

**TITLE 365. INSURANCE DEPARTMENT
CHAPTER 25. OTHER LICENSEES**

RULEMAKING ACTION:

Notice of proposed PERMANENT Rulemaking

PROPOSED RULES:

- Subchapter 15 Captive Insurance Companies Regulation
 - 365:25-15-2 Annual Reporting requirements [AMENDED]
 - 365:25-15-3 Annual Audit [AMENDED]
 - 365:25-15-9 Executive officers and directors [AMENDED]
 - 365:25-15-13 Change of Business [AMENDED]
 - 365:25-15-23 Dormant captive insurance companies [AMENDED]
 - 365:25-15-24 Severability [REVOKED]
- Subchapter 17 Consumer Protection in Annuity Transactions Regulation
 - 365:25-17-3 Authority [REVOKED]
- Subchapter 29 Pharmacy Benefits Managers
 - 365:25-29-8 PBM to file certain financial statements with the Commissioner [AMENDED]
 - 365:25-29-10 Penalty for noncompliance [AMENDED]

SUMMARY:

365:25-15-2 is added to assist us when competing to obtain new captives, it also adds incentives for smaller captives.

365:25-15-3 is adjusted to ensure our rules correlate with statutory references (36O.S. § 6470.24.1)

365:25-15-9 is added for continuity purposes

365:25-15-13 is added to ensure OID is always updated on any changes related to business plans.

365:25-15-23 language is removed as it is specifically allowed in The Captive Act. Clarifies language and authority of OID if dormant captives have not resumed business after a five (5) year period. Added language for continuity purposes and to align with statute.

365:25-15-24 removes unnecessary language pursuant to Governors Executive Order on rule regulation (EO2020-03).

365:25-17-3 removes unnecessary language pursuant to Governors Executive Order on rule regulation (EO2020-03).

365:25-29-8 date is changed to give the PBM more time for an audited financial statement.

365:25-29-10 updated to include PBM and align with other response timeframes in the insurance code.

AUTHORITY:

Insurance Commissioner, 36 O.S. §§ 307.1, 1541, 1641, 6123, 6958-6968; 59 O.S. § 358

COMMENT PERIOD:

Written or oral comments regarding the proposed rule amendment shall be received on or before 5:00 p.m. on January 4, 2021. Comments shall be directed to Ashley Scott, Government and Community Affairs Director, Oklahoma Insurance Department, 400 Northeast 50th Street, Oklahoma City, 73105.

PUBLIC HEARING:

A public hearing regarding the proposed rule amendments will be held Monday, January 4th, at 10:00 am at the Oklahoma Insurance Department, 400 NE 50th Street, Oklahoma City, OK 73105. Anyone who wishes to speak must sign in at the door by 10:05am.

REQUESTS FOR COMMENTS FROM BUSINESS ENTITIES:

Business entities are requested to provide any increase in costs expected to be incurred due to compliance with the proposed rules. The comments shall be submitted to Ashley Scott, Government and

Community Affairs Director, Oklahoma Insurance Department, at the mailing address above on or before 5:00pm on January 4, 2021.

COPIES OF PROPOSED RULES:

Copies of the proposed rule amendments may be inspected at the Oklahoma Insurance Department at the physical address listed above. Office hours are from 8:00 a.m. through 5:00 p.m., Monday through Friday. Copies of the rules may also be inspected and obtained on the Insurance Department's website at www.ok.gov/oid.

RULE IMPACT STATEMENT:

A rule impact statement will be available on and after December 15, 2020, in accordance with 75 O.S. § 303(D). A copy of the statement may be obtained at the physical address above and will be available on the Insurance Department's website at www.ok.gov/oid.

CONTACT PERSON:

Ashley Scott, Government and Community Affairs Director, (405) 521-6616.