



**COMMONWEALTH OF PUERTO RICO  
OFFICE OF THE COMMISSIONER OF INSURANCE**

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December 1, 2015

**CIRCULAR LETTER NO. CC-2015-1870-AV/AS**

TO ALL LIFE, DISABILITY INSURERS, HEALTH SERVICES ORGANIZATIONS AND FRATERNAL BENEFIT SOCIETIES THAT WRITE LIFE, ANNUITIES, CONSUMER CREDIT, DISABILITY, ACCIDENT AND HEALTH INSURANCE IN PUERTO RICO

**GENERAL SERFF INSTRUCTIONS FOR FORM AND RATE SUBMISSIONS**

Dear Sirs and Madams:

Pursuant to Ruling Letter No. 2013-150-AP/ AV of March 1, 2013, effective July 31, 2013, the Office of the Commissioner of Insurance of Puerto Rico (OCI) only accepts files submitted through the NAIC System for Electronic Rate and Form Filing (SERFF). In an effort to reduce the number of objection letters and to expedite the review of the filings, it is necessary to streamline and standardize procedures for the evaluation and approval of forms and rates filings submitted to this Office by insurers, health services organizations and fraternal benefit societies authorized as well for those in the authorization process through SERFF.

From the date of this letter, this Office will begin to provide more detailed information regarding the status of the filings. This information will be shown in the "State Status" Section of the filing. Below is the list of the status that may be displayed:

1. Intake In Progress
2. Intake Complete
3. Under Review
4. Awaiting Rate Revision
5. Awaiting Form Revision
6. Awaiting Manager Review
7. Disapproved for No Answer
8. Closed

**LOCATION WHERE THE DOCUMENTS TO BE FILED MUST BE PLACED:**

- A. General Information Tab:** It is expected by the OCI that ALL fields be filled out as it applies to the filing, including the Filing Description area. However, the Filing Description cannot be used in lieu of a cover letter, since the same shall be attached under the Supporting Documentation Tab.
- B. Form Schedule Tab:** Only the Forms to be stamped for approval or "Received and Filed" should be attached in the Form Schedule Tab. Do not attach forms comparison documents, or explanation of changes, these shall be attached under the Supporting Documentation Tab.
1. Each form must be listed individually on the Form Schedule.
  2. All form schedule fields must be completed.
  3. The "Form Name" field must reflect the exact name of the form as shown on the form being filed for review.
  4. The "Form Number" field must exactly match the form number with edition date shown on the actual documents submitted for approval.
  5. **Attachments** - Forms attached must be in final format, no draft or watermark versions will be accepted. Do not attach redline or highlighted changes to the Forms Schedule tab.
  6. All forms must be in PDF format and cannot have any kind of protection, so the OCI staff can search, copy, compare or stamp the same..
- C. Rate/Rule Schedule Tab:**
1. All the fields required in the "Rate/Rule Schedule Tab" should be completed.
  2. Rates that must be submitted to the OCI for "Approval" are the following:
    - a. Consumer Credit Insurance
    - b. Medicare Supplemental Plans
    - c. Individual and Small Group Major Medical Insurance related to the Affordable Care Act (ACA) products
    - d. All Major Medical Insurance new rates or modifications applicable to Health Services Organizations

- e. All Individual and Small Group Major Medical rate increases equal to or greater than ten (10) percent based on current rates
  - f. Long Term Care
3. Rates related to Major Medical Insurance applicable to the ACA products and rate increases equal to or greater than ten (10) percent based on current rates must comply with the standards established in Ruling Letter No. CN-2015-187-AS of March 26, 2015 or any future amendment to the same.
  4. All Major Medical Insurance new rates or modifications applicable to Health Services Organizations other than ACA products must comply with the requirements set forth in Section 19.08(2)(a) of the Insurance Code of Puerto Rico.

**D. Supporting Documentation Tab:**

1. All forms or documents that are filed for "Informational Purpose" only, NOT for "Approval", should be placed under the Supporting Documentation Tab (rather than the Form Schedule Tab). Forms and documents that must be placed in the Supporting Documentation Tab, but no limited to, are:
  - a. Cover Letter
  - b. Explanatory Memorandum
  - c. Evidence of previously approved forms (*we will consider as evidence of approval the form with all it pages and with our stamp of approval*)
  - d. Statement of Variability
  - e. Certification of Translation
  - f. All certifications
  - g. Filing Checklists
  - h. Actuarial Memorandum
  - i. All Advertising/Sales Material/Brochures
  - j. All Reports and Disclosures
  - k. Third party authorization letter
  - l. Annual Life Illustrations
  - m. Buyers Guide
  - n. Things You Should Know Before You Buy Long Term Care Insurance
  - o. Consumer Credit Insurance Disclosure
  - p. Federal Rate Review Justification Part I-Unified Rate Review Template (URRT in Excel and PDF)
  - q. Actuarial Certification

- r. Actuarial Value Calculator Screenshots
  - s. SERFF Rate template(in Excel)
  - t. Rate Manual
  - u. Puerto Rico Benefits Map
  - v. Table with copayments, coinsurance and deductibles
  - w. Prescription Drugs List
2. Readability certification is not required, but if submitted to the OCI it should be provided under the Supporting Documentation tab.
  3. Generally, advertising material is not required to be filed, except for Long Term Care, Medicare Supplement, as well as any others upon request.
  4. The cover letter should be provided under the Supporting Documentation tab. The letter should provide sufficient information to expedite the filing review process, such as the following:
    - a. A detailed explanation as to the purpose of the filing, and describe the intended use for each submitted form.
    - b. Explain how new forms differ from similar forms previously approved by the OCI, any changes to revised forms or the reason to file a new form for the same product.
    - c. Describe any innovative or unique features of each form.
    - d. If riders, endorsements, amendments, insert pages or applications are submitted, include in the cover letter a list of any previously approved forms that will be used in conjunction with the forms being filed, including identification form numbers (exactly as they were approved), approval dates and Puerto Rico or SERFF Filing numbers. Language, as this form will be used with our life insurance portfolio or with any individual life insurance policies which may be approved in the future will not be accepted.
    - e. Any IIPRC approved filings that will be used in conjunction with a filing submitted to Puerto Rico must disclose the SERFF tracking number for the IIPRC filing(s) and the reason to submit the same to the OCI.
    - f. When submitting replacement form(s) for approval, provide an explanation of all changes being made and a comparison document for review purposes. If not replacing the prior approved form(s), explain the need for both forms.

- g. The "Re" section of the cover letter must include the identification form number of all the forms submitted for approval. The form number should be exactly what appears in the lower left corner of the Form. This means that if the word "Form" does not appear in the lower left corner then it should not be part of the Form Number on the cover letter.
  - h. The cover letter must be signed by a representative of the insurer authorized to submit forms for filing or approval for the insurer.
  - i. If the form has been previously submitted to the OCI and the file was closed or withdrawn, any resubmission of the form, must reference the file number of the previously closed file and address all outstanding issues in the new submission letter. The new submission letter shall include a reference where each objection has been addressed within the forms.
  - j. For group policies, the cover letter should specify the eligible groups to which the policy will be sold. The eligible groups are defined in Section 14.010 of the Insurance Code of Puerto Rico. No discretionary groups are accepted in Puerto Rico.
5. Highlighted, red-line, side-by-side, or John Doe versions of forms must be provided under the Supporting Documentation Tab in SERFF. Do not attach these to the Forms Schedule tab in SERFF.
6. If the filing is made on behalf of the company by a third party, a letter authorizing the third party to act on behalf of the company must be provided under the Supporting Documentation Tab. The letter must be:
- a. on company letterhead or include the company name in the "Re" line of the authorization;
  - b. specifically addressed to the Office of the Commissioner of Insurance of Puerto Rico;
  - c. properly executed by an authorized officer of the company;
  - d. dated (at least six (6) months from the date of submission); and
  - e. either
    - i. specific to the file submitted for approval by including form number(s); or
    - ii. generally applicable to all policy forms filed on behalf of the insurer as long as a copy of such authorization is included in each submission.

**E. COMPANIES & CONTACT TAB:**

A contact Name, Address, Phone number and Email address must be provided.

**F. FILING FEES TAB:**

Puerto Rico has no filing fees.

**G. FILING CORRESPONDENCE TAB:**

1. Our Intake personnel (Receivers) will perform a preliminary review of the submitted filing. If errors are found, the intake personnel will send an objection letter. The company will then be given three (3) working days, non-extendable, to provide an accurate response to the objection letter. Failure to respond will result in disapproval of the filing.
2. When a filer uses a Type of Insurance (TOI) that does not correspond to the forms or rates submitted, the OCI will reject the filing without review.
3. If any objections are found by the reviewers, they will send an objection letter allowing filers ten (10) calendar days to respond. If the filer receives an Objection Letter and if more time is needed than the letter allows, please send a note to reviewer, and include the reason for the extension request. The extension granted will not exceed of five (5) calendar days. Failure to respond or failure to request an extension of time will result in disapproval of the filing. If the filer cannot revise the filing in the period granted, and as established in this circular letter, the filing must be withdrawn.
4. Only one subsequent correspondence will be sent in cases where the filer omits to respond to one or more of the objections previously sent by the OCS staff. This subsequent objection letter will be required to be addressed in five (5) calendar days, for which the OCI will NOT grant any extension of time. Failure to respond will result in disapproval of the filing.
5. No preliminary review to responses will be performed. Responses to our objection letters will not be evaluated unless they are submitted as a response letter in SERFF. If the filer has any specific question or doubt regarding the objections, he/ she should communicate with the reviewer.
6. When responding to an objection letter, provide the documents as a response letter, rather than as an amendment or note to reviewer. The filer must answer each objection individually with the appropriate revised form.

7. If ALL the objections are not revised as requested in an objection letter, or if after the filer submits a response letter we find that the forms includes revisions that were not requested in the objection letter that are inconsistent, ambiguous or misleading, or include exceptions and conditions that unreasonably affect the benefits purported to be provided in the general coverage of the contract, the filing will be disapproved.
8. DO NOT attach documents through a Note to Reviewer or email.
9. Once a filing is closed, it will not be reopened. Changes or edits to previously approved filings will need to be submitted as a new filing, as well as translations of previously approved forms.
10. Amendments in SERFF should be used only if you have forgotten to attach something or need to correct an attachment before the state status changed to "Under Review" and should NOT be used for objection letter responses. Prior to attaching any amendment in SERFF, it is required that the filer provide a real time notification to the reviewer of the filing through an email or by a phone call. A justification of why this amendment is necessary must be provided in SERFF.

Strict compliance with the provisions of this circular letter is required.

Cordially,



Ángela Weyne  
Commissioner of Insurance