

**SUBCHAPTER A. SUBMISSION REQUIREMENTS FOR FILINGS AND DEPARTMENTAL  
ACTIONS RELATED TO SUCH FILINGS  
28 TAC §3.1 and §3.5**

**INTRODUCTION.** The Commissioner of Insurance adopts amendments to 28 TAC §3.1 and §3.5, relating to life, accident, and health insurance and annuities.

The amendments are adopted without changes to the proposed text published in the December 11, 2020, issue of the *Texas Register* (45 TexReg 8832).

**REASONED JUSTIFICATION.** The amended sections are necessary to remove references to "prepaid legal services," which is comprised of both for-profit legal services, which were removed from TDI's regulation by Senate Bill 597, 78th Legislature, 2003 (SB 597), and nonprofit legal services, which were removed from TDI's regulation by Senate Bill 1623, 86th Legislature, 2019 (SB 1623).

Amendments to §3.1 renumber paragraphs and redesignate a subclause in the section as appropriate to reflect the removed text. An amendment also updates an internal reference to reflect the renumbering of the paragraphs.

Amendments to renumbered §3.1(10)(A)(vi) and §3.1(10)(B)(v) remove cross-references to "Figure Number 45 of §26.27 of this title" because that figure and section were repealed, effective May 2017.

An amendment to §3.5(a) updates an internal reference to reflect the removal of paragraph (5) in the subsection.

An amendment to §3.5(a) updates the heading of an administrative code section in a citation to the section.

The amendments also include nonsubstantive editorial and formatting changes to conform to the agency's current style and to improve the rule's clarity, including replacing "shall" with "must," changing the words "chapter" and "subchapter" to "title" in references to administrative code sections, and replacing "which" with "that." Amendments also update citations to Insurance Code provisions that have changed due to the codification of Insurance Code articles.

**SUMMARY OF COMMENTS.** TDI did not receive any comments on the proposed amendments.

**STATUTORY AUTHORITY.** The Commissioner adopts the amendments to §3.1 and §3.5 under Occupations Code Chapter 953, as added by SB 597; Occupations Code §953.003; Insurance Code §§961.002 - 961.004, as amended by SB 1623; and Insurance Code §36.001.

Occupations Code Chapter 953, as added by SB 597, transferred regulation of for-profit legal services from TDI to the Texas Department of Licensing and Regulation.

Insurance Code §§961.002 - 961.004, as amended by SB 1623, has nonprofit legal services removed from TDI's regulation.

Insurance Code §36.001 provides that the Commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

**TEXT.****§3.1. Scope.**

This subchapter applies to all contracts, policies, applications, certificates of insurance, insert pages, riders, limited partial refilings, matrix filings, disclosure forms, rates, outline of coverage, and other documents subject to be filed with the Texas Department of Insurance pertaining to the following:

- (1) individual and group life insurance;
- (2) individual and group annuities;
- (3) individual and group accident and health insurance (including long-term care and Medicare supplement under Insurance Code Chapters 1651 and 1652);
- (4) individual and group combination life and accident and health insurance;
- (5) individual and group combination annuity and accident and health insurance;
- (6) point of service products as described in Insurance Code Chapter 1273 and §21.2901 of this title (relating to Definitions);
- (7) individual and group credit life and individual and group credit accident and health insurance under Insurance Code Chapters 1131, 1153, and 1251;
- (8) rates, subject to review and approval by the department including, but not limited to:
  - (A) individual and group credit life;
  - (B) individual and group credit accident and health insurance;
  - (C) Medicare supplement; and
  - (D) changes in rating methodologies for small employer plans;
- (9) Medicare SELECT plans of operation and amendments;
- (10) miscellaneous documents and information necessary to make a filing complete or for a comprehensive review of the filing including, but not limited to:

(A) documents that must be accompanied by the transmittal checklist described in §3.3(b) of this title (relating to Transmittal Information) as follows:

- (i) articles of incorporation;
- (ii) constitutions and bylaws and/or trust agreements;
- (iii) disclosures;
- (iv) outlines of coverage;
- (v) rates, other than the rates listed in paragraph (8) of this

section, including the following:

- (I) individual accident and health;
- (II) long-term care; and
- (III) life; and

(vi) certifications related to form filings, readability scores, and actuarial memoranda.

(B) documents that must be accompanied by the transmittal form described in §3.3(c) of this title as follows:

- (i) life insurance illustration information;
- (ii) Medicare supplement refund calculations;
- (iii) preferred provider health benefit plan provider directories;
- (iv) preferred provider service or geographic descriptions;
- (v) certifications including those related to small or large

employer health benefit plans; and

- (vi) annual reports including:
  - (I) long-term care lapse and replacement reports;
  - (II) long-term care rescission reports;
  - (III) long-term care denial of claims reports;

(IV) long-term care report required by Insurance Code §1651.053;

(V) Medicare supplement rate reports; and

(VI) Medicare SELECT grievance reports.

**§3.5. Filing Authorities and Categories.**

(a) All filings submitted pursuant to this subchapter must be identified under specific filing authorities as defined by the Insurance Code or Administrative Code. The authorities under which all filings are identified are described in paragraphs (1) - (4) of this subsection as follows:

(1) review pursuant to Insurance Code §1701.054;

(2) file and use pursuant to Insurance Code §1701.052; however, any form that has been previously disapproved pursuant to §3.7(d) of this title (relating to Form Acceptance and Procedures) is not eligible for filing under this category;

(3) exempt pursuant to Insurance Code §1701.005 and Subchapter Z of this title (relating to Exemption from Review and Approval of Certain Life, Accident, Health and Annuity Forms and Expedition of Review); and

(4) credit life insurance or credit accident and health insurance pursuant to Insurance Code Chapters 1131, 1153, and 1251.

(b) Each filing submitted pursuant to subsection (a) of this section shall be identified according to the category of filing. The filing categories are described as follows:

(1) Informational. A filing that is submitted for informational purposes only and is not subject to approval.

(2) Substantially Similar to a Previously Approved Form. A filing that is substantially similar to a form that was previously approved by the department. This type

of filing requires the information and certification specified in §3.6(a)(3) of this subchapter (relating to Certifications, Attachments, and Additional Information Requirements).

(3) Exact Copy of a Previously Approved Form. A filing which, except for the company's name, address, telephone number, or other similar identification information, is an exact copy of a form that was previously approved by the department and is still compliant with current statutes and regulations. This type of filing requires the information and certifications specified in §3.6(a)(3) of this subchapter.


(4) Substitution of a Previously Approved or Exempted Form that has Never Been Issued or Used in Texas. A filing which substitutes a form previously approved or exempted by the department wherein the previously approved or exempted form has not been issued, or otherwise used in Texas, and will not be used in Texas at any time by the company. This type of filing requires the information and certifications specified in §3.6(a)(4) of this subchapter and the form number must be the same as the originally approved form.

(5) Correction to a Pending Form. A filing containing corrections to a pending form submitted subsequent to the company receiving notification of the form's deficiencies from the department. This type of filing requires the information and certifications specified in §3.6(a)(5) of this subchapter, and is subject to the requirements set forth in §3.7(c) and (e)(1) of this subchapter.

(6) Resubmission of a Previously Disapproved Form. A filing containing corrections to a form subsequent to the company receiving a disapproval letter from the department. This type of filing requires the information and certifications specified in §3.6(a)(6) of this subchapter.


**CERTIFICATION.** This agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

Issued at Austin, Texas, on April 5 2021.

DocuSigned by:  
  
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James Person, General Counsel  
Texas Department of Insurance

The Commissioner adopts amendments to 28 TAC §3.1 and §3.5.

Commissioner of Insurance

By:   
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Doug Slape  
Chief Deputy Commissioner  
Tex. Gov't Code §601.002  
Commissioner's Order No. 2018-5528