



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

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OREGON INSURANCE DIVISION BULLETIN INS 2006-6

DATE: December 6, 2006
TO: All Licensed Insurance Companies
RE: Best Practice Organizations

The Oregon Insurance Division wishes to promote the highest standards in connection with market regulation, including market analysis, market conduct examinations, and other forms of market oversight. As part of our efforts, the Division has been reviewing the role of “best practice” organizations and the role they can play in promoting consumer protection.

The Division strongly supports the kind of self-analysis process required by “best practice” organizations and to continue our review of the effectiveness of such organizations, the Division will follow the guidelines summarized in this bulletin when dealing with a life insurance company in our market regulation program. Our analysts will inquire as to whether companies are members of the [Insurance Marketplace Standards Association \(IMSA\)](#). If a company is a member, the analyst may request and review the documentation gathered to demonstrate compliance with IMSA’s standards. Analysts may consider the IMSA documentation in determining the scope of their own review of the marketing and sales practices of a company, including such areas as agent training and licensing, replacements, and advertising. Analysts may also make use of the IMSA documentation in certain other areas such as consumer complaint handling. Consideration may be given to documentation used for compliance with IMSA in determining the frequency and scope of reviews, including desk audits, examinations, and other areas of review.

While this Bulletin addresses IMSA membership, the Division encourages insurance companies in all lines of insurance to consider participation in “best practice” organizations, and is prepared to give careful consideration to all documented forms of self-analysis as part of its market regulation program.

This bulletin takes effect immediately.

This bulletin is dated the 6th day of December 2006 at Salem, Oregon.

_____(Signed)_____
Joel Ario, Oregon Insurance Administrator