



Kansas Insurance Department

Sandy Praeger COMMISSIONER OF INSURANCE

Bulletin 2004-5

TO: All Insurance Companies, Health Maintenance Organizations, Utilization Review Organizations, Third Party Administrators, Kansas Municipal Group-Funded Pools, Group-Funded Workers Compensation Pools, and Licensed Rating/Advisory Organizations licensed or registered to do business in Kansas

FROM: Sandy Praeger
Commissioner of Insurance

DATE: July 16, 2004

RE: Class Action Law Suit Notification

Please refer to our bulletin 1997-3 that was mailed on March 25, 1997.

In that bulletin, we made the following comments relative to notifying the Commissioner of Insurance about class action lawsuits:

"K.S.A. 40-226 imposes penalties for the failure to reply to a proper inquiry of the commissioner of insurance."

The statute that was cited in that bulletin has been repealed. However, K.S.A. 40-2,125(b) grants the Commissioner of Insurance the power to impose penalties for the failure to reply to a proper inquiry of the commissioner of insurance.

The remainder of the comments in our 1997-3 bulletin remains the same and it is still the position of this Department that all of the above named organizations shall immediately notify this office of all current and future class action suits. The notice should include a brief description of the suit and should be followed by a similar notice as soon as possible upon settlement. Failure to notify the Commissioner could be considered a violation of the above-cited statute.

If you have any questions regarding this Bulletin, please contact Deletria Nash at 420 SW 9th Street, Topeka, Kansas 66605, via phone at (785)296-4140 or via email at dnash@ksinsurance.org.