

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1690
94TH GENERAL ASSEMBLY

Reported from the Special Committee on Health Insurance February 20, 2008 with recommendation that House Committee Substitute for House Bill No. 1690 Do Pass by Consent. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

4031L.06C

AN ACT

To repeal section 379.118, RSMo, and to enact in lieu thereof three new sections relating to the transmission of insurance-related information in specific formats.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 379.118, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 374.056, 374.057, and 379.118, to read as follows:

374.056. Except as limited by section 375.922, RSMo, the director may promulgate rules establishing the specific type of delivery method for submissions of rate and form filings, rules, license applications, including materials requested in the course of a financial or market conduct examination, which are required to be submitted to the department under state law. Types of delivery methods shall be web-based interface systems such as the System for Electronic Rate Form Filing (SERFF), the National Insurance Producer Registry (NIPR), and the National Association of Insurance Commissioners' Internet-State Interface Technology Enhancement (I-SITE). Such rules may only apply to insurance companies, producers, health maintenance organizations, and any other person or entity regulated by the department under this chapter, and chapters 287, 325, 354, and 375 to 385, RSMo, or a rule adopted thereunder. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 536, RSMo, are nonseverable and if any of the powers vested with the general assembly
16 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and
17 annul a rule are subsequently held unconstitutional, then the grant of rulemaking
18 authority and any rule proposed or adopted after August 28, 2008, shall be invalid and
19 void.

374.057. The filing of records and signatures is authorized, when specified under
2 this chapter, or chapters 287, 325, 354, and 375 to 385, RSMo, or a rule adopted
3 thereunder, when carried out in a manner consistent with Section 104(a) of the federal
4 Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7004(a).
5 This section modifies, limits, and supersedes the federal Electronic Signatures in Global
6 and National Commerce Act, but does not modify, limit, or supersede Section 101(c) of the
7 federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section
8 7001(c), or authorize the electronic delivery of any of the notices described in Section
9 103(b) of the federal Electronic Signatures in Global and National Commerce Act, 15
10 U.S.C. Section 7003(b).

379.118. 1. If any insurer proposes to cancel or to refuse to renew a policy of automobile
2 insurance delivered or issued for delivery in this state except at the request of the named insured
3 or for nonpayment of premium, it shall, on or before thirty days prior to the proposed effective
4 date of the action, send written notice by certificate of mailing of its intended action to the named
5 insured at his last known address. The notice shall state:

- 6 (1) The proposed action to be taken;
- 7 (2) The proposed effective date of the action;
- 8 (3) The insurer's actual reason for proposing to take such action, the statement of reason
9 to be sufficiently clear and specific so that a person of average intelligence can identify the basis
10 for the insurer's decision without further inquiry. Generalized terms such as "personal habits",
11 "living conditions", "poor morals", or "violation or accident record" shall not suffice to meet the
12 requirements of this subdivision;
- 13 (4) That the insured may be eligible for insurance through the assigned risk plan if his
14 insurance is to be canceled.

15 2. An insurer shall send an insured written notice of an automobile policy renewal at
16 least fifteen days prior to the effective date of the new policy. The notice shall be sent by first
17 class mail **or may be sent electronically if requested by the policyholder**, and shall contain
18 the insured's name, the vehicle covered, the total premium amount, and the effective date of the
19 new policy. **Any request for electronic delivery of renewal notices shall be designated on**
20 **the application form signed by the applicant or made in writing by the policyholder. The**
21 **insurer shall comply with any subsequent request by a policyholder to rescind**

- 22 **authorization for electronic delivery and to elect to receive renewal notices by first class**
23 **mail. Any delivery of a renewal notice by electronic means shall not constitute notice of**
24 **cancellation of a policy even if such notice is included with the renewal notice.**

✓