



HAWAII ADMINISTRATIVE RULES

TITLE 16

CHAPTER 23

MOTOR VEHICLE INSURANCE LAW

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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Amendment and Compilation of Chapter 16-23
Hawaii Administrative Rules

May 9, 2022

SUMMARY

1. §16-23-11 is amended.
2. §16-23-68 is amended.
3. §16-23-71 to §16-23-74 are amended.
4. §16-23-77 to §16-23-79 are amended.
5. §16-23-84 is amended.
6. §16-23-91 is amended.
7. Chapter 23 is compiled.

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TITLE 16

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

CHAPTER 23

MOTOR VEHICLE INSURANCE LAW

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§§16-23-117 to 16-23-120 Repealed

SUBCHAPTER 1

GENERAL PROVISIONS

§16-23-1 Definitions. Unless the context indicates otherwise, as used in this chapter:

"Chapter 431", and reference to sections therein, refer to the insurance code contained in the Hawaii Revised Statutes (HRS).

"Commissioner" means the state commissioner of insurance as defined in section 431:2-102, HRS. Pending the appointment of a person to or during any vacancy in that office, it refers to the state director of commerce and consumer affairs.

"County" means the counties of Hawaii, Maui, and Kauai and the City and County of Honolulu.

"Motor vehicle insurance law" refers to the motor vehicle insurance law, chapter 431:10C, HRS, and sections therein.

"Prepaid health care plan" means a health care plan approved by the department of labor and industrial relations and meeting the requirements of chapter 393 and the rules of the department in effect on January 1, 1998, or thereafter.

"Provider" or "health care provider" means any person providing medical or rehabilitative services to a claimant covered by a motor vehicle insurance policy. [Eff 9/1/74; am 9/1/77; am 9/1/78; am 9/1/79; am and ren §16-23-1, 7/7/80; am and comp 9/1/82; am and comp 9/1/85; am 9/1/87; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am 9/1/91; am and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; am and comp 11/11/12; comp 7/02/22] (Auth: HRS §431:10C-214) (Imp: HRS §§431:10C-103, 431:10C-304)

§16-23-2 Repealed. [R 1/8/99]

§16-23-3 Repealed. [R 11/11/12]

SUBCHAPTER 2 REPEALED

§16-23-4 Repealed. [R 11/11/12]

§16-23-5 Repealed. [R 11/11/12]

§16-23-6 Repealed. [R 11/11/12]

§16-23-7 Repealed. [R 11/11/12]

§16-23-8 Repealed. [R 11/11/12]

§16-23-9 Repealed. [R 11/11/12]

§16-23-10 Repealed. [R 11/11/12]

§16-23-10.1 Repealed. [R 1/8/99]

§16-23-10.2 Repealed. [R 11/11/12]

§16-23-10.3 Repealed. [R 1/8/99]

SUBCHAPTER 3

OPTIONAL ADDITIONAL INSURANCE

§16-23-11 Required optional additional coverage.

(a) Each insurer shall offer to each policyholder or applicant for a motor vehicle insurance policy the optional coverage as well as the basic motor vehicle insurance coverage, with the applicable premiums therefor, as set forth in Exhibit 1 entitled "Required Optional Additional Coverage," dated 10/17/12, located at the end of this chapter, which is made a part of this section. Nothing in this subchapter shall limit the use of forms substantially similar to the exhibit.

(b) Every insurer shall fully disclose in writing to each policyholder upon the first renewal after January 1, 1998, or to the applicant, at the issuance or delivery of the policy, the availability of all required and optional coverages and deductibles.

(c) An applicant or policyholder shall in writing decline uninsured motorist coverage and underinsured motorist coverage.

(d) Increased limits for residual bodily injury coverage in the amount of \$300,000 per person with an aggregate limit of \$300,000 per accident and for property damage coverage in the amount of \$50,000 per occurrence shall be available to all motor vehicles required to be insured for those limits by contract or rule of the State of Hawaii or any political subdivision.

(e) Except as provided by section 431:10C-302(a)(9)(D), HRS, the benefits of any optional additional coverages elected by the policyholder are applicable to all eligible insureds. [Eff 9/1/74; am and ren §16-23-11, 7/7/80; am 9/1/81; am and comp 9/1/82; am 9/1/84; am and comp 9/1/85; am 9/1/87; am and comp 9/1/88; am and comp 9/15/89; am and comp

9/1/90; am 9/1/91; am and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; am and comp 7/02/22] (Auth: HRS §§431:10C-214, 431:10C-302)
(Imp: HRS §431:10C-302)

§16-23-11.1 Naturopathic, acupuncture, and nonmedical remedial care and treatment. (a) Subject to the exceptions allowed under section 431:10C-302, HRS, an insurer shall make available optional coverage for naturopathic, acupuncture, and nonmedical remedial care and treatment rendered in accordance with the teachings, faith or belief of any group which relies upon spiritual means through prayer for healing. The coverage shall provide for appropriate and reasonable treatment and expenses necessarily incurred as a result of the accidental harm and shall provide an aggregate total among and between the types of providers of thirty visits at no more than \$75 per visit.

(b) An insurer may make available additional coverages for services provided under subsection (a). These coverages shall be for additional blocks of thirty visits at no more than \$75 a visit.

(c) An insurer may make available at appropriately reduced premium rates, and provide at the option of the named insured, deductible, coinsurance or copayment arrangements for this coverage. [Eff and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/02/22] (Auth: HRS §§431:10C-214, 431:10C-302) (Imp: HRS §§431:10C-301, 431:10C-302)

§16-23-11.2 Repealed. [R 11/11/12]

§16-23-11.3 Repealed. [R 11/11/12]

§16-23-11.4 Repealed. [R 1/8/99]

§16-23-12 Other optional coverages. An insurer may offer other optional terms, conditions, exclusions, deductible clauses, coverages, and benefits displayed in Exhibit 2 or upon approval by the commissioner. The commissioner shall not approve the same unless they are consistent with the provisions required of a motor vehicle insurance policy, are fair and equitable, and limit the variety of coverage available so as to give buyers of insurance reasonable opportunity to compare the cost of insuring with various insurers. [Eff 9/1/74; am and ren §16-23-12, 7/7/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-302) (Imp: HRS §431:10C-302)

SUBCHAPTER 4

REJECTION, CANCELLATION, NON RENEWAL

§16-23-13 Application for motor vehicle insurance policy, rejection of application, JUP placement. An insurer and its producer shall within fifteen working days of a request for an appointment provide the applicant an application and rate quote for a motor vehicle insurance policy. Failure to service an applicant within the fifteen working day period shall be deemed a rejection. Upon rejection of an application for motor vehicle insurance policy or optional additional insurance by the affirmative act

of the insurer or by a failure to service the applicant within fifteen working days, an insurer and its producer shall meet with the applicant within ten working days of the rejection and offer to place the requested insurance coverage with the joint underwriting plan. [Eff 9/1/74; am and ren §16-23-13, 7/7/80; am 9/1/81; comp 9/1/82; am 9/1/84; comp 9/1/85; am 9/1/87; comp 9/1/88; comp 9/15/89; am and comp 9/1/90; am and comp 6/1/93; am 1/30/95; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §§431:10C-106, 431:10C-110)

§16-23-14 Repealed. [R 1/8/99]

§16-23-15 Repealed. [R 1/8/99]

§16-23-16 Review of failure to offer JUP placement, cancellation, or refusal to renew. A person who is not offered a JUP placement after that person's application is rejected, or believes that the person's motor vehicle insurance policy has been canceled or refused renewal without legal justification may file an appeal with the commissioner within ten days after the person has been rejected or received notice of cancellation or refusal to renew. The grievance shall be heard and determined in accordance with chapter 91, HRS, and chapter 16-201. [Eff 9/1/74; am and ren §16-23-16, 7/7/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am 1/30/95; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §§431:10C-110 through 431:10C-114)

SUBCHAPTER 5

LICENSING OF INSURERS

§16-23-17 Repealed. [R 6/1/93]

§16-23-18 Repealed. [R 9/1/82]

§16-23-19 Licensing of health insurers. An insurer may be licensed by the commissioner to provide those personal injury protection benefits described in section 431:10C-103.5, HRS, or to provide optional major medical coverages in excess of personal injury protection benefits coverages, or both, if the commissioner finds that the insurer meets the requirements of section 431:10C-119, HRS. In addition, before licensing an insurer to provide the personal injury protection benefits, the commissioner must be satisfied that the insurer has made adequate provision to assure that any person obtaining personal injury protection benefits will simultaneously be obtaining the other coverages required under a motor vehicle insurance policy and will be provided adequate claims processing and payment services.

An insurer licensed hereunder to provide personal injury protection benefits shall also provide those optional major medical coverages which motor vehicle insurers are required to provide under section 431:10C-302, HRS.

A person licensed hereunder to provide personal injury protection benefits or optional major medical coverages shall comply with those provisions in chapter 431:10C, HRS, relating to insurers, such as, but not limited to, those relating to setting of rates

and submission of information and reports to the commissioner.

An insurer licensed hereunder shall be assessed its equitable proration of costs and claims paid under the joint underwriting plan (JUP) and the assigned claims program. [Eff 9/1/74; am and ren §16-23-19, 7/7/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-119, 431:10C-214) (Imp: HRS §§431:10C-119, 431:10C-201, 431:10C-202, 431:10C-203, 431:10C-205, 431:10C-209, 431:10C-215, 431:10C-216, 431:10C-302, 431:10C-404, 431:10C-408)

SUBCHAPTER 6

REQUIREMENTS FOR SELF-INSURANCE

§16-23-20 Repealed. [R 11/11/12]

§16-23-21 Agreement. The applicant for a self-insurer shall execute and file with the commissioner an agreement in a form prescribed by the commissioner, that if certified as a self-insurer the applicant will:

- (1) In accordance with and to the extent prescribed in the motor vehicle insurance law as amended from time to time:
 - (A) In case of injury, arising out of a motor vehicle accident, to a person, including, but not limited to, an operator, occupant, or user of the self-insured motor vehicle or any pedestrian who sustains an injury as a result of the operation, maintenance, or use

- of the vehicle, pay without regard to fault to the health care provider of medical-rehabilitative services an amount equal to the personal injury protection benefits then payable as a result of the injury; and
- (B) Pay on behalf of the applicant or any operator of the insured motor vehicle using the motor vehicle with the express or implied permission of the named insured, sums which the applicant or the operator may legally be obligated to pay for injury or death or damage to property of others which arise out of the ownership, operation, maintenance, use, loading or unloading of the self-insured motor vehicle;
- (2) Permit the commissioner or an authorized representative to inspect and copy records and provide them copies of records pertaining to the self-insurer's financial condition, processing and payment of claims, and any other matters pertinent to the administration and enforcement of the motor vehicle insurance law; and
- (3) Comply with all requirements of the motor vehicle insurance law, rules, and directives of the commissioner, including, but not limited to, those relating to processing and payment of claims and payment of assessments and fees. [Eff 9/1/74; am and ren §16-23-21, 7/7/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §§431:10C-119, 431:10C-301, 431:10C-304)

§16-23-22 Repealed. [R 11/11/12]

§16-23-23 Amount of cash, securities, or bond.

The commissioner shall consider the number of vehicles involved, the exposure, the financial condition of the applicant, and other factors appropriate to determining adequacy of security in fixing the amount of the bond or the amount of cash or securities. [Eff 9/1/74; am and ren §16-23-23, 7/7/80; comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am and comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-119, 431:10C-214) (Imp: HRS §§431:10C-119, 431:10C-602, 431:10C-603; 431:10C-604)

§16-23-24 Repealed. [R 11/11/12]

§16-23-25 Supplemental bond or excess liability insurance requirement. The commissioner may require any self-insurer to provide a bond or additional bond, cash, and securities or additional securities in a reasonable amount whenever the commissioner finds that the same is necessary or appropriate. The commissioner may also require the self-insurer to provide evidence of excess liability insurance (in excess of the self-insured retention) in a licensed insurer in an amount the commissioner finds appropriate in light of such factors as the exposure, the number of vehicles involved, and the financial condition of the self-insurer. [Eff 9/1/74; am and ren §16-23-25, 7/7/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §§431:10C-119, 431:10C-602, 431:10C-603; 431:10C-604)

§16-23-26 Service of process. A self-insurer shall appoint an agent, who is a natural person, domiciled in the State of Hawaii to accept service of process and legal documents provided that in the event of a conflict between this chapter and any other statute or rule of civil procedure, the statute or rule of civil procedure shall prevail. [Eff 9/1/74; am and ren §16-23-26, 7/7/80; comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am and comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-119, 431:10C-214) (Imp: HRS §431:10C-119)

§16-23-27 Repealed. [R 11/11/12]

§16-23-28 Repealed. [R 11/11/12]

§16-23-30 Repealed. [R 11/11/12]

§16-23-31 Repealed. [R 11/11/12]

§16-23-32 Repealed. [R 11/11/12]

§16-23-33 Reporting requirements. A self-insurer shall submit the reports prescribed by subchapter 12 of this chapter. [Eff 9/1/74; am and ren §16-23-33, 7/7/80; am and comp 9/1/82; comp 9/1/85; am 9/1/86; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth:

HRS §431:10C-214) (Imp: HRS §§431:10C-119, 431:10C-215)

SUBCHAPTER 7 REPEALED

§16-23-34 Repealed. [R 9/1/80]

§16-23-35 Repealed. [R 9/1/80]

§16-23-36 Repealed. [R 9/1/80]

§16-23-37 Repealed. [R 9/1/80]

§16-23-38 Repealed. [R 9/1/80]

§16-23-39 Repealed. [R 9/1/80]

§16-23-40 Repealed. [R 9/1/80]

§16-23-41 Repealed. [R 9/1/80]

§16-23-42 Repealed. [R 9/1/80]

§16-23-43 Repealed. [R 9/1/80]

§16-23-44 Repealed. [R 9/1/80]

§16-23-45 Repealed. [R 9/1/80]

§16-23-46 Repealed. [R 9/1/80]

§16-23-47 Repealed. [R 9/1/80]

§16-23-48 Repealed. [R 9/1/80]

§16-23-49 Repealed. [R 9/1/80]

§16-23-50 Repealed. [R 9/1/80]

§16-23-51 Repealed. [R 9/1/80]

§16-23-52 Repealed. [R 9/1/80]

§16-23-53 Repealed. [R 9/1/80]

§16-23-54 Repealed. [R 9/1/80]

§16-23-55 Repealed. [R 9/1/80]

SUBCHAPTER 8

DRIVER EDUCATION FUND

§16-23-56 Payment and expenditure. There is assessed and levied upon each insurer and self-insurer a drivers' education fund underwriters' fee on each motor vehicle insured by each insurer or self-insurer. This fee is set by statute and is due and payable on an annual basis from July 1, 1998 by means and at a time to be determined by the commissioner. Motor vehicles insured under the joint underwriting plan shall be excluded from the drivers' education fund assessment. The commissioner shall deposit the fees into a special drivers' education fund account to be expended for the operation of the drivers' education program provided for in section 286-128, HRS, and the drivers' education program administered by the department of education. [Eff 9/1/74; am 9/1/78; am and ren §16-23-56, 7/7/80; am 9/1/80; am 9/1/81; comp 9/1/82; am 9/1/84; am and comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-115, 431:10C-214) (Imp: HRS §431:10C-115)

SUBCHAPTER 9

MISCELLANEOUS PROVISIONS

§16-23-57 Administrative hearing on denial of claim. If an insurer or self-insurer denies a claim for personal injury protection in whole or in part, it shall mail to the claimant in triplicate a notice of the denial as required by section 431:10C-304(3)(B), HRS. In the case of benefits for services specified in section 431:10C-103.5, HRS, the insurer or self-insurer shall also mail a copy of the denial to the health care provider or alternative health care provider.

If the claimant or health care provider desires a review of any action on the claim for benefits, the claimant or health care provider shall file with the commissioner two copies of the notice of denial of the claim, a request for review and a statement in duplicate giving specific reasons for the request within sixty days after the date of denial of the claim.

The commissioner shall forthwith notify the insurer or self-insurer of the request for review, enclosing a copy of the claimant's or health care provider's statement of reasons therefor.

The review hearing shall be held or conducted in the county in which the claimant or health care provider resides; provided, that the commissioner, upon a showing of good cause, may hold the hearing in another county. The hearing may be held by telephone with the consent of the parties. The commissioner may appoint an impartial referee to hear the matter.

The review shall be heard and determined in accordance with the provisions of chapter 91, HRS, and chapter 16-201. The commissioner shall assess the

cost of the hearing upon either or both of the parties.

Nothing in this section precludes determination of any dispute relating to a motor vehicle insurance policy by arbitration and judicial review pursuant to chapter 431:10C, HRS. [Eff 9/1/74; am 9/1/79; am and ren §16-23-57, 7/7/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am 9/1/91; am and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-212, 431:10C-214) (Imp: HRS §§431:10C-212, 431:10C-214)

§16-23-58 Notice of claim. Written notice of claim under a motor vehicle insurance policy and any optional coverage shall be given to the insurer within a reasonable time after the date of the accident on which the claim is based or when the claimant first became aware of the ailment or disability resulting from the accident, subject to the statute of limitations, 431:10C-315, HRS. [Eff 9/1/74; am and ren §16-23-58, 7/7/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §431:10C-214)

§16-23-59 Repealed. [R 11/11/12]

§16-23-60 Motor vehicle insurance policy endorsements. Any policy issued or renewed on or after January 1, 1998, shall provide the coverage required of a motor vehicle insurance policy in accordance with chapter 431, HRS, and administrative rules as amended from time to time. The endorsement as drafted by the insurer shall be subject to approval

by the commissioner. The commissioner may require a certification from the insurer that, to the best of the certifier's knowledge and belief, such form meets the requirements of all applicable Hawaii laws and rules.

Subject to section 431:10C-308.5, HRS, the endorsement may provide that a person eligible for personal injury protection benefits shall submit to medical or related examination by health care providers as often as, the insurer may reasonably require. A person eligible for personal injury protection benefits may be required to submit, at the insurer's expense, to a medical or related examination in a county other than the county in which the subject person resides. [Eff 9/1/74; am and ren §16-23-60, 7/7/80; comp 9/1/82; am 9/1/84; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §431:10C-214)

SUBCHAPTER 10 REPEALED

§16-23-61 Repealed. [R 9/1/85]

§16-23-62 Repealed. [R 9/1/85]

SUBCHAPTER 11 REPEALED

§16-23-63 Repealed. [R 9/1/86]

SUBCHAPTER 12

STATISTICAL AND REPORTING REQUIREMENTS

§16-23-64 Revision of current statistical plans.

Statistical plans currently utilized for the collection and compilation of experience under motor vehicle insurance policies shall be revised and refiled to meet the following additional requirements of this section:

- (1) Compilations made by statistical agents shall be filed with the commissioner within ninety days of the evaluation date of the data contained therein. Accident year experience shall be evaluated as of March 31, and the statistical agent's compilation filed on or before June 30 of each year. In the event that an individual company does not provide proper input data to its designated statistical agent on a timely basis, the statistical agent shall nevertheless file the compilation of such data as has been properly filed on or before June 30 together with a detailed explanation of the incomplete data and the steps being taken to remedy the incompleteness. Every thirty days thereafter, the statistical agent shall file an updated compilation together with a deficiency report, until a complete compilation has been filed;
- (2) Statistical agents shall make available to the commissioner, at request, compilations for any or all individual companies reporting to them;
- (3) Coverage codes shall provide for separate identification of each mandatory option, as specified in section 16-23-11;

- (4) Type of loss codes shall provide for separate identification of each mandatory option as specified in section 16-23-11;
- (5) Provision shall be made to separately identify benefits paid for chiropractic and acupuncture treatments under personal injury protection benefits;
- (6) The definition of excess loss shall be amended to include provision for claims where the amount of personal injury protection benefits incurred equals or exceeds \$10,000, less any applicable offset or deductible;
- (7) Experience under each of the various deductibles, co-payments and managed care options for personal injury protection benefits shall be separately coded and compiled;
- (8) Provision shall be made to separately identify the amount of covered loss deductible offsets to bodily injury liability coverage losses; and
- (9) Experience under each of the various deductibles and optional additional coverage for physical damage shall be separately coded and compiled. [Eff 9/1/74; am and ren §16-23-64, 7/7/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214)
(Imp: HRS §431:14-114)

§16-23-65 Quarterly report. (a) Each insurer shall maintain a quarterly report covering the matters described in this section. Groups of companies shall also maintain quarterly reports on a combined basis. Each insurer and group of companies shall make

available and submit quarterly reports to the commissioner at the commissioner's request.

(b) A census of vehicles insured as of the end of each calendar quarter shall be maintained. Within forty-five days of the end of the fourth quarter, the fourth quarter census shall be filed with the commissioner. The census of the vehicles insured shall indicate the following characteristics:

- (1) Territory;
- (2) Private passenger non fleet, motorcycle, or commercial;
- (3) Number in paragraph (2) with optional additional coverage for:
 - (A) Limits of personal injury protection benefits;
 - (B) Limits of bodily injury liability benefits;
 - (C) Alternative providers benefits;
 - (D) Wage loss benefits;
 - (E) Death benefits;
 - (F) Funeral benefits;
 - (G) Comprehensive, fire, and theft; and
 - (H) Collision.
- (4) Number in paragraph (2) with personal injury protection benefits subject to:
 - (A) Deductibles;
 - (B) Co-payments; or
 - (C) Managed care; and
- (5) Number of insured vehicles charged a rate for basic coverage above the insurer's basic rate for the use classification, mileage, and territory of the vehicle.

(c) Experience under Hawaii motor vehicle insurance policies shall be maintained by accident quarter, developed through the end of the quarter of the report:

- (1) Experience shall be filed separately for private passenger non fleet, motorcycles, and commercial;
- (2) Experience shall be filed separately for personal injury protection, alternative providers, wage loss, death, funeral, bodily

injury liability, property damage liability, uninsured motorist, underinsured motorist, and for physical damage; and

- (3) The following data shall be shown for each classification:
- Car years: written (except earned commercial)
 - Gross premiums: written
earned
 - Number of claims: incurred pending as of report date
 - Losses & allocated loss adjustment expense:
 - Paid on closed claims
 - Paid on open claims
 - Reserve for outstanding reported losses
 - Reserve for incurred but not reported losses

(Number of claims, in the case of personal injury protection, alternative providers, wage loss, death, funeral, uninsured motorist, and underinsured motorist benefits means the number of injured persons receiving benefits. Paid losses should be net of any salvage or subrogation received. Reserve for outstanding reported losses is the amount unpaid as of the report date.)

(d) Data relating to number of policies canceled or refused renewals shall be maintained. Within forty-five days of the end of the fourth quarter, the data for the fourth quarter shall be filed with the commissioner. Data shall be maintained and filed relating to number of policies cancelled or refused renewals due to the following:

- (1) Nonpayment of premium;
- (2) License suspended or revoked;
- (3) Policyholder request;
- (4) Policyholder eligibility;
- (5) Notices of non-renewal;
- (6) Notices of conditional renewal;

- (7) Cancellation within sixty days of policy period for paragraphs (1) or (2); and
- (8) Other conditions which shall be described.
- (e) Data relating to claims for personal injury protection benefits shall be maintained as follows:
 - (1) Number of claims closed without payment;
 - (2) Number of claims in suit at end of the quarter;
 - (3) Number of claims where suit was instituted during the quarter;
 - (4) Number of claims where accrued benefits were unpaid thirty days after reasonable proof had been received, and the amount of interest penalty paid as a result thereof; and
 - (5) Number of claims denied during the quarter.

This section of the report shall contain an analysis of the reasons for the resistance to or denial of the claims in paragraphs (2), (3), and (5).

(f) When requested by the commissioner, reports shall be filed in a format prescribed by the commissioner. [Eff 9/1/74; am and ren §16-23-65, 7/7/80; am 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §431:10C-215)

§16-23-66 Annual report. By April 1 of each year, each insurer shall file an annual report covering the business of the preceding year. The report shall contain a summary of Hawaii motor vehicle insurance experience in a format prescribed by the commissioner. The experience shall be reported for six major classes of motor vehicle insurance:

- (1) Private Passenger Personal Injury Protection;
- (2) Private Passenger Liability;
- (3) Private Passenger Physical Damage;

- (4) Commercial Personal Injury Protection;
- (5) Commercial Liability; and
- (6) Commercial Physical Damage.

This report shall contain a detailed explanation of the methods used to assign expenses and investment income to Hawaii motor vehicle classifications, and those used to develop reserves for losses and loss adjustment expenses. Groups of companies shall also file an annual report on a combined basis. [Eff 9/1/74; am 9/1/76; am 9/1/77; am and ren §16-23-66, 7/7/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am 9/1/91; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §431:10C-214) (Imp: HRS §431:10C-215)

§16-23-66.5 Repealed. [R 1/1/98]

SUBCHAPTER 13

THE JOINT UNDERWRITING PLAN

Historical Note: Subchapter 13 of chapter 16-23 is based substantially upon subchapter 7 of chapter 16-23. [Eff 9/1/74; am 9/1/76; am 9/1/77; am 9/1/78; am 9/1/79; am and ren §16-23-34 to §16-23-55, 7/7/80; R 9/1/80; comp 7/2/22]

§16-23-67 General description. (a) The joint underwriting plan (JUP) is intended to provide motor vehicle insurance and optional additional insurance in a convenient and expeditious manner for those persons,

uses, or motor vehicles in certain "high risk" categories with respect to which insurance cannot reasonably be obtained in the market at rates not in excess of JUP rates, or persons who otherwise are in good faith entitled to, but unable to obtain, motor vehicle insurance and optional additional insurance through ordinary methods. Insurers will pool their losses and bona fide expenses under JUP to prevent the imposition of any inordinate burden on any particular insurer.

(b) Another part of the JUP consists of the assignment thereto of claims of victims for whom no policy is applicable, such as the hit-and-run victim who is not covered by a motor vehicle insurance policy. The losses and expenses under the assigned claims program are pro-rated among and shared by all motor vehicle insurers and self-insurers. [Eff 9/1/80; comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am 1/30/95; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-412)

§16-23-68 Membership in JUP. (a) Each insurer shall be a member of the JUP. As a condition of licensure, it shall:

- (1) Maintain its membership at a minimum fee of \$1,000 per year or part thereof; and
- (2) Accept appointment as a servicing entity if the commissioner finds it necessary in the public interest and that the insurer is capable of performing as a servicing entity.
- (3) This section shall not apply to those insurers writing motor vehicle insurance exclusively under section 431:10C-106, HRS.

(b) The commissioner shall notify the insurer of its membership in the JUP at least thirty days before the extension date of the insurer's membership. If the fee is not paid on or before the extension date,

the fee shall be increased by a penalty in the amount of fifty per cent of the fee. If the fee and the penalty are not paid within thirty days after the extension date, the commissioner may revoke the insurer's certificate of authority and reissue the certificate of authority when the penalty and the fee have been paid. [Eff 9/1/80; am and comp 9/1/82; am and comp 9/1/85; am 9/1/87; am and comp 9/1/88; comp 9/15/89; am and comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-69 Repealed. [R 1/8/99]

§16-23-70 Allocation of JUP costs. All costs incurred in the operation of the joint underwriting plan bureau and the operation of the plan, such as administrative, staff, and claims (other than assigned claims) paid, shall be allocated fairly and equitably among the JUP members.

The allocations shall be computed on a "share of the voluntary market" basis.

Allocation of private passenger non-fleet experience will be on the basis of net direct written car years.

Allocation of commercial and all other experience will be on the basis of net direct written premiums.

Member insurers or the statistical agencies designated by them shall report all of the data necessary to comply with the allocation procedures to the commissioner or agent designated by the commissioner. Each insurer shall permit its statistical agent to release such data to the commissioner or agent designated by the commissioner. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; comp

1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22]
(Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS
§§431:10C-401 through 431:10C-404)

§16-23-71 Selection of servicing entities. (a)

The commissioner shall select certain insurers or persons as servicing entities, who will provide JUP coverage and perform direct insurance operations on behalf of JUP members. A servicing entity shall be one of the following:

- (1) An insurer as described in section 16-23-68, with the abilities to provide services as described in section 16-23-77, or
- (2) A person as described in section 431:1-212, HRS, authorized to provide services as described in section 16-23-77.

(b) In making the selection, the commissioner shall consider:

- (1) Whether the servicing entity is able to process and maintain a high level of service for all risks submitted through agents;
- (2) Whether the servicing entity has the facilities to provide JUP policyholders and assigned claimants a high level of service;
- (3) Whether the servicing entity is able to service private passenger or commercial lines and to process fluctuating work volumes and maintain quality of service through peak periods;
- (4) Whether the servicing entity's claims service is adequate, including an adequately decentralized adjusting staff, a claims examining staff resident in Hawaii, and local authority to settle claims at least up to the statutory basic motor vehicle insurance limits; and
- (5) Whether the servicing entity is capable of producing accounting and statistical reports and other data as required. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88;

comp 9/15/89; comp 9/1/90; comp 6/1/93; am
and comp 1/1/98; comp 1/8/99; comp 11/11/12;
am and comp 7/2/22] (Auth: HRS §§431:10C-
214, 431:10C-406) (Imp: HRS §§431:10C-401
through 431:10C-404)

§16-23-72 Classifications eligible for JUP. (a)

In addition to the classifications established in section 431:10C-407, HRS, the JUP shall provide motor vehicle insurance policies for the following classes of persons, motor vehicles, and uses:

- (1) Motor vehicles owned by licensed drivers, defined as follows:
 - (A) The applicant or any person who resides in the same household as the applicant and customarily operates the automobile or any other person who regularly and frequently operates the motor vehicle to be insured, who:
 - (i) Within thirty-six months prior to the date of the application has been convicted of operating a motor vehicle without motor vehicle insurance;
 - (ii) Within the eighteen months prior to the date of the application, has been convicted of or forfeited bail for two or more moving traffic violations; or
 - (iii) Has been convicted of any felony involving a motor vehicle;
 - (B) The applicant or any operator of an automobile in the same household who customarily operates the automobile or any other operator who customarily operates the automobile has been involved during the thirty-six month period prior to the date of the application in:

- (i) Two or more accidents involving bodily injury or death if there is one car in the household or an average of more than one such accident for all cars in the household, provided that a loss payment has been made or a loss reserve has been established for such accidents;
- (ii) Two or more accidents involving damage to any property, including their own, of \$1,000 or more if there is one car in the household, or an average of more than one such accident for all cars in the household, provided that loss payments or reserves under the comprehensive physical damage coverage shall not be counted; or
- (iii) A combination of two or more such accidents of the type specified in subparagraph (B) (i) or (ii).

Accidents under subparagraph (B) (i), (ii), or (iii) shall not be counted unless it can be clearly demonstrated that the applicant or other operator referred to therein was at fault. Accidents occurring under the following circumstances would tend to demonstrate that the applicant or operator was not at fault:

Automobile was lawfully parked (an automobile rolling from a parked position shall not be considered as lawfully parked, but shall be considered as the operation of the last operator); or

Applicant or other operator residing in the same household, was reimbursed by, or on behalf of, a person responsible for the accident or has judgment against that person; or

Automobile for the applicant or other operator resident in the same household was struck in the rear by another vehicle, and the operator has not been convicted of a moving traffic violation in connection with the accident; or

Operator of the other automobile involved in the accident was convicted of a moving traffic violation and the named insured or other operator resident in the same household was not convicted of a moving traffic violation in connection therewith; or

Automobile operated by the applicant or other operator resident in the same household was damaged as a result of contact with a hit-and-run driver, if the accident was reported to proper authority within twenty-four hours; or

Accidents involving contact with animals or fowl; or

Accidents involving physical damage, limited to and caused by flying gravel, missiles, or falling objects; and

- (2) All other motor vehicles, not classified under paragraph (1) or section 431:10C-407, HRS, owned by licensed drivers who are unable to obtain motor vehicle insurance policies and optional additional insurance through ordinary methods.

(b) The JUP shall also provide required optional additional insurance for the above classes, with the exception of licensed drivers receiving public assistance benefits and unlicensed permanently disabled individuals who own their motor vehicle and receive public assistance benefits.

(c) The JUP shall provide a named non-owner policy for any applicant. [Eff 9/1/80; am and comp 9/1/82; am and comp 9/1/85; comp 9/1/88; comp 9/15/89; am and comp 9/1/90; am 9/1/91; am and comp 6/1/93; am 1/30/95; am 8/12/96; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-407)

§16-23-73 Public assistance benefits recipients.

(a) The state department of human services (DHS) shall provide a certificate of eligibility for JUP coverage to eligible licensed drivers and unlicensed permanently disabled individuals unable to operate their motor vehicle, who are receiving public assistance benefits from the department or from the Supplemental Security Income program under the Social Security Administration and who desire basic motor vehicle insurance policy coverage under JUP; provided such licensed drivers and unlicensed permanently disabled individuals unable to operate their motor vehicle are the sole registered owners of motor vehicles to be insured under the JUP. The applicant shall submit the certificate in person or by mail to the servicing entity of the applicant's choice for a motor vehicle insurance policy. Certificates received by the servicing entity within thirty days from the date of certification of eligibility by the state department of human services shall be accepted and treated as if it were payment in full for the requested motor vehicle insurance coverages. The servicing entity shall certify this certificate which will function as a motor vehicle insurance policy and

issue the applicant a motor vehicle insurance identification card. The servicing entity shall develop the information necessary to validate the eligibility of the applicant. Only basic motor vehicle insurance policy coverages, as defined in section 431:10C-301(a) and 301(b)(1) and (2), HRS, shall be bound, and the effective date of coverage shall be the same date as the signature date on the certificate by the applicant; however, the effective date shall not precede the time and date of the certification of eligibility by the state department of human services, the date that the servicing entity receives the certificate, or the second day after postmark, whichever is later. In the event that the applicant fails to date the certificate, the date that the servicing entity receives the certificate or the second day after postmark, whichever is earlier, shall be considered the date the applicant signed the certificate. The servicing entity shall promptly notify the director of human services of public assistance recipients which it insures.

(b) An applicant shall first exhaust all paid coverage under any motor vehicle insurance policy then in force before becoming eligible for JUP coverage.

(c) Upon termination of public assistance benefits, the DHS shall:

- (1) Notify the recipient upon termination of public assistance benefits and instruct the recipient that the recipient must immediately notify the servicing entity of the termination of benefits and obtain timely insurance for the recipient's vehicle;
- (2) Give written notice to the recipient that the recipient's JUP basic motor vehicle insurance policy will terminate thirty days from the date of termination of public assistance benefits. This notice of cancellation shall be considered as proper notification under section 431:10C-112, HRS, and section 16-23-15, providing the

- recipient with thirty days' notice of cancellation; and
- (3) Notify the servicing entity of the termination of public assistance benefits and the date the termination was effective. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; am 9/1/86; am and comp 9/1/88; am and comp 9/15/89; comp 9/1/90; am 9/1/91; am and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-407)

§16-23-74 Application for JUP, placement; reporting disposition. A person may apply for coverage under the JUP to any motor vehicle insurance producer who shall inform the applicant whether or not the applicant is eligible for JUP coverage.

Any eligible certified public assistance insured (CPAI) shall apply for motor vehicle insurance coverage directly to the servicing entity of the insured's choice.

If the applicant qualifies for and desires JUP coverage, a producer who represents servicing entities in the voluntary market shall use these servicing entities in placing JUP applications, giving preference to the applicant's choice. A producer who does not represent any servicing entity in the voluntary market may place the JUP insurance with an appropriate servicing entity, giving preference to the applicant's choice. A producer licensed to write motor vehicle insurance shall automatically be licensed and authorized to bind eligible applicants on behalf of the JUP and shall communicate the fact of such binding directly to the affected servicing entity.

A producer shall inform the commissioner in writing of each application for JUP coverage received by it, showing the disposition thereof, i.e., whether the application was denied (and the reason therefor)

or approved, and if approved, the servicing entity with which the application was placed within two working days after the date of disposition. The commissioner may inquire into the propriety of any disposition and when indicated by the circumstances may, after affording the applicant, insurer, and any other affected persons an opportunity to be heard, take such action as may be appropriate. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-407)

§16-23-75 Denial of application; appeal. If an insurer denies an applicant JUP coverage under section 16-23-72(a)(1) or (a)(2) or section 431:10C-407, HRS, the insurer, by the next working day, shall mail or deliver to the applicant in triplicate a notice of the denial, of the applicant's right to appeal, and of the appeal procedure. If the applicant desires a review of the denial of the application, the applicant shall file with the commissioner two copies of the notice of denial, a request for review, and a statement in duplicate giving the applicant's reasons for the request within seven calendar days after the date of denial of the application.

The commissioner shall forthwith notify the insurer of the request for review, enclosing a copy of the statement of reasons therefor.

The appeal shall be heard and determined in accordance with the provisions of chapter 91, HRS, and chapter 16-201. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am 1/30/95; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-402)

§16-23-76 Administration by JUP bureau. If the commissioner determines that the method of assignment of JUP applicants described herein is not operating in an effective and fair manner, the commissioner may have the JUP bureau directly receive, assign, and supervise the servicing of all applications for JUP coverage. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-402)

§16-23-77 Servicing entities' duties. A servicing entity shall:

- (1) Accomplish confirmation of rating criteria, such as an applicant's or policyholder's driving record;
- (2) Issue, sell, solicit, or negotiate insurance policies and endorsements approved by the commissioner, and certify the eligibility certificates within fifteen working days after receipt of an application for JUP coverage;
- (3) Effectively and efficiently perform all necessary accounting and statistical procedures set forth in the JUP manual;
- (4) Collect the necessary data to disburse commission payments to producers and be able to store the data and transmit it to the Internal Revenue Service annually; and
- (5) Account to the commissioner as required, and take such action as the commissioner may properly require. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; comp 1/1/98; comp 1/8/99; am and comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406)

(Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-78 Allowances to servicing entities.

Servicing entities shall be reimbursed for their servicing expenses. The commissioner shall establish the fees for reimbursement of the servicing entity's administrative and loss adjustment expenses associated with its handling of certified public assistance insured and non-certified public assistance insured business on new business after June 2022, after consultation with the JUP board of governors. The fee schedule approved by the commissioner will define any direct reimbursement of operating costs to the servicing entity for both administrative and claims handling responsibilities. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-79 Commissions. A servicing entity shall pay a producer commission for business written pursuant to the JUP.

The rate of commission payable by the servicing entity for business written pursuant to the JUP shall be paid at market rates as presented by the JUP board of governors and approved by the Commissioner.

No commission shall be paid for certified public assistance insured business.

All risks transferred from one servicing entity to another under the JUP or reinstated policies are to be considered renewal business. [Eff 9/1/80; am and comp 9/1/82; am and comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; am 1/30/95; am and comp 1/1/98; am and comp 1/8/99; am and comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-

214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-80 JUP rates. The commissioner shall establish rating rules, refinement of classifications, rates, rating plans, territories, and policy forms for use under the JUP after consultation with the JUP board of governors and in accordance with the requirements and standards prescribed in sections 431:10C-409 through 431:10C-412, HRS. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-409 through 431:10C-412)

§16-23-81 JUP private passenger manual. The private passenger manual of the Hawaii joint underwriting plan (HJUP) and any amendments approved by the commissioner, published by the Automobile Insurance Plans Service Office (Rhode Island), is adopted as the private passenger automobile manual of the HJUP. Copies of the HJUP private passenger automobile manual are available at the Automobile Insurance Plans Service Office (Rhode Island), and are available for inspection at the insurance division, department of commerce and consumer affairs. The private passenger manual may be combined with the commercial manual to produce one manual. [Eff 9/1/80; am 9/1/81; am and comp 9/1/82; am 9/1/83; am 9/1/84; am and comp 9/1/85; am 9/1/86; am 9/1/87; am and comp 9/1/88; am and comp 9/15/89; am and comp 9/1/90; am 9/1/91; am and comp 6/1/93; am 1/30/95; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-409 through 431:10C-412)

§16-23-82 JUP commercial manual. The commercial automobile manual of the Hawaii joint underwriting plan (HJUP) and any amendments approved by the commissioner, published by the Automobile Insurance Plans Service Office (Rhode Island), is adopted as the commercial automobile manual of the HJUP. Copies of the HJUP commercial automobile manual are available at the Automobile Insurance Plans Service Office (Rhode Island), and are available for inspection at the insurance division, department of commerce and consumer affairs. The commercial manual may be combined with the private passenger manual to produce one manual. [Eff 9/1/80; am 9/1/81; am and comp 9/1/82; am 9/1/83; am 9/1/84; am and comp 9/1/85; am 9/1/86; am 9/1/87; am and comp 9/1/88; am and comp 9/15/89; am and comp 9/1/90; am 9/1/91; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-409 through 431:10C-412)

§16-23-83 Repealed. [R 1/8/99]

§16-23-84 JUP assigned claims; application; and assignment of claims. The claimant shall apply to the JUP bureau, which shall promptly assign the claim to an appropriate servicing entity and notify the claimant thereof. The assignment shall be made so as to minimize inconvenience to the claimant. The claimant and the assignee carrier shall have rights and obligations as set forth in part II of chapter 431:10C, HRS. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; am and comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; comp 1/1/98; am and comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404, 431:10C-408)

§16-23-85 Proration of costs and assigned claims paid. The commissioner shall annually prorate among and assess all insurers and self-insurers all costs and claims paid under the assigned claims program.

Proration shall be based upon a pro rata distribution for each premium dollar actually or theoretically received. A self-insurer shall be assessed that prorated amount based upon the total premium cost for the coverage and vehicles stated in its certificate of self-insurance, as if the self-insurer had sold such coverage at JUP premium rates. [Eff 9/1/80; comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §431:10C-408)

§16-23-86 JUP membership termination. A member may terminate membership in the JUP upon termination of its licensure to transact motor vehicle insurance business in this State. With respect to all policies in effect on the effective date of a member's termination, the liability of the terminating member shall cease on the anniversary date of each policy during the succeeding year. Termination of membership shall not discharge or otherwise affect liabilities incurred prior to the expiration of these policies and the member shall continue to pay assessments until its proportionate share established by its writings prior to discontinuance of business has been determined. However, if the motor vehicle liability, personal injury protection, or physical damage business of an insurer discontinuing the writing of motor vehicle liability, personal injury protection, or physical damage insurance in this State has been purchased by, transferred to, or reinsured by another insurer, the latter shall pay the assessments of the former until

the proportionate share of the former as established by its writings prior to such transfer has been paid.

In the event that an insurer is merged with another insurer or there is a consolidation of insurers, the continuing insurer shall pay the assessments of the insurer merged or consolidated. Groups of insurers under the same ownership and management shall be treated as a single insurer under these provisions. Groups of insurers under either the same ownership or management, but not both, may elect to be treated separately. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-87 Joint liability for JUP business. In the event of the failure of any member, through insolvency or otherwise, to pay promptly its portion of any loss or expense, after the JUP has made written demand upon it to pay the loss or expense, the commissioner shall take appropriate action. If the loss or expense remains unpaid beyond a reasonable period, all of the other motor vehicle insurance insurers, upon notification by the commissioner shall promptly pay their respective pro rata shares, based upon the predetermined participation ratios. Members which have made contributions shall have the right to recovery thereafter against the member in default, provided, that the commissioner may enter into an agreement with the member in default, or with its legal representative, upon an amount which shall constitute a full settlement of all of the obligations of the member to the remaining members. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-401 through 431:10C-404)

§16-23-88 Auditing of members. The commissioner may audit the records of any member relating to the JUP and may prescribe policies, and the keeping of records, books of account, documents, and related material that the commissioner deems necessary to carry out JUP functions. This material shall be provided by the members in the form and with the frequency required by the commissioner. [Eff 9/1/80; am and comp 9/1/82; comp 9/1/85; comp 9/1/88; comp 9/15/89; comp 9/1/90; am and comp 6/1/93; comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:10C-214, 431:10C-406) (Imp: HRS §§431:10C-215, 431:10C-401 through 431:10C-404)

SUBCHAPTER 14 REPEALED

§16-23-89 Repealed. [R 1/1/98]

SUBCHAPTER 15

COMPLIANCE RESOLUTION FUND

§16-23-90 Repealed. [R 11/11/12]

§16-23-91 Allocation of cost of motor vehicle insurance administration. (a) Each insurer authorized to transact motor vehicle insurance in this State shall be assessed by the commissioner an amount

computed on the basis of the motor vehicle insurance premiums written in this State by the insurer during the previous calendar year. Each self-insurer shall be assessed based upon the total premium cost for the coverage and vehicles stated in its certificate of self-insurance as if the self-insurer had sold the coverage at the premium rates applicable under the Hawaii Joint Underwriting Plan. Annually, on April 1 of each year, the commissioner shall determine the amounts due based on the amount needed for that year to administer the commissioner's obligations under article 10C of chapter 431, HRS. The commissioner shall give written notice to each insurer authorized to write motor vehicle insurance in this State and each self-insurer. The amounts required by this subsection shall be due on September 1 of each year.

(b) The commissioner may pay out of the compliance resolution fund moneys to cover the cost of administering article 10C of chapter 431, HRS. [Eff 12/28/92; comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; am and comp 7/2/22] (Auth: HRS §§431:2-202, 431:10C-214) (Imp: HRS § 431:2-215)

SUBCHAPTER 16 REPEALED

§16-23-92 Repealed. [R 1/1/98]

SUBCHAPTER 17

FEE SCHEDULE AND UTILIZATION GUIDELINES

§16-23-93 Fee schedules. Subject to the time limitations set forth in section 431:10C-315, HRS, this subchapter shall apply to treatment occurring after May 31, 1993. Charges and treatment rendered for emergency services during the initial seventy-two hours following the motor vehicle accident resulting in injury shall not be subject to this subchapter; provided, however, that charges for emergency treatment shall not exceed the health care or alternative care provider's usual and customary fee and shall be appropriate, reasonable, and necessarily incurred. Charges for treatment of a primarily palliative nature shall be subject to the requirements of this subchapter in the same manner as any other treatment. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214) (Imp: HRS §431:10C-308.5)

§16-23-94 Definitions. As used in this subchapter:

"Claimant" means a person entitled to the benefits described in section 431:10C-103.5, HRS, under a motor vehicle insurance policy.

"Emergency treatment" or "emergency services" means treatment or services which are performed within the initial seventy-two hours following the motor vehicle accident because the condition is life threatening or could cause serious harm.

"Physician" includes a doctor of medicine, a dentist, a chiropractor, an osteopath, a psychologist, an optometrist, and a podiatrist.

"Specialist" means a physician or surgeon who holds a certificate as a diplomate issued by a specialty board approved by the American Medical Association or the American Dental Association. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-95 Repealed. [R 11/11/12]

§16-23-96 Repealed. [R 11/11/12]

§16-23-97 Repealed. [R 11/11/12]

§16-23-98 Repealed. [R 1/1/98]

§16-23-99 Concurrent treatment. (a) Concurrent treatment by more than one health care or alternative care provider may be allowed if the attending health care provider determines the claimant's injury involves more than one body system, and requires multidiscipline care, or is so severe or complex that services of more than one health care or alternative care provider are required.

(b) Whenever a request for concurrent treatment is submitted, the insurer shall respond within five working days after postmark of such request, giving authorization or stating in writing the reason for refusal to each attending health care provider and the claimant. Any such refusal shall be filed concurrently with the commissioner. Failure by the insurer to respond within five working days after postmark of the request shall constitute approval of the request. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-100 Change in health care or alternative care providers. The application of the frequency of treatment guidelines set forth in this subchapter shall not be affected when the claimant changes the health care or alternative care provider. If a claimant receives treatments in excess of those specified in the guidelines, regardless of whether the treatments are performed by one health care or alternative care provider or by more than one health care or alternative care provider, the excess treatments may be subject to prior authorization. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-101 Repealed. [R 11/11/12]

§16-23-102 Repealed. [R 11/11/12]

§16-23-103 Rules of decision for allowable fees for medical, surgical, and hospital services and supplies. (a) When all the required care for a case reasonably falls within the range of qualifications of one health care provider, no other health care provider may claim a fee, except for consultation service or for surgical assistance. For groups of health care providers or hospitals with satellite clinics, when service is rendered by a group member of the same specialty, the group shall submit bills as though one health care provider had cared for the claimant.

(b) Medical, surgical, or hospital care of an unusual type or unlisted fee may occur which represents a type of service over and beyond listed

procedures. Appropriate fees may be allowed if the treatment was reasonable, appropriate, and necessary.

(c) Medical conditions or symptoms which are pre-existing and are not aggravated or affected by and do not result from the injury covered by motor vehicle insurance benefits shall not be compensable. Palliative treatment of these unrelated conditions shall be allowed, provided that these conditions directly retard, prevent, or endanger the surgical care or recovery from the injury covered by motor vehicle insurance benefits. In addition, pre-existing conditions which did not require treatment before the motor vehicle accident resulting in accidental harm but which do require treatment as a result of the accident shall be compensable. Pre-existing conditions which required treatment at the time of the accident and which are aggravated or affected so as to require additional treatment shall be compensable to the extent of the additional treatment.

(d) Certain of the procedures listed in medical fee schedules are commonly carried out as an integral part of a total service and do not warrant a separate charge. When such a procedure is carried out as a separate procedure, not immediately related to other services, the indicated fee is applicable.

(e) Minimal dressings, counseling incidental to treatment, etc., are covered by the office visit fee. Necessary drugs, supplies, and materials provided by the health care provider may be charged for separately in accordance with section 16-23-114.

(f) Fees including office visits shall not be paid for more than one visit per day by the same health care provider of service regardless of the number of injuries or conditions treated. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-104 Health care providers. (a)

Frequency and extent of treatment shall not be more than the nature of the injury and the process of recovery requires. Authorization is not required for the initial fifteen treatments of the injury during the first sixty calendar days, except for naturopathic, chiropractic and acupuncture treatments which are governed by section 431:10C-103.6, HRS.

(b) A bill for no more than four hours for psychometric, projective, and other psychological testing and the resultant reports shall not be subject to prior authorization.

(c) Conservative care extending beyond one hundred twenty calendar days from the date of first treatment may be subject to prior authorization.

- (d) (1) If the injury is the result of an accident on or after January 1, 1998, chiropractic and acupuncture visits shall be limited to the number of and costs for treatments in section 431:10C-103.6, HRS.
- (2) A "visit" shall include all examinations or chiropractic manipulative treatments involving one or more regions, spinal, and authorized physiotherapy modalities and procedures or acupuncture treatments provided on the same date.
- (3) The Hawaii state chiropractic guidelines are those guidelines in effect on January 25, 1997 (light green cover).
- (4) Payments to a chiropractor or an acupuncturist for visits shall conform to paragraph (1) and shall not be reduced or revised by an insurer or its agent(s).
- (5) Chiropractic treatments shall not exceed the scope of practice permitted by chapters 431 and 442, HRS.

(e) If the injury is the result of an accident occurring on or after January 1, 1998, for physical medicine and rehabilitation, treatments may include up to four procedures, up to four modalities, or a combination of up to four procedures and modalities, and the visit shall not exceed sixty minutes per

injury. When treating more than one injury, treatments may include up to six procedures, up to six modalities, or a combination of up to six procedures and modalities, and the entire visit shall not exceed ninety minutes.

(f) If the injury is the result of an accident occurring on or after January 1, 1998, an insurer or its agent(s) shall not reduce payments to health care providers under this section through the withholding of moneys for the payments of taxes. This subsection shall not exempt an insurer or its agent from complying with the Internal Revenue Code. [Eff and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; am and comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5, 431:10C-B) (Imp: HRS §§431:10C-308.5, 431:10C-B)

§16-23-105 Repealed. [R 11/11/12]

§16-23-106 Physician assistants. Attending health care providers may prescribe treatment in their discipline to be carried out by persons certified or licensed to provide the service. Fees for services provided by certified or licensed physician assistants under Hawaii law shall be sixty per cent of the fees authorized by section 16-23-115. Fees for services provided by assistants not certified or licensed shall be fifty per cent of the fees authorized by section 16-23-115. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-107 Repealed. [R 11/11/12]

§16-23-108 Repealed. [R 11/11/12]

§16-23-109 Repealed. [R 11/11/12]

§16-23-110 Anesthesia services. (a) A base unit is listed for all procedures in the medical fee schedule in accordance with section 16-23-115. This includes the base unit of all anesthesia services except the value of the actual time spent administering the anesthesia or in unusual detention with the patient.

(b) As allowed under Medicare, the anesthesia charges are equal to the sum of the base and time units for the service multiplied by a geographical adjusted anesthesia-specific conversion factor.

(c) The total value for anesthesia services includes pre- and post-operative visits, the administration of the anesthetic, and the administration of fluids and blood incident to the anesthesia or surgery.

(d) The time units are computed by dividing the total anesthesia time by fifteen minutes.

(e) Calculated values for anesthesia services shall be used when the anesthesia is administered by an appropriately licensed health care provider and a fee shall be paid only for the individual anesthetic service.

(f) If the general or regional anesthetic is administered by the attending health care provider, the value shall be fifty per cent of the calculated value.

(g) A separate charge may be made for necessary drugs and materials provided by the health care provider or anesthesiologist in accordance with section 16-23-114.

(h) When unusual detention with the claimant is essential for the safety and welfare of the claimant,

the necessary time will be valued on the same basis as indicated for anesthesia time.

(i) No additional fee shall be allowed for local infiltration or digital block anesthesia administered by the operating physician.

(j) When either a hypothermia or a pump oxygenator, or both, are employed in conjunction with an anesthetic, the anesthetic "basic" value will be equal to that of procedure code 00560.

(k) Where anesthesia is administered for dental services, if the above rules are not applicable, a fee equal to that of the procedure code 00122 for inhalation anesthesia and equal to that of procedure code 00102 by an intravenous route will be allowed. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-111 Radiology services. (a) Taking of anterior-posterior (A-P), lateral, and oblique x-rays shall be discretionary for one hundred-twenty days following the initial treatment and may be allowed without authorization. Prior authorization from the insurer shall be obtained for x-rays subsequent to the initial one hundred-twenty days of treatment.

(b) Diagnostic tests and x-rays shall be taken, reported, and marked for identification and orientation in accordance with the accepted standard of radiologic practice. X-rays shall be taken on machines with a current certification by the department of health.

(c) Where contrast x-ray examinations are performed, fees shall include the usual contrast media. When special trays or materials are provided by the health care provider, rather than by the hospital, an additional charge is warranted.

(d) Injection procedures, including major surgery, for the purpose of performing needed radiological studies, are covered in the section on

surgery. The fee shall be paid to the health care provider actually performing the service.

(e) Fees shall include both the technical and professional components. In the absence of any prior agreement between a radiologist and a hospital or other facility furnishing technical radiology services, the professional component shall be thirty-five per cent of the scheduled radiology fee. The technical (-TC) and professional (-26) components may be billed separately using the appropriate modifiers as indicated by Medicare. Billings for x-rays are not reimbursable without a report of the findings.

(f) Radiotherapy includes the use of x-ray and other high energy modalities (betatron, linear accelerator, etc.), radium cobalt, and other radioactive substances. Fees for therapy include follow-up care, and concomitant office visits, but not concomitant surgical, radiological, or laboratory procedures. [Eff and comp 6/1/93; am 1/30/95; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-112 Repealed. [R 1/1/98]

§16-23-113 Hospital services. (a) Subject to the terms of the motor vehicle insurance policy, when hospitalization is required for further treatment of a claimant, that claimant shall have a free choice of a licensed hospital in the county where the injury occurred or in the county where the claimant resides. If the claimant is in critical condition or unable to express a choice, then the attending health care provider may designate the hospital to which the claimant will be taken.

(b) Hospital charges shall be limited to ward rates or the lowest prevailing rate at the hospital where the claimant is confined, except if the nature

of the injury requires private care, intensive care, or isolation, as determined by the attending health care provider, in which case the prevailing private rates may be charged.

(c) When a claimant is treated in the emergency facility of a hospital, the allowable hospital charge for the use of the emergency room shall be the established emergency room charge for that particular hospital.

(d) All hospital charges shall be itemized when a bill is submitted. [Eff and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-114 Drugs, supplies and materials. (a)

All charges for prescribed drugs, supplies, or materials for the use of the claimant shall be separately listed and certified by the health care provider, or a duly authorized representative that the charges for the drugs, supplies, or materials were required or prescribed for the injury covered by motor vehicle insurance benefits.

(b) Dietary supplements such as minerals and vitamins shall not be reimbursable unless a specific compensable dietary deficiency has been clinically established in the claimant as a result of the injury covered by motor vehicle insurance benefits.

(c) Payment for covered prescription drugs and supplies shall be made at the average wholesale price plus forty per cent of the average wholesale price when sold by a health care provider, hospital, pharmacy, or alternative health care provider of service. Billings for prescriptive drugs shall include the national drug code number listed in the current American Druggist Red Book followed by the average wholesale price listed at time of purchase by the health care provider of service. Approved generics shall be substituted for brand name

pharmaceuticals unless the prescribing health care provider certifies no substitution is permitted because the claimant's condition will not tolerate a generic preparation. [Eff and comp 6/1/93; am and comp 1/1/98; comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-115 Workers' compensation medical fee schedule. (a) Charges for medical services shall not exceed one hundred ten per cent of participating fees prescribed in the Medicare Resource Based Relative Value Scale System applicable to Hawaii (Medicare Fee Schedule) or Exhibit A at the end of Title 12, Chapter 15, entitled "Workers' Compensation Supplemental Medical Fee Schedule" (Exhibit A). The Medicare Fee Schedule and Exhibit A, together herein referred to as the "medical fee schedule," is made a part of this chapter and shall be used to determine the maximum allowable fees using the procedure codes and unit values established by the department of labor and industrial relations pursuant to section 386-21, HRS. Any subsequent amendment by the department of labor and industrial relations to the Medicare fee schedule and Exhibit A, shall be incorporated into this chapter by reference.

(b) If the maximum allowable fees for medical services are listed in both the Medicare Fee Schedule and Exhibit A, charges shall not exceed the maximum allowable fees allowed under Exhibit A.

(c) For the purposes of this section "private patient" means a patient not covered by insurance. If the charges are not listed in the medical fee schedule or in Exhibit A, the health care provider shall charge a fee not to exceed eighty per cent of the health care or alternative care provider's usual and customary fee for the same service rendered to a private patient. Upon request by the insurer, a health care or alternative care provider shall submit a statement itemizing the lowest fee charged for the same health

care, services, and supplies furnished to any private patient during a one-year period preceding the date of the particular charge. Requests shall be submitted in writing within twenty calendar days of receipt of a charge allegedly in excess of the allowable amount. The health care or alternative care provider shall reply in writing within ten calendar days of receipt of the request. Failure to comply with the request of the insurer shall be reason for the insurer to deny payment.

(d) Fees listed in the Medicare Fee Schedule shall be subject to the current Medicare Fee Schedule correct coding initiative ("CCI") and follow-up rules. The Health Care Financial Administration Common Procedure Coding System alphabet codes adopted by Medicare shall not be allowed unless specifically adopted by the director of labor. [Eff and comp 6/1/93; am and comp 1/1/98; am and comp 1/8/99; comp 11/11/12; comp 7/2/22] (Auth: HRS §§431:2-201, 431:10C-214, 431:10C-308.5) (Imp: HRS §431:10C-308.5)

§16-23-116 Repealed. [R 11/11/12]

SUBCHAPTER 18 REPEALED

§16-23-117 Repealed. [R 11/11/12]

§16-23-117.5 Repealed. [R 11/11/12]

§16-23-118 Repealed. [R 11/11/12]

§16-23-119 Repealed. [R 11/11/12]

§16-23-120 Repealed. [R 11/11/12]

Amendments to and compilation of chapter 16-23, Hawaii Administrative Rules, on the Summary page dated May 9, 2022, were adopted on May 9, 2022, following a public hearing held on the same date, after public notices were given in the Honolulu Star Advertiser and also posted on the State of Hawaii, Public Meetings Calendar on April 8, 2022.

These amendments and compilation shall take effect ten days after filing with the Office of the Lieutenant Governor.

APPROVED:

/s/ Catherine P. Awakuni Colón
CATHERINE P. AWAKUNI COLÓN
Director of Commerce and
Consumer Affairs

Date: 6/16/2022

/s/ David Y. Ige
DAVID Y. IGE
Governor
State of Hawaii

Date: 6/22/2022

APPROVED AS TO FORM:

/s/: John E. Cole
Deputy Attorney General

'22 JUN 22 P12:55
Filed

EXHIBIT #1
REQUIRED OPTIONAL ADDITIONAL COVERAGES

<p>Personal Injury Protection (PIP)</p> <p style="text-align: center;">Benefits Limits</p> <hr/> <p style="text-align: center;">(per person)</p> <p style="text-align: center;">\$10,000 (basic)</p> <p style="text-align: center;">Insurers may offer higher limits</p> <p style="text-align: center;">PIP Deductibles</p> <hr/> <p style="text-align: center;">\$ 100</p> <p style="text-align: center;">\$ 300</p> <p style="text-align: center;">\$ 500</p> <p style="text-align: center;">\$ 1,000</p>	<p style="text-align: center;">Collision Deductibles</p> <hr/> <p style="text-align: center;">\$ 50</p> <p style="text-align: center;">\$ 100</p> <p style="text-align: center;">\$ 250</p> <p style="text-align: center;">\$ 500</p> <p style="text-align: center;">\$ 1,000</p> <p style="text-align: center;">\$ 1,500</p> <p style="text-align: center;">\$ 2,000</p>
<p style="text-align: center;">Property Damage Liability Limits</p> <hr/> <p style="text-align: center;">(per accident)</p> <p style="text-align: center;">\$ 10,000 (basic)</p> <p style="text-align: center;">\$ 15,000</p> <p style="text-align: center;">\$ 20,000</p> <p style="text-align: center;">\$ 30,000</p> <p style="text-align: center;">\$ 50,000 *</p>	<p style="text-align: center;">Comprehensive Deductibles</p> <hr/> <p style="text-align: center;">\$ 50</p> <p style="text-align: center;">\$ 100</p> <p style="text-align: center;">\$ 250</p> <p style="text-align: center;">\$ 500</p> <p style="text-align: center;">\$ 1,000</p> <p style="text-align: center;">\$ 1,500</p> <p style="text-align: center;">\$ 2,000</p>
<p style="text-align: center;">Bodily Injury Liability Limits</p> <hr/> <p style="text-align: center;">(per person/per accident)</p> <p style="text-align: center;">\$ 20,000/40,000 (basic)</p> <p style="text-align: center;">\$ 50,000/100,000</p> <p style="text-align: center;">\$ 100,000/300,000</p> <p style="text-align: center;">\$ 300,000/300,000 *</p>	<p style="text-align: center;">Death Benefits **</p> <hr/> <p style="text-align: center;">\$ 25,000</p> <p style="text-align: center;">\$ 50,000</p> <p style="text-align: center;">\$ 75,000</p> <p style="text-align: center;">\$ 100,000</p>
<p style="text-align: center;">Uninsured Motorist Limits non-stacked and stacked</p> <hr/> <p style="text-align: center;">(per person/per accident)</p> <p style="text-align: center;">\$ 20,000/40,000 (basic offer)</p> <p style="text-align: center;">\$ 50,000/100,000</p> <p style="text-align: center;">\$ 100,000/300,000</p> <p style="text-align: center;">\$ 300,000/300,000 *</p>	<p style="text-align: center;">Funeral Expenses **</p> <hr/> <p style="text-align: center;">\$2,000</p>
<p style="text-align: center;">Underinsured Motorist Limits non-stacked and stacked</p> <hr/> <p style="text-align: center;">(per person/per accident)</p> <p style="text-align: center;">\$ 20,000/40,000 (basic offer)</p> <p style="text-align: center;">\$ 50,000/100,000</p> <p style="text-align: center;">\$ 100,000/300,000</p> <p style="text-align: center;">\$ 300,000/300,000 *</p>	<p style="text-align: center;">Wage Loss Benefits **</p> <hr/> <p style="text-align: center;">(maximum per month/per accident per person)</p> <p style="text-align: center;">\$ 500/3,000</p> <p style="text-align: center;">\$ 1,000/6,000</p> <p style="text-align: center;">\$ 1,500/9,000</p> <p style="text-align: center;">\$ 2,000/12,000</p>
<p style="text-align: center;">Alternative Provider Services Limits **</p> <hr/> <p style="text-align: center;">maximum: \$75 per visit</p> <p style="text-align: center;">maximum: 30 visits</p>	

* where required by law

EXHIBIT #2
OPTIONAL CONDITIONS & LIMITATIONS

PIP Benefits Limits

(aggregate per person)

\$ 20,000
\$ 30,000
\$ 50,000

Additional Chiropractic

Maximum: \$75 per visit
Maximum: 30 visits

PIP Co-Payments

10%
20%
30%

Preferred Repair Provider

No less than two

PIP through Managed Care

Health Maintenance Organization; or
Preferred Provider Organization

Managed Care Deductibles

\$ 100
\$ 300
\$ 500
\$ 1,000

Managed Care Co-Payments

10%
20%
30%
Or no more than \$10.00