



Bill Ritter, Jr.
Governor

D. Rico Munn
Executive
Director

Producer's Advisory Council
Minutes 1/20/10

Attendance:

Gary Frisch	PIIAC
Hart Axley	NAIFA-CO
Tammey Sullivan	LTC- Forum
Aaron Eisenach	LTC – Forum
Gerry Rising	Self Funding Coalition
Carole Walker	RMIIA
May Martinez Hendershut	State Farm
Doris Stipech	State Farm
Robert Avery	SFSB
Coleen Love	NAIFA-CO
Janet VanDorn	SFSP
Dorothy Marshall	CSAHU
Cindy Ward	DOI
Cameron Lewis	DOI

The meeting was called to order by Chair Gary Frisch. The minutes for 11/18/09 were reviewed and approved. Gary replaced Coleen Love with Gerry Rising as the Scribe for the meeting.

Cindy Ward gave an update: new members to the group are being considered. 116 have asked to be considered. 15 will be interviewed so as to have the Commissioner be recommended 3.

Cindy has given ethics CE classes to various professional organizations. Seems to be going well.

There is a federal Pac program dealing with a Multijurisdictional task for investigating Auto theft. Carole Walker is assisting.

Cindy's legislative report; Cindy's description of what legislation is developing in various stages

Sunset bill passed Hse Business Affairs Committee

Worker's Comp classification appeals bill

Plain Language bill

Health policies standardization bill to include not only benefit plan summaries but also EOB's.

No gender rating as recommended from Interim Legislative Committee. Commissioner backs this bill

No aftermarket parts in cars newer than 10,000 miles

6 of 7 bills recommended by Pinnacol committee are now introduced.

Cameron Lewis gave update-

presented the Smart Consumer Calendar 2010

Brochures in development " what if your carrier says no"

Fewer recent press releases – some are Spanish speaking

Update and organization of all relevant FAQ's done by DOI

Writing document - "How to purchase health insurance" also Auto, and HO versions.

Dorothy Marshall suggested the reg's should be indexed to coordinate with actual Laws.

Colorado guarantee fund presentations

Life and Health Insurance Protective Association

Presented by Chris Chandler

Administrator – Jamie Kelldorf

Various handouts provided.

In existence since '91 – enabling law CRS 10-20-102

70 insolvencies handled

\$40 million paid out of fund

\$7 million in reserve

Private nonprofit supervised by Co DOI

Purpose to protect policy holders

Often continues coverage

\$70 million retroactively assessable if needed at 1% of Colorado premiums

Have bill in Co legislature to raise limits of coverage – no real resistance

Co Insurance Guaranty Association

Presented by Dave Edwards

P & C oriented

Initial part of presentation presented in national association of these state associations context. Since '76 covering 600 insolvencies, \$24 billion paid nationally

Co DOI supervises state association

Liquidation does not hold up claims

Workers Comp no limit. All other \$300,000 max benefit

When under Liquidation Co Ins commissioner is "liquidator"

Premiums /assessments up to 2% of carriers Colorado Prem
Policies cancelled 30 days after liquidation date.

2/3 of \$\$ paid for Workers Comp

Originally only personal lines, now commercial coverage as well

Don't have to pay Subro claims in advance of Subro refund

"Net worth" exclusion - high net worth client no coverage

No Stop loss reinsurance coverage for health plans adopted by employers

Payer of last resort

Common administrator for CO, ID, KS, MT'WA. And WY- Western Guarantee Fund

services

Since '71 \$126 Million paid, \$113 assessed, \$7.5 Million in refunds by Co Assoc

3 accounts: Auto, WC, and Other

From 2001 to 2004 CIGA paid \$42 million

Pinnicol not part of fund

Various handout were distributed

Gary adjourned meeting at 2.00.

Respectfully Submitted,

Gerry Rising