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December 16, 2011

BULLETIN NO. 952

DECISION

PROPOSED CHANGES TO THE RULES OF OPERATION

Rule 29 – Assignment Process

Proposed changes to the Rules of Operation amending Rule 29 were filed with the Commissioner of Insurance on November 17, 2011. The proposed changes were furnished to all members and interested parties as Bulletin No. 949, dated November 17, 2011.

The Commissioner of Insurance, in his correspondence dated December 15, 2011, has approved the proposed amendments to Rule 29 as filed.

Please bring these changes to the attention of all interested parties. The Rules of Operation, including all approved changes, are available on CAR's website.

DANIEL R. JUDSON
President

Attachment



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December 15, 2011

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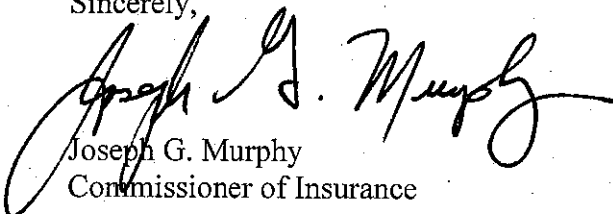
RE: Proposed Changes to MAIP Rule 29.D.1 and 2

Dear Mr. Judson:

I have received CAR's November 17, 2011 submission of proposed changes to MAIP Rules 29.D.1 and D.2.¹ These proposed rule changes were submitted in response to the Division of Insurance's ("Division") rejection of proposed changes to this rule submitted on September 22, 2011. The Division rejected the September 22, 2011 proposal because of concern that it may have unintended and unwanted consequences if adopted.

CAR's November 17 proposal adequately addresses the Division's concerns regarding its prior proposed Rule 29 language. Specifically, this proposal preserves the procedures of Rule 29.D.2, which were approved last July to make the transition for policyholders of one assigned risk company to another more consumer friendly. The proposal also removes language that had the unintended consequence of allowing a company to extend the assignment period for a MAIP assigned policy beyond three years, rather than making an offer to insure the risk voluntarily. As such, I am approving CAR's November 17, 2011 submission regarding Rule 29.

Sincerely,


Joseph G. Murphy
Commissioner of Insurance

¹ This proposal was distributed to CAR members as CAR Bulletin #949.