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Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Department of Commerce and Insurance
Division:	Insurance Division
Contact Person:	Jenny Taylor
Address:	500 James Robertson Parkway, Nashville, Tennessee
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Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	Don Coleman
Address:	500 James Robertson Parkway, Nashville, Tennessee 37243
Phone:	(615) 741-6500
Email:	Don.Coleman@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:	500 James Robertson Parkway		
Address 2:	Conference Room 1-B		
City:	Nashville		
Zip:	37243		
Hearing Date:	08/26/2026		
Hearing Time:	10:00 a.m.	X CST/CDT ___EST/EDT	

Additional Hearing Information:

N/A

Revision Type (check all that apply):

X Amendment
____ New
____ Repeal

Rule(s) (**ALL** chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	**Chapter Title**
0780-01-04	Credit Life Insurance and Credit Accident and Health Insurance
Rule Number	**Rule Title**
0780-01-04-.01	Definitions
0780-01-04-.02	Existing Insurance-Choice of Insurer
0780-01-04-.03	Forms of Credit Insurance
0780-01-04-.04	Provisions of Policies and Certificates of Insurance: Disclosure to Debtors
0780-01-04-.12	Licensed Agent
0780-01-04-.13	Unfair Sales Practices Defined

Chapter Number	**Chapter Title**
0780-01-07	Credit Transaction Covering Motor Vehicles and Mortgaged Property
Rule Number	**Rule Title**
0780-01-07-.01	Definitions
0780-01-07-.12	Statutory Provision
0780-01-07-.15	Notification
0780-01-07-.16	Powers of the Commissioner

Chapter Number	**Chapter Title**
0780-01-12	Title Insurance Companies and Their Agents
Rule Number	**Rule Title**
0780-01-12-.02	Filing of Rates
0780-01-12-.03	Adherence to Schedule of Rates
0780-01-12-.04	Risk Rate

Chapter Number	**Chapter Title**
0780-01-19	Rules and Regulations Governing the Correlated Sales of Life Insurance Policies and Mutual Funds or Other Securities Issued
Rule Number	**Rule Title**
0780-01-19-.01	Applicability
0780-01-19-.09	Dual License Required

Chapter Number	**Chapter Title**
0780-01-21	Including Investment Income in Rate Filings
Rule Number	**Rule Title**
0780-01-21-.01	Requirement for Filing Rate Schedules and Revisions
0780-01-21-.02	Rate of Investment Income
0780-01-21-.03	Determination of Investment Income Allocated to a Rate Filing

Chapter Number	**Chapter Title**
0780-01-28	Health Maintenance Organizations
Rule Number	**Rule Title**
0780-01-28-.01	Statements and Reports – Form and Contents

Chapter Number	**Chapter Title**
0780-01-37	Annual Statement Filing Requirements
Rule Number	**Rule Title**
0780-01-37-.05	Form of Annual Statements
0780-01-37-.06	Instructions for Completion of Annual Statements Forms
0780-01-37-.07	Instructions for Completion of Quarterly Financial Statements

Chapter Number	Chapter Title
0780-01-43	Relating to the “Small Insurance Policy Law of 1979”
Rule Number	**Rule Title**
0780-01-43-.04	Content of Policies
0780-01-43-.05	Content of Applications
0780-01-43-.06	Receipts

Chapter Number	Chapter Title
0780-01-44	Relating to Reporting Hospital Charges for Patients
Rule Number	**Rule Title**
0780-01-44-.02	Definitions

Chapter Number	Chapter Title
0780-01-50	Relating to the Timely Filing of Premium Tax Returns
Rule Number	**Rule Title**
0780-01-50-.05	Filing Returns and Payment of Taxes

Chapter Number	Chapter Title
0780-01-52	Mortality Tables
Rule Number	**Rule Title**
0780-01-52-.02	Smoker/Non-Smoker Mortality Tables
0780-01-52-.04	2001 CSO Mortality Table
0780-01-52-.05	Preneed Mortality Tables

Chapter Number	Chapter Title
0780-01-54	Self-Insured Workers’ Compensation Pools
Rule Number	**Rule Title**
0780-01-54-.01	Purpose and Scope
0780-01-54-.02	Definitions
0780-01-54-.10	Rates and Rate Reporting
0780-01-54-.25	Applicability of the Insurers Rehabilitation and Liquidation Act

Chapter Number	Chapter Title
0780-01-56	Licensing Requirements for Insurance Producers
Rule Number	**Rule Title**
0780-01-56-.01	Purpose
0780-01-56-.03	Authority
0780-01-56-.10	Agents for Health Maintenance Organizations

Chapter Number	Chapter Title
0780-01-58	Medicare Supplement Insurance Minimum Standards
Rule Number	**Rule Title**
0780-01-58-.25	Reporting of Multiple Policies

Chapter Number	Chapter Title
0780-01-59	Aftermarket Crash Parts Regulation
Rule Number	**Rule Title**
0780-01-59-.05	Enforcement

Chapter Number	Chapter Title
0780-01-60	Legal Insurance
Rule Number	**Rule Title**
0780-01-60-.04	Applications
0780-01-60-.07	Licensing of Agents

Chapter Number	Chapter Title
0780-01-61	Long-Term Care Insurance
Rule Number	**Rule Title**
0780-01-61-.10	Initial Filing Requirements
0780-01-61-.18	Reserve Standards

Chapter Number	Chapter Title
0780-01-62	Life, Accident and Health Reinsurance Agreements
Rule Number	**Rule Title**
0780-01-62-.01	Authority

Chapter Number	Chapter Title
0780-01-64	Actuarial Opinion and Memorandum Regulation
Rule Number	**Rule Title**
0780-01-64-.01	Purpose
0780-01-64-.03	Authority
0780-01-64-.04	Definitions
0780-01-64-.05	General Requirements
0780-01-64-.06	Statement of Actuarial Opinion Based on an Asset Adequacy Analysis

Chapter Number	Chapter Title
0780-01-71	Life Settlements
Rule Number	**Rule Title**
0780-01-71-.01	Authority
0780-01-71-.07	Examinations and Investigations
0780-01-71-.08	General Rules

Chapter Number	Chapter Title
0780-01-76	Self-Insuring Associations and Non-Profit Business Coalitions for Health
Rule Number	**Rule Title**
0780-01-76-.17	Exemptions
0780-01-76-.20	Applicability of the Insurers Rehabilitation and Liquidation Act

Chapter Number	Chapter Title
0780-01-81	Administration of Self Insurance Workers' Compensation Programs by Single Employers or Pools
Rule Number	**Rule Title**
0780-01-81-.06	Responsibilities of Employer or Pool

Chapter Number	Chapter Title
0780-01-82	Rating Appeals Before the Commissioner
Rule Number	**Rule Title**
0780-01-82-.01	Purpose
0780-01-82-.03	Authority
0780-01-82-.04	Definitions
0780-01-82-.06	Filing of Appeals
0780-01-82-.08	Procedure for Appeals
0780-01-82-.10	Final Order
0780-01-82-.12	Information Provided to Insureds

Chapter Number	Chapter Title
0780-01-83	Self-Insured Workers’ Compensation Single Employers
Rule Number	**Rule Title**
0780-01-83-.13	Suspension or Revocation of Certificate of Authority

Chapter Number	Chapter Title
0780-01-89	Military Sales Practices
Rule Number	**Rule Title**
0780-01-89-.01	Purpose
0780-01-89-.02	Scope
0780-01-89-.03	Authority
0780-01-89-.04	Exemptions
0780-01-89-.05	Definitions
0780-01-89-.06	Practices Declared False, Misleading, Deceptive or Unfair on a Military Installation
0780-01-89-.07	Practices Declared False, Misleading, Deceptive or Unfair Regardless of Location
0780-01-89-.08	Severability
0780-01-89-.09	Effective Date

Chapter Number	Chapter Title
0780-01-90	Crop Insurance Adjusters
Rule Number	**Rule Title**
0780-01-90-.09	Continuing Education Requirement
0780-01-90-.11	Grounds for Probation, Suspension, Revocation, Refusal to Issue and Refusal to Renew a License

Chapter Number	Chapter Title
0780-01-91	Public Adjusters
Rule Number	**Rule Title**
0780-01-91-.02	Scope
0780-01-91-.03	Authority

Chapter Number	Chapter Title
0780-01-93	Rules Related to Form and Rate Filings for Health Insurance Coverage Subject to the Authority of the Patient Protection and Affordable Care Act of 2010
Rule Number	**Rule Title**
0780-01-93-.09	Claim Forms for Reporting by Health Care Providers

Chapter Number	Chapter Title
0780-05-08	Professional Employer Organizations
Rule Number	**Rule Title**
0780-05-08-.01	Purpose
0780-05-08-.02	Definitions
0780-05-08-.03	Applications
0780-05-08-.04	Renewal
0780-05-08-.05	Duties and Responsibilities
0780-05-08-.06	Deceptive Practices
0780-05-08-.07	Fees
0780-05-08-.09	Civil Penalties

Department of Commerce and Insurance
Insurance Division

Chapter 0780-01-04
Credit Life Insurance and Credit Accident and Health Insurance
Amendments

Rule 0780-01-04-.01 Definitions, paragraph (1), subparagraph (g), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (g) shall read:

(g) “Commissioner” means the Commissioner of the Department of Commerce and Insurance;

Authority: T.C.A. §§ 56-7-904 and 56-7-912.

Rule 0780-01-04-.02 Existing Insurance-Choice of Insurer, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-7-904 and 56-7-912.

Rule 0780-01-04-.03 Forms of Credit Insurance, paragraph (1), is amended by deleting “T.C.A. § 56-1159” and replacing it with “T.C.A. § 56-7-901 et. seq.” so that, as amended, paragraph (1) shall read:

(1) Credit life insurance and credit accident and health insurance policies which provide benefits differing in kind or character from those set forth in this section, shall be deemed not to conform with T.C.A. § 56-7-901 and Title 56, Section 7, Part 9.

Authority: T.C.A. §§ 56-7-901 and 56-7-912.

Rule 0780-01-04-.03 Forms of Credit Insurance, paragraph (1), subparagraph (c), part 2, is amended by deleting “Rule 0780-1-1-.06” and replacing it with “Rule 0780-01-04-.06” so that, as amended, part 2 shall read:

2. Under any other plan approved by the Commissioner, benefit payable after such other waiting periods or upon such conditions as he shall approve as provided in Rule 0780-01-04-.06.

Authority: T.C.A. §§ 56-7-901 and 56-7-912.

Rule 0780-01-04-.04 Provisions of Policies and Certificates of Insurance: Disclosure to Debtors, paragraph (10), is amended by deleting “T.C.A. § 56-7-301” and replacing it with “T.C.A. § 56-7-2307” so that, as amended, paragraph (10) shall read:

(10) Individual policies of credit life insurance shall include, in addition to the provisions set forth herein, such of the provisions of T.C.A. § 56-7-2307, as are not inconsistent with the coverage.

Authority: T.C.A. §§ 56-7-901, 56-7-906, and 56-7-912.

Rule 0780-01-04-.04 Provisions of Policies and Certificates of Insurance: Disclosure to Debtors, paragraph (12), is amended by deleting “56-8-201, and 56-8-202” and replacing with “and 56-7-906” so that, as amended, paragraph (12) shall read:

(12) Dividends on participating individual policies of credit insurance shall be payable to the individual insureds. Payment of such dividends may be deferred until such time as the policy is terminated. Dividends (or retrospective rate credits in the case of non-participating group policies) on group policies may be paid or credited to the creditor policyholder, subject to the restrictions hereinafter contained. Such policies may provide that dividends or retrospective rate credits which are in excess of the contribution of the creditor may be paid or credited to the individual debtors or applied in some manner for the sole benefit of debtors generally. Attention is called to T.C.A. §§ 56-8-104(7) and 56-7-906, with respect to calculation of dividends and rate credits. Insurers shall be prepared to demonstrate to the Commissioner that such dividends or retrospective rate credits are in fact equitably determined.

Dividends or retrospective rate credits shall be based on earned gross premiums and incurred claims as defined herein. Payment of dividends or retrospective rate credits based on any other assumption shall not be allowed.

Non-participating individual policies of credit insurance shall not be the subject of experience rating and no agent or creditor shall receive retrospective commissions or other compensation, direct or indirect, based on the experience of policies sold through him or on the lives of his debtors excepting as provided in this section.

For the purposes of T.C.A. § 56-4-204, retrospective rate credits shall be treated in the same manner as dividends in the computation of tax on gross premiums.

Authority: T.C.A. §§ 56-7-901, 56-7-906, and 56-7-912.

Rule 0780-01-04-.12 Licensed Agent, paragraph (1), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (1) shall read:

(1) All individual policies of credit insurance and all certificates of group credit insurance for which an identifiable charge is made shall be issued through agents who have qualified as agents under the Tennessee Insurance Producer Licensing Act of 2002, T.C.A. § 56-6-101 et seq.

Authority: T.C.A. §§ 56-6-101, 56-7-901, 56-7-906, and 56-7-912.

Rule 0780-01-04-.13 Unfair Sales Practices Defined, paragraph (1), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (1) shall read:

(1) In order to prevent a monopoly from developing in the credit insurance field, this Department declares the use of compensating balances or special deposits when associated with the insurance of credit insurance policies (either directly or indirectly) as an "Unfair Sales Practice" and such practices shall neither be permitted in Tennessee nor involve the policies and/or certificates issued covering financial transactions entered into in Tennessee.

Authority: T.C.A. §§ 56-7-901, 56-7-906, 56-7-912, and 56-8-104.

Chapter 0780-01-07
Credit Transaction Covering Motor Vehicles and Mortgaged Property
Amendments

Rule 0780-01-07-.01 Definitions, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

(1) "Lender" means mortgagee and/or servicing agent of the mortgagee, provided the servicing agent is bound by the requirements approved by the mortgagee.

(2) "Borrower" means mortgagor.

(3) "Commissioner" means the Commissioner of the Tennessee Department of Commerce and Insurance;

Authority: T.C.A. § 56-2-301.

Rule 0780-01-07-.12 Statutory Provision, is amended by deleting "Section 56-8-101 to Section 56-8-212, of Tennessee Code Annotated" and replacing it with "the Unfair Trade Practices and Unfair Claims Settlement Act of 2009, compiled in T.C.A. Title 56, Chapter 8, Part 1," so that, as amended, the rule shall read:

It is highly recommended that the Unfair Trade Practices and Unfair Claims Settlement Act of 2009, compiled in T.C.A. Title 56, Chapter 8, Part 1, be read and all persons engaged in the business of insurance in the State of Tennessee become familiar with these provisions.

Authority: T.C.A. § 56-2-301.

Rule 0780-01-07-.15 Notification, subparagraph (a), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (a) shall read:

(a) This notification must be not less than FOURTEEN point type and it shall be displayed across the face and on the filing back of the policy and may be displayed as an overprint or by a rubber stamp impression. This notification shall also be displayed on sales instruments which afford only material damage insurance. USE OF STICKERS FOR THIS PURPOSE IS PROHIBITED.

Authority: T.C.A. § 56-2-301.

Rule 0780-01-07-.16 Powers of the Commissioner, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

Under the provisions of T.C.A. § 56-8-107, the Commissioner is empowered to examine and investigate into the affairs of every person engaged in the business of insurance in this State in order to determine whether such person has been or is engaged in any unfair method of competition or any unfair or deceptive act or practice prohibited by T.C.A. § 56-8-101 et seq., and after a hearing the offender may be severely penalized up to five thousand dollars ($5,000.00) for each such violation. In view of the seriousness of complaints, and in view of the financial losses which residents of this State have sustained, it shall be the policy of this Department to exercise, wherever deemed necessary, the authority contained in T.C.A. § 56-8-101 et seq.

Authority: T.C.A. § 56-2-301.

Chapter 0780-01-12
Title Insurance Companies and Their Agents
Amendments

Rule 0780-01-12-.02 Filing of Rates, paragraph (1), subparagraph (a), is amended by deleting “275,000” and replacing it with “175,000” so that, as amended, subparagraph (a) shall read:

(a) An all inclusive rate for use by the company, its title insurance agencies, its title insurance agents and its approved attorneys in insuring title to real property located in those counties with a population of more than 175,000 but not more than 700,000, as reported in the 1980 Census or any subsequent census, in which the company proposes to do business. Such rate need not be the same in all such counties.

Authority: T.C.A. §§ 56-35-107, 56-35-111, 56-35-116, 56-35-122, 56-35-129, and 56-35-132.

Rule 0780-01-12-.02 Filing of Rates, paragraph (1), subparagraph (c), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (c) shall read:

(c) That portion of the rates specified in subsection (1)(a) and (1)(b) of this section, which shall be the risk rate for the purposes of the tax payable under the provisions of T.C.A. § 56-35-107, and establishment of the reserves required under T.C.A § 56-35-116.

Authority: T.C.A. §§ 56-35-107, 56-35-111, 56-35-116, 56-35-122, 56-35-129, and 56-35-132.

Rule 0780-01-12-.02 Filing of Rates, paragraph (1), subparagraph (d), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (d) shall read:

(d) The risk rate to be applied in those counties with a population of less than 175,000, as reported in the 1980 Census or any subsequent census, in which the company proposes to do business as the aggregate consideration for the functions embraced by the definition of “risk rate” in T.C.A. § 56-35-102(a)(8), and for the calculation of said taxes and reserves.

Authority: T.C.A. §§ 56-35-107, 56-35-111, 56-35-116, 56-35-122, 56-35-129, and 56-35-132.

Rule 0780-01-12-.03 Adherence to Schedule of Rates, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

Every title insurance company, its title insurance agencies, its title insurance agents and its approved attorneys shall adhere to schedules of rates in effect prior to the effective date of this rule until such time as the schedule of rates filed by such company pursuant hereto shall have been approved by the Commissioner, or until the expiration of sixty (60) days from the date of receipt by the Commissioner of such filing without the Commissioner's having issued notice of his written disapproval thereof, as set forth in T.C.A. § 56-35-111, whichever shall first occur. Thereafter, no title insurance company, its title insurance agencies, its title insurance agents or its approved attorneys shall make any rate charge except in accordance with the schedule of rate which is in effect for said title insurance company as provided in T.C.A. § 56-35-111, and herein.

Authority: T.C.A. §§ 56-35-111 and 56-35-122.

Rule 0780-01-12-.04 Risk Rate, paragraph (1), is amended by deleting "T.C.A. §56-35-102(a)(8)" and replacing it with "T.C.A. § 56-35-102(8)" so that, as amended, paragraph (1) shall read:

(1) The risk rate filed pursuant to subparagraphs (c) and (d) of Rule 0780-1-12-.02 which is to serve as the basis for the calculation of the taxes and the establishment of the reserves therein recited shall encompass the entire consideration for the functions embraced by the definition of "risk rate" in T.C.A. § 56-35-102(8), without diminution for commissions paid to or retained by a title insurance agency or a title insurance agent.

Authority: T.C.A. §§ 56-35-102 and 56-35-122.

Rule 0780-01-12-.04 Risk Rate, paragraph (2), is amended by deleting "T.C.A., § 56-35-102(a)(8)" and replacing it with "T.C.A. § 56-35-102(8)" so that, as amended, paragraph (2) shall read:

(2) No portion of any risk rate filed pursuant to subparagraphs (c) and (d) of Rule 0780-1-12-.02 shall be paid to any person to defray the cost of abstracting, record searching, certificates as to the record title to real estate, escrow, and closing services, examination of title or any other service or function not embraced by the definition of "risk rate" in T.C.A. § 56-35-102(8).

Authority: T.C.A. §§ 56-35-102 and 56-35-122.

Chapter 0780-01-19
Rules and Regulations Governing the Correlated Sales of Life Insurance Policies and Mutual Funds or Other Securities Issued
Amendments

Chapter 0780-01-19 Rules and Regulations Governing the Correlated Sales of Life Insurance Policies and Mutual Funds or Other Securities Issued Pursuant to the Authority Vested in the Commissioner of Insurance by § 56-3-306, Tennessee Code Annotated, is amended by deleting "Pursuant to the Authority Vested in the Commissioner of Insurance by § 56-3-306, Tennessee Code Annotated" from its title so that, as amended, the chapter title shall read:

Rules and Regulations Governing the Correlated Sales of Life Insurance Policies and Mutual Funds or Other Securities Issued

Authority: T.C.A. § 56-2-301.

Rule 0780-01-19-.01 Applicability, paragraph (3), is amended by deleting "Section 48-1602(G), Tennessee Code Annotated" and replacing it with "T.C.A. § 47-8-102" so that, as amended, paragraph (3) shall read:

(3) As used in this Rule, "security" shall have the same meaning as set forth in T.C.A. § 47-8-102, and shall mean, in addition, participation in common trust funds of any financial institution.

Authority: T.C.A. § 56-2-301.

Rule 0780-01-19-.09 Dual License Required, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

No person shall solicit an offer to buy or a sale of a life insurance policy in correlation with the sale of shares of a mutual fund or other security unless he is licensed as a life insurance agent in accordance with the provisions of T.C.A. §§ 56-6-101 et seq. and is also licensed to sell securities by the Securities Division of the Tennessee Department of Commerce and Insurance and in accordance with T.C.A. §§ 48-1-101 et seq.

Authority: T.C.A. § 56-2-301.

Chapter 0780-01-21
Including Investment Income in Rate Filings
Amendments

Chapter 0780-01-21 Including Investment Income in Rate Pilings is amended by deleting “Pilings” from its title and replacing it with “Filings” so that, as amended, the chapter title shall read:

Including Investment Income in Rate Filings

Authority: T.C.A. §§ 56-5-105, 56-5-106, and § 56-5-121.

Rule 0780-01-21-.01 Requirement for Filing Rate Schedules and Revisions, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-5-105, 56-5-106, and § 56-5-121.

Rule 0780-01-21-.02 Rate of Investment Income, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-5-105, 56-5-106, and § 56-5-121.

Rule 0780-01-21-.03 Determination of Investment Income Allocated to a Rate Filing, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-5-105, 56-5-106, and 56-5-121.

Chapter 0780-01-28
Health Maintenance Organizations
Amendments

Rule 0780-01-28-.01 Statements and Reports – Form and Contents, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

Any and all reports required to be filed by an HMO under T.C.A. § 56-32-108 shall be prepared in accordance with the National Association of Insurance Commissioners Accounting Practices and Procedures Manual in effect for the period covered by the report.

Authority: T.C.A. §§ 56-32-108 and 56-32-118.

Chapter 0780-01-37
Annual Statement Filing Requirements
Amendments

Rule 0780-01-37-.05 Form of Annual Statements, paragraph (1), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (1) shall read:

(1) In meeting the annual financial reporting requirements of T.C.A. § 56-1-501, all insurers and/or companies enumerated in T.C.A. § 56-1-501(b), 56-44-102, or otherwise required to file annual statements by law must use the following annual statement forms adopted by the NAIC, as amended from time to time, as is appropriate for each line or types of insurance business in which the company is engaged, unless such forms are in contradiction with a law or statute:

(a) Life, Accident, Health, or Fraternal Annual Statement Blank;

(b) Property and Casualty Annual Statement Blank;

(c) Title Annual Statement Blank; and

(d) Health Annual Statement Blank.

Authority: T.C.A. §§ 56-1-501, 56-2-301, 56-32-108, 56-32-118, and 56-44-102.

Rule 0780-01-37-.06 Instructions for Completion of Annual Statements Forms, paragraph (1), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (1) shall read:

(1) For completion of the annual statement forms required under Rule 0780-01-37-.05, and except when such instructions conflict with a statute, the applicable instructions adopted by the NAIC, as amended from time to time, and as follows, as well as all other applicable rules promulgated by the commissioner, must be followed in completing and filing the annual statement forms:

(a) Instructions for Completing Life, Accident, Health, or Fraternal Annual Statement Blank;

(b) Instructions for Completing Property and Casualty Annual Statement Blank;

(c) Instructions for Completing Title Annual Statement Blank; and

(d) Instructions for Completing Health Annual Statement Blank.

Authority: T.C.A. §§ 56-1-501, 56-2-301, 56-32-108, 56-32-118, and 56-44-102.

Rule 0780-01-37-.07 Instructions for Completion of Quarterly Financial Statements, paragraph (2), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (2) shall read:

(2) All insurers and/or companies enumerated in T.C.A. § 56-1-501(b), 56-44-102 or otherwise required by law to file such annual statements must use the following Quarterly Financial Statement forms adopted by the NAIC, as amended from time to time:

(a) Life, Accident, Health, or Fraternal Quarterly Statement Blank;

(b) Property and Casualty Quarterly Statement Blank;

(c) Title Quarterly Statement Blank; and

(d) Health Quarterly Statement Blank.

Authority: T.C.A. §§ 56-1-501, 56-2-301, 56-32-108, 56-32-118, and 56-44-102(a)(1).

Rule 0780-01-43-.04 Content of Policies, paragraph (1), subparagraph (a), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (a) shall read:

(1)

(a) Except as noted herein, all industrial life insurance policies issued or delivered in this State issued on or after April 1, 1980, must contain the provisions set forth in T.C.A. §§ 56-7-702(b), 56-7-2309(b), and 56-7-401(1)(b) and (d), or provisions which in the opinion of the Commissioner are as favorable to the policyholder. The loan provision required by T.C.A. § 56-7-702(b), shall be contained in all industrial policies issued or delivered in this State after July 1, 1980; however, upon request by an insurer, the Commissioner of Insurance shall hold a hearing to determine if good cause exists to extend the time for compliance with the policy loan requirement, such extension not to exceed twelve (12) months.

Authority: T.C.A. § 56-2-301.

Rule 0780-01-43-.04 Content of Policies, paragraph (1), subparagraph (b), is amended by deleting “T.C.A. §56-7-702(a)” and replacing it with “T.C.A. § 56-7-702(b)” so that, as amended, subparagraph (b) shall read:

(b) In connection with the provisions required by T.C.A. § 56-7-702(b), for discount or refund in the event of premiums paid in advance at least 26 weeks and at least 52 weeks, the policy must provide either the discount or the refund at the end of the stipulated period. In the alternative, the policy may provide for both the discount or refund, with the insured given the opportunity to elect either option.

Authority: T.C.A. § 56-2-301.

Rule 0780-01-43-.05 Content of Applications, paragraph (1), is amended by deleting “T.C.A. § 56-7-702(d)(6)” and substituting with “T.C.A. § 56-7-702(c)(6)” so that, as amended, paragraph (1) shall read:

(1) No application form for an industrial life insurance policy shall be used in this State after April 1, 1980, unless such form contains the provisions required by T.C.A. § 56-7-702(c)(6) which are:

Authority: T.C.A. § 56-2-301.

Rule 0780-01-43-.06 Receipts, is amended by deleting “T.C.A. § 56-7-702(a)” and substituting it with “T.C.A. § 56-7-702(b)(16)” so that, as amended, the rule shall read:

The requirements with respect to receipts for premiums paid under industrial life insurance policies, as set forth in T.C.A. § 56-7-702(b)(16), may be satisfied by either (i) delivery of a separate receipt for each premium remittance, which receipt shall bear the signature (actual or facsimile) of a company officer, or (ii) delivery of a premium receipt book to the policyholder, which premium receipt book shall bear the signature (actual or facsimile) of a company officer and which shall be countersigned by a company representative upon receipt of each premium remittance.

Authority: T.C.A. § 56-2-301.

Chapter 0780-01-44
Relating to Reporting Hospital Charges for Patients
Amendment

Rule 0780-01-44-.02 Definitions, paragraph (4), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (4) shall read:

(4) “Hospital” means any institution, place, building or agency as defined by T.C.A. § 68-11-201, and subject to the provisions of Tennessee Code Annotated, Title 68.

Authority: T.C.A. § 56-26-305.

Chapter 0780-01-50
Relating to the Timely Filing of Premium Tax Returns
Amendment

Rule 0780-01-50-.05 Filing Returns and Payment of Taxes, paragraph (6), is amended by deleting “of up to Ten Dollars ($10.00)” so that, as amended, paragraph (6) shall read:

(6) Every entity required to file a return shall be responsible for paying a convenience fee per filing to cover the department's actual costs incurred by accepting electronic filings through OPTins. Such convenience fee shall be assessed in addition to any applicable penalty and interest. Such convenience fee shall be in addition to the premium tax.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

Chapter 0780-01-52
Mortality Tables
Amendments

Rule 0780-01-52-.02 Smoker/Non-Smoker Mortality Tables, paragraph (4), subparagraph (b), is amended by deleting “T.C.A. §56-1-403(d)(5)” and substituting it with “T.C.A. § 56-1-911” so that, as amended, subparagraph (b) shall read:

(b) use smoker and non-smoker mortality tables to determine the valuation net premiums and additional minimum reserves, if any, required by T.C.A. § 56-1-911, and use composite mortality tables to determine the basic minimum reserves, minimum cash surrender values and amounts of paid-up non-forfeiture benefits, or

Authority: T.C.A. §§ 56-1-911, 56-2-301, and 56-7-401.

Rule 0780-01-52-.04 2001 CSO Mortality Table, paragraph (3), subparagraph (a), is amended by deleting “Tennessee Code Annotated Section 56-1-403” and substituting it with “Title 56, Chapter 1, Part 9” so that, as amended, subparagraph (a) shall read:

(a) At the election of the company for any one or more specified plans of insurance and subject to the conditions stated in this subchapter, the 2001 CSO Mortality Table may be used as the minimum standard for policies issued on or after January 1, 2004, and before the date specified in subsection (b) of this section to which Title 56, Chapter 1, Part 9 is applicable. If the company elects to use the 2001 CSO Mortality Table, it shall do so for both valuation and non-forfeiture purposes.

Authority: T.C.A. §§ 56-1-911, 56-2-301, and 56-7-401.

Rule 0780-01-52-.04 2001 CSO Mortality Table, paragraph (3), subparagraph (b), is amended by deleting "Section 56-1-403" and substituting it with "Title 56, Chapter 1, Part 9" so that, as amended, subparagraph (b) shall read:

(b) Subject to the conditions stated in this regulation, the 2001 CSO Mortality Table shall be used in determining minimum standards for policies issued on and after January 1, 2009, to which Tennessee Code Annotated Title 56, Chapter 1, Part 9 is applicable.

Authority: T.C.A. §§ 56-1-911, 56-2-301, and 56-7-401.

Rule 0780-01-52-.04 2001 CSO Mortality Table, paragraph (4), subparagraph (a), part 2, is amended by deleting "T.C.A. §56-1-403(d)(5)" and substituting with "T.C.A. § 56-1-911" so that, as amended, part 2 shall read:

2. Smoker and non-smoker mortality tables to determine the valuation net premiums and additional minimum reserves, if any, required by T.C.A. § 56-1-911 and use composite mortality tables to determine the basic minimum reserves, minimum cash surrender values and amounts of paid-up non-forfeiture benefits; or

Authority: T.C.A. §§ 56-1-911, 56-2-301, and 56-7-401.

Rule 0780-01-52-.05 Preneed Mortality Tables, paragraph (4), subparagraph (a), is amended by deleting "T.C.A. §56-1-403" and substituting it with "T.C.A. § 56-1-906" so that, as amended, subparagraph (a) shall read:

(a) The interest rates used in determining the minimum standard for valuation of preneed insurance shall be the calendar year statutory valuation interest rates as defined in T.C.A. § 56-1-906.

Authority: T.C.A. §§ 56-2-301, 56-7-401, 62-5-403(7), and 62-5-413(b).

Rule 0780-01-52-.05 Preneed Mortality Tables, paragraph (5), subparagraph (a), is amended by deleting "T.C.A. §56-1-403" and substituting with "T.C.A. § 56-1-907" so that, as amended, subparagraph (a) shall read:

(a) The method used in determining the standard for the minimum valuation of reserves of preneed insurance shall be the method defined in T.C.A. § 56-1-907.

Authority: T.C.A. §§ 56-2-301, 56-7-401, 62-5-403(7), and 62-5-413(b).

Chapter 0780-01-54
Self-Insured Workers' Compensation Pools
Amendments

Rule 0780-01-54-.01 Purpose and Scope, is amended by deleting it in its entirety and substituting it with the following, so that, as amended, the rule shall read:

The purpose of this Chapter is to regulate employers that choose to pool their workers' compensation liabilities pursuant to T.C.A. § 50-6-405. This Chapter shall not apply to governmental tort liability pools established pursuant to Tennessee Code Annotated Title 29, Chapter 20.

Authority: T.C.A. §§ 50-6-405.

Rule 0780-01-54-.02 Definitions, paragraph (6), is amended by deleting "T.C.A. § 56-5-320" and substituting it with "T.C.A. § 56-5-120" so that, as amended, paragraph (6) shall read:

(6) "Designated Rate Service Organization" means the rate service organization designated by the Commissioner pursuant to T.C.A. § 56-5-120.

Authority: T.C.A. §§ 50-6-405.

Rule 0780-01-54-.10 Rates and Rate Reporting, paragraph (2), is amended by deleting “56-5-306” and substituting it with “56-5-106” so that, as amended, paragraph (2) shall read:

(2) Every pool shall use the advisory prospective loss cost approved by the Commissioner pursuant to T.C.A. §§ 50-6-402 and 56-5-106.

Authority: T.C.A. §§ 50-6-405 and 50-6-414.

Rule 0780-01-54-.25 Applicability of the Insurers Rehabilitation and Liquidation Act, is amended by deleting “T.C.A. § 56-9-103(12)” and substituting it with “T.C.A. § 56-9-103”, so that, as amended the rule shall read:

The proceedings authorized by Tennessee Code Annotated Title 56, Chapter 9 are applicable to pools. A pool established or maintained in this State is considered by its nature included in the definition of the term “insurer” found in T.C.A. § 56-9-103 for all such purposes.

Authority: T.C.A. §§ 50-6-405 and 56-9-101 et seq.

Chapter 0780-01-56
Licensing Requirements for Insurance Producers
Amendments

Rule 0780-01-56-.01 Purpose, paragraph (1), is amended by deleting “56-32-214” and substituting it with “56-32-114” so that, as amended, paragraph (1) shall read:

(1) Prescribe the pre-licensing, examination, continuing education, and renewal requirements for insurance/HMO producers licensed pursuant to T.C.A. §§ 56-6-106, 56-6-107, and 56-32-114;

Authority: T.C.A. §§ 56-1-107, 56-6-102, 56-6-105, 56-6-106, 56-6-107, 56-6-121, 56-6-124, 56-32-114, 56-35-122, and 56-35-201.
Rule 0780-01-56-.03 Authority, is amended by deleting “56-32-214” and substituting it with “56-32-114” so that, as amended, the rule shall read:

This Chapter is issued under the authority of T.C.A. §§ 56-6-102, 56-6-105, 56-6-106, 56-6-107, 56-6-121, 56-6-124, 56-32-114, 56-35-122, and 56-35-201.

Authority: T.C.A. §§ 56-6-102, 56-6-105, 56-6-106, 56-6-107, 56-6-121, 56-6-124, 56-32-114, 56-35-122, and 56-35-201.

Rule 0780-01-56-.10 Agents for Health Maintenance Organizations, is amended by deleting “T.C.A. § 56-32-214(a)” and substituting it with “T.C.A. § 56-32-102” so that, as amended, the rule shall read:

All agents of health maintenance organizations, as that term is defined in T.C.A. § 56-32-102, must obtain an insurance producer license in the line of accident and health insurance prior to acting as an agent. Such persons are required to meet all requirements for licensure, to include, but not necessarily be limited to, the requirements under T.C.A. Title 56, Chapter 6, as well as any other rules or regulations promulgated by the commissioner, such as any pre-licensing and continuing education requirements, and examination requirements.

Authority: T.C.A. §§ 56-32-114 and 56-6-124.

Chapter 0780-01-58
Medicare Supplement Insurance Minimum Standards
Amendment

Rule 0780-01-58-.25 Reporting of Multiple Policies, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-2-301; 56-6-112; 56-6-124(a); 56-7-1503; 56-32-118; Omnibus Budget Reconciliation Act of 1990, Pub. L. No. 101-508, (1990); Genetic Information Non Discrimination Act, Pub. L. No. 110-233 (2008); Medicare Improvements for Patients and Providers Act, Pub. L. No. 110-275 (2008); and Medicare Access and CHIP Reauthorization Act, Pub. L. No. 114-10 (2015).

Chapter 0780-01-59
Aftermarket Crash Parts Regulation
Amendment

Rule 0780-01-59-.05 Enforcement, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

> Violations of this regulation shall be enforced through the Unfair Trade Practices and Unfair Claims Settlement Act of 2009, T.C.A. §§ 56-8-101 et seq.

Authority: T.C.A. §§ 56-2-301, 56-8-108, and 56-8-113.

Chapter 0780-01-60
Legal Insurance
Amendments

Rule 0780-01-60-.04 Applications, paragraph (1), subparagraph (a), is amended by deleting it in its entirety and substituting it with the following so that, as amended, subparagraph (a) shall read:

(a) Fee(s) required by T.C.A. § 56-4-101;

Authority: T.C.A. §§ 56-2-301, 56-4-101, 56-43-104, 56-43-105, 56-43-112, and 56-43-115.

Rule 0780-01-60-.04 Applications, paragraph (1), subparagraph (l) is deleted in its entirety.

Authority: T.C.A. §§ 56-2-301, 56-4-101, 56-43-104, 56-43-105, 56-43-112, and 56-43-115.

Rule 0780-01-60-.07 Licensing of Agents, is amended by deleting “T.C.A. § 56-6-131 et seq.” and substituting it with “T.C.A. § 56-6-110” so that, as amended, the rule shall read:

> No person within this state shall sell or solicit legal insurance under the Act unless properly licensed as a limited insurance representative in accordance with T.C.A. § 56-6-110.

Authority: T.C.A. §§ 56-2-301 and 56-43-112.

Chapter 0780-01-61
Long-Term Care Insurance
Amendments

Rule 0780-01-61-.10 Initial Filing Requirements, paragraph (2), subparagraph (a), is amended by deleting “Rule 0780-61-.09” and substituting it with “Rule 0780-01-61-.09” so that, as amended, subparagraph (a) shall read:

(a) A copy of the disclosure documents required in Rule 0780-01-61-.09; and

Authority: T.C.A. §§ 56-42-105 and 56-42-110.

Rule 0780-01-61-.18 Reserve Standards, paragraph (1), is amended by deleting "T.C.A. § 56-1-403" and substituting it with "T.C.A § 56-1-901 et seq." so that, as amended, paragraph (1) shall read:

(1) When long-term care benefits are provided through the acceleration of benefits under group or individual life insurance policies or riders to such policies, policy reserves for the benefits shall be determined in accordance with T.C.A. § 56-1-901 et seq. Claim reserves shall also be established in the case when the policy or rider is in claim status.

Reserves for policies and riders subject to this rule should be based on the multiple decrement model utilizing all relevant decrements except for voluntary termination rates. Single decrement approximations are acceptable if the calculation produces essentially similar reserves, if the reserve is clearly more conservative, or if the reserve is immaterial. The calculations may take into account the reduction in life insurance benefits due to the payment of long-term care benefits. However, in no event shall the reserves for the long-term care benefit and the life insurance benefit be less than the reserves for the life insurance benefit assuming no long-term care benefit.

In the development and calculation of reserves for policies and riders subject to this rule, due regard shall be given to the applicable policy provisions, marketing methods, administrative procedures and all other considerations which have an impact on projected claim costs, including, but not limited to, the following:

(a) Definition of insured events;

(b) Covered long-term care facilities;

(c) Existence of home convalescence care coverage;

(d) Definition of facilities;

(e) Existence or absence of barriers to eligibility;

(f) Premium waiver provision;

(g) Renewability;

(h) Ability to raise premiums;

(i) Marketing method;

(j) Underwriting procedures;

(k) Claims adjustment procedures;

(l) Waiting period;

(m) Maximum benefit;

(n) Availability of eligible facilities;

(o) Margins in claim costs;

(p) Optional nature of benefit;

(q) Delay in eligibility for benefit;

(r) Inflation protection provisions; and

(s) Guaranteed insurability option.

Authority: T.C.A. §§ 56-42-105 and 56-42-110.

Chapter 0780-01-62
Life, Accident and Health Reinsurance Agreements
Amendment

Rule 0780-01-62-.01 Authority, is amended by deleting “Sections 56-1-701 and 56-2-301” and substituting it with “Section 56-2-301” so that, as amended, the rule shall read:

> This Chapter is adopted and promulgated by the Commissioner of the Department of Commerce and Insurance for the State of Tennessee pursuant to Section 56-2-301 of the Tennessee Code Annotated.

Authority: T.C.A. § 56-2-301.

Chapter 0780-01-64
Actuarial Opinion and Memorandum Regulation
Amendments

Rule 0780-01-64-.01 Purpose, paragraph (1), is amended by deleting “T.C.A. § 56-1-402” and substituting it with “T.C.A. §§ 56-1-901 et seq.” so that, as amended, paragraph (1) shall read:

> (1) Requirements for statements of actuarial opinion that are to be submitted in accordance with T.C.A. §§ 56-1-901 et seq., and for memoranda in support thereof;

Authority: T.C.A. §§ 56-2-301, 56-1-501(d), 56-1-601, 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.03 Authority, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

> This Chapter is issued pursuant to the authority vested in the Commissioner of Commerce and Insurance of the State of Tennessee under T.C.A. §§ 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, and 56-1-912.

Authority: T.C.A. §§ 56-2-301, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.04 Definitions, paragraph (3), is amended by deleting “56-25-1602” and substituting it with “56-25-602” so that, as amended, paragraph (3) shall read:

> (3) “Annual statement” means the statement required by T.C.A. § 56-1-501 or 56-25-602 to be filed by the company with the commissioner annually.

Authority: T.C.A. §§ 56-2-301, 56-1-501, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.04 Definitions, paragraph (4), is amended by deleting “T.C.A. § 56-1-402” and substituting it with “T.C.A. §§ 56-1-902 through 56-1-906” so that, as amended, paragraph (4) shall read:

> (4) “Appointed actuary” means an individual who is appointed or retained in accordance with the requirements set forth in Rule 0780-01-64-.05(3) to provide the actuarial opinion and supporting memorandum as required by T.C.A. §§ 56-1-902 through 56-1-906.

Authority: T.C.A. §§ 56-2-301, 56-1-501, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.05 General Requirements, paragraph (5), subparagraph (a), is amended by deleting “T.C.A. § 56-1-402” and substituting it with “T.C.A. §§ 56-1-902 through 56-1-906” so that, as amended, subparagraph (a) shall read:

(a) Under authority of T.C.A. §§ 56-1-902 through 56-1-906, the statement of actuarial opinion shall apply to all in force business on the statement date, whether directly issued or assumed, regardless of when or where issued, e.g., reserves of Exhibits 8, 9, and 10, and claim liabilities in Exhibit 11, Part 1, and equivalent items in the separate account statement or statements.

Authority: T.C.A. §§ 56-2-301, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.05 General Requirements, paragraph (5), subparagraph (b), is amended by deleting “T.C.A. §§ 56-1-402 through 56-1-403” and substituting with “T.C.A. §§ 56-1-902 through 56-1-915” so that, as amended, subparagraph (b) shall read:

(b) If the appointed actuary determines as the result of asset adequacy analysis that a reserve should be held in addition to the aggregate reserve held by the company and calculated in accordance with methods set forth in T.C.A. §§ 56-1-902 through 56-1-915, the company shall establish the additional reserve.

Authority: T.C.A. §§ 56-2-301, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912, 56-25-601, and 56-25-602.

Rule 0780-01-64-.06 Statement of Actuarial Opinion Based on an Asset Adequacy Analysis, paragraph (6), subparagraph (a), is amended by deleting “T.C.A. §§ 56-1-402 through 56-1-403” and substituting with “T.C.A. §§ 56-1-903, 56-1-904, 56-1-905, 56-1-906, and 56-1-912” so that, as amended, subparagraph (a) shall read:

(a) T.C.A. §§ 56-1-903, 56-1-904, 56-1-905, 56-1-906, and 56-1-912 give the commissioner broad authority to accept the valuation of a foreign insurer when that valuation meets the requirements applicable to a company domiciled in this state in the aggregate. As an alternative to the requirements of Rule 0780-01-64-.06(2)(f)(3), the commissioner may make one or more of the following additional approaches available to the opining actuary:

Authority: T.C.A. §§ 56-2-301, 56-1-501(d), 56-1-903, 56-1-904, 56-1-905, 56-1-906, 56-1-912 , 56-25-601, and 56-25-602.

Chapter 0780-01-71
Life Settlements
Amendments

Rule 0780-01-71-.01 Authority, is amended by deleting “T.C.A. § 56-50-110, the Life Settlements Act” and substituting it with “T.C.A. § 56-50-117” so that, as amended, the rule shall read:

These rules are adopted by the Commissioner of Commerce and Insurance pursuant to the authority in T.C.A. § 56-50-117.

Authority: T.C.A. § 56-50-117.

Rule 0780-01-71-.07 Examinations and Investigations, paragraph (1), is amended by deleting “T.C.A. § 56-50-101 et seq.” and substituting it with “T.C.A. § 56-50-107” so that, as amended, paragraph (1) shall read:

(1) The commissioner may conduct an examination or investigation under T.C.A. § 56-50-107 of an applicant, licensee, or any other persons engaged in the business of life settlements as often as, or when, the commissioner in his or her sole discretion deems it reasonably necessary to protect the interests of the public.

Authority: T.C.A. §§ 56-1-204, 56-50-103, 56-50-106, 56-50-107, 56-50-110, 56-50-117, and 56-53-109.

Rule 0780-01-71-.07 Examinations and Investigations, paragraph (3), subparagraph (d), is amended by deleting "T.C.A. § 56-50-101 et seq." and substituting it with "T.C.A. § 56-50-107" so that, as amended, subparagraph (d) shall read:

(d) When making an examination under T.C.A. § 56-50-107, the commissioner may retain attorneys, appraisers, independent actuaries, independent certified public accountants or other professionals and specialists as examiners, the cost of which shall be borne by the applicant or licensee that is the subject of the examination.

Authority: T.C.A. §§ 56-1-204, 56-50-103, 56-50-106, 56-50-107, 56-50-110, 56-50-117, and 56-53-109.

Rule 0780-01-71-.08 General Rules, paragraph (2), is amended by deleting "T.C.A. § 56-50-109" and substituting it with "T.C.A. § 56-50-110" so that, as amended, paragraph (2) shall read:

(2) Payment of the proceeds of a life settlement pursuant to T.C.A. § 56-50-110 shall be by means of wire transfer to the account of the owner or by certified check or cashier's check.

Authority: T.C.A. §§ 56-50-102, 56-50-103, 56-50-105, 56-50-108, 56-50-109, 56-50-110, and 56-50-117.

Chapter 0780-01-76
Self-Insuring Associations and Non-Profit Business Coalitions for Health
Amendments

Rule 0780-01-76-.17 Exemptions, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

An arrangement that is licensed by the Commissioner as a professional employer organization and has received approval from the Commissioner of its plan for self-insuring health benefits pursuant to the provisions of T.C.A. § 62-43-108 and the guidelines established thereunder shall be exempt from the requirements of this Chapter.

Authority: T.C.A. §§ 56-26-204(b) and 62-43-108.

Rule 0780-01-76-.20 Applicability of the Insurers Rehabilitation and Liquidation Act, is amended by deleting "Tenn. Code Ann. § 56-9-103(12)" and substituting it with "T.C.A. § 56-9-103" so that, as amended, the rule shall read:

The proceedings authorized by Title 56, Chapter 9 may be applied to self-funded qualified multiple employer welfare arrangements. A self-funded qualified multiple employer welfare arrangement established or maintained in this State shall be included in the definition of the term "insurer" found in T.C.A. § 56-9-103 for all such purposes.

Authority: T.C.A. § 56-26-204(b).

Chapter 0780-01-81
Administration of Self Insurance Workers' Compensation
Programs by Single Employers or Pools
Amendment

Rule 0780-01-81-.06 Responsibilities of Employer or Pool, paragraph (2), is amended by deleting "56-8-104" and substituting it with "56-8-105" so that, as amended, paragraph (2) shall read:

(2) Nothing in this Chapter shall relieve an employer or pool of the ultimate responsibility for the competent administration and timely payment of workers' compensation benefits as required by T.C.A. §§ 50-6-205 and 56-8-105 and any rules promulgated thereunder.

Authority: T.C.A. §§ 50-6-405(b), 50-6-405(c), 50-6-405(h), 50-6-205, 56-8-102(3), and 56-8-105.

Rule 0780-01-82-.01 Purpose, paragraph (3), is amended by deleting “T.C.A. § 56-5-309(a)” and substituting it with “T.C.A. § 56-5-109” so that, as amended, paragraph (3) shall read:

(3) Provide guidelines in determining what information an insurer must provide to insureds seeking pertinent information under T.C.A. § 56-5-109, the length of time an insurer has to provide such information, and what an insurer may charge for such information.

Authority: T.C.A. §§ 56-2-301 and 56-5-109(a).

Rule 0780-01-82-.03 Authority, is amended by deleting “T.C.A. §§ 56-5-309(d)” and substituting it with “T.C.A. § 56-5-109(d)” so that, as amended, the rule shall read:

This Chapter is promulgated pursuant to the authority contained in T.C.A. § 56-5-109(d), 4-5-102, 4-5-219, and 56-2-301.

Authority: T.C.A. §§ 4-5-102, 4-5-219, 56-2-301 and 56-5-109(d).

Rule 0780-01-82-.04 Definitions, paragraph (7), subparagraph (a), is amended by deleting “T.C.A. § 56-5-314(c)” and substituting it with “T.C.A. § 56-5-114(c)” so that, as amended, subparagraph (a) shall read:

(a) “Insurer” includes the Tennessee Workers’ Compensation Insurance Plan developed by the commissioner pursuant to T.C.A. § 56-5-114(c).

Authority: T.C.A. §§ 4-5-301 et seq., 50-6-405, 56-1-102, 56-5-109, 56-5-120(b) and (c).

Rule 0780-01-82-.04 Definitions, paragraph (10), is amended by deleting “T.C.A. § 56-5-310” and substituting it with “T.C.A. § 56-5-110” so that, as amended, paragraph (10) shall read:

(10) “Rate Service Organization” means a rate service organization licensed by the commissioner pursuant to T.C.A. § 56-5-110.

Authority: T.C.A. §§ 4-5-301 et seq., 50-6-405, 56-1-102, 56-5-109, 56-5-120(b) and (c).

Rule 0780-01-82-.06 Filing of Appeals, paragraph (1), is amended by deleting “T.C.A. § 56-5-309(b)” and substituting it with “T.C.A. § 56-5-109(b)” so that, as amended, paragraph (1) shall read:

(1) Any person aggrieved by a decision on the merits of the appeal rendered pursuant to Rule 0780-1-82-.05, or any person that does not receive a written decision on a request for review submitted pursuant to Rule 0780-1-82-.05 within forty-five (45) days from the date the insured sends the request to review to the insurer or rate service organization, shall have the right to appeal the decision of the insurer or rate service organization to the commissioner, subject to the conditions set forth in this Chapter. The commissioner shall presume that after the expiration of forty-five days, the insurer or rate service organization has failed to act within the required thirty (30) day period provided for in T.C.A. § 56-5-109(b).

Authority: T.C.A. § 56-5-109(b), (c), and (d).

Rule 0780-01-82-.06 Filing of Appeals, paragraph (2), subparagraph (e), part 2, is amended by deleting it in its entirety and substituting it with the following so that, as amended, part 2 shall read:

2. The appeal to the commissioner shall be sent to the Department of Commerce and Insurance, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee 37243.

Authority: T.C.A. § 56-5-109(b), (c), and (d).

Rule 0780-01-82-.08 Procedure for Appeals, paragraph (3), subparagraph (b), is amended by deleting “T.C.A. § 56-5-309(c)” and substituting it with “T.C.A. § 56-5-109(c)” so that, as amended, subparagraph (b) shall read:

(b) The Division believes that the commissioner should consider imposing the sanctions authorized under T.C.A. § 56-5-109(c), in which case the Division shall give notice of the proposed imposition of sanctions through its notice of intervention; or

Authority: T.C.A. §§ 4-5-301 et seq., 4-5-219, and 56-5-109(b), (c), and (d).

Rule 0780-01-82-.10 Final Order, paragraph (2), subparagraph (i), part 3, is amended by deleting “T.C.A. § 56-5-309(c)” and substituting it with “T.C.A. § 56-5-109(c)” so that, as amended, part 3 shall read:

3. In determining whether to impose a civil penalty, under T.C.A. § 56-5-109(c), the Commissioner may take into account the facts and circumstances of the particular appeal under review, including whether the action by the insurer was in good faith based on the information available to it at the time the action was taken.

Authority: T.C.A. §§ 4-5-314 and 56-5-109(b), (c), and (d).

Rule 0780-01-82-.12 Information Provided to Insureds, paragraph (1), is amended by deleting “T.C.A. § 56-5-323” and substituting it with “T.C.A. § 56-5-123” so that, as amended, paragraph (1) shall read:

(1) To the extent applicable, every insurer or rate service organization shall, within a reasonable time after receipt of a written request and upon payment of a reasonable charge, furnish to any insured affected by a rate published by it, all pertinent information as to such rate. However, the insurer’s obligation to furnish loss run history to an insured shall be consistent with the requirements of T.C.A. § 56-5-123.

Authority: T.C.A. §§ 56-2-301 and 56-5-109(a) and (d).

Chapter 0780-01-83
Self-Insured Workers’ Compensation Single Employers
Amendment

Rule 0780-01-83-.13 Suspension or Revocation of Certificate of Authority, paragraph (1), is amended by deleting “T.C.A. § 50-6-405(b)(4)” and substituting it with “T.C.A. § 50-6-405(b)(7)” so that, as amended, paragraph (1) shall read:

(1) After notice and an opportunity for a hearing, unless the Commissioner meets the standards for summary proceedings contained in T.C.A. § 50-6-405(b)(7), the Commissioner may revoke or suspend the Certificate of Authority or a license issued under this Chapter upon a finding that any of the following exists:

Authority: T.C.A. §§ 50-6-405(b)(2)(A), 50-6-405(b)(4), 50-6-405(b)(8), 50-6-405(b)(11) and 50-6-405(h).

Chapter 0780-01-89
Military Sales Practices
Amendments

Rule 0780-01-89-.01 Purpose, is amended by deleting the rule in its entirety and substituting it with the following so that, as amended, the rule shall read:

(1) The purpose of this regulation is to set forth standards to protect active duty service members of the United States Armed Forces from dishonest and predatory insurance sales practices by declaring certain identified practices to be false, misleading, deceptive or unfair.

(2) Nothing herein shall be construed to create or imply a private cause of action for a violation of this Chapter.

Authority: T.C.A. §§ 56-8-108, 56-8-110, and Military Personnel Financial Services Protection Act, Pub. L. No. 109-290 (2006); codified at 10 U.S.C. § 992 note.

Rule 0780-01-89-.02 Scope, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108, 56-8-110, and Military Personnel Financial Services Protection Act, Pub. L. No. 109-290 (2006); codified at 10 U.S.C. § 992 note.

Rule 0780-01-89-.03 Authority, is amended by deleting the rule in its entirety and substituting it with the following so that, as amended, the rule shall read:

This Chapter is issued under the authority of T.C.A. §§ 56-8-108 and 56-8-110.

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.04 Exemptions, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.05 Definitions, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.06 Practices Declared False, Misleading, Deceptive or Unfair on a Military Installation, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.07 Practices Declared False, Misleading, Deceptive or Unfair Regardless of Location, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.08 Severability, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Rule 0780-01-89-.09 Effective Date, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 56-8-108 and 56-8-110.

Chapter 0780-01-90
Crop Insurance Adjusters
Amendments

Rule 0780-01-90-.09 Continuing Education Requirement, paragraph (1) is amended by deleting “Chapter 56, Part 6” and substitute with “Title 56, Chapter 6, Part 1” so that, as amended, paragraph (1) shall read:

(1) An individual who holds a multi-peril crop insurance adjuster license shall satisfactorily complete a minimum of twenty-four (24) hours of continuing education courses, including ethics, reported on a biennial basis in conjunction with the license renewal cycle. The education required by this section shall be in addition to any other continuing education requirements required for other professional licenses held by the individuals licensed under Title 56, Chapter 6, Part 1 of the Tennessee Code Annotated.

Authority: T.C.A. §§ 56-2-301, 56-6-1005, and 56-6-1009.

Rule 0780-01-90-.11 Grounds for Probation, Suspension, Revocation, Refusal to Issue and Refusal to Renew a License, paragraph (1), subparagraph (g), is amended by deleting “chapters 8 and 53 of this title” and substituting it with “Title 56, Chapters 8 and 53, of the Tennessee Code Annotated” so that, as amended, subparagraph (g) shall read:

(g) Having committed any insurance unfair trade practice or insurance fraud prohibited under Title 56, Chapters 8 and 53, of the Tennessee Code Annotated;

Authority: T.C.A. §§ 4-5-308, 56-2-301, 56-2-305, 56-6-1009, Title 4, Chapter 5, Title 56, Chapters 8 and 53.

Rule 0780-01-90-.11 Grounds for Probation, Suspension, Revocation, Refusal to Issue and Refusal to Renew a License, paragraph (2), is amended by deleting “title 4, chapter 5” and substituting it with “Title 4, Chapter 5, of the Tennessee Code Annotated” so that, as amended, paragraph (2) shall read:

(2) Any action by the commissioner to put on probation, suspend, revoke or deny the renewal of a license pursuant to this Chapter shall be governed by the Uniform Administrative Procedures Act, compiled in Title 4, Chapter 5, of the Tennessee Code Annotated.

Authority: T.C.A. §§ 4-5-308, 56-2-301, 56-2-305, 56-6-1009, Title 4, Chapter 5, Title 56, Chapters 8 and 53.

Chapter 0780-01-91
Public Adjusters
Amendments

Rule 0780-01-91-.02 Scope, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

(1) This Chapter applies to all persons acting as public adjusters in this state. This Chapter does not apply to:

(a) An attorney at law admitted to practice in this state or an employee of such attorney acting under such attorney’s supervision;

(b) A person who negotiates or settles claims arising under a life or health insurance policy or annuity contract;

(c) A person employed only for the purpose of obtaining facts surrounding a loss or furnishing technical assistance to a licensed public adjuster, including without limitation photographers, contractors, appraisers of value, private investigators, engineers and handwriting experts;

(d) A licensed health care provider, employee of a licensed health care provider, who prepares or files a health claim form on behalf of a patient;

(e) A person who settles subrogation claims between insurers; or

(f) A person who is employed by, or under contract to, an insurance company acting under such company's employment or contract.

Authority: T.C.A. §§ 56-6-903 and 56-6-920.

Rule 0780-01-91-.03 Authority, is amended by deleting it in its entirety and substituting it with the following so that, as amended, the rule shall read:

This Chapter is issued pursuant to the authority vested in the commissioner pursuant to T.C.A. § 56-6-920.

Authority: T.C.A. § 56-6-920.

Chapter 0780-01-93
Rules Related to Form and Rate Filings for Health Insurance Coverage Subject to the
Authority of the Patient Protection and Affordable Care Act of 2010
Amendment

Rule 0780-01-93-.09 Claim Forms for Reporting by Health Care Providers, is amended by deleting the rule authority in its entirety and substituting it with the following so that, as amended, the rule authority shall read:

Authority: T.C.A. §§ 4-5-208, 56-1-212, 56-2-201, 56-2-301, 56-7-1008, 56-7-2802, 56-26-102, 56-26-103, 56-26-114, 56-26-202, 56-27-112, 56-28-106, 56-29-117, 56-32-107, and Public Law 111-148 as amended by Public Law 111-152 (2010); codified at 42 U.S.C. § 18001 note.

Department of Commerce and Insurance
Division of Regulatory Boards

Chapter 0780-05-08
Professional Employer Organizations
Amendments

Chapter 0780-05-08 Staff Leasing Companies, is amended by deleting "Staff Leasing Companies" from its title and replacing it with "Professional Employer Organizations" so that, as amended, the chapter title shall read:

Professional Employer Organizations

Authority: T.C.A. § 62-43-103.

Rule 0780-05-08-.01 Purpose, is amended by deleting "Tennessee Employee Leasing Act" and substituting it with "Tennessee Employer Organization Act" so that, as amended, the rule shall read:

The purpose of this chapter is to provide for the administration and implementation of the Tennessee Professional Employer Organization Act.

Authority: T.C.A. § 62-43-103.

Rule 0780-05-08-.02 Definitions, is amended by deleting the rule in its entirety and substituting it with the following so that, as amended, the rule shall read:

(1) As used in this chapter, unless the context otherwise requires, the definitions of terms contained in T.C.A. § 62-43-102 are applicable. Additional definitions are listed as follows:

(a) Conviction shall mean the entry of a guilty plea of any kind, a plea of nollo contendre, or a verdict rendered in open court by a judge or jury.

(b) Act shall mean the Tennessee Professional Employer Organization Act.

Authority: T.C.A. §§ 62-43-102 and 62-43-103.

Rule 0780-05-08-.03 Applications, paragraph (4), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (4) shall read:

(4) An applicant shall submit the financial information required by T.C.A. § 62-43-106(b)(8) at the time of application unless an applicant indicates on the application the desire to furnish such information upon being notified in writing that all other requirements to obtain a license have been met. An applicant who opts to provide the financial information upon such written notification by the commissioner shall provide the required information within fifteen (15) days of the date appearing on the written notification from the commissioner. Failure to provide the information within the required period of time may result in the denial of the application for a license.

Authority: T.C.A. §§ 62-43-103, 62-43-106, and 62-43-108.

Rule 0780-05-08-.04 Renewal, paragraph (2), is amended by deleting it in its entirety and substituting it with the following so that, as amended, paragraph (2) shall read:

(2) At least thirty (30) days prior to the expiration of its license, a licensee shall submit an application for renewal of the license on a form prescribed by the commissioner and accompanied by a nonrefundable renewal fee. The application for renewal shall contain a sworn and notarized statement that the licensee is in compliance with all the requirements of Title 62, Chapter 43, Part 1 and the rules promulgated thereunder. The application shall be accompanied by the financial information required by T.C.A. § 62-43-106 (except where such information was not required to obtain an initial license).

Authority: T.C.A. §§ 62-43-103 and 62-43-106.

Rule 0780-05-08-.05 Duties and Responsibilities, is amended by deleting the rule in its entirety and substituting it with the following, so that, as amended, the rule shall read:

(1) Prior to providing any employee to a client, a licensee shall provide to the commissioner a certificate(s) of insurance or other appropriate documentation from an insurance company showing that all employees leased by the licensee in this state are covered by worker's compensation in accordance with the laws of this state.

(2) A licensee shall notify the commissioner in writing within thirty (30) days of any conviction of the licensee or any of the licensee's controlling persons for any offense listed in T.C.A. § 62-43-106(b)(7). The notification shall include certified copies of the indictment and/or the information, any plea agreements and any judgments rendered by a judge or jury.

(3) A licensee shall notify the commissioner in writing within thirty (30) days of a material final action by a state or federal regulatory agency for violations within the scope of control of the licensee. Such notification shall include certified copies of documentation evidencing the final action taken by the agency.

(4) A licensee shall notify the commissioner in writing within thirty (30) days of any determination by any court of competent jurisdiction, including federal courts, located in any state, that the licensee was found guilty of civil fraud. Such notification shall include copies of the complaint, the licensee's answer, and the final order rendered by a court.

Authority: T.C.A. §§ 62-43-103 and 62-43-112.

Rule 0780-05-08-.06 Deceptive Practices, paragraph (1), is amended by deleting "T.C.A., §§ 62-43-114" and substituting it with "T.C.A. § 62-43-112" so that, as amended, paragraph (1) shall read:

(1) No licensee shall engage in any of the deceptive practices set out in T.C.A. § 62-43-112.

Authority: T.C.A. §§ 62-43-103 and 62-43-112.

Rule 0780-05-08-.07 Fees, is amended by deleting the rule in its entirety and substituting it with the following so that, as amended, the rule shall read:

(1) An applicant for a license shall submit with an application the appropriate application fee listed below:

(a) Professional employer organization. . . . . $ 250.00

(b) Professional employer organization group. . . . . $ 250.00

(c) Restricted professional employer organization. . . . . $ 100.00

(d) Restricted professional employer organization group. . . . . $ 250.00

(2) Unless otherwise provided by law, an applicant shall submit, upon being notified of the approval of his or her application by the commissioner, the appropriate license fee listed below:

(a) Professional employer organization license. . . . .$ 2,000.00

(b) Professional employer organization group license. . . . . $ 4,000.00

(c) Restricted professional employer organization license. . . . . $ 500.00

(d) Restricted professional employer group license. . . . . $ 1,000.00

(3) Unless otherwise provided by law, an applicant for renewal of a license shall submit with an application the appropriate fee listed below:

(a) Professional employer organization. . . . .$ 2,000.00

(b) Professional employer organization group. . . . .$ 4,000.00

(c) Restricted professional employer organization. . . . . $ 500.00

(d) Restricted professional employer organization group. . . . . $ 1,000.00

(4) To obtain a duplicate license, a licensee shall submit a fee of twenty-five dollars ($25.00) to the commissioner.

Authority: T.C.A. §§ 62-43-102, 62-43-103, and 62-43-107.

Rule 0780-05-08-.09 Civil Penalties, is amended by deleting "T.C.A., §§ 62-43-115(b)(3) and 62-43-116(a)" and substituting it with "T.C.A. § 62-43-112" so that, as amended, the rule shall read:

With respect to any person required to be licensed under the act, the commissioner may in addition to or in lieu of any other lawful disciplinary action assess a civil penalty in the amounts specified by T.C.A. § 62-43-112 against such person for each occurrence constituting a separate violation of the act or rules promulgated thereunder.

Authority: T.C.A. §§ 62-43-103 and 62-43-112.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: ______________________________

Signature: ______________________________

Name of Officer: Jenny Taylor

Title of Officer: Associate Counsel

Department of State Use Only

Filed with the Department of State on: ______________________________

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Tre Hargett
Secretary of State