

TOP 10 INTERNET RESOURCES FOR INSURANCE REGULATORY COUNSEL

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Michael F. Consedine, Esq.
(717) 257-7502

A. Introduction

The Call. The call comes late Friday afternoon (as always). “We need to know by Monday which states require in house insurance adjusters to be licensed. You can do that, right?” We've all gotten that call or some version of it. The dreaded “50-State Insurance Survey” – both the boon and bane of the insurance regulatory attorney’s existence. The answer to the client is invariably “of course” (followed by a muttered “expletive deleted” after hanging up). The challenge, however, is how to efficiently and accurately answer a question that requires a review of at least 50 plus different sources of law. This article reveals some of the author's favorite Internet websites to answer these multi-state insurance issues, some of which are otherwise good general sources of insurance regulatory information.

The Challenge. Insurance, as most know, is regulated at the state level. While strides have been made over the past decade to improve uniformity among state insurance laws (e.g., producer licensing), there is still a wide disparity in how states regulate the business of insurance. This regulatory landscape presents a challenge to insurance regulatory counsel, both corporate and law-firm based, in advising clients on state regulatory requirements in particular on multi-state issues. While such multi-state issues can be answered by a traditional “hit the books” method, such an approach is often tedious and generally impractical – I for one do not have copies of Montana insurance statutes lying about my office – no offense to my Montana colleagues.

The Resources. The Internet is a wonderful resource for information – vast, vast amounts of information. Google “insurance adjuster licensing requirements” and you come up with 146,000 “hits.” None of us has the time to parse through that much information. Thankfully, over the years a number of websites have developed into good to excellent repositories of information in answering insurance regulatory issues as well as serving as general sources of news and information on the insurance industry. Below is my personal “Top 10” list, plus a couple of honorable mentions, of such sites.

B. The Top 10 List (drum roll please . . .)

Honorable Mention

The Site: National Conference of Insurance Legislators (NCOIL)

Link: <http://www.ncoil.org/>

Free or Pay Site: Free (but restricted access to certain content)

Critique: NCOIL, like the NAIC, develops model insurance legislation and monitors a variety of insurance issues. If you are looking for an NCOIL model, their website is a good place to start. The site also has some interesting reports on an array of insurance related subjects. On the down-side an increasing amount of information on this site is now restricted to NCOIL members.

Honorable Mention

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The Site: National Association of Mutual Insurance Companies (NAMIC)

Link: <http://www.namic.org/>

Free or Pay Site: Free (but restricted access to certain content)

Critique: NAMIC's site includes a good array of position papers, updates, and state-specific legislative summaries. It also contains some 50-state analyses of insurance compliance matters. The best content is reserved for member companies.

Honorable Mention

The Site: State Insurance Department Websites

Link: http://www.naic.org/state_web_map.htm

Free or Pay Site: Free

Critique: The link is actually to the National Association of Insurance Commissioner's (NAIC) website which, in turn, has a handy map with links to every state insurance department website. A 50-state survey is generally not complete without some reference to states' insurance department websites. Many Department websites include a host of potentially useful information (not found in statutes or regulations) for companies and counsel, including notices, filing checklists, holding company transaction requirement summaries, etc. The principal challenges with most state websites is hunting down the information (generally the site search engines are not very useful) and, of course, looking at 50 different websites that all have their own unique designs and layouts.

No. 10

The Site: Yahoo Insurance News

Link: <http://biz.yahoo.com/n/y/y0017.html>

Free or Pay Site: Free

Critique: Up to the minute insurance related stories. If you have a personal Yahoo home page, you can add insurance news as a module. More than once, I have seen an article concerning a client come across the wires before the client has seen or heard the news.

No. 9

The Site: Google

Link: <http://www.google.com/>

Free or Pay Site: Free

Critique: While "Googling" a subject generally results in a ton of "hits," many times you can hit pay dirt and find exactly what you are looking for among the first few sites listed. For example, Google "insurance capital and surplus requirements" and one of the first three hits is an excellent NAIC chart with the requirements for all 50 states.

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No. 8

The Site: Advisen

Link: <http://fpn.advisen.com/>

Free or Pay Site: Digest Edition is free (requires registration); Pay for Professional Edition Access

Critique: Advisen is one of several insurance-dedicated services that can deliver daily email news updates concerning the industry. In addition, the Advisen site has an excellent “in-depth” briefing section on current hot insurance topics (e.g., sub-prime, finite re, etc.). The website also has a wealth of other insurance research tools. The Professional Edition is well-worth the modest cost.

No. 7

The Site: AM Best Insurance Law Digest

Link: <http://www.ambest.com/legal/statelawdigest.html>

Free or Pay Site: Free

Critique: AM Best's Law Digest provides general summaries of the insurance laws for each state and the Canadian Provinces. The summaries are prepared by law firms and cover state law (including case annotations) on a large number of topics. Some of the summaries do not appear to have been updated recently.

No. 6

The Site: National Conference of Insurance Guaranty Funds (NCIGF)

Link: <http://www.ncigf.org/>

Free or Pay Site: Free (but restricted access to certain content)

Critique: If you have a multi-state issue relating to insurance insolvencies or guaranty funds laws, this is the site for you. The NCIGF has put together some excellent charts summarizing these various areas on a state-by-state basis.

No. 5

The Site: Legal Information Institute at Cornell Law School

Link: <http://www.law.cornell.edu/>

Free or Pay Site: Free

Critique: A solid, top-notch general source of legal resources, including laws and regulations for all 50 states. The site also has an insurance specific section. If you need to look at the law of another state and do not want to pay WestLaw or Lexis charges, then this is your site.

No. 4

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The Site: NAIC Consumer Information/Company Search

Link: <http://www.naic.org/cis/>

Critique: A good source of basic information on insurance companies, including consumer complaints, market conduct reports, and financial information. You can download complete copies of a company's financial statements over the last five years (you get the first five statements for free; after that there is a charge). More than once, this site has proven to be a life-saver in tracking down the financial statement of an insurer in a short amount of time.

No. 3

The Sites: Westlaw and Lexis

Links: <http://web2.westlaw.com/>, <http://www.lexis.com/>

Free or Pay Sites: Pay

Critique: Two well-known online legal research companies. In the last year, both Westlaw and Lexis have rolled out 50 State Regulatory Surveys which include a number of general insurance areas. Thus far, we have found the surveys to be well done and incredible time savers. As noted, the surveys cover some common insurance topics (e.g., licensing, advertising, policy grace periods, etc.). They don't include more esoteric issues – which invariably are the subject of the 4PM Friday call from the client. Another big note of caution, the surveys are generally pretty expensive.

No. 2

The Site: NAIC Uniform Certificate of Authority

Link: http://www.naic.org/industry_ucaa.htm

Free or Pay Site: Free

Critique: Buried within the NAIC's Uniform Certificate of Authority Application (UCAA) website are a number of 50-state charts, including capital and surplus requirements, statutory surplus requirements, name approval procedures, application fees, and other state-specific licensing requirements. If you are engaging in a multi-state licensing project of Form A filing, this site should definitely be reviewed.

No. 1

The Site: National Portal for Insurance Regulatory Information

Link: <https://external-apps.naic.org/NBP/Basic.jsp>

Free or Pay Site: Free

Critique: This is a relatively new search engine found within the NAIC's website. Think of it as a Google for insurance law. The search seems to pull primarily from the NAIC and state insurance websites. Using the search engine takes some practice, but overall this is a great source of insurance regulatory guidance on a wide array of issues and saves you the time and trouble of searching 50+ different websites.

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