times.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0135-1701. Motion carried by voice vote.**

**DOCKET NO. 18-0156-1701:** According to **Director Cameron**, this rule addresses rebates and illegal inducements to obtaining title insurance. The rule revises the definition of "things of value" and provisions relating to cancellation fees.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0156-1701. Motion carried by voice vote.**

**DOCKET NO. 18-0173-1701:** **Director Cameron** said this rule repeals a chapter of rules relating to plan design under the Idaho Individual High Risk Reinsurance Pool. In answer to committee questions, he said it is no longer necessary for individuals to be enrolled in unique high risk pool plans.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0173-1701. Motion carried by voice vote.**

**DOCKET NO. 18-0175-1701:** **Director Cameron** presented **Docket No. 18-0175-1701**. He said the rule revises and updates provisions supporting the modernization of reinsurance regulation. The Director noted approval of this rule should result in lower prices for Idaho consumers. In answer to committee questions, he said certified reinsurers are rated on their financial strength from an acceptable rating agency.

**MOTION:** **Rep. Troy** made a motion to recommend the full committee approve **Docket No. 18-0175-1701. Motion carried by voice vote.**

**DOCKET NO. 18-0181-1701:** **Director Cameron** said the rule will provide insurers with more detailed procedures for submitting the required Corporate Governance Annual Disclosure filing.

**MOTION:** **Rep. Monks** made a motion to recommend the full committee approve **Docket No. 18-0181-1701. Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee the meeting adjourned at 2:30 p.m.

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Representative Armstrong  
Chair

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Joyce McKenzie  
Secretary