



# PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (October 2017)  
(Implements RCW 34.05.310)**

Do **NOT** use for expedited rule making

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STATE OF WASHINGTON  
FILED

DATE: October 04, 2023

TIME: 8:56 AM

WSR 23-20-124

**Agency:** Office of the Insurance Commissioner

**Subject of possible rule making:** Life Insurance Disclosure Requirements – WAC 284-23-650

Insurance Commissioner Matter R 2023-08

**Statutes authorizing the agency to adopt rules on this subject:** RCW 48.02.060 and 48.83.170.

**Reasons why rules on this subject may be needed and what they might accomplish:** This rulemaking is attempting to resolve misalignment identified between rules and laws in the Insurance Code. The rules in Chapter 284-23 WAC do not align with the laws in Chapter 48.83 RCW, as applied to life insurance with long-term care insurance (LTCi) riders and accelerated benefits. The rules currently prohibit life insurers from offering life insurance policies with riders that have accelerated benefits for LTCi and require disclosure statements communicating this prohibition. This contradicts current law that allows life insurance policies with riders to fund LTCi benefits through the acceleration of the policy's death benefits under certain conditions (see WAC 284-23-650, RCW 48.83.010(3), 48.83.020(5)(a), and 48.83.080).

The misalignment of authorities causes complications for all affected parties including insurers, consumers, and regulators. The effective rules cause complications for insurers who submit product filings for life insurance policies with accelerated death benefits to fund LTCi. Currently insurers are experiencing difficulty in filing and marketing the policies as such to consumers, due to the misalignment in rules, as identified above. This rulemaking will attempt to achieve alignment between the life insurance disclosure requirements in the Washington Administrative Code and the statutory provisions provided by Chapter 48.83 RCW.

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:** None.

**Process for developing new rule (check all that apply):**


- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Submit written comments by close of business (5 PM PDT) on Friday, October 20, 2023

**Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:**

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(If necessary)

Name:  
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Email:  
Web site:  
Other:

Additional comments:	
<b>Date:</b> October 4, 2023	<b>Signature:</b> 
<b>Name:</b> Mike Kreidler	
<b>Title:</b> Insurance Commissioner	