

**SUBCHAPTER E. NOTICE OF TOLL-FREE TELEPHONE NUMBERS AND PROCEDURES
FOR OBTAINING INFORMATION AND FILING COMPLAINTS
28 TAC §1.601**

INTRODUCTION. The Texas Department of Insurance (TDI) proposes to amend 28 TAC §1.601, relating to notice of toll-free numbers and information and complaint procedures. The amendment to §1.601 implements Insurance Code §521.005(b), concerning the appropriate wording and appearance of the notice accompanying policies.

EXPLANATION. The Notice of Toll-Free Telephone Numbers and Information and Complaint Procedures is adopted by §1.601(a)(2)(C) to inform workers' compensation policyholders of whom to contact if they have a problem with their premium. The Spanish version of the notice form currently lists an email address that the National Council on Compensation Insurance (NCCI) plans to stop using. Amending §1.601 will correct the email address for NCCI, Dispute Resolution Services, in the Spanish translation version of the workers' compensation notice form, Figure: 28 TAC §1.601(a)(2)(C). Following this proposal, TDI anticipates adopting the amendment to be effective July 1, 2021.

Insurance Code §521.005(a) requires each insurance policy delivered or issued for delivery in Texas to include a brief written notice that includes:

- (1) a suggested procedure to be followed by a policyholder with a dispute concerning a claim or premium;
- (2) TDI's name and address; and
- (3) TDI's toll-free telephone number for information and complaints.

Insurance Code §521.005(b) requires the Commissioner to adopt appropriate wording for these notices.

The proposed amendment is described in the following paragraph.

Section §1.601(a)(2)(C). The proposed amendment to Figure: 28 TAC §1.601(a)(2)(C) changes the email address of regulatoryassurance@ncci.com to regulatoryoperations@ncci.com in the Spanish version of the notice form. This change is necessary to ensure the Spanish version has the correct email address to contact NCCI and so that the information is consistent with the English version of the notice form.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. David Muckerheide, assistant director of the Property and Casualty Lines Office, has determined that during each year of the first five years the proposed amendment is in effect, there will be no measurable fiscal impact on state and local governments as a result of enforcing or administering the sections, other than that imposed by the statute. This determination was made because the proposed amendment does not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the proposed amendment.

Mr. Muckerheide does not anticipate any measurable effect on local employment or the local economy as a result of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the proposed amendment is in effect, Mr. Muckerheide expects that administering and enforcing the proposed amendment will have the public benefit of helping consumers know where and how to get help with workers' compensation premium problems by listing the correct email address for NCCI in the Spanish translation of the notice form.

Mr. Muckerheide expects that while the proposed amendment will necessitate updating a form, it will not impose an economic cost on those required to comply with the amendment. TDI anticipates that making the proposed change to the notice form will require a short amount of administrative time. The administrative time may be reduced

or eliminated if an insurer prepares the change at the same time it makes any routine updates to its insurance forms or computer programs. Under the current requirements of §1.601, the form must be provided at the time of delivery with all policies, bonds, annuity contracts, certificates, or evidences of coverage that are delivered, issued for delivery, or renewed in Texas. The proposed amendment does not change that, so there will be no costs associated with providing the updated form beyond those required by the current rule.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TDI has determined that the proposed amendment will not have an adverse economic effect on small or micro businesses because it requires only a minor change to a form. As a result, and in accordance with Government Code §2006.002(c), TDI is not required to prepare a regulatory flexibility analysis.

EXAMINATION OF COSTS UNDER GOVERNMENT CODE §2001.0045. TDI has determined that this proposal does not impose a possible cost on regulated persons. In addition, no additional rule amendments are required under Government Code §2001.0045, because the proposed amendment to §1.601 reduces the regulatory burden of the rule imposed on regulated persons.

TDI expects the proposed amendment to reduce regulatory burden on companies by reducing confusion about where and how to get help with workers' compensation premium problems. Less confusion should result in more efficient and timely handling of questions and complaints. It should also increase the opportunity for companies to informally resolve more questions or concerns before they file a complaint with TDI, which necessitates a formal response.

GOVERNMENT GROWTH IMPACT STATEMENT. TDI has determined that for each year of the first five years that the proposed amendment is in effect, the proposed rule:

- will not create or eliminate a government program;
- will not require the creation of new employee positions or the elimination of existing employee positions;
- will not require an increase or decrease in future legislative appropriations to the agency;
- will not require an increase or decrease in fees paid to the agency;
- will not create a new regulation;
- will not expand, limit, or repeal an existing regulation;
- will not increase or decrease the number of individuals subject to the rule's applicability; and
- will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. TDI has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TDI will consider any written comments on the proposal that are received by TDI no later than 5:00 p.m., central time, on October 26, 2020. Send your comments to ChiefClerk@tdi.texas.gov; or to the Office of the Chief Clerk, MC 112-2A, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104.

To request a public hearing on the proposal, submit a request before the end of the comment period and separate from any comments to ChiefClerk@tdi.texas.gov; or to the Office of the Chief Clerk, MC 112-2A, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104. The request for public hearing must be received by TDI no later than 5:00 p.m., central time, on October 26, 2020. If TDI holds a public hearing, TDI will consider written and oral comments presented at the hearing.

STATUTORY AUTHORITY. TDI proposes the amendment to §1.601 under Insurance Code §§521.005(b) and 36.001.

Insurance Code §521.005(b) provides that the Commissioner adopt appropriate wording for the notice required by the section.

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.

CROSS-REFERENCE TO STATUTE. The amendment to §1.601 implements Insurance Code §521.005.

TEXT.

§1.601. Notice of Toll-Free Telephone Numbers and Information and Complaint Procedures.

(a) Purpose and applicability.

(1) (No change.)

(2) The notice must be provided at the time of delivery with all policies, bonds, annuity contracts, certificates, or evidences of coverage that are delivered, issued

for delivery, or renewed in Texas by insurers or HMOs. When insurers add a certificate holder, annuitant, or enrollee to a group policy or group plan, insurers must also provide the notice when the certificate, annuity contract, or evidence of coverage is delivered.

(A) (No change.)

(B) (No change.)

(C) The form of the notice for workers' compensation must be consistent with Figure: 28 TAC §1.601(a)(2)(C) and the requirements of subsection (b) of this section. The form of notice is not required to be filed with the department.

Figure: 28 TAC §1.601(a)(2)(C)

Have a workers' compensation complaint or need help?

Contact your insurance company if you have a question or problem about your premium or a claim:

[Insert insurance company name]

Call: [insert title] at [insert phone number]

Toll-free: [insert phone number]

[optional] Online: [insert company URL]

Email: [insert email address]

Mail: [insert mailing address]

For problems with your policy

If your problem with the premium is not resolved, contact the National Council on Compensation Insurance, Dispute Resolution Services:

Mail: 901 Peninsula Corporate Circle, Boca Raton, FL 33487-1362

Fax: 561-893-5043

Email: regulatoryoperations@ncci.com

Phone: 1-800-622-4123

If you believe there has been a violation of law related to your workers' compensation policy, file a complaint with the Texas Department of Insurance:

Call: 1-800-252-3439

Online: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: MC 111-1A, P.O. Box 149091, Austin, Texas 78714-9091

For employees with claim issues

If one of your employees has a problem with a claim, contact the Texas Department of Insurance, Division of Workers' Compensation, Compliance and Investigations:

Mail: MS-8, 7551 Metro Center Drive, Suite 100, Austin, TX 78744

Fax: 512-490-1030

Email: DWC-ComplianceReview@tdi.texas.gov

Phone: 1-800-252-7031

¿Tiene una queja de compensación para trabajadores o necesita ayuda?

Comuníquese con su compañía de seguros si tiene una pregunta o problema relacionado con su prima de seguro o con una reclamación:

[Insert insurance company name]

Llame a: [insert title] al [insert phone number]

Teléfono gratuito: [insert phone number]

[optional] En línea: [insert company URL]

Correo electrónico: [insert email address]

Dirección postal: [insert mailing address]

Para problemas con su póliza

Si su problema con la prima de seguro no es resuelto, comuníquese con el Consejo Nacional de Seguros de Compensación (National Council on Compensation Insurance, por su nombre en inglés), Servicios para la Resolución de Disputas:

Correo postal: 901 Peninsula Corporate Circle, Boca Raton, FL 33487-1362

Fax: 561-893-5043

Correo electrónico: regulatoryoperations@ncci.com
[regulatoryassurance@ncci.com]

Teléfono: 1-800-622-4123

Si usted piensa que ha habido una violación a la ley, la cual está relacionada con su póliza de compensación para trabajadores, presente una queja ante el Departamento de Seguros de Texas:

Llame al: 1-800-252-3439

En línea: www.tdi.texas.gov

Correo electrónico: ConsumerProtection@tdi.texas.gov

Correo postal: MC 111-1A, P.O. Box 149091, Austin, Texas 78714-9091

Para empleados que tienen problemas con sus reclamaciones

Si uno de sus empleados tiene un problema con una reclamación, comuníquese con la Sección de Cumplimiento e Investigaciones (Compliance and Investigations, por su nombre en inglés) del Departamento de Seguros de Texas, División de Compensación para Trabajadores (Texas Department of Insurance, Division of Workers' Compensation, por su nombre en inglés).

Correo postal: MS-8, 7551 Metro Center Drive, Suite 100, Austin, TX 78744

Fax: 512-490-1030

Correo electrónico: DWC-ComplianceReview@tdi.texas.gov

Teléfono: 1-800-252-7031

(b)-(e) (No change.)

CERTIFICATION. This agency certifies that legal counsel has reviewed the proposal and found it to be within the agency's authority to adopt.

Issued in Austin, Texas, on September 10, 2020.

DocuSigned by:
James Person
75578E954EFC48A...

James Person, General Counsel
Texas Department of Insurance