

REQUEST FOR TECHNICAL CHANGE

AGENCY: Commissioner of Insurance

RULE CITATION: 11 NCAC 06A .0809

DEADLINE FOR RECEIPT: Friday, September 12, 2014

NOTE WELL: *This request when viewed on computer extends several pages. Please be sure you have reached the end of the document.*

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

Please correct the introductory statement on line 1. It appears as though the Rule should be amended rather than adopted. It is also indicated on the Submission for Permanent Rule Form that this rule is being amended.

Is the content of the forms referenced in (b)(1)(A) set forth in (f)?

In (b)(1)(C), delete or define "detailed." Are the requirements of the outline referenced in this Part set forth in (f)(5)?

In (h), what is the process for examination approval?

In (j), what about emergency situations, such as inclement weather?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Of course, this will also require conforming changes to the attached copies of the rule. Please check to see that this paperwork is in order and is returned along with the revised rule.

Amber Cronk May
Commission Counsel
August 28, 2014

11 NCAC 06A .0809 IS ADOPTED WITH CHANGES AS PUBLISHED IN 28:24 NCR 2984 AS FOLLOWS:

11 NCAC 06A .0809 APPROVAL OF COURSES

(a) ~~Providers~~All providers of all courses specifically approved under Rule .0803 of this Section shall pay the fee prescribed in G.S. 58-33-133(b) and shall file with~~provide to~~ the Commissioner or ~~Administrator~~Administrator copies of:

(1) program catalogs~~catalogs~~;

(2) course outlines~~outlines~~; and

(3) copies of advertising literature~~literature and pay the fee prescribed in G.S. 58-33-133(b).~~

(b) All providers of courses not specifically approved under Rule .0803 of this Section shall do the following:

(1) Any individual, school, insurance company, insurance industry association, or other organization intending to provide classes, seminars, or other forms of instruction as approved courses ~~shall~~ shall:

(A) apply on forms provided by the Commissioner or Administrator, Administrator, located on the N.C. Department of Insurance's website at http://www.ncdoi.com/ASD/ASD_CE_Ins_Providers.aspx;

(B) pay the fee prescribed in G.S. 58-33-133(b); G.S. 58-33-133(b);

(C) provide detailed outlines of the subject matter to be covered~~covered~~; and

(D) provide copies of handouts to be given.

(2) ~~Providers~~All providers of supervised individual study programs shall file copies of:

(A) the study programs~~and programs~~;

(B) the examination~~examination~~; and

(C) the Internet course security procedures.

(c) The Commissioner shall indicate the number of ICECs that have been assigned ~~to the course that has been approved to the approved course.~~

(d) If a course is not approved or disapproved by the Commissioner or his designee within 60 days after receipt of all required information, the course is deemed to be approved at the end of the 60-day period.

~~(d)~~(e) If a course approval application is ~~denied~~denied by the Commissioner or his designee, a written explanation of the reason for ~~such action~~denial shall be furnished ~~with the denial to the provider.~~

~~(e)~~(f) Course approval applications shall include the following:

(1) A~~A~~ statement for whom the course is designed;

(2) The~~The~~ course objectives;

(3) The~~The~~ names and duties of all persons who will be affiliated in an official capacity with the course;

(4) The~~The~~ course provider's tuition and fee refund policy;

(5) An~~An~~ outline that shall include:

(A) a statement of whether there will be a written examination, a written report, or a certification of attendance only;

(B) the method of presentation;

(C) a course content outline with instruction hours assigned to the major topics; and

(D) the schedule of dates, beginning and ending ~~times~~times, and places the course will be offered, along with the names of instructors for each course session, submitted at least 30 days before any subsequent course ~~offerings~~offerings.

(6) ~~A~~a copy of the course completion certificate;

(7) ~~A~~a course rating form;

(8) ~~A~~a course bibliography; and

(9) ~~An~~an electronic copy of the course content and course examination for Internet courses.

~~(f)(g)~~ A provider may request that its materials be kept confidential if they are of a proprietary nature.

~~(g)(h)~~ Courses awarded more than ~~six~~seven~~eight~~ ICECs shall have an examination approved by the Commissioner in order for the licensee to get full credit.

~~(h)(i)~~ A provider may request an exemption to the examination requirement in 11 NCAC 6A .0809(g) when filing a long-term care partnership continuing education course of eight hours.

~~(i)(j)~~ A provider shall not cancel a course unless the provider gives written notification to all students on the roster and to the Commissioner or Administrator at least five days before the date of the course.

~~(j)(k)~~ A provider shall submit course attendance records electronically to the Commissioner or Administrator within 15 business days after course completion.

~~(k)(l)~~ An error on the licensee's record that is caused by the provider in submitting the course attendance records shall be resolved by the provider within 15 days after the discovery of the error by the provider.

History Note: Authority G.S. 58-2-40; 58-33-130; 58-33-132; 58-33-133;

Temporary Adoption Eff. June 22, 1990, for a period of 180 days to expire on December 19, 1990;

ARRC Objection Lodged July 19, 1990;

Eff. December 1, 1990;

Amended Eff. October 1, 2014; March 1, 2011; February 1, 2008; February 1, 1996; June 1, 1992.

1 **11 NCAC 11F .0501 - .0504 ARE REPEALED AS PUBLISHED IN 28:04 NCR 323 AS FOLLOWS:**

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3 **11 NCAC 11F .0501 DEFINITIONS**

4 **11 NCAC 11F .0502 INDIVIDUAL ANNUITY OR PURE ENDOWMENT CONTRACTS**

5 **11 NCAC 11F .0503 GROUP ANNUITY OR PURE ENDOWMENT CONTRACTS**

6 **11 NCAC 11F .0504 APPLICATION OF THE 1994 GAR TABLE**

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8 *History Note:* *Authority G.S. 58-2-40; 58-58-50(k);*
9 *Temporary Adoption Eff. December 1, 1999;*
10 *Eff. July 1, 2000.*
11 *Repealed Eff. January 1, 2015.*
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11 NCAC 11F.0505 IS ADOPTED WITH CHANGES AS PUBLISHED IN 28:04 NCR 324 AS FOLLOW:

**11 NCAC 11F.0505 MODEL RULE FOR RECOGNIZING A NEW ANNUITY MORTALITY
TABLE FOR USE IN DETERMINING RESERVE LIABILITIES FOR
ANNUITIES**

(a) The North Carolina Department of Insurance incorporates by reference, including subsequent amendments and editions, the National Association of Insurance Commissioners Model No. 821, NAIC Model Rule (Regulation) for Recognizing a New Annuity Mortality Table for Use in Determining Reserve Liabilities for Annuities. Copies of Model No. 821 may be obtained from: The National Association of Insurance Commissioners, 1100 Walnut Street, Suite 1500, Kansas City, MO 64106-2197; the North Carolina Department of Insurance, Actuarial Services Division, 1201 Mail Service Center, Raleigh, NC 27699-1201; and from the Department of Insurance web page at <http://www.ncdoi.com/>.

(b) For purposes of this Rule, Subsection A of Section 4 of Model No. 821 shall read as follows:

Except as provided in Subsections B and C of this section, the 1983 Table “a” is recognized and approved as an individual annuity mortality table for valuation and, at the option of the company, may be used for purposes of determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after April 19, 1979.

(c) For purposes of this Rule, Subsection B of Section 4 of Model No. 821 shall read as follows:

Except as provided in Subsection C of this section, either the 1983 Table “a” or the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 1987.

(d) For purposes of this Rule, Subsection C of Section 4 of Model No. 821 shall read as follows:

Except as provided in Subsection D of this section, the Annuity 2000 Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, 2000.

(e) For purposes of this Rule, Subsection D of Section 4 of Model No. 821 shall read as follows:

Except as provided in Subsection E of this section, the 2012 IAR Mortality Table shall be used for determining the minimum standard of valuation for any individual annuity or pure endowment contract issued on or after January 1, ~~2014~~2015.

(f) For purposes of this Rule, Subsection E of Section 4 of Model No. 821 shall read as follows:

The 1983 Table “a” without projection is to be used for determining the minimum standards of valuation for an individual annuity or pure endowment contract issued on or after January 1, 2000, solely when the contract is based on life contingencies and is issued to fund periodic benefits arising from :

- (1) Settlements of various forms of claims pertaining to court settlements or out of court settlements from tort actions;

- 1 (2) Settlements involving similar actions such as worker’s compensation claims; or
2 (3) Settlements of long term disability claims where a temporary or life annuity has been used
3 in lieu of continuing disability payments.
- 4 (g) For purposes of this Rule, Subsection A of Section 6 of Model No. 821 shall read as follows:
5 Except as provided in Subsections B and C of this section, the 1983 GAM Table, the 1983 Table
6 “a” and the 1994 GAR Table are recognized and approved as group annuity mortality tables for
7 valuation and, at the option of the company, any one of these tables may be used for purposes of
8 valuation for an annuity or pure endowment purchased on or after April 19, 1979, under a group
9 annuity or pure endowment contract.
- 10 (h) For purposes of this Rule, Subsection B of Section 6 of Model No. 821 shall read as follows:
11 Except as provided in Subsection C of this section, either the 1983 GAM Table or the 1994 GAR
12 Table shall be used for determining the minimum standard of valuation for any annuity or pure
13 endowment purchased on or after January 1, 1987, under a group annuity or pure endowment
14 contract.
- 15 (i) For purposes of this Rule, Subsection C of Section 6 of Model No. 821 shall read as follows:
16 The 1994 GAR Table shall be used for determining the minimum standard of valuation for any
17 annuity or pure endowment purchased on or after January 1, 2000, under a group annuity or pure
18 endowment contract.
- 19 (j) For purposes of this Rule, Section 1, Section 8, and Section 9 of Model No. 821 are not applicable.
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21 *History Note:* *Authority G.S. 58-2-40; 58-58-50(k);*
22 *Eff. January 1, 2015.*
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