

Insurance Case Study



Jane Doe was recently hired as a compliance director for Insurance Company A after the former director was dismissed for a regulatory oversight that cost the company a \$50,000 fine. Insurance Company A is licensed to sell insurance in 30 states and writes life insurance and a variety of personal and commercial insurance lines. In her position as a compliance director, Jane is responsible for monitoring legislation and regulations in the states in which her employer conducts business. Insurance Company A already purchases its legislative and regulatory material, such as bills and regulations, from a leading legislative/regulatory tracking vendor. However, the vendor does not currently offer a similar tracking and reporting service for insurance bulletins, such as circular letters, memorandums, advisory opinions, etc, issued by the state insurance departments. Insurance bulletins are important for Jane's company because they are an additional compliance source and provide additional interpretation of state laws or regulations.

Question?

In order minimize the risk of missing regulatory communications from all 30 of the state insurance departments and avoid hefty regulatory fines and administrative action by the state insurance departments, which could cost her a job, which of the following five answer choices is the most “efficient” solution that Jane can use to ensure that her company receives all regulatory bulletins?

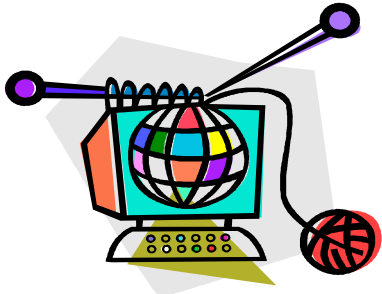
- a. Call each insurance department and tell them to put her on their mailing list.
- b. Surf all 30 state Web sites on a “daily” basis and check to see whether each department has issued a regulatory bulletin.
- c. Surf all 30 state Web sites and sign up for e-mail alerts, where available, and set up a tracking folder in her inbox.
- d. Locate a bulletin tracking and reporting vendor that provides subscribers with 24/7 access to an electronic database of bulletins issued by 51 jurisdictions.

Answer Choice



- a. Call each insurance department and tell them to put her on their mailing list.

This choice is the wrong one since Jane would have to wait on regular mail by the postal carrier. In addition to the delay in receipt, it is possible that an insurance communication could get lost in the mail or be routed to the wrong department adding unnecessary stress to Jane's job.



Answer Choice

- b. Surf all 30 state Web sites on a “daily” basis and check to see whether each department has issued a regulatory bulletin.

This choice is the wrong one since it is a very inefficient administrative task that will waste Jane’s time. Things could get even worse for Jane if she misses work due to an illness or a scheduled PTO and has to come back to work and play catch up on the days she missed.

Answer Choice



- c. Surf all 30 state Web sites and sign up for e-mail alerts, where available, and set up a tracking folder in her inbox

This choice is the wrong one. It is similar to the preceding choices in that it leads to more inefficiency. Also, not every insurance department has an e-mail alert system for regulatory bulletins which means that Jane will have to wait on regulatory bulletins to arrive by regular mail, or snail mail, and hope that she does not miss a deadline.

Answer Choice



- d. Locate a bulletin tracking and reporting vendor that provides subscribers with 24/7 access to an electronic database of bulletins issued by 51 jurisdictions.

This choice is the right one. Go to the next page to see why d. is the most efficient solution for Jane Doe.



InsuranceBulletins.com

Bulletin Tracking & Reporting System

- Date of issue reports to help you know what you missed if you were out for a day, week, or month.
- Cumulative indices of bulletins for 51 jurisdictions which are sorted by state and issue date (in descending order).
- 211 individual state bulletin reports dating back to 2006 to current year.
- Ability to save and e-mail our reports to compliance staff.
- Less time spent on administrative work of tracking what each insurance department has released.
- Reduction or elimination of regulatory fines that can run into thousands of dollars.

Like Jane, do you think your job and your company are worth it?

- Yes, I want to subscribe to InsuranceBulletins.com now!
- Yes, but I'd like to test drive InsuranceBulletins.com for two weeks.
- No.