

**INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION
OPERATING PROCEDURE
FOR THE FILING AND APPROVAL OF PRODUCT FILINGS**

§ 101. Purpose.

Pursuant to Article X of the Model Interstate Insurance Product Regulation Compact (“Compact”), as enacted into law by each Compacting State, and Article III of the Bylaws of the Interstate Insurance Product Regulation Commission, this Operating Procedure (the “Rule”) establishes the procedures for filing and approval of Product Filings with the Commission. This Rule shall apply to the filing and approval of all Product Filings, except to the extent specifically provided herein.

§ 102. Definitions.

- (a) Except as specifically defined herein, the terms as defined in Article II of the Compact shall have the same meaning in this Rule as if such definitions were set forth fully herein.
- (b) “Advertisement” means any advertisement as defined in Article II, Section 1 of the Compact that is subject to filing requirements adopted by the Commission in accordance with Article IV, Section 4 of the Compact.
- (c) “Commission” means the Interstate Insurance Product Regulation Commission.
- (d) “Commission Product Component” means a Product Component that may be offered and sold in a Compacting State pursuant to Rules and Operating Procedures of the Commission.
- (e) “Communication” means a written communication that may be sent via mail, delivery service, facsimile, email, or SERFF.
- (f) “Compact” means the Model Interstate Insurance Product Regulation Compact as enacted into law in each of the Compacting States.
- (g) “Days” means calendar days.
- (h) “Disposition Report” means a communication sent by the Commission to a Product Filer that includes final action taken by the Commission with respect to a Product Filing.
- (i) “Filing Requirement” means a requirement of SERFF, any applicable Uniform Standard, or any Rule or Operating Procedure of the Commission related to the information, documents and fees that must be submitted as part of a Product Filing.

- (j) “Objection Letter” is a communication sent by the Commission to a Product Filer that identifies one or more specific problems with a Product Filing.
- (k) “Product Filer” means an Insurer or Third-Party Filer that has made a Product Filing with the Commission.
- (l) “Product Filing” means a Product, Rate or Advertisement, or combination thereof, submitted to the Commission for review in accordance with the Commission’s Rules and Operating Procedures.
- (m) “Rate” means a rate or rating system that is subject to a disability income or long term care insurance Uniform Standard, which is filed with the Commission pertaining to a Product, and which includes, but is not limited to, rating plans and schedules, actuarial memoranda, and documentation pertaining to rates and loss ratios.
- (n) “SERFF” means the System for Electronic Rate and Form Filing.
- (o) “Review Period” means the period of time within which the Commission shall review and approve or disapprove a Product Filing in accordance with Section 105 of this Rule.
- (p) “Trade secret” shall have the same meaning as in one or more rules adopted by the Commission governing “trade secrets.”
- (q) "Product Component" means any of the following as applicable: a policy form, an application, a rider, an amendment, an endorsement, a form required to be used with an application, an outline of coverage, an advertisement, and a rate schedule.
- (r) “State Product Component” means a Product Component that is or has been filed with a Compacting State and that may be offered and sold in such Compacting State pursuant to its laws, other than pursuant to the Compact and the Rules and Operating Procedures adopted thereunder.

§ 103. Product Filing Requirements.

- (a) The Commission hereby adopts the requirements and procedures established by SERFF with respect to Product Filings, as such may be amended from time to time, unless otherwise disapproved or modified by the Management Committee of the Commission.
- (b) A Product Filer seeking approval from the Commission of a Product, Rate or Advertisement shall submit a Product Filing to the Commission via SERFF that shall comply with all applicable Filing Requirements, except as provided for in Section 110 of this Rule.

- (c) As part of a Product Filing and in accordance with procedures established by the Commission, a Product Filer shall identify the Uniform Standards applicable to the Product Filing. A Product Filing may include one or more Products that will be used in combination provided each Product fully complies with the Uniform Standards applicable to the Product.
- (d) At the time a Product Filing is made, the Product Filer shall identify whether the Product Filing will be used with a Commission Product Component previously approved by or pending with the Commission.
- (e) At the time a Product Filing is made, the Product Filer shall pay the transaction fees of SERFF, the fees of the Commission, and the filing fees of those Compacting States selected by the Product Filer in which the Insurer is legally authorized to do business that have not opted out of a Uniform Standard applicable to the Product Filing. Separate filing and transaction fees shall be paid for each Insurer to which the Product Filing relates.
- (f) A Product Filer may withdraw a Product Filing by submitting a written request for withdrawal to the Commission, in which case no fees shall be returned to the Product Filer and the Product Filing shall be closed.

§ 104. Product Review and Objection Letters.

- (a) The Commission shall review each Product Filing to ensure the Product Filing fully complies with the applicable Uniform Standards and Filing Requirements. If a Product Filing includes one or more Products, the Commission shall review each Product Component to ensure it fully complies with the Uniform Standards applicable to the Product Component.
- (b) If the Commission determines that a Product Filing does not meet an applicable Uniform Standard or Filing Requirement, or that the Product Filing does not include all fees payable pursuant to Section 103(e), the Commission shall, in its discretion, send an Objection Letter to the Product Filer identifying the specific problems with the Product Filing or send a Disposition Report indicating that the Product Filing has been disapproved and include the specific reasons for the disapproval.
- (c) An Objection Letter shall not, in and of itself, be considered a disapproval of a Product Filing.
- (d) An Objection Letter may include a deadline for the Product Filer to submit a response, in which case the Commission shall not take final action with respect to the Product Filing that is the subject of the Objection Letter until after such deadline has passed.

- (e) A response by a Product Filer to an Objection Letter may, where appropriate, include additional or amended information, documents or initial filing fees to be included in a Product Filing.
- (f) The Commission shall not be required to issue an Objection Letter before disapproving a Product Filing except that the Commission shall issue an Objection Letter if the Commission determines that the Product Filing does not include all fees payable pursuant to Section 103(e).

§ 105. Product Approval or Disapproval.

- (a) No Insurer shall, under authority of the Compact, market, deliver, issue for delivery or use in any Compacting State any Product, Rate or Advertisement that has been filed with the Commission unless the Product Filing has been approved by the Commission in accordance with this Rule.
- (b) The Commission shall review and approve or disapprove each Product Filing within a period of 60 days from the date the Product Filing is submitted, except in the following circumstances:
 - (1) the Product Filer has received an Objection Letter from the Commission, in which case the Commission may extend the Review Period by the number of days between the date the Objection Letter was sent and the date a response was received;
 - (2) the Commission may extend the Review Period for any Product Filing by an additional number of days not to exceed 30 days;
 - (3) the Product Filer enters into a written agreement with the Commission to extend the Review Period, in which case the agreed upon Review Period shall apply;
 - (4) the Management Committee determines that the number of Product Filings pending with the Commission exceeds the Commission's ability to process those Product Filings within otherwise allowable Review Periods under current Commission staffing levels, and by majority vote of a quorum present at a Management Committee meeting decides to extend the Review Period by a fixed number of days with respect to Product Filings received within a fixed period.
- (c) Each month, the Executive Director shall file a report with the Management Committee with respect to any Product Filing that, during the prior month, has had its Review Period extended under paragraph (b)(2) of this Section.

- (d) If the Commission determines that the Product Filing complies with all Uniform Standards and Filing Requirements applicable to the Product, Rate or Advertisement being reviewed, the Product Filing shall be approved. A Product Filing shall be deemed to meet the requirements of a Uniform Standard if the Commission determines that the Product Filing contains provisions that in all respects are at least as favorable to the insured or annuitant as the requirements of the Uniform Standard. If the Commission determines that the Product Filing does not comply with a Uniform Standard or Filing Requirement applicable to the Product, Rate or Advertisement being reviewed, the Product Filing shall not be approved.
- (e) The Commission shall send a Disposition Report to the Product Filer indicating whether a Product Filing has been approved or disapproved. If a Product Filing is disapproved, the Disposition Report shall include the specific reasons for the disapproval, which shall be limited to only the Filing Requirements applicable to the Product Filing being disapproved.
- (f) No fees collected by SERFF or the Commission with respect to a Product Filing shall be returned.
- (g) A disapproved Product Filing shall be closed, and no additional or amended information or documents shall be accepted, except as may be provided for in connection with an appeal in accordance with Section 108 of this Rule.
- (h) A Product Filing that is approved shall be approved only for those Compacting States that were selected by the Product Filer in which the Insurer is legally authorized to do business that have not opted out of a Uniform Standard applicable to the Product Filing.
- (i) Notwithstanding any other provision of this Section 105, the Commission shall not approve a Product Filing unless it determines that the Product Filer has paid all of the fees required by Section 103(e). In the event a Product Filing is approved and it is subsequently determined that the filing fees were not paid in full, the Commission shall collect any unpaid fees directly from the Product Filer. Nothing herein shall be construed to limit the authority of the Compacting States with respect to the collection of fees and charges in the event the Commission fails to collect all state filing fees applicable to a Product Filing.

§ 106. Expansion of a Filing to a New Compacting State.

If a Product Filing has been approved, and the Product Filer subsequently seeks to extend the use of the Product Filing to another Compacting State, the Product Filer may, in accordance with procedures established by the Commission and SERFF, re-open a Product Filing to select another Compacting State where the Product Filing will be used. With respect to such transaction, the Commission and SERFF may charge fees consistent with paragraph (e) of Section 103 of this Rule, provided that the state filing fees to be collected shall be limited to the

fees of the new or additional Compacting State. A Product Filing shall not be approved for use in such new or additional Compacting State until the Product Filer has paid all filing fees of such Compacting State applicable to such Product Filing.

§ 107. Filing Requirements for Change of Corporate Name

- (a) A change in the corporate name of an Insurer that affects one or more previously-approved Product Filings must be approved in accordance with the applicable requirements of the Product Filer's domiciliary state and in accordance with each Compacting State in which the Product Filer is licensed to do business.
- (b) When an Insurer has a change in its corporate name that is identified in one or more previously-approved Product Filings, the Product Filer shall file a name change rider, endorsement or amendment (referred to as a "Name Change Form") and a submission letter with the Commission for those Compacting States where such change is approved or authorized.
- (c) The Name Change Form shall contain the previously authorized company name, the newly authorized company name and the current home office mailing address and telephone number.
- (d) The submission letter shall include the following:
 - (1) A list of the Product Components which were approved by the Commission under the previous company name, which the Product Filer intends to use under the new company name and attach the Name Change Form thereto.

Drafting Note: The Name Change Form and submission letter is not available to effect a name change in a state-approved form, or for a state-approved form to effect a name change in a Commission-approved form.

- (2) For the Insurer's state of domicile and each Compacting State affected by the name change, provide the a list of the states that have approved the new company name and for each state list: the effective date of the name change, the date approval was granted and any action taken by the state other than approving the new company name.

Drafting Note: A Name Change Form and submission letter may be filed with the Commission when the Insurer has received approval from its state of domicile and at least one compacting state, but not necessarily all applicable compacting states, have approved the new company name. The Product Filing with the Name Change Form and submission letter may be re-opened to add new states as approvals are granted.

(3) A certification signed by an officer of the company certifying that no later than thirty days after the effective date of the name change in a state, the Product Filer will:

(A) With regard to in-force business, send the Name Change Form endorsement to all in-force policyholders who have been issued forms identified in (d)(1) above, and

(B) With regard to new business, only issue the forms identified in (d)(1) above with the approved or authorized company name.

§ 108. Appeals.

If a Product Filing has been disapproved, the Product Filer may appeal the determination in accordance with Article XI of the Compact, subject to rules established by the Commission related to appeals.

§ 109. Reconsideration of Product Approvals.

The Commission shall have authority to monitor, review and reconsider approval of Products, Rates and Advertisements subsequent to their filing or approval by the Commission. The Commission may withdraw or modify its approval of a Product Filing upon a finding that a Product, Rate or Advertisement that was the subject of the Product Filing does not meet a relevant Uniform Standard, but only after proper notice and opportunity for hearing, and subject to the appeals process set forth in Article XI of the Compact.

§ 110. Self-Certification.

Nothing in this Rule shall be construed to restrict or otherwise prevent an Insurer from offering, selling or using a Product, Rate or Advertisement in accordance with rules or operating procedures adopted by the Commission for self-certification of Products, Rates or Advertisements.

§ 111. State Filings.

- (a) Nothing in this Rule shall be construed to restrict or otherwise prevent an Insurer from filing its Products, Rates or Advertisements with the insurance department in any Compacting State wherein the Insurer is licensed to conduct the business of insurance and, in such case, the filing shall be subject to the laws of the State where filed. Nothing herein shall be construed to preclude or limit the enforcement of any laws of a Compacting State regarding the filing, approval or use of State Product Components.

(b) (1) Any Commission Product Component, approved before or after the effective date of this amended Rule, may be used with any State Product Component, subject to the requirements of paragraph (b)(2) of this section and the restrictions contained in paragraphs (b)(3), (4), and (5) of this section.

(2) With respect to any combination use of a Commission Product Component with a State Product Component that is offered or sold in a Compacting State wherein the Insurer is licensed to conduct the business of insurance, the Insurer may offer or sell such combined Product Components provided that the Insurer includes in its filing of a Commission Product Component both of the following:

(i) a statement of intent to use one or more State Product Components with a Commission Product Component, which identifies the Compacting State(s) wherein the combined Product Components will be offered or sold, and which sufficiently identifies for each of such Compacting State(s) the State Product Component(s) that will be used with the Commission Product Component. At the request of a Compacting State described in the previous sentence, an Insurer shall promptly provide the Compacting State with copies of the State Product Components identified with respect to such Compacting State. Such Compacting State may make a standing request with an Insurer for such copies, in which case the Insurer shall provide the copies as to all future Product Filings that involve combined Product Components that will be offered or sold in such Compacting State; and

(ii) a certification that the combination of a Commission Product Component and a State Product Component does not contain inconsistent, ambiguous, unfair, inequitable or misleading clauses, or exceptions or conditions that unreasonably affect the risk purported to be assumed. This certification shall not give rise to any presumption that the combination of Product Components, in fact, meets this standard for purposes of any action by the Commissioner of a Compacting State to prohibit the combined use of a Commission Product Component with a State Product Component pursuant to paragraph (b)(3) of this section.

(3) Notwithstanding the Insurer's compliance with the provisions of paragraph (b)(2) of this section, if an Insurer proposes to combine or has combined the use of a Commission Product Component with a State Product Component and the Commissioner of a Compacting State in which the Insurer offers or sells or intends to offer or sell such combined Product Components determines that such combination results in inconsistent, ambiguous, unfair, inequitable or misleading clauses, or exceptions or conditions that unreasonably affect the risk purported to be assumed, the Commissioner of the Compacting State where the Insurer offers or sells or

intends to offer or sell such combined Product Components shall have authority, consistent with the laws of such Compacting State, to take any action authorized under the laws of such Compacting State to prohibit the offer or sale of such combined Product Components in such Compacting State. The Commissioner shall not be required to obtain the approval of the Commission prior to taking such action.

- (4) An Insurer shall not offer or sell the combination of a Commission Product Component and a State Product Component, and an Insurer shall not offer or sell a rider, amendment or endorsement to a Product that would result in the combination of a Commission Product Component and a State Product Component, unless specifically authorized by the applicable Uniform Standard. Uniform Standards adopted by the Commission prior to July 31, 2009, and amendments thereto, shall be authorized to allow Commission Product Components to be combined with State Product Components unless the Commission has specifically determined otherwise.
- (5) Nothing in this Rule shall be construed to authorize an Insurer to offer or sell in any Compacting State a combination of a State Product Component with a Commission Product Component if the State Product Component is for a line of business that is not subject to the jurisdiction of the Compact.

| **§ 112. Trade Secrets.**

If a Product Filing or an Objection Letter contains trade secrets, the Product Filer may identify those portions of the Product Filing or Objection Letter that contain trade secrets and seek to protect their disclosure in accordance with one or more rules established by the Commission governing trade secrets and procedures adopted by SERFF.

| **§ 113. Adoption; Effective Date.**

This Rule was originally adopted by the Commission and became effective on June 1, 2007, pursuant to the procedures set forth in the Rule for Adoption, Amendment and Repeal of Rules for the Interstate Insurance Product Regulation Commission. Appendix A to this Rule was amended on August 27, 2008 and became effective on October 11, 2008. Amendments to this Rule were adopted on July 27, 2009 and became effective on July 27, 2009.