TO: Insurers, Producers, Insurance Trade Associations and other Interested Parties

FROM: Charles R. Cohen
Director of Insurance

DATE: May 20, 2002

RE: Review of Department Substantive Policy Statements

To promote the clarity of Arizona insurance regulatory standards, the Department of Insurance has conducted a review of substantive policy statements issued by prior Directors of Insurance to determine which have continuing relevance and validity and should therefore be retained as substantive policy statements of the Department. This bulletin lists those circular letters being withdrawn and those being retained. All circular letters and bulletins issued by the above-named current Director of Insurance remain in effect as the active substantive policy statements of this Department.

Many of the circular letters being withdrawn were, when issued, topical discussions of regulatory issues or announcements and descriptions of newly enacted laws or rules, and included a statement of the Department’s intent to enforce particular provisions. When originally issued, these circular letters served as useful policy statements and reminders, but have lost their usefulness and relevance over time. Some have expired by their own terms or have been superseded by controlling statutes or rules.

Please note that this withdrawal of circular letters does not signal any retreat, on the part of the Department, from enforcement of all laws currently in effect. The Department will enforce appropriate compliance with all provisions of the Insurance Code (A.R.S. Title 20) and applicable rules (A.A.C. Title 20, Chapter 6), regardless of whether the particular statute or rule is discussed in a circular letter or regulatory bulletin.

Please direct any questions about this bulletin to Vista Thompson Brown, Executive Assistant for Policy Affairs, (602) 912-8456.
Circular Letters Being Withdrawn

All circular letters or bulletins issued prior to June 30, 1976.

J.N. Trimble
June 30, 1976  Change in Licensing Requirements
July 2, 1976  Repeal of Catastrophic Medical Costs Insurance Program
July 9, 1976  Payment of Claims Where Loss is Incurred During the Period When the Policy is in Force
Nov. 15, 1976  Marketing “Tax Sheltered Annuities”
Dec. 1, 1976  Arizona Adjusters Examination Information
Dec. 20, 1976  Title 20-309 (Exchange of Business)
January 10, 1977  Trusteed Group Life and Disability Insurance
February 18, 1977  Arizona Examination Information
February 22, 1977  Title 20-309 (Exchange of Business)
March 25, 1977  Deadline for Brokers License
May 23, 1977  Liability of Persons Representing An Unauthorized Insurer in Solicitation Of Insurance If Unauthorized Insurer Fails to Pay Claim.
June 1, 1977  Insurance Examiners’ Revolving Fund
July 1977  Notification of Results of Life and Disability or Property and Casualty Examination
Dec. 2, 1977  Warranties and Insurance
1978  Assumed Business Name
September 1978  Non-Admitted Insurers
October 16, 1978  Service Charges (The issue discussed in this circular letter is now addressed under A.R.S. § 20-465.)
Nov. 17, 1978  A.R.S. § 20-1602 Credit Insurance on Credit Transactions of Not More Than 15 Years Duration (issued by Earl T. Nagel, CLU, Assistant Director)

J. Michael Low
Nov. 24, 1980  Refund of Disability (Health) Insurance Premiums; Loss Ratios For Disability Policy Forms
June 19, 1981  Replacement of Life Insurance
August 18, 1981  Fingerprint Notice
January 6, 1982  Unfair Claims Settlement Practices Regulation
March 2, 1982  Department Enforcement of Rule R4-14-606; Minimum Standards for Medicare Supplement Coverages.
March 1982  Insurance Examiners’ Revolving Fund
March 4, 1982  New Regulation, R4-14-604; Credit Life and Credit Disability Insurance
March 8, 1982  The Insurance Information and Privacy Protection Act
June 18, 1982  Outpatient Benefits Pursuant to A.R.S. § 20-1342
July 1, 1982    Arizona Approval of Schedule Rating For Workers’ Compensation Insurance.
July 29, 1982    Credit Life Insurance
July 29, 1982    Recent Amendment to A.R.S. § 20-1742; Report Filing Requirements
September 1982    Rule/Rate and Form Filings
October 14, 1982    Report of the Department’s Life Insurance Replacement Rule Advisory Committee
May 18, 1983    1983 Arizona Insurance Legislation
June 10, 1983    Language Simplification for Life and Disability Insurance Policies
August 15, 1983    Changes in Insurer Investment Laws
May 23, 1984    1984 Arizona Insurance Legislation

S. David Childers
January 4, 1985    Sharing of Commissions
April 15, 1985    Mid-Term Cancellations
July 2, 1985    Receiver’s Obligation to Pay Arizona State Income Tax
June 27, 1986    1986 Arizona Insurance Legislation (#86-1)
Dec. 18, 1986    1987 Arizona Department of Insurance Legislative Proposals (#86-2)
January 29, 1987    Changes in Rules and Regulations (#87-1)
February 10, 1987    Filing Procedures for Advertising and Sales Solicitation Material (#87-2)
February 27, 1987    Service Charges to Insureds (#87-3) *(This subject is now addressed under A.R.S. § 20-465.)*
August 14, 1987    1987 Arizona Insurance Legislation (#87-4)

Vern R. Pierson
Nov. 17, 1987    AIDS Underwriting Guidelines (#87-5)
Dec. 24, 1987    House Bill 2304 (#87-7)

Susan Gallinger
August 8, 1988    Emergency Amendment to R4-14-606 – Medicare Supplement Insurance Disclosure and Minimum Standards (#88-2)
July 17, 1989    1989 Arizona Insurance Legislation (#89-1)
August 2, 1990    Arizona Insurance Legislation (#90-2A)
August 14, 1990    House Bill 2213 (#90-3A)
Sept. 27, 1990    Arizona House Bill 2181 (#90-5A)
October 10, 1990    Fire Insurance Premium Taxes - Senate Bill 1328 (#90-6A)
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<td>Amendments to A.A.C. R4-14-606 - Medicare Supplement Insurance Disclosure and Minimum Standards (#90-8A)</td>
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<td>Dec. 7, 1990</td>
<td>Salvage Certificate of Title Requirements (#90-9A)</td>
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<td>Senate Bill 1250 (Seat Belts) and Previous Department of Insurance Circular Letter No 90-16 - Revised Reporting Schedule (#91-1)</td>
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<td>July 17, 1991</td>
<td>Use of Urine and/or Saliva Screening Tests for HIV Infection in Connection With an Application for Life or Health Insurance (#91-3)</td>
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<td>Dec. 31, 1991</td>
<td>Senate Bill 1250 (Seat Belts) (#91-5)</td>
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<tr>
<td>February 11, 1992</td>
<td>Solicitation of Discounts for Airbags and Anti-Theft Devices (#92-2)</td>
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<td>June 14, 1993</td>
<td>Licensing of Premium Finance Companies (#93-3)</td>
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<tr>
<td>June 29, 1993</td>
<td>Administrative Rule R4-14-801 As Applied to Health Care Services Organizations (#93-1) (This circular was expressly repealed by #2000-15.)</td>
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<td>July 12, 1993</td>
<td>1993 Arizona Insurance Legislation (#93-2)</td>
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<td>Sept. 10, 1993</td>
<td>Reporting of Small Employer Group Health Benefit Plan Business and Application for Approval as an Accountable Health Plan (#93-4)</td>
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<td>Nov. 18, 1993</td>
<td>Tort Reform; Senate Bill 1055 (#93-5)</td>
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**Chris Herstam**

**April 1, 1994** | Tort Reform: Senate Bill 1055 (#94-1)                                        |
**April 11, 1994** | Form for Selection of Limits or Rejection of Uninsured Motorist or Underinsured Motorist Coverage (#94-3) |
**June 13, 1994**  | 1994 Arizona Insurance Legislation (#94-4)                                     |
**June 30, 1994**  | Prohibited Acts; Mortgage Lenders; Property Insurance (#94-5)                   |
**May 19, 1995**   | Filing Financial Statements in Diskett Format Pursuant to A.R.S. § 20-234 (#95-3) |
**June 30, 1995**  | 1995 Arizona Insurance Legislation (#95-4)                                      |
**May 24, 1996**   | 1996 Arizona Insurance Legislation (#96-1)                                      |

**John King**

**Nov. 18, 1996** | Notice of the Amendment to the Automobile Non-Cancellation Provisions - SB 1158 (#96-2) |

**John A. Greene**

**July 2, 1997** | Consumer Information and Coverage Selection Form Prescribed By SB 1445 (#97-2) |
July 11, 1997  Recent Amendments to the surplus Lines Insurance Laws; SB 1031 (#97-3)
July 15, 1997  Consumer Information and Coverage Selection Form Prescribed By Senate Bill 1445; Spanish Translation of the Forms (#97-5)
Sept. 2, 1997  Suspension of Portions of Senate Bill 1445; Consumer Information and Coverage Selection Form (#97-8)
January 6, 1998  A-Rate Legislation (#98-1)
February 6, 1998  Amendment of Attachment to Circular Letter 1998-1, January 6, 1998 (#98-1A)
July 20, 1998  Arizona’s New Continuing Education Law (#98-4)
August 13, 1998  Mailing Lists for Rulemaking Activities of the Department (#98-6)
August 19, 1998  Recent Amendments to the Surplus Lines Insurance Rule, Arizona Administrative Code R20-6-204 (#98-8)

Circular Letters Not Being Withdrown

The circular letters listed below remain relevant to current regulatory issues, and, unless and until withdrawn, superseded, or revised, shall continue to serve as the Department's substantive policy statements with respect to the subject issues. In deciding to retain them, the Department does not intend to signify that it has conducted an exhaustive review of each issue and now affirmatively re-adopts each circular letter. The Department is merely declining to withdraw them at this time. It may be appropriate to withdraw or revise any of the following circular letters in the future on the basis of a careful review in light of prevailing conditions.

J. Michael Low
April 28, 1981  Department Investigation of Workers’ Compensation Insurance Replacement
July 24, 1981  Reasonableness of Benefits in Relation to Premium Charged

S. David Childers
March 25, 1985  Abandonment of Automobile Salvage
June 24, 1985  Intentional Misquoting of Personal Lines Property and Casualty Rates

Vern Pierson
Dec. 14, 1987  Credit Insurance (#87-6)

Susan Gallinger
July 20, 1988  Testing of Officers and Employees of Title Insurance Agents (#88-1)
October 3, 1989  Unclaimed Property (#89-2)
January 29, 1990  Cancellation or Nonrenewal of Homeowners’ Policies (#90-1A)
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<td>Sept. 5, 1990</td>
<td>AIDS/HIV Testing and Consent Form (#90-4A)</td>
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<td>Sept. 27, 1990</td>
<td>Arizona House Bill 2181 (#90-5A)</td>
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<td>October 25, 1990</td>
<td>“Moving” Auto Insurance Policyholders to New Companies (#90-7A)</td>
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<td>February 11, 1992</td>
<td>Medicare Open Enrollment (#92-1)</td>
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<td>April 17, 1992</td>
<td>Use of United States Drug Enforcement Administration (DES) Registration Numbers as Physician Identification Numbers (#92-3)</td>
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<tr>
<td>July 23, 1992</td>
<td>Joint State/Federal Statement on Regulation of MEWAs (#92-5)</td>
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<tr>
<td>Sept. 25, 1992</td>
<td>Solvency Guidelines (#92-7)</td>
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<td>October 7, 1994</td>
<td>Misquotes (#94-6)</td>
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<td>February 27, 1995</td>
<td>Abandonment of Automobile Salvage (#95-2)</td>
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<tr>
<td>August 10, 1995</td>
<td>Discriminatory Exclusions and Limitations on Chiropractic Treatment Prohibited By A.R.S. § 20-461(A)(16) and (B); Withdrawal of Circular Letters 90-5A and 92-6 (#95-5)</td>
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**John Greene**

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<td>March 7, 1997</td>
<td>Non-renewal of Motor Vehicle Insurance Policies and Transfers of Policies to Affiliated Insurers Pursuant to A.R.S. § 20-1631(E) and (L) (#97-1)</td>
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<tr>
<td>July 11, 1997</td>
<td>Genetic Testing Form Mandated By House Bill 2144 and A.R.S. § 20-448.02 (#97-4)</td>
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<td>July 21, 1997</td>
<td>Implementation of Senate Bill 1321 (#97-7)</td>
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<td>Sept. 4, 1997</td>
<td>Long Term Care Insurance and Inflation Protection Option; Interpretation of A.A.C. R20-6-1005(a) (#97-9)</td>
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<td>May 28, 1998</td>
<td>Administration of Arizona’s Service Company and Motor Vehicle Service Contract Administrator’s Laws; A.R.S. Title 20, Chapter 4, Article 11 (#98-2)</td>
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<td>June 3, 1998</td>
<td>Administration of Worker’s Compensation Laws; A.R.S. Title 20, Chapter 2, Article 4 (#98-3)</td>
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<td>August 11, 1998</td>
<td>Form for Selection of Limits or Rejection of Uninsured Motorist or Underinsured Motorist Coverage (#98-5)</td>
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<tr>
<td>August 28, 1998</td>
<td>Senate Bill 1024; Loss Cost Filings (#98-9)</td>
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