

MARKET CONDUCT RECORD RETENTION AND PRODUCTION MODEL REGULATION

Table of Contents

Section 1.	Authority
Section 2.	Purpose
Section 3.	Definitions
Section 4.	Records Required for Market Conduct Purposes
Section 5.	Policy Record File
Section 6.	Claim File
Section 7.	Licensing Records
Section 8.	Complaint Records
Section 9.	Format of Records
Section 10.	Location of Files
Section 11.	Time Limits to Provide R (4[(i)-3.2(S)4.5 sR.7)6.6 (20.i 0 T6.6 aT)-6.1 n.6 (7)6.6 (7-6 (s)6.6 (t)4.9 ((e)-6 (R (i

Section 2. Purpose

Market Conduct Record Retention and Production Model Regulation

Drafting Note: States may have a definition of "claim file" in their administrative rules under the Unfair Claims Settlement Practices Act for property/casualty or life/accident and health.

C. "Commissioner" means the Commissioner of Insurance.

Drafting Note: Insert the title of the chief insurance regulatory official wherever the term "commissioner" appears.

D. "Complaint" means a written communication primarily expressing a grievance.

E. "Declination" or "declined underwriting file" means all written or electronic records concerning coverage for which an application has been completed and submitted to the insurer or its producer but the insu7.4 (it)8 itcueccicihec(n)-0.7 (s)-4.3 hn h.4 (it n4w)-9(c(n)9.3 (()10.7 (t004 Tc 0.058 Tw 2

- (2) For life and annuity: the file or files containing the notice of claim, claim forms, proofs of loss, medical records, correspondence to and from insureds and claimants or their representatives, claim investigation documentation, claim handling logs, copies of checks or drafts, check numbers and amounts, releases, correspondence, all applicable notices, and correspondence used for determining and concluding claim payments or denials, any written communication, any documented or recorded telephone communication related to the handling of a claim, including the investigation, and any other documentation, maintained in a paper or electronic format, necessary to support claim handling activity.
- (3) For health: the file or files containing the notice of claim, claim forms, medical records, bills, electronically submitted bills, proofs of loss, correspondence to and from insureds and claimants or their representatives, claim investigation documentation, health facility pre

Section 11. Time Limits to Provide Records and to Respond to Examiners

- A. Initial data requests should be submitted to a company at least thirty (30) days prior to the commencement of the on-site examination, desk audit or other form of review to provide ample time for the company to prepare the materials requested by the examining state. Subsections B and C below apply to requests for supplemental data and information not anticipated at the time of the initial request as specified in Subsection A.
- B. As a means to facilitate the examination and to aid in the examination in accordance with [statute regarding examination authority] an insurer shall provide any requested document or written response to an inquiry submitted by an examiner within five (5) working days, or such other time period as mutually agreed upon by the examiner and the insurer. When the requested document or response is not produced by the insurer within the specified time period, a violation shall be deemed to have occurred unless the insurer can demonstrate to the satisfaction of the commissioner that the requested record cannot reasonably be provided within the specified time period of the request.

Drafting Note: States may want to consider extending the time period for when a response is due if that request consists of a data run, request for statistical information, or information that cannot logically be obtained without additional time. The time allowed for such an extension must be a mutually agreed upon time period.

- C. Additional records requested by the commissioner shall be made available for the examination upon the date specified by the Examiner in Charge.

Drafting Note: States are encouraged to refer to the guidelines of the Market Regulation and Consumer Affairs (D) Committee regarding market conduct examination uniformity standards. The standards include providing notification to a company of an examination with a sufficient amount of time provided for the company to prepare the materials requested by the examining state. Compliance with the lead times recommended by the uniformity standards will facilitate a company's ability to meet the record production times included in this regulation.

Drafting Note: The current version of the Uniformity Outline encourages a state to provide a company at least thirty (30) days notice for data calls prior to the initiation of an examination. While some states may not be able to comply with this recommendation given their current statutory requirements, all states are encouraged to provide a company with as much lead time as possible.

Section 12. Confidential Materials

Original records required to be provided during a market conduct examination shall be returned to the insurer following the examination. If the records relate to an inquiry made by an examiner copies of the .2 6u4 (c)-4.9 f96 (f t)-3y