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VIA ELECTRONIC MAIL

November 3, 2017

Director of Regulatory Affairs  
The Maryland Insurance Administration  
200 St. Paul Place, Suite 2700  
Baltimore, MD 21202

RE: Addition, Reduction, or Elimination in Coverage Notice Requirement

Dear Sir or Madam:

The American Insurance Association appreciates the opportunity to comment on the draft proposed regulation addressing the Addition, Reduction, or Elimination in Coverage Notice Requirement.

Founded in 1866 as the National Board of Fire Underwriters, AIA is a leading national trade association representing more than 325 major property and casualty insurance companies. AIA members collectively underwrite more than \$127 billion in direct property and casualty premiums nationwide annually, and range in size from small companies to the largest insurers with global operations. AIA's members include leading personal and commercial insurers and prominent reinsurers. We favor a modern, effective system of insurance regulation, and it is in this spirit that we offer the following comments.

In 2015, we met with senior MIA staff and suggested that this regulation be amended to eliminate the requirement that insurers spike out the dollar amount associated with any change in coverage. We observed that most insurer systems are not designed this way, and that this notice has more detail around premium than the Notice of Amount of Renewal and Expiring Policy Premiums (see COMAR 31.08.16). Therefore, we support the MIA's proposed amendment, as it eliminates the "dollar amount" requirement.

As you know, however, making programming changes to insurer systems to accommodate changes in regulatory notice requirements is typically a costly and time-consuming endeavor. Many insurer systems had to be reprogrammed to make these notices compliant with the current requirements.

In light of this, we respectfully request that the regulation be amended to give insurers the option to show either the dollar amount (the current requirement), or the difference in deductibles or coverage (the proposed new requirement).

Thank you for considering our suggestion.

Sincerely,

A handwritten signature in black ink, appearing to read "E. M. Goldberg", with a long horizontal flourish extending to the right.

Eric M. Goldberg  
Vice President, State Affairs

cc: W. Minor Carter