

TECHNICAL ADVISORY

INDEPENDENT INSURANCE AGENTS OF LOUISIANA

TA 131

November 10, 1998

SUBJECT: Approval of Insurance Policy Forms (LSA-R.S. 22:620-621)

BACKGROUND: The Louisiana Department of Insurance (LDI) has received an enormous number of policy form filings that are currently under review for approval. The large number of form requests, along with 70% noncompliance rate has created a serious backlog in forms approvals.

MAIN POINTS: In an effort to remedy the backlog of policy form filings, LDI is suggesting that companies that are confident filed forms comply with Louisiana law, may take advantage of LSA-R.S. 22:620 and consider using those filings after the 45 day "deemed approved" period, without having to wait on Department approval. This process may be particularly useful for forms which were previously filed and approved, and have been re-filed with relatively minor updates which would not affect approval.

Please be reminded that companies that abuse this process will be subject to fines and penalties allowed by law when using deemed policy forms that are not in compliance.

NECESSARY ACTION: LDI urges that all companies have their compliance officer meet with LDI staff to receive guidance in filing policy forms that comply with the laws of our state. Request can be made to Joseph Shorter, III, Deputy Commissioner, Licensing and Insurance Compliance or Kathlee Hennigan, Director, Property Casualty Division.