

**State of Rhode Island and Providence Plantations  
DEPARTMENT OF BUSINESS REGULATION**

*Division of Insurance*

**1511 Pontiac Avenue, Bldg. 69-2  
Cranston, Rhode Island 02920**

**Public Notice of Proposed Rule-Making**

Pursuant to the provisions of R.I. Gen. Laws § 42-14-16, and in accordance with the Administrative Procedures Act Chapter 42-35 of the General Laws, the Department of Business Regulation hereby gives notice of its intent to repeal Insurance Regulation 74 Automobile Insurance Annual Report.

The purpose of this repeal is that the statute that provided for the filing of the report, R.I. Gen. Laws §§ 27-7.1- 7.2, has been repealed.

The proposed regulation and concise summary of non-technical amendments are available for public inspection at [www.dbr.ri.gov](http://www.dbr.ri.gov) , in person at Department of Business Regulation, 1511 Pontiac Avenue, Cranston, Rhode Island 02920, or by email [edwyer@dbr.ri.gov](mailto:edwyer@dbr.ri.gov) or by calling Elizabeth Kelleher Dwyer at (401) 462 9520.

In the development of the proposed repeal consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

All interested parties are invited to submit written or oral comments concerning the proposed regulations by January 26, 2012 to Elizabeth Kelleher Dwyer, Department of Business Regulation, 1151 Pontiac Avenue, Cranston, Rhode Island 02920, [edwyer@dbr.ri.gov](mailto:edwyer@dbr.ri.gov). A public hearing to consider the proposed repeal shall be held on January 26, 2012 at 10:00 am at 1511 Pontiac Avenue, Cranston, Rhode Island 02920 at which time and place all persons interested therein will be heard.

All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at 401-462-9551, RI Relay at 7-1-1, or email [directorofficeinquiry@dbr.ri.gov](mailto:directorofficeinquiry@dbr.ri.gov) at least three (3) business days prior to the hearing.

Paul McGreevy  
Director, Department of Business Regulation

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**233 Richmond Street**  
**Providence, RI 02903**

**INSURANCE REGULATION 74**

**AUTOMOBILE INSURANCE ANNUAL REPORT**

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~~**Section 1 — Authority**~~

~~This Regulation is promulgated pursuant to R.I. Gen. Laws §§ 27-9-55 and 42-14-17.~~

~~**Section 2 — Purpose**~~

~~The purpose of this Regulation is to require every insurer writing Automobile Insurance to file an annual report with the Director providing claim payment and related cost information.~~

~~**Section 3 — Definitions**~~

~~For the purpose of this Regulation:~~

- ~~A. — "Director" means the Director of Business Regulation or his or her designee.~~
- ~~B. — "Insurer" means all persons, firms, corporations or associations authorized or licensed to offer automobile insurance in this State.~~
- ~~C. — "Annual Report" means claim information about automobile insurance losses, including both voluntary and residual market business, and other information, with separate data reported for each as specified in Section 4 below.~~
- ~~D. — "First Party Claimant" means an individual, corporation, association, partnership, or other legal organization asserting a right to payment under~~

~~their own insurance policy arising out of the occurrence of the contingency or loss covered by the policy.~~

~~E. "Third Party Claimant" means any person asserting a claim against another person's insurance policy.~~

~~F. "Collision Damage" means loss to the insured's vehicle caused by its collision with another vehicle or object or its upset regardless of the coverage under which the claim is paid.~~

#### **Section 4 — Filing of Automobile Insurance Annual Report**

~~Every insurer shall file an annual report with the Director, by May 15 of each year for the previous twelve (12) month period ending December 31st. The annual report shall contain the following information:~~

~~(1) Total payments to attorneys retained by first and third party claimants;~~

~~(2) Payments made to or on behalf of attorneys retained by the insurer. Insurers utilizing the services of staff attorneys shall include the actual costs and expenses of such services which are attributable to Rhode Island automobile claims (internal cost allocation systems may be used to determine the amount reportable provided they fairly represent the actual cost to the insurer);~~

~~(3) Total payments, reported separately for first and third party claimants, made to physicians, surgeons and other medical experts and facilities for services related to the treatment or care management of first and third party claimants. The costs of expert medical testimony and medical evaluations performed on behalf of the insurer shall be reported in this category;~~

~~(4) The number of claims made by first and third party claimants and the amount paid for each claim;~~

~~(5) All expenses of the insurer attributable to automobile insurance, including but not limited to loss adjustment, commissions, taxes, and general expenses;~~

~~(6) The number and percentage of claims reinspected after collision damage is repaired.~~

#### **Section 5 — Effective Date**

~~This Regulation shall become effective on December 22, 1993.~~

EFFECTIVE DATE: ~~December 22, 1993~~  
AMENDED: ~~None~~  
REFILED: ~~December 19, 2001~~