Regulatory Impact Statement for the Proposed First Amendment to 11 NYCRR 244 (Insurance Regulation 168)

1. Statutory authority: The authority of the Superintendent of Financial Services ("Superintendent") to promulgate this rulemaking derives from Financial Services Law sections 202 and 302 and Insurance Law sections 301 and 2612.

Financial Services Law section 202 establishes the office of the Superintendent and designates the Superintendent as the head of the Department of Financial Services ("Department").

Financial Services Law section 302 and Insurance Law section 301 authorize the Superintendent to effectuate any power accorded to the Superintendent by the Insurance Law, Banking Law, Financial Services Law, or any other law of this State and to prescribe regulations interpreting the Insurance Law, among other things.

Insurance Law section 2612 requires, in relevant part, that an insurer accommodate a reasonable request made by a person covered by an insurance policy or contract to receive communications of claim related information by alternative means or at alternative locations if the person clearly states that disclosure of the information could endanger the person.

2. Legislative objectives: To require an insurer to honor a person's request to designate an alternative mailing address, telephone number, or other method of contact for the purpose of receiving claim related information if the person states that disclosure of all or part of the claim related information could endanger the person.

3. Needs and benefits: Chapter 579 of the Laws of 2022 ("Chapter 579") amended Insurance Law section 2612 to require an insurer, other than a health insurer, to honor a person's request to designate an alternative mailing address, telephone number, or other method of contact for the purpose of receiving claim related information if the person states that disclosure of all or part of the claim related information could endanger the person. "Claim related information" means all claim or billing information relating specifically to an insured or

person covered by an insurance policy issued by an insurer, other than a health insurer. An insurer may require a person making a request to designate an alternative mailing address, telephone number, or other method of contact to: make the request in writing; include in the request a statement that disclosure of all or part of the claim related information to which the request pertains could endanger the person or child; and specify an alternative mailing address, telephone number, or other method of contact.

This rulemaking accords with the Legislature's public policy objectives by amending 11 NYCRR 244 to conform to the amendments made by Chapter 579.

The Department gave the New York State Office for the Prevention of Domestic Violence ("OPDV") notice and an opportunity to comment on this regulation in conformance with Executive Law section 575(8)(c) by posting the draft regulation on the Department's website on May 5, 2026 for pre-proposed outreach and notifying OPDV by email that the Department had posted the draft regulation for pre-proposed outreach.

4. Costs: Insurers may incur costs to update their confidentiality protocols. However, this is a consequence of Chapter 579 and not this rulemaking.

The Department will not incur any costs as a result of this rulemaking.

5. Local government mandates: This rulemaking does not impose any program, service, duty, or responsibility upon a county, city, town, village, school district, fire district, or other special district.

6. Paperwork: Insurers will have to update their confidentiality protocols. However, this is a consequence of Chapter 579 and not this rulemaking.

7. Duplication: This rulemaking does not duplicate, overlap, or conflict with any existing State or federal rules or other legal requirements.

8. Alternatives: The Department considered not promulgating this rulemaking. However, the rulemaking is necessary to conform to the changes made by Chapter 579.

9. Federal standards: The rulemaking does not exceed any minimum standards of the federal government for the same or similar subject areas.

10. Compliance schedule: This rulemaking will take effect 60 days after publication of the Notice of Adoption in the State Register.

Regulatory Flexibility Analysis for Small Businesses and Local Governments for the Proposed First Amendment to 11 NYCRR 244 (Insurance Regulation 168)

1. Effect of rule: This rulemaking applies to insurers, other than health insurers, as defined in Insurance Law section 2612(c)(2). Industry has asserted in the past that certain insurers, in particular mutual insurers, subject to the rulemaking fall within the definition of a "small business" as defined by State Administrative Procedure Act section 102(8) because in general they are independently owned and have fewer than 100 employees.

2. Compliance requirements: No local government will have to undertake any reporting, recordkeeping, or other affirmative acts to comply with the rulemaking because the rulemaking does not apply to any local government.

Insurers, including any insurers that are small businesses, will need to update their confidentiality protocols. However, that is the consequence of Chapter 579 of the Laws of 2022 ("Chapter 579") and not this rulemaking.

3. Professional services: No local government will need professional services to comply with this rulemaking because the rulemaking does not apply to any local government. The Department of Financial Services does not anticipate that any insurer that is a small business affected by the rulemaking, if any, should need to retain professional services, such as lawyers or auditors, to comply with this rulemaking.

4. Compliance costs: Insurers, including insurers that may be small businesses, may incur costs to update their confidentiality protocols. However, that is the consequence of Chapter 579 and not this rulemaking.

5. Economic and technological feasibility: This rulemaking does not apply to any local government; therefore, no local government should experience any economic or technological impact because of the rulemaking. An insurer that is a small business affected by the rulemaking, if any, should not experience any economic or technological impact because of the rulemaking.

6. Minimizing adverse impact: There will not be an adverse impact on any local government because the rulemaking does not apply to any local government. This rulemaking should not have an adverse impact on an insurer that is a small business affected by the rulemaking, if any, because the rulemaking uniformly affects all insurers that are subject to the rulemaking.

7. Small business and local government participation. The Department complied with SAPA Section 202-b(6) by posting a draft of the regulation on its website on May 5, 2026 for pre-proposed outreach and notified interested parties of the posting. All small businesses and local governments also will have an opportunity to participate in the rulemaking process again when the rulemaking is published in the State Register and posted on the Department's website for formal public comment.

Statement Setting Forth the Basis for the Finding that the Proposed First Amendment to 11 NYCRR 244 (Insurance Regulation 168) Will Not Have an Adverse Impact or Impose Compliance Requirements on Rural Areas

The Department of Financial Services finds that this rulemaking will not have any adverse economic impact or impose compliance requirements on rural areas. This rulemaking merely amends 11 NYCRR 244 to conform to Chapter 597 of the Laws of 2022, which amended Insurance Law section 2612 to require an insurer, other than a health insurer, to honor a person's request to designate an alternative mailing address, telephone number, or other method of contact for the purpose of receiving claim related information if the person states that disclosure of all or part of the claim related information could endanger the person. This rulemaking applies uniformly to insurers that do business in both rural and non-rural areas of New York State.

Statement Setting Forth the Basis for the Finding that the Proposed First Amendment to 11 NYCRR 244 (Insurance Regulation 168) Will Not Have a Substantial Adverse Impact on Jobs and Employment Opportunities

The Department of Financial Services finds that this rulemaking will not have a substantial adverse impact on jobs and employment opportunities. This rulemaking merely amends 11 NYCRR 244 to conform to Chapter 579 of the Laws of 2022, which amended Insurance Law section 2612 to require an insurer, other than a health insurer, to honor a person's request to designate an alternative mailing address, telephone number, or other method of contact for the purpose of receiving claim related information if the person states that disclosure of all or part of the claim related information could endanger the person.