
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Mary Dozier O'Brien.

DIGEST

Present law requires the commissioner of insurance to conduct an annual review of all insurers in the state other than life, health, and accident insurers and non-profit funeral associations.

Proposed law removes the current restrictions and requires that the commissioner conduct financial and market analysis of all insurers licensed to do business in the state and conduct regulatory reviews of any entities regulated by the Department of Insurance or regulated under Title 22. Proposed law requires that such reviews include the market conduct annual statement of the insurer or regulated entity.

Proposed law removes the present law requirement that the commissioner timely furnish to each insurer a report detailing the finding of the annual review and for the insurer to send a response to the commission within 45 days.

Proposed law provides that in the case of a foreign insurer licensed in the state, the commissioner may rely upon the financial or market analysis conducted under the National Association of Insurance Commissioners' Financial Regulation Standards and Accreditation Program.

Proposed law provides that failure of an insurer or regulated entity to provide requested information to the department during such financial or market analysis shall subject the insurer or regulated entity to revocation or suspension of license or a fine.

Proposed law provides that all working papers, recorded information, documents and copies of those documents utilized in the course of a regulatory review shall be given confidential status and shall not be subject to a subpoena, except in specific circumstances.

Proposed law provides that in the conduct of these financial and market reviews guidelines and procedures set forth in the *Financial Analysis Handbook* or the *Market Regulation Handbook* shall be employed, subject to the commissioner's discretion.

Proposed law provides that nothing in proposed law shall be construed to limit the commissioner's authority to use these findings in any legal or regulatory action which the commissioner deems appropriate.

Proposed law provides for ten days notice to an insurer or regulated entity should any fine be levied.

Present law provides exceptions to documents that are subject to the public records law.
Proposed law to the list of exceptions the financial and market analysis provided under proposed law.

Effective August 15, 2010.

(Amends R.S. 22:1984 and R.S. 44:4.1(B)(10))