

304.13-075 Exceptions to insurer's use of credit information.

- (1) An insurer that uses credit information shall, on written request from an applicant or an insured, provide reasonable exceptions to the insurer's rates, rating classifications, company or tier placement, or underwriting rules or guidelines for an applicant or insured who has experienced and whose credit information has been directly influenced by any of the following events:
 - (a) Catastrophic event, as declared by the federal or state government;
 - (b) Serious illness or injury, or serious illness or injury to an immediate family member;
 - (c) Death of a spouse, child, or parent;
 - (d) Divorce or involuntary interruption of legally owed alimony or support payments;
 - (e) Identity theft;
 - (f) Temporary loss of employment for a period of three (3) months or more, if it results from involuntary termination;
 - (g) Military deployment overseas; or
 - (h) Other events, as determined by the insurer.
- (2) If an applicant or insured submits a request for an exception as set forth in subsection (1) of this section, an insurer may:
 - (a) Require the applicant or insured to provide reasonable written and independently verifiable documentation of the event;
 - (b) Require the applicant or insured to demonstrate that the event had direct and meaningful impact on his or her credit information;
 - (c) Require that the request be made no more than sixty (60) days from the date of the application for insurance or the policy renewal;
 - (d) Grant an exception despite the applicant or insured not providing the initial request for an exception in writing; or
 - (e) Grant an exception where the applicant or insured asks for consideration of repeated events or the insurer has considered this event previously.
- (3) An insurer shall not be considered in violation of any law or regulation relating to underwriting, rating, or rate filing as a result of granting an exception under this section. Nothing in this section shall be construed to provide an applicant or insured or other insured with a cause of action that does not exist in the absence of this section.
- (4) The insurer shall provide notice to applicants or insureds that reasonable exceptions are available and information about how they may inquire further.
- (5) Within thirty (30) days of the insurer's receipt of sufficient documentation of an event described in subsection (1) of this section, the insurer shall inform the applicant or insured of the outcome of his or her request for a reasonable exception. The communication shall be in writing or provided to an applicant in the same medium as the request.

- (6) For purposes of this section, "credit information" shall mean any credit-related information derived from a credit report, found on a credit report itself, or provided on an application for personal insurance. Information that is not credit-related shall not be considered credit information, regardless of whether it is contained in a credit report or in an application, or is used to calculate an insurance score.

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