

September 7, 1983

SUBJECT: INSURANCE

AMPLIFICATION OF CIRCULAR LETTER
NO. 14 (1983) issued July 25, 1983

TO: ALL AUTHORIZED INSURERS WRITING LIFE OR ACCIDENT AND HEALTH INSURANCE IN NEW
YORK STATE

RE: CONTRACT APPROVAL PROCEDURES TO COMPLY WITH ARIZONA VS. NORRIS DECISION

This is to amplify Circular Letter No. 14 (1983), issued on July 25, 1983, and mailed to all authorized insurers writing life or accident and health insurance in New York State. Circular Letter No. 14 (1983) described the expedited procedures which will be followed by the Insurance Department in processing filings by insurers to implement the United States Supreme Court decision in Arizona vs. Norris.

The Insurance Department has concluded that in addition to retirement benefits, other forms of insurance of employee benefits are affected by Norris.

Insurers should be aware that all individual or group policies, issued as part of a plan which is clearly subject to the Norris decision and Title VII of the Civil Rights Act of 1964 which utilize gender distinct premium calculations or benefit payments must be amended, unless the insurer knows or has reason to believe that employee/member contributions to the plan are equal by sex or the sponsor intends to equalize sex disparate benefits.

The procedures outlined in Circular Letter No. 14 will apply to such insurance policies. Policy examiners involved in the new accelerated contract approval procedures have been instructed to deny conditional approval of any amendment to any such insurance contract which is known to contain gender distinct premium calculations or benefits, unless the Department is advised by the insurer that the employee/member contributions and benefits are equal by sex.

Where an insurer intends to issue or maintain a policy utilizing gender distinct premium calculations or benefit payments which would otherwise be affected by Norris, it shall notify the Department that it knows or has reason to believe that the policyholder intends to equalize the disparate benefit or contribution.

Very truly yours,

[SIGNATURE]

James P. Corcoran

Superintendent of Insurance