



GOVERNMENT OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

February 14, 2012

RULING LETTER NO.: 2012-136-D

TO ALL INSURERS AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN
PUERTO RICO

CONTRACTING ADMINISTRATORS OR THIRD PARTY ADMINISTRATORS

Dear Sirs and Madams:

The insurance industry in Puerto Rico, as is the case in other jurisdictions, has made use of services provided by administrators or third party administrators. These administrators collaborate either directly or indirectly in the functions of insurers or health services organizations, which may include, but are not limited to such, collecting premiums, adjusting, processing claims, and performing any other function contracted by the insurer or health services organization.

The function of the administrator or third party administrator has become very important in the insurance industry, since these entities perform functions which due to their size, complexity and technical requirements are beneficial for the insurer to subcontract, as this is more cost-effective.

Since contracting of administrators or third party administrators is increasing in the insurance industry, and for the purpose of maintaining a sole and adequate registry of these entities, it will be necessary for all insurers or health services organizations that have contracted or intend to contract an administrator or third party administrator, whether or not such administrator is in the main office or in a subsidiary of the insurer or health services organizations, to fill out the form enclosed with this Ruling Letter.

This information shall be submitted to this Office within thirty (30) from the issue of this letter.

You are hereby ordered to comply with the provisions of this Ruling Letter.

Very truly yours,

SIGNED

Ramón L. Cruz-Colón, CPCU, ARe, AU
Commissioner of Insurance