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LB 216

SPEAKER BROMM: Senator Bourne.

SENATOR BOURNE: Certainly.

SENATOR BEUTLER: If these elements that are supposed to be in every insurance policy are so clear now, why is it that the department had to disapprove 62 filings last year, force 109 others to be withdrawn, and change 892 others?

SENATOR BOURNE: That's a very good question, Senator Beutler. And I'll tell you...and to be quite honest, it's been my experience that sometimes when you submit a policy...and if you need more time, if I'm being a little long-winded, I'll give you...I'll push my light. But sometimes what could happen, a disapproval or a request for change or additional information could be something so simple as a caption is in 10 point type when it should be in 12. Or it could be disapproved because in...and this is...you might find this hard to believe, but it could be disapproved because you didn't fill out the cover sheet properly to send it in to the department. You know, you have to check certain boxes. Is it individual insurance? Is it group insurance? And if you don't check those boxes properly, in some states, they'll disapprove the filing without even looking at it, and send it back to you. Of some states charge, like, \$15 a form. And say you have six different forms in there, but you only sent in a payment for five forms. They'll disapprove it immediately and send it back to you. As far as the withdrawn and dropped by the filer, sometimes this industry...the insurance industry, to a large extent, is agent driven. And sometimes an agent might have a great idea for an insurance policy, and they'll sell an insurance company on it. And they'll hurry up and get the policy drafted and submit it. And then by the time it's going through the approval process, the agent might decide, I don't really want that anyway. Or the insurer might find new information that it's not cost effective, and that could be why they're dropped. So you know, I saw these numbers, you know, the 62 disapproved and the 892 with request for changes, and the 109 that were withdrawn, and it didn't shock me that much. I don't believe that this is indicative that there's a significant problem. And again, I would...I just don't see this as a...with all respect, I appreciate your