

Kansas Administrative Regulations

Kansas Department of Insurance

Article 3.—Fire and Casualty Insurance

40-3-35. Fire and casualty insurance; Kansas automobile injury reparations act; Kansas automobile assigned claims plan; requirements; review of plan; approval; disapproval; procedure; amendments.

(a) The Kansas automobile assigned claims plan shall consist of every insurer and self-insurer authorized to write motor vehicle liability insurance in this state. Each authorized insurer and self-insurer shall, in accordance with K.S.A. 1988 Supp. 40-3116, cooperate in preparing and submitting to the commissioner of insurance a plan or plans for the assignment of applicants for certain motor vehicle personal injury protection claims for certain persons injured in automobile accidents in Kansas. The plan or plans shall provide:

(1) Reasonable rules governing the operating procedures of the Kansas automobile assigned claims plan, including:

- (A) The designation of servicing insurers;
- (B) the distribution of claims to servicing insurers; and
- (C) adequate provision for the equitable payment of assigned claims;

(2) a method providing applicants for personal injury protection benefits and insurers with a hearing on grievances and the right of appeal to the commissioner; and

(3) for the establishment of procedures regarding records to be kept of all financial transactions of the Kansas automobile assigned claims plan and the submission of an annual financial report to the commissioner of insurance.

(b) Each plan shall be subject to the approval of the commissioner and may be disapproved if it fails to meet the requirements set forth in paragraphs (1), (2), and (3) of subsection (a).

(c) A submitted plan that does not meet the standards set forth in paragraphs (1), (2), and (3) above shall be, after a hearing, revised to meet the requirements. If after a hearing, the commissioner finds that an activity or practice of an insurer or rating

organization in connection with the operation of the plan or plans is unfair or unreasonable or otherwise inconsistent with the provisions of this regulation, the commissioner may issue a written order specifically identifying the unfair, unreasonable, or inconsistent activity or practice, and may require discontinuance of the activity or practice.

(d) For each plan or plans, a governing committee shall be appointed by the commissioner of insurance. The committee shall meet at least once annually to review and prescribe operating rules.

(e) The committee shall consist of nine members who shall be appointed as follows:

(1) Three members shall be representatives of foreign insurance companies.

(2) Two members shall be representatives of domestic insurance companies.

(3) Two members shall be licensed independent insurance agents.

(4) Two members shall be representative of the general public interest.

(f) Each member shall be appointed for a term specified by the commissioner.

(Authorized by K.S.A. 40-103, 40-3119, K.S.A. 1988 Supp. 40-3116(d); implementing K.S.A. 1988 Supp. 40-3116; effective, E-74-8, Jan. 1, 1974; effective May 1, 1975; amended May 1, 1976; amended May 1, 1979; amended May 1, 1986; amended April 16, 1990.)

***** Authenticated Kansas Administrative Regulation *****