

**INSURANCE**

**DEPARTMENT OF BANKING AND INSURANCE**

**DIVISION OF INSURANCE**

**Actuarial Services**

**Readoption with Amendments: N.J.A.C. 11:4**

Proposed: April 4, 2011 at 43 N.J.R. 819(a).

Adopted: September 27, 2011 by Thomas B. Considine, Commissioner, Department  
of Banking and Insurance.

Filed: September 28, 2011 as R.2011 d.265, **without change**.

Authority: N.J.S.A. 17:1-8.1 and 17:1-15(e).

Effective Date: September 28, 2011, Readoption;  
November 7, 2011, Amendments.

Expiration Date: September 28, 2018.

**Summary** of Public Comment and Agency Response:

The Department received a comment from the American Council of Life Insurers.

COMMENT: The commenter stated that a few of the subchapters proposed for readoption were amended to reflect the recent enactment of the Interstate Insurance Product Regulation Commission (Interstate Compact) in New Jersey, approved January 5, 2011, but Subchapter 30, Accelerated Death Benefits, as proposed, is not consistent with the Interstate Compact Standards for Accelerated Death Benefits and the draft group life insurance accelerated death benefits standards. The commenter suggested

that Subchapter 30 be amended to reflect the Interstate Compact Accelerated Death Benefits Standards, and submitted suggested revisions.

RESPONSE: The subchapters mentioned by the commenter that were amended to reflect the Interstate Compact merely state that the Department's standards and procedures set forth in the rules would not apply to forms approved pursuant to the Interstate Compact. The purpose of the Department's rules is to set forth New Jersey's criteria, not the criteria for forms approved pursuant to the Interstate Compact. However, the Department agrees that the substance of the commenter's suggested amendments to align the State's accelerated death benefit standards with the standards of the Interstate Compact has merit. The Department intends to propose changes to the accelerated death benefit standards to so provide in a separate rulemaking notice in the near future.

### **Federal Standards Statement**

A Federal standards analysis is not necessary because, with the exception of Subchapters 16 and 23 as they relate to Medicare, the readopted rules contained in this chapter are not subject to any Federal requirements or standards. Minimum standards for individual health insurance at N.J.A.C. 11:4-16.5 as they relate to Medicare supplement policies reflect, but are no more restrictive than, existing Federal standards as set forth in the Medicare statute at 42 U.S.C. § 1395. Additionally, Subchapter 23, relating to Medicare supplement coverage, complies with, but does not exceed, any Federal standards or requirements set forth at 42 U.S.C. § 1395.

**Full text** of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 11:4.

**Full text** of adopted amendments follows:

TEXT