

An Act relating to insurance; amending 36 O.S. 1991, Sections 613, 1241, 1254, as renumbered by Section 20, Chapter 342, O.S.L. 1994, and as last amended by Section 1, Chapter 256, O.S.L. 1999, Section 60, Chapter 418, O.S.L. 1997, as last amended by Section 1, Chapter 333, O.S.L. 1999, Sections 61 and 66, Chapter 418, O.S.L. 1997, 1425.1, as last amended by Section 70, Chapter 418, O.S.L. 1997, and as renumbered by Section 127, Chapter 418, O.S.L. 1997, 1428, as last amended by Section 81, Chapter 418, O.S.L. 1997, 2122, 3639, Section 9, Chapter 248, O.S.L. 1998, 4101, Section 6, Chapter 331, O.S.L. 1999, 6125.1, 6212, as amended by Section 17, Chapter 246, O.S.L. 1996, 6217, as last amended by Section 1, Chapter 164, O.S.L. 1995, Section 2, Chapter 329, O.S.L. 1992, as last amended by Section 2, Chapter 304, O.S.L. 1998, Section 8, Chapter 211, O.S.L. 1994, as amended by Section 5, Chapter 304, O.S.L. 1998 (36 O.S. Supp. 1999, Sections 321, 362, 1250.5, 1424.11, 1424.12, 1424.17, 1426A, 1428, 4049, 6057.1, 6212, 6217, 6512, and 6522), which relate to the Insurance Commissioner and the Insurance Department, deposit requirements, applications for insurance, insurance agents and limited insurance representatives, continuing education, domestic stock and mutual insurers, cancellation of insurance, viatical settlements, the Health Care Freedom of Choice Act, prepaid funeral benefits, health insurance, and health reinsurance; providing for reciprocal taxes, fines, penalties, licenses, fees, deposits, and other obligations and prohibitions; deleting obsolete language; authorizing Insurance Commissioner to require greater deposits upon specified findings; prohibiting establishment of emergency response system; creating the Health Care Fraud Prevention Act and providing short title; defining terms; prohibiting discounted reimbursement and providing exception under specified circumstances; prohibiting transfer of specified information without authorization and notice; making violation of the Health Care Fraud Prevention Act an unfair claim settlement practice; requiring annual review of findings; increasing time to accept or reject applications for property and casualty insurance; authorizing employees who sell or rent motor vehicles to sell motor vehicle insurance under manager's limited insurance license; authorizing placement of business with insurers prior to approval of appointment; excepting specified insurance agents and limited insurance representatives from continuing education requirement; making certain penalties discretionary rather than mandatory; requiring notice to insureds prior to cancellation of insurance; increasing time for notice of non-renewal of insurance; creating the Standard Nonforfeiture Law for Individual Deferred Annuities and providing short title; excepting reinsurance, specified group annuities, premium deposit funds, variable annuities, investment annuities, immediate annuities, specified deferred annuities, reversionary annuities, and annuity contracts issued outside this state; stating conditions for approval by Insurance Commissioner; stating conditions for termination of certain contracts; stating minimum values for annuity contracts; providing for minimum nonforfeiture amounts; requiring specified minimum present value at commencement of benefits; stating maturity date for specified purposes; requiring specified statement in specified contracts; providing for calculation of specified benefits under certain circumstances; stating minimum nonforfeiture benefits for certain contracts; authorizing election to comply with act; stating operative dates for specified purposes; requiring report by licensed viatical settlement providers and stating requirements; increasing maximum principal for prepaid funeral benefits; creating the Life Settlement Act; providing short title; defining terms; requiring licensing and providing procedure and fee therefor; providing for denial, revocation, suspension or nonrenewal of license; requiring approval of life settlement contracts and related forms by the Insurance Commissioner; providing procedure for

approval and disapproval; requiring the filing of annual statements by a certain date; providing for examination of business and affairs of licensee or applicant for license; requiring certain disclosures; providing standards for evaluation or reasonable payments; requiring life settlement provider to obtain certain documents prior to entering into a life settlement contract; requiring a refund provision; requiring payment of proceeds of settlement into an escrow or trust account; providing requirements for escrow or trust account; providing for transfer of proceeds to owner; providing powers of Commissioner; declaring certain acts to be unfair life settlement practices and providing fines therefor; providing for deposit of fines; prohibiting life settlement business after certain date unless in compliance with the Life Settlement Act; stating minimum discounts; prohibiting viatical settlement brokers and providers from seeking or obtaining compensation from viator without prior written agreement; expanding classes of policies permitted; defining term; modifying definitions; requiring reinsurance for basic and standard health benefit plans; authorizing examination of claim files by Insurance Commissioner; increasing maximum principal allowed for prepaid funeral plans; increasing term of licenses; making certain fees biennial; modifying requirements for continuing education; amending 74 O.S. 1991, Section 1332, as amended by Section 9, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1999, Section 1332), which relates to participation in certain insurance plans; increasing period of employment required for participation in certain disability plans; providing for codification; and providing an effective date.