

HCS HB 1690 -- TRANSMISSION OF INSURANCE-RELATED INFORMATION

SPONSOR: Wilson (130)

COMMITTEE ACTION: Voted "do pass by consent" by the Special Committee on Health Insurance by a vote of 6 to 0.

This substitute allows the Director of the Department of Insurance, Financial Institutions, and Professional Registration to establish rules and the web-based delivery method for submitting required insurance-related filings. The filings must be carried out in a manner consistent with the federal Electronic Signatures in Global and National Commerce Act. Automobile insurers will be allowed to send renewal notices electronically as an alternative to sending the notices by first-class mail if the insured requests an electronic notice in writing. Policy cancellations are prohibited from being sent electronically.

FISCAL NOTE: No impact on state funds in FY 2009, FY 2010, and FY 2011.

PROPONENTS: Supporters say that insurance companies currently must transmit all information by paper. The bill will bring the state up to date with technology and allow companies to transmit information electronically. An insured must opt into the program. There could be a cost savings by regulating the transmission of forms, and the use of electronic form filings is already increasing. The bill is not intended to expand or change the department's authority and will only apply to renewal notices. If no response is given, there will be a follow up because insurers do not want to lose customers.

Testifying for the bill were Representative Wilson (130); Department of Insurance, Financial Institutions, and Professional Registration; Missouri Insurance Coalition; and Missouri Association of Insurance Agents.

OPPONENTS: There was no opposition voiced to the committee.