



Eric Milstead
Director

Legislative Services Office

Idaho State Legislature

Serving Idaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate Commerce & Human Resources Committee and the House Business Committee

FROM: Senior Legislative Research Analyst - Elizabeth Bowen

DATE: September 19, 2016

SUBJECT: Department of Insurance

IDAPA 18.01.10 - Producers Handling of Fiduciary Funds - Proposed Rule (Docket No. 18-0110-1601)

IDAPA 18.01.54 - Rule to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act - - Proposed Rule (Docket No. 18-0154-1601)

The Department of Insurance submits notice of proposed rulemaking at IDAPA 18.01.10 and 18.01.54.

18.01.10

The proposed rule provides that cash collateral for bail bonds shall be treated by bail agents as fiduciary funds and therefore subject to rules on handling fiduciary funds. The purpose appears to be safeguarding the collateral. Negotiated rulemaking was conducted, and there is no negative impact on the state general fund. The Department states that this rulemaking is authorized pursuant to Sections 41-211, 41-1024, and 41-1025, Idaho Code.

18.01.54

The proposed rule requires all Medicare Supplement (Medigap) insurance carriers to offer coverage to individuals under 65 years of age who are eligible for Medicare. The rule further provides that pricing for a supplement policy shall not be discriminatory, with some exceptions, including for smoking or other tobacco use. The rule also sets rating requirements for supplement policies.

Negotiated rulemaking was conducted, and there is no negative impact on the state general fund. The Department states that this rulemaking is authorized pursuant to Sections 41-211 and 41-4409, Idaho Code.

cc: Department of Insurance
Thomas A. Donovan