

**CHAPTER 67a. PENNSYLVANIA ASSIGNED RISK PLAN
CONSUMER PROTECTIONS**

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Authority

The provisions of this Chapter 67a issued under The Insurance Company Law of 1921 (40 P. S. §§ 341—991); The Insurance Department Act of 1921 (40 P. S. §§ 1—321); sections 206, 506, 1501 and 1502 of The Administrative Code of 1929 (71 P. S. §§ 66, 186, 411 and 412); and section 3 of the act of February 12, 1984 (P. L. 28, No. 11), unless otherwise noted.

Source

The provisions of this Chapter 67a adopted September 15, 2000, effective September 16, 2000, 30 Pa.B. 4812, unless otherwise noted.

§ 67a.1. Definitions.

The following words and terms, when used in this chapter, have the following meaning unless the context clearly indicates otherwise:

Assigned Risk Plan—As defined in 75 Pa.C.S. § 1702 (relating to definitions).

Department—The Insurance Department of the Commonwealth.

Producer—An agent or broker, certified or licensed, by the Insurance Department to conduct business and certified by the Assigned Risk Plan.

Producer of record—The agent or broker, certified or licensed, by the Department to conduct business, certified by the Assigned Risk Plan and whose signature appears on the application for insurance.

Voluntary market—The ordinary market where a person obtains insurance without the assistance from government and through an insurer of the consumer's own selection.

§ 67a.2. Consumer protections.

(a) A producer may submit an application to the Assigned Risk Plan and may deliver the policy of the company to which the risk is assigned.

(b) A producer may submit an application to the Assigned Risk Plan only after having been unable to obtain coverage for the applicant, in the voluntary market, within the time frame established by the Assigned Risk Plan rules.

(c) Upon completion of the original application, premium moneys from the applicant to the producer of record shall be in the form of a money order, cashier's check, certified check, personal check or other method approved by the Insurance Commissioner, made payable to the "Pennsylvania Assigned Risk Plan." The producer of record may not accept cash.

(d) Upon receipt of the premium moneys for an original application, the producer of record shall issue a receipt showing the amount received, and the date

and time that the money was received. The receipt shall also contain the applicant's name and address, the signature of the producer of record and a statement indicating that it was received for the Pennsylvania Assigned Risk Plan. The electronic mail reference number shall be included, if applicable.

(e) A producer of record shall maintain appropriate records of original applications, including the electronic mail reference number, noting the date and time of coverage. The producer of record shall make available for inspection these records to the Assigned Risk Plan, a representative of the assigned company or the Department.

(f) If the applicant produces reasonable documentation of payment of the required premium to the producer of record in accordance with subsection (c) and a completed application for insurance under the Assigned Risk Plan, payment to the producer of record shall be deemed payment to the Assigned Risk Plan in accordance with the Assigned Risk Plan rules. Coverage shall be effective as of the date and time specified in the application in accordance with the Assigned Risk Plan rules. See 75 Pa.C.S. § 1742(4) (relating to scope of plan).

(g) A producer may not charge referral fees or other fees for placing or servicing any coverage in the Assigned Risk Plan. A producer's remuneration shall be limited to the method of compensation established by the Assigned Risk Plan rules.

(h) Producers shall comply with the Assigned Risk Plan rules. Violation of the Assigned Risk Plan rules may be construed to be a violation of section 604 of The Insurance Department Act of 1921 (40 P. S. § 234).

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