



Department of Business Regulation
Insurance Division
1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

Insurance Bulletin Number 2014-5

2014 Legislative Changes

The following legislative amendments were enacted during the 2014 session of the Rhode Island General Assembly. This information is being provided in accordance with [R.I. Gen. Laws § 27-71-14\(a\)](#). This bulletin is being provided for informational purposes only and may not be an all-inclusive list of enactments that impact the insurance industry. Licensees should refer to the statute itself to determine the impact. Any person wishing to be included in these annual notifications pursuant to R.I. Gen. Laws § 27-71-14(b) who is not currently on the interested parties list should send an email request to DBR.insnotice@dbr.ri.gov

Fraternal Code

[H7475](#)

[2014 P.L. ch. 122](#)

Effective June 16, 2014

[S2786](#)

[2014 P.L. ch. 105](#)

Effective June 16, 2014

This legislation was introduced at the request of the Department to remove the exemption from the Fraternal Code for persons engaged in hazardous occupations. Without the exemption those offering coverage under the Fraternal Code must be licensed as domestic or foreign fraternal societies.

Automobile Self Insurance

[H7541aa](#)

[2014 P.L. ch. 36](#)

Effective May 16, 2014

[S2446](#)

[2014 P.L. ch. 29](#)

Effective April 18, 2014

This legislation was introduced at the request of the Department of Motor Vehicle with the consent of the Department of Business Regulation to move jurisdiction over those entities that are permissibly self-insurance under the compulsory automobile insurance statute to the Department of Business Regulation for purposes of certification of self-insured status.

Corrections

[H7715A](#)

[2014 P.L. ch. 94](#)

Effective June 10, 2014

[S2784Aaa](#)

[2014 P.L. ch. 91](#)

Effective June 10, 2014

This legislation was introduced at the request of the Department to correct nonsubstantive errors in the Standard Nonforfeiture statute. The legislation also

removed a certification requirement for Third Party Administrators that will allow the Department to move that license type to electronic licensing.

Insurance Claims Adjusters

H7544A	2014 P.L. ch. 195	Effective January 1, 2015
S2788A	2014 P.L. ch. 107	Effective January 1, 2015

This legislation was introduced at the request of the Department to divide insurance adjusters into three categories (1) public, (2) independent and (3) company. The legislation also incorporated much of the National Association of Insurance Commissioners model laws on public and independent adjusters.

Title Insurance

H7978	2014 P.L. ch. 521	Effective July 8, 2014
S2816	2014 P.L. ch. 488	Effective July 8, 2014

This legislation was introduced at the request of the Department. The amendment removes a potential issue faced by title insurance producers that are also attorneys in execution of their obligation to cooperate with the title insurance audits conducted pursuant to R.I. Gen. Laws § 27-2.6-13.

Life Insurance – Death Master Files

H7031A	2014 P.L. ch. 183	Effective January 1, 2016
S2308A	2014 P.L. ch. 209	Effective January 1, 2016

This legislation adopts a statutory framework for life insurance companies to compare their rolls of insured with the Death Master File in an attempt to locate policies upon which benefits should be paid or escheated. The statute is based on a National Association of Insurance Legislators (NCOIL) Model Act.

Electronic ID Cards

H7098	2014 P.L. ch. 24	Effective April 18, 2014
S2444	2014 P.L. ch. 28	Effective April 18, 2014

This legislation, along with that listed below; amends all Rhode Island statutes regarding automobile identification cards used for proof of compulsory insurance. These changes will allow insurers to offer consumers the ability to elect use of an electronic ID card rather than a hard copy document.

Electronic ID Cards

H7125A	2014 P.L. ch. 44	Effective May 27, 2014
S2055A	2014 P.L. ch. 51	Effective May 27, 2014

This legislation, along with that listed above; amends all Rhode Island statutes regarding automobile identification cards used for proof of compulsory insurance.

These changes will allow insurers to offer consumers the ability to elect use of an electronic ID card rather than a hard copy document.

Social Media

[H7124B](#) [2014 P.L. ch. 188](#) Effective June 30, 2014

This legislation restricts an employer's access to personal social media of an employee. It provides an exception to this requirement for insurers to monitor or supervise communications related to the regulation of insurance.

Workers Compensation Court

[H7260](#) [2014 P.L. ch. 78](#) Effective June 9, 2014
[S2543](#) [2014 P.L. ch. 87](#) Effective June 9, 2014

This legislation clarifies and updates the practice and procedures of the workers compensation court and allows the court to move forward with electronic filing.

Workers Compensation Omnibus

[H8282aa](#) [2014 P.L. ch. 231](#) Effective July 1, 2014
[S3053Aaa](#) [2014 P.L. ch. 289](#) Effective July 1, 2014

This legislation, submitted by the Workers Compensation Advisory Council, makes a number of changes to the practice and procedures of the workers compensation court and benefits available to claimants.

Coverage Reduction

[H7535A](#) [2014 P.L. ch. 396](#) Effective July 1, 2015
[S2307A](#) [2014 P.L. ch. 361](#) Effective July 1, 2015

This legislation amends the statute governing notices concerning reductions of coverage and increases in deductibles. It provides for four alternative methods of delivering those notices. The Department will be amending Insurance Regulation 97 to address these changes.

Title Insurance Closing Protection Letters

[H7792A](#) [2014 P.L. ch. 393](#) Effective July 2, 2014
[S2447aa](#) [2014 P.L. ch. 354](#) Effective July 2, 2014

This legislation codifies and authorizes title insurance companies to provide closing protection letters to protect consumers from the adverse effects of defalcation of improper distributions at the closing of a real estate transaction.

Mortgage Foreclosure Mediation[H8293A](#)[2014 P.L. ch. 543](#)

Effective October 6, 2014

This legislation made some clarifying amendments to the mortgage foreclosure process enacted last year. The amendments are designed to clarify the process and the status of the title after the mediation process is concluded. The Department will be amending Banking Regulation 5 to incorporate the amendments.

Post Payment Audits[H7790A](#)[2014 P.L. ch. 201](#)

Effective January 1, 2015

[S2536A](#)[2014 P.L. ch. 214](#)

Effective January 1, 2015

This legislation amends the post payment audit statutes to include healthcare facilities including mental health and substance abuse treatment facilities within the definition of health care provider.

Nutrition Products[H7903A](#)[2014 P.L. ch. 519](#)

Effective July 8, 2014

[S2505A](#)[2014 P.L. ch. 269](#)

Effective July 15, 2014

This legislation extends the nutrition products statutes to all recipients regardless of age and removes the monetary cap on coverage.

Substance Abuse and Addiction[H8042A](#)[2014 P.L. ch. 130](#)

Effective January 15, 2015

[S2801Aaa](#)[2014 P.L. ch. 108](#)

Effective January 1, 2015

This legislation provides requirements for the coverage of substance abuse and additional treatment in health insurance policies.

Breast Cancer Act[H7341A](#)[2014 P.L. ch. 47](#)

Effective May 27, 2014

Requires that all facilities that perform mammography provide in the summary of mammography report the patient individual Breast Tissue Classification based upon the Breast Imaging Reporting and Data System established by the American College of Radiology.

Commission to Study Impact of Health Plan Patient Liability Provisions[S3133](#)

2014 Resolution 375

Effective June 20, 2014

Seventeen member commission to study the effect of high deductible insurance policies. Commission directed to report to the Senate by February 3, 2015. Expires July 1, 2015.

Copies of Rhode Island [Insurance Regulations](#), [Insurance Bulletins](#) and applicable [Rhode Island General Laws](#) are accessible through these links or by visiting the Department's website at www.dbr.ri.gov. Copies of the [Senate and House bills](#) are accessible through these links or by visiting the Rhode Island General Assembly website at www.rilin.state.ri.us. In light of the above amendments, insurers are required to review current policy forms, rules and rates to determine if new and/or revised filings are required and to timely submit such filings in SERFF for the Department's review and approval.

Joseph Torti III
Superintendent of Insurance
August 5, 2014