

PROJECT HISTORY - 2019

NONADMITTED ACCIDENT AND HEALTH COVERAGES GUIDELINE (#1860)

1. Description of the Project, Issues Addressed, etc.

This guideline will provide assistance to states updating laws and establishing procedures for allowing accident and health (A&H) coverage to be procured in the nonadmitted market either independently or through surplus lines brokers. Due to current market demands, the types of A&H coverage that some states are permitting in their nonadmitted market include, but are not limited to, the following: short-term medical, international major medical, excess disability, high-risk disability and other similar coverages. States considering any action to allow A&H coverage placement with nonadmitted insurers should consider this guideline during a review of existing laws, regulations and procedures.

2. Name of Group Responsible for Drafting the Model and States Participating

The Surplus Lines (C) Task Force formed the Nonadmitted A&H Drafting Group, which consisted of Colorado, Louisiana, Maine, Maryland and Wyoming.

3. Project Authorized by What Charge and Date First Given to the Group

The Surplus Lines (C) Task Force charge indicates that the group is to, "Provide a forum for discussion of current and emerging surplus lines-related issues and topics of public policy and determine appropriate regulatory response and action."

4. A General Description of the Drafting Process (e.g., drafted by a subgroup, interested parties, the full group, etc). Include any parties outside the members that participated

The guideline was drafted by the members of the Drafting Group through a series of conference calls and a webinar from October 2017 through September 2018. Each member of the Drafting Group was responsible for research and drafting responsibilities. Following an initial draft of the guideline, the Drafting Group members each proofed the document, and a subsequent conference call was held to discuss modifications.

5. A General Description of the Due Process (e.g., exposure periods, public hearings or any other means by which widespread input from industry, consumers and legislators was solicited)

The Guideline was discussed within an open forum during the Surplus Lines (C) Task Force meetings during the 2017 Summer National Meeting and 2017 Fall National Meeting, during an open conference call in February 2018, during the 2018 Spring National Meeting and 2018 Summer National Meeting, and during a conference call in December 2018. During this time period, there were two open exposures of the guideline.

6. A Discussion of the Significant Issues (items of some controversy raised during the due process and the group's response)

Although comments were addressed from several state insurance regulators and interested parties, there were no issues that would rise to the level of "significant." All comments received during the exposure periods were addressed, and where appropriate, textual revisions were made to the guideline.

7. Any Other Important Information (e.g., amending an accreditation standard)

Not applicable.