

**Chapter:** 39

**Session:** 2017 Regular Session

**Topic:** Examinations of insurance companies by the commissioner of commerce

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**Date:** May 16, 2017

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### Overview

This act requires the commissioner of commerce to have a scheduling conference with, and issue a scheduling order to, an insurance company for examinations of market analysis. Changes are made regarding the manner in which the commissioner can request information pursuant to a market analysis examination, and the classification of data that the commissioner receives.

#### Section

- 1 Examination report; foreign and domestic companies.** Classifies information received by the commissioner of commerce from an insurance company from a market analysis examination. Requires requests for information from the commissioner to an insurance company for market analysis to be issued pursuant to the commissioner's authority under this section. An exception to this is that the commissioner may request information using the authority provided by section 45.027, subdivisions 1a or 2, and not under section 60A.033, if the request involves an unresolved consumer complaint or there is an imminent risk of significant harm to a consumer.
- 2 Penalty.** Removes the requirement that a violation of an order be commenced in Ramsey County by the attorney general on behalf of the state.
- 3 [60A.033] Scheduling conference and order.**
  - Subd. 1. Scope.** Applies this section to examinations of market analysis.
  - Subd. 2. Scheduling conference required.** Requires the commissioner to hold a scheduling conference with an insurance company within 30 days of the issuance of an examination order.
  - Subd. 3. Exception.** Allows an insurance company to waive their right to a scheduling conference and order.

**Section**

**Subd. 4. Scheduling conference.** Requires the commissioner to provide the insurance company with certain information regarding the examination.

**Subd. 5. Scheduling order.** Requires the commissioner to issue a scheduling order that includes the information described in subdivision 4 within 15 days of the scheduling conference, or as the parties otherwise agree. Allows supplemental scheduling conferences and orders if they comply with the requirements of subdivisions 4 and 5.

**Subd. 6. Production of information.** Requires information requested from the commissioner to be limited to relevant issues the examination will address, provide the insurance company with a reasonable period of time to respond, and be reasonable in relation to the burden or expense of gathering the information. Requires the commissioner to consider when requesting information whether there is another source to obtain it from. Allows an insurance company to extend the time period for a response to an information request from the commissioner by up to 30 days, and allows the commissioner to extend the time period.

**Subd. 7. Conduct of an examination.** Limits the actions of the commissioner, Department of Commerce, and examiners regarding the examination and statements taken under oath.

**Subd. 8. Costs.** Requires all bills for examination submitted by the commissioner to the insurance company to meet certain requirements.

**Subd. 9. Completion of examination.** Requires an examination to be completed by the commissioner 18 months from the date the commissioner receives the insurance company's first submission pursuant to a scheduling order, unless the insurance company does not cooperate, it is a multistate examination, or the commissioner can show additional time is necessary.

**Subd. 10. Hearing, procedure, and judicial review.** Allows an insurance company to appeal an order of the commissioner without a hearing to the commissioner, with time limitations. An order of the commissioner is a final decision subject to appeal under chapter 14. Time used to complete a hearing and appeal under this section is not counted toward the time frame for completion of an examination under subdivision 9.

**4 Effective date.** Sections 1 to 3 are effective August 1, 2017, and apply to examinations and investigations initiated on or after that date.