

Under this heading will appear the text of proposed rules and changes. The notice of proposed rulemaking is required to contain an explanation of any new rule or any change in an existing rule and the reasons therefor. This is set out in the Purpose section with each rule. Also required is a citation to the legal authority to make rules. This appears following the text of the rule, after the word "Authority."

Entirely new rules are printed without any special symbolology under the heading of the proposed rule. If an existing rule is to be amended or rescinded, it will have a heading of proposed amendment or proposed rescission. Rules which are proposed to be amended will have new matter printed in boldface type and matter to be deleted placed in brackets.

An important function of the *Missouri Register* is to solicit and encourage public participation in the rulemaking process. The law provides that for every proposed rule, amendment or rescission there must be a notice that anyone may comment on the proposed action. This comment may take different forms.

If an agency is required by statute to hold a public hearing before making any new rules, then a Notice of Public Hearing will appear following the text of the rule. Hearing dates must be at least thirty (30) days after publication of the notice in the *Missouri Register*. If no hearing is planned or required, the agency must give a Notice to Submit Comments. This allows anyone to file statements in support of or in opposition to the proposed action with the agency within a specified time, no less than thirty (30) days after publication of the notice in the *Missouri Register*.

An agency may hold a public hearing on a rule even though not required by law to hold one. If an agency allows comments to be received following the hearing date, the close of comments date will be used as the beginning day in the ninety (90)-day-count necessary for the filing of the order of rulemaking.

If an agency decides to hold a public hearing after planning not to, it must withdraw the earlier notice and file a new notice of proposed rulemaking and schedule a hearing for a date not less than thirty (30) days from the date of publication of the new notice.

(1) Definitions. For the purposes of 4 CSR 240-33.160, the following definitions are applicable:

(C) Breach has occurred when a person, without authorization or exceeding authorization, has gained access to, used, or disclosed CPNI.

[(C)](D) Categories of service include local exchange telecommunications services and interexchange telecommunications services;

[(D)](E) Communications-related services are telecommunications services, information services typically provided by telecommunications companies, and services related to the provision or maintenance of customer premises equipment;

[(E)](F) Control (including the terms "controlling," "controlled by," and "common control") is the possession, directly or indirectly, of the power to direct, or to cause the direction of the management or policies of an entity, whether such power is exercised through one (1) or more intermediary entities, or alone, or in conjunction with, or pursuant to an agreement with, one (1) or more other entities, whether such power is exercised through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, affiliated entities, contract or any other direct or indirect means. The commission shall presume that the beneficial ownership of ten percent (10%) or more of voting securities or partnership interest of an entity constitutes control for purposes of this rule;

[(F)](G) Customer is a person or entity to which the telecommunications company is currently providing service;

[(G)](H) Customer proprietary network information (CPNI) is information that relates to the quantity, technical configuration, type, destination, location and amount of use of a telecommunications service subscribed to by any customer of a telecommunications company, and that is made available to the telecommunications company by the customer solely by virtue of the customer-telecommunications company relationship. Customer proprietary network information also is information contained in bills pertaining to basic local exchange telecommunications service or interexchange telecommunications service received by a customer of a telecommunications company. Customer proprietary network information does not include subscriber list information;

[(H)](I) Customer premises equipment (CPE) is equipment employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications;

[(I)](J) Independent contractor is a third party who contracts with a telecommunications company for the provision of services to the telecommunications company, but who is not controlled by the telecommunications company;

[(J)](K) Information service is the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service;

[(K)](L) Information services typically provided by telecommunications companies are only those information services as defined in subsection (1)(J) that are typically provided by telecommunications companies, such as Internet access or voice mail services. Information services typically provided by telecommunications companies as used in this rule shall not include retail consumer services provided using Internet websites (such as travel reservation services or mortgage lending services), whether or not such services may otherwise be considered to be information services;

[(L)](M) Joint venture partner is a third party that agrees to share with a telecommunications company in the profits and losses of a business entity formed by the telecommunications company and the third party;

Proposed Amendment Text Reminder:

Boldface text indicates new matter.

[Bracketed text indicates matter being deleted.]

**Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 240—Public Service Commission
Chapter 33—Service and Billing Practices for Telecommunications Companies**

PROPOSED AMENDMENT

4 CSR 240-33.160 Customer Proprietary Network Information

PURPOSE: This amendment modifies the procedures by which telecommunications companies may use, disclose, or permit access to customer proprietary network information consistent with recent federal modifications. The proposed amendment also adds a requirement for telecommunications carriers to notify the Missouri Public Service Commission of customer proprietary network information (CPNI) security breaches.

[(M)](N) Local exchange telecommunications company (LEC) is any company engaged in the provision of local exchange or exchange access telecommunications services;

[(N)](O) Opt-in approval is a method for obtaining customer consent to use, disclose, or permit access to the customer's CPNI. This approval method requires that the telecommunications company obtain from the customer affirmative, express consent allowing the requested CPNI usage, disclosure, or access after the customer is provided appropriate notification of the telecommunications company's request consistent with the requirements set forth in this rule;

[(O)](P) Opt-out approval is a method for obtaining customer consent to use, disclose, or permit access to the customer's CPNI. Under this approval method, a customer is deemed to have consented to the use, disclosure, or access to the customer's CPNI if the customer has failed to object thereto within a thirty (30)-day minimum period of time after the customer is provided appropriate notification of the telecommunications company's request for consent consistent with these rules. A telecommunications company may, in its discretion, provide for a longer period. Telecommunications companies must notify customers as to the applicable waiting period for a response before approval is assumed;

[(P)](Q) Party is a participant in, or an agent or designee acting on behalf of and for the benefit of a participant to a transaction in which an end-user's CPNI is sold, transferred, shared or otherwise disseminated;

[(Q)](R) Public safety answering point (PSAP) is a communications location used by public safety agencies for answering emergency telephone service calls which originate in a given area. A PSAP may be designated as primary or secondary, which refers to the order in which calls are directed for answering. PSAPs may be located at police, fire or emergency medical service communications centers, or may be located in a specialized centralized communications center which handles all emergency communications for an area;

[(R)](S) Subscriber list information (SLI) is any information identifying the listed names of subscribers of a telecommunications company and such subscribers' telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combination of such listed names, numbers, addresses, or classifications; and that the telecommunications company or an affiliate has published, caused to be published, or accepted for publication in any directory format;

[(S)](T) Telecommunications company is used as defined in section 386.020, RSMo 2000;

[(T)](U) Telecommunications service is used as defined in section 386.020, RSMo 2000;

[(U)](V) Third party is a company not owned or controlled by or owning or controlling a telecommunications company. The third party usually operates outside the market in which a telecommunications company operates and does not provide communications-related services.

(2) Use of CPNI Without Customer Approval.

(C) Approval not required for use of customer proprietary network information.

1. A telecommunications company may use, disclose, or permit access to CPNI, without customer approval, in its provision of inside wiring installation, maintenance, and repair services.

2. A telecommunications company may use CPNI, without customer approval, to market services such as, but not limited to, speed dialing, computer-provided directory assistance, call monitoring, call tracing, call blocking, call return, repeat dialing, call tracking, call waiting, caller I.D., call forwarding, and certain centrex features.

3. A telecommunications company may use, disclose, or permit access to CPNI to protect the rights or property of the telecommunications company, or to protect users of those services and other

telecommunications companies from fraudulent, abusive, or unlawful use of, or subscription to, such services.

4. A telecommunications company may use, disclose, or permit access to customer information to public safety answering points (PSAPs) if the PSAP claims it needs the information to respond to an emergency. Information to be released shall be limited to subscriber list information as defined in 4 CSR 240-33.160(1)**[(R)](S)**.

(3) Approval Required for Use of CPNI.

(A) Use of Opt-Out and Opt-In Approval Process.

1. **A telecommunications company shall obtain opt-in approval from a customer before disclosing that customer's CPNI to the telecommunications company's joint venture partners or independent contractors. Any such disclosure to joint venture partners and independent contractors shall be subject to the safeguards set forth in paragraph (3)(A)3. below.**

[1.]2. A telecommunications company may, subject to opt-out approval or opt-in approval, use its customer's individually identifiable CPNI for the purpose of marketing communications-related services to that customer. A telecommunications company may, subject to opt-out approval or opt-in approval, disclose its customer's individually identifiable CPNI, for the purpose of marketing communications-related services to that customer, to its agents~~;~~ **and its affiliates that provide communications-related services; and its joint venture partners and independent contractors].** A telecommunications company may also permit such persons or entities to obtain access to such CPNI for such purposes. Any such disclosure to or access provided to agents~~,~~ **and affiliates[, joint venture partners and independent contractors]** shall be subject to the safeguards set forth in paragraph (3)(A)**[2.] 3.** below. A telecommunications company may elect not to apply the safeguards set forth in paragraph (3)(A)**[2.]3.** below *[to its agents or affiliates]*, however, if the telecommunications company so elects, then it shall be held responsible if its agents or affiliates further use, allow access to, or disclose customers' CPNI.

[2.] 3. Agents/affiliates/joint venture/contractor safeguards. A telecommunications company that discloses or provides access to CPNI to its agents, affiliates, joint venture partners or independent contractors **pursuant to paragraphs (3)(A)1. and 2. above** shall enter into confidentiality agreements with those agents, affiliates, joint venture partners or independent contractors that comply with the following requirements. The confidentiality agreement shall:

A. Require that those agents, affiliates, joint venture partners or independent contractors use the CPNI only for the purpose of marketing or providing the communications-related services for which that CPNI has been provided;

B. Disallow the agents, affiliates, joint venture partners or independent contractors from using, allowing access to, or disclosing the CPNI to any other party, unless required to make such disclosure under force of law; and

C. Require that the agents, affiliates, joint venture partners and independent contractors have appropriate protections in place to ensure the ongoing confidentiality of customers' CPNI.

(4) Customer Notification Requirements.

(C) Content of Notice. Customer notification must provide sufficient information to enable the customer to make an informed decision as to whether to permit a carrier to use, disclose, or permit access to, the customer's CPNI.

1. The notification must state that the customer has a right, and the telecommunications company a duty, under federal and state law, to protect the confidentiality of CPNI.

2. The notification must specify the types of information that constitute CPNI and the specific entities that will receive the CPNI, describe the purposes for which CPNI will be used, and inform the customer of his or her right to disapprove those uses, and deny or withdraw access to CPNI at any time.

3. The notification must advise the customer of the precise steps the customer must take in order to grant or deny access to CPNI, and must clearly state that a denial of approval will not affect the provision of any services to which the customer subscribes. However, companies may provide a brief statement, in clear and neutral language, describing consequences directly resulting from the lack of access to CPNI.

4. The notification shall be comprehensible and shall not be misleading.

5. If written notification is provided, the notice must be clearly legible, use at least a ten (10)-point font, and be placed in an area so as to be readily apparent to a customer.

6. If any portion of a notification is translated into another language, then all portions of the notification must be translated into that language.

7. A telecommunications company may state in the notification that the customer's approval to use CPNI may enhance the telecommunications company's ability to offer products and services tailored to the customer's needs. The notification required under subsection (4)(C) shall be in a font size no smaller than such statement.

8. A telecommunications company also may state in the notification that it may be compelled to disclose CPNI to any person upon affirmative written request by the customer **and subject to the appropriate authentication procedures as described in section (5) below.**

9. A telecommunications company may not include in the notification any statement attempting to encourage a customer to freeze third party access to CPNI.

10. The notification must state that any approval, or denial of approval for the use of CPNI outside of the service to which the customer already subscribes to from that telecommunications company is valid until the customer affirmatively revokes or limits such approval or denial.

11. A telecommunications company's solicitation for approval must include a notification of a customer's CPNI rights. The CPNI rights must be in close proximity to the solicitation.

(5) Requirements Specific to Customer-Initiated Contacts.

(A) Telecommunications companies shall properly authenticate a customer prior to disclosing CPNI based on customer-initiated contacts. Telecommunications companies shall take reasonable measures to discover and protect against attempts to gain unauthorized access to CPNI and shall, at a minimum, follow the requirements outlined below:

1. Telephone access to CPNI.

A. Telecommunications companies shall only disclose call detail information over the telephone if the customer first provides the company with a password as described in (5)(B) below.

(I) Password cannot be prompted by the company asking for readily available biographical information or account information;

(II) If the customer does not provide a password, the company shall only disclose call detail information by sending it to the customer's address of record or by calling the customer at the telephone number of record;

(III) If the customer is able to provide call detail information to the company without the company's assistance then the company is permitted to discuss the call detail information provided by the customer;

2. Online access to CPNI.

A. A telecommunications company shall authenticate a customer without the use of readily available biographical information or account information prior to allowing customer access to CPNI related to a telecommunications service account.

B. Once authenticated, the customer shall only obtain online access to CPNI related to a telecommunications service account through a password as described in (5)(B) below.

(I) Password cannot be prompted by the company asking for readily available biographical information or account information.

3. In-store access to CPNI.

A. A telecommunications company may disclose CPNI to a customer who, at the company's retail location, first presents to the telecommunications company or its agent a valid photo ID matching the customer's account information.

(B) Establishment of a Password and Back-up Authentication Methods for Lost or Forgotten Passwords.

1. To establish a password, a telecommunications company shall authenticate the customer without the use of readily available biographical information or account information.

2. Telecommunications companies may create a back-up customer authentication method in the event of a lost or forgotten password, but such back-up customer authentication method may not prompt the customer for readily available biographical or account information.

3. If a customer cannot provide the correct password or the correct response for the back-up customer authentication method, the customer shall establish a new password.

(C) Notification of Account Changes.

1. Telecommunications companies shall notify customers immediately whenever a password, customer response to a back-up means of authentication for lost or forgotten passwords, online account, or address of record is created or changed.

A. Notification is not required when the customer initiates service, including the selection of a password at service initiation.

B. Notification may be through a company-originated voicemail or text message to the telephone number of record or by mail to the address of record.

C. Notification shall not reveal the changed information to be sent to the new account information.

(D) Business Customer Exemption.

1. Telecommunications companies may bind themselves contractually to authentication regimes other than those described in (5)(A)-(C) for services they provide to their business customers that have both a dedicated account representative and a contract that specifically addresses the carriers' protection of CPNI.

[(5)](6) Release of Customer Proprietary Network Information Resulting from Bankruptcy, Cessation of Operation, Merger or Transfer of Assets.

(A) The exiting carrier shall provide customers with advance notice of the transfer of CPNI data.

(B) Customer notification shall comply with section (4) of this rule.

(C) Any opt-in/opt-out authorizations the customers previously executed with the exiting carrier should be transferred to the new carrier automatically, thereby ensuring that customers maintain their privacy interests by protecting this information from disclosure and dissemination. If the exiting carrier does not transfer CPNI data to the new carrier, the company receiving the new customers shall send a new CPNI notice to the customers acquired from the exiting carrier.

(D) The provisions of this section do not apply to customers transferred to the carrier of last resort under the commission's snap-back rule, 4 CSR 240-32.120.

[(6)](7) Safeguards Required for Use of Customer Proprietary Network Information.

(A) Telecommunications companies must implement a system by which the status of a customer's CPNI approval can be clearly established prior to the use of CPNI.

(B) Telecommunications companies must train their personnel as to when they are and are not authorized to use CPNI, and companies must have an express disciplinary process in place.

(C) All telecommunications companies shall maintain a record, electronically or in some other manner, of their own, their agents', their affiliates', their joint venture partners', or their independent contractors' sales and marketing campaigns that use their customers' CPNI. All companies shall maintain a record of all instances where CPNI was disclosed or provided to third parties, or where third parties were allowed access to CPNI. The record must include a description of each campaign, the specific CPNI that was used in the campaign, and what products and services were offered as a part of the campaign. Telecommunications companies shall retain these records for all current and former customers for a minimum of one (1) year.

(D) A telecommunications company must establish a supervisory review process regarding telecommunications company compliance with the rules for outbound marketing situations and maintain records of telecommunications company compliance for a minimum period of one (1) year. Specifically, sales personnel must obtain supervisory approval of any proposed outbound marketing request for customer approval.

(E) Telecommunications companies must provide written notice within five (5) business days to the commission of any instance where the opt-out mechanisms do not work properly, to such a degree that customers' inability to opt-out is more than an anomaly.

1. The notice shall be in the form of a letter, and shall include the telecommunications company's name, a description of the opt-out mechanism(s) used, the problem(s) experienced, the remedy proposed and when it will be/was implemented, a copy of the notice provided to customers, and contact information.

2. Such notice must be submitted even if the telecommunications company offers other methods by which customers may opt-out.

(8) CPNI Security Breaches.

(A) A telecommunications company shall notify the Missouri Public Service Commission of a breach of its customers' CPNI as soon as practicable, and in no event later than seven (7) business days, after reasonable determination of the breach. The telecommunications company shall electronically notify the Executive Director, the Director of Operations, the General Counsel and the Manager of the Telecommunications Department.

(B) All telecommunications companies shall maintain a record, electronically or in some other manner, of any breaches discovered, notifications made pursuant to subsection (8)(A) and notifications made to customers. The record shall include, if available, dates of discovery and notification, a detailed description of the CPNI that was the subject of the breach and the circumstances of the breach. Telecommunications companies shall retain the record for a minimum of two (2) years.

AUTHORITY: sections 386.040, 386.250, 392.185(9), 392.470, RSMo 2000. Original rule filed March 30, 2004, effective Nov. 30, 2004. Amended: Filed Jan. 25, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: *Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Public Service Commission, Cully Dale, Secretary of the Commission, PO Box 360, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register and should include a reference to commission Case No. TX-2008-0090. Comments may also be submitted via a filing using the commission's electronic filing and information system and <http://www.psc.mo.gov/efis.asp>. A public hearing regarding this proposed amendment is scheduled for April 3, 2008, at 10:00 am*

in Room 310 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. Interested persons may appear at this hearing to submit additional comments and/or testimony in support of or in opposition to this proposed amendment, and may be asked to respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one (1) of the following numbers: Consumer Services Hotline 1-800-392-4211 or TDD Hotline 1-800-829-7541.

Title 5—DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION Division 80—Teacher Quality and Urban Education Chapter 800—Educator Certification

PROPOSED AMENDMENT

5 CSR 80-800.200 Application for Certificate of License to Teach. The State Board of Education is amending sections (1), (7) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment adds the National Association of School Psychologists to the National Board for Professional Teaching Standards as a certifying agent for school psychologists, incorporates changes in the compendium to update certification requirements for Library Media Specialist and corrects typographical errors as of January 2008.

(1) An applicant for a Missouri certificate of license to teach who possesses good moral character and has successfully completed a state-approved teacher preparation program or earned a doctoral degree may be granted an initial Missouri certificate of license to teach in their major area of study subject to the specific certification requirements found in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendment or additions.

(7) In addition to all the above criteria, an applicant for a Missouri certificate of license to teach who has successfully obtained certification by the National Board for Professional Teaching Standards (NBPTS) or, for school psychologists, the National Association of School Psychologists (NASP) and possesses good moral character may be granted a Missouri certificate of license to teach in their area of NBPTS or NASP certification most closely aligned with the current areas of certification approved by the board. The certificate of license to teach will be an initial professional classification or a career continuous professional classification (CCPC), if the applicant possesses four (4) years of teaching experience.

AUTHORITY: sections 168.011, 168.405 and 168.409, RSMo 2000 and sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.220 Application for Certificate of License to Teach for Administrators. The State Board of Education is amending section (1) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment incorporates changes in the compendium to update certification requirements for Library Media Specialist and correct typographical errors as of January 2008.

(1) An applicant may be granted an administrator certificate of license to teach in the following areas subject to the specific certification requirements found in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule and criteria established in the rules promulgated by the State Board of Education (board), to an individual who possesses good moral character. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions:

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007 and sections 168.011, 168.405 and 168.409, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.230 Application for a Student Services Certificate of License to Teach. The State Board of Education is amending section (1) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment adds the National Association of School Psychologists to the National Board for Professional Teaching Standards as a certifying agent for school psychologists, incorporates changes in the compendium to update certification requirements for Library Media Specialist and corrects typographical errors as of January 2008.

(1) An applicant for a student services certificate of license to teach may be granted in the following areas subject to the specific certification requirements found in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions. The criteria established in the rules, promulgated by the State Board of Education (board), to an individual who possesses good moral character is:

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007 and section 168.011, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.260 Temporary Authorization Certificate of License to Teach. The State Board of Education is amending subsection (7)(D) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment incorporates changes in the *Compendium to update certification requirements for Library Media Specialist and correct typographical errors as of January 2008.*

(7) The applicant for a temporary authorization certificate (excluding a temporary authorization administrator's and/or career education certificate) must comply with the following criteria:

(D) If this is the applicant's initial certificate of license to teach, documentation of a plan of study based upon required certification competencies incorporated in classes provided by an accredited college or university. If the applicant holds an initial Missouri professional or life certificate of license to teach and is seeking an additional certificate of license to teach, a transcript analysis from DESE based on the requirements set forth in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule must be submitted. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions.

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.083, RSMo Supp. [2006] 2007 and section 168.011, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004; effective April 30, 2005. Amended: Filed June 30, 2005; effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Alee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.270 Application for a Career Education Certificate of License to Teach. The State Board of Education is amending section (5) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment incorporates changes in the *Compendium to update certification requirements for Library Media Specialists and correct typographical errors as of January 2008.*

(5) The applicant must comply with the specific requirements for the various career education certificates of license to teach as set forth in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions.

AUTHORITY: sections 161.092, 168.021, 168.071 and 168.081, RSMo Supp. [2006] 2007 and section 168.011, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Alee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.280 Application for an Adult Education and Literacy Certificate of License to Teach. The State Board of Education is amending section (5) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment incorporates changes in the *Compendium to update certification requirements for Library Media Specialists and correct typographical errors as of January 2008.*

(5) The following AEL professional classification certificates of license to teach may be issued and renewed as set forth in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] January 2008), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions:

AUTHORITY: sections 161.092, 168.021, 168.071 and 168.081, RSMo Supp. [2006] 2007 and section 168.011, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.350 Certificate of License to Teach Content Areas. The State Board of Education is amending section (2) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment incorporates changes in the *Compendium* to update certification requirements for *Library Media Specialist* and corrects typographical errors as of January 2008.

(2) Certificates of license to teach are issued and renewed by the State Board of Education (board) pursuant to the certification requirements found in the *Compendium of Missouri Certification Requirements* (compendium) which is incorporated by reference and made a part of this rule and the rules promulgated by the board in the specialized areas as follows. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] **January 2008**), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions.

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007 and section 168.011 [168.480], RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.360 Certificate of License to Teach Classifications. The State Board of Education is amending section (1), subsection (7)(C) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment adds the *National Association of School Psychologists* to the *National Board for Professional Teaching Standards* as a certifying agent for school psychologists, incorporates changes in the *Compendium* to update certification requirements for *Library Media Specialist* and corrects typographical errors as of January 2008.

(1) Certificates of license to teach are issued and renewed by the State Board of Education (board) pursuant to the certification requirements found in the *Compendium of Missouri Certification Requirements* (compendium), which is incorporated by reference and made a part of this rule, and the rules promulgated by the board. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] **January 2008**), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions.

(7) Career Continuous Professional Classification (CCPC):

(C) The CCPC holder is exempt from the fifteen (15) contact hours of professional development, if the holder has a local professional development plan in place with the school and at least two (2) of the following:

1. Ten (10) years of state-approved teaching experience;
2. A master's degree from an accredited college or university; and/or
3. Certification from the National Board for Professional Teaching Standards **or, for School Psychologists, the National Association of School Psychologists.**

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007 and sections 168.011, 168.128, 168.405 and 168.409, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed Oct. 25, 2001, effective June 30, 2002. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 800—Educator Certification**

PROPOSED AMENDMENT

5 CSR 80-800.380 Required Assessments for Professional Education Certification in Missouri. The State Board of Education is amending section (1) and the *Compendium of Missouri Certification Requirements* which is incorporated by reference.

PURPOSE: This amendment adds the National Association of School Psychologists to the National Board for Professional Teaching Standards as a certifying agent for school psychologists, incorporates changes in the *Compendium* to update certification requirements for Library Media Specialist and corrects typographical errors as of January 2008.

(1) Each applicant seeking a Missouri certificate of license to teach will successfully complete an exit assessment to measure the applicant's competency in subject matter, pedagogical knowledge, or both, prior to being granted the certificate. An exemption exists if the applicant holds a valid certificate of license to teach from another state.

(A) The State Board of Education (board) has selected the Praxis II: Content Knowledge or Specialty Area assessments and the Principles of Learning and Teaching assessments developed by the Educational Testing Service (ETS) as the exit assessments for certificates of license to teach. Qualifying scores are established by the board and published by ETS for each assessment designated for an area of certification.

1. Applicants seeking initial certificates of license to teach must complete and achieve a Missouri qualifying score in the content knowledge or specialty area assessment in their major area of preparation or the appropriate principles of learning and teaching assessment if no content knowledge or specialty area assessment is designated, except in the areas of special education, student services, and administration (see Appendix A, which is included herein).

2. Applicants holding a valid Missouri professional or life certificate of license to teach in a content area who are seeking an additional certificate(s) of license to teach in another content area(s), will receive the additional certificate(s) upon meeting either of the following conditions:

A. Complete and achieve a Missouri qualifying score for the Praxis II content knowledge or specialty area assessment designated for the certificate of license to teach, except for the areas of unified science, special education other than mild/moderate cross-categorical disabilities, student services, administration, career education, and adult education and literacy; or

B. Successfully complete the applicable certification require-

ments as set forth in the *Compendium of Missouri Certification Requirements* (compendium), which is incorporated by reference and made a part of this rule. Anyone interested in viewing or requesting a copy of the compendium, published by the Department of Elementary and Secondary Education (revised [June 2007] **January 2008**), may contact the Educator Certification Section, 205 Jefferson Street, PO Box 480, Jefferson City, MO 65102-0480. This rule does not incorporate any subsequent amendments or additions.

3. Applicants holding a valid Missouri professional or life certificate of license to teach in a secondary content area who are seeking additional certification for middle school in the same content area, will receive the additional certification upon meeting either of the following conditions:

A. Complete and achieve a Missouri qualifying score for the Praxis II: Principles of Learning and Teaching, grades five through nine (5-9), assessments; or

B. Successfully complete the applicable certification requirements for middle school education, grades five through nine (5-9), as set forth in the compendium.

(B) In addition to the previously described assessments, the board will accept successful completion of the National Board for Professional Teaching Standards (NBPTS) or, for school psychologists, the National Association of School Psychologists (NASP) assessment as meeting the exit assessment requirement for Missouri. Therefore, applicants seeking a Missouri certificate of license to teach having certification granted by the NBPTS or NASP are not required to take the exit assessment designated by the board in the content area for which they hold NBPTS or NASP certification.

AUTHORITY: sections 161.092, 168.021, 168.071, 168.081 and 168.400, RSMo Supp. [2006] 2007 and sections 168.011, 168.405 and 168.409, RSMo 2000. Original rule filed April 26, 2000, effective Nov. 30, 2000. Amended: Filed March 27, 2001, effective Oct. 30, 2001. Amended: Filed March 1, 2002, effective Sept. 30, 2002. Amended: Filed Aug. 13, 2002, effective March 30, 2003. Amended: Filed Sept. 12, 2003, effective April 30, 2004. Amended: Filed Sept. 22, 2004, effective April 30, 2005. Amended: Filed June 30, 2005, effective Jan. 30, 2006. Amended: Filed April 4, 2007, effective Nov. 30, 2007. Amended: Filed Jan. 18, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480, or by email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 850—Professional Development**

PROPOSED RESCISSION

5 CSR 80-850.045 Mentoring Program Standards. This rule established standards for successful mentoring programs.

PURPOSE: This rule is being rescinded and readopted to establish a new mentoring program rule required by sections 160.720 and 161.092, RSMo Supp. 2007.

AUTHORITY: sections 160.720 and 161.092, RSMo Supp. 2002. Original rule filed Oct. 29, 2002, effective June 30, 2003. Rescinded: Filed Jan. 18, 2008.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480 or email them to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 850—Professional Development**

PROPOSED RULE

5 CSR 80-850.045 Mentoring Program Standards

PURPOSE: This rule establishes standards for successful mentoring programs.

(1) A successful mentoring program will include, but may not be limited to the standards listed below:

(A) An introduction to the cultural environment of the community, school district, school building and classroom that:

1. Provides awareness of school and district policies, procedures, and mission (teacher and student handbooks, Comprehensive School Improvement Plan (CSIP), goals, etc.);
2. Expresses community norms/local expectations (community tour, housing, medical facilities, faith community, etc.);
3. Complements professional organizations at district and state/national levels;
4. Discusses classroom equality gender/race/abilities;
5. Is a systematic and ongoing introduction to data analysis, assessment practice and process, etc. (not a one (1)-day workshop);
6. Includes district initiatives and parental concerns; and
7. Defines professional and district acronyms (Adequate Yearly Progress (AYP), Missouri School Improvement Program (MSIP), Individuals with Disabilities Education Act (IDEA), Parent Teacher Organization (PTO), etc.).

(B) A systemic and ongoing program review/evaluation by all stakeholders:

1. Identifies all stakeholders;
2. Identifies mentoring outcomes, how they will be measured, and timelines;
3. Gathers regular and systematic feedback from mentor, protégé and administrators to determine if mentoring is working (might include pre- and post-surveys for mentors and protégés and may include information on retention rates/numbers, levels of job satisfaction, student achievement, or cost of turnover);
4. Is based on a foundation of best practices;

5. Requires independent/anonymous exit interviews of staff (may be connected to beginning educators' survey at state level) so clear reasons for staff departures can be determined;

6. Is supported by central office and school board—trend data; and

7. Is included in broader Professional Development (PD) program evaluation (locally and on Missouri School Improvement Program reviews).

(C) An individualized plan for beginning educators that aligns with the district's goals and needs that:

1. Is aligned with the department's Performance Based Teacher/Educator Evaluation (PBTE) standards;
2. Is a systematic and concise mentoring and professional development plan that prioritizes the immediate and future needs of the new educator;
3. Aligns with district's CSIP and certification requirements;
4. Establishes outcomes for new educators;
5. Is an extension or part of a professional development plan that may have begun during student teaching/internship or culminating project in college;
6. Establishes classroom or on-the-job observations that are guided by and contain a checklist of best practices observed by the mentor (positive feedback); and
7. Encourages structured experiences and expectations for all new educators.

(D) Appropriate criteria for selecting mentors that:

1. Have a minimum of three (3) years of experience;
2. Have traits such as enthusiasm and job commitment;
3. Are committed to self-growth as well as mentoring;
4. Hold a same or similar position/job of grade/subject area (in- or out-of-building/district);
5. May use a mechanism to end pairing if either mentor or protégé is not satisfied;
6. Understand broad educational issues as well as specific teaching/education issues;
7. Have a strong understanding of pedagogy, instructional expertise and relevant administrative issues;
8. Are available to mentor (release time, fewer additional assignments);
9. Are assigned by building principals and/or local professional development committee with input from grade-level or department chair; and
10. Are supported in time/effort by administration and school board.

(E) Comprehensive mentor training that:

1. Recognizes mentoring is NOT evaluation; confidentiality is required between mentor and protégé (except in situations of child endangerment);
2. Includes cognitive coaching skills along with collaborative training;
3. Includes observation and feedback training/skills;
4. Provides an awareness of phases of first-year educators (stress, depression, etc.);
5. Provides training on mentoring standards, performance-based evaluation requirements, certification requirements, and local expectations;
6. Includes a catalogue of resources available for beginning educators;
7. Recognizes the need for knowledge and strategies on classroom management;
8. Encourages small districts to form mentoring consortia (may use existing structures to form consortia (e.g., conference schools));
9. Focuses on exemplary teaching and assessment practices;
10. Builds working strategies that encourage problem solving and independent thinking;
11. Provides understanding of student assessments and how educators can utilize them to guide instruction; and
12. Includes self-assessment that identifies whether mentoring

is meeting both the mentor's and protégé's expectations.

(F) A complete list of responsibilities for the mentor, beginning teacher and administrator(s) is addressed in Appendix A.

(G) Sufficient time for mentors to observe beginning educators and for the beginning educators to observe master educators are structured to provide multiple opportunities over time to minimize the need to require substitute teachers to facilitate observations by:

1. Aligning class schedules and planning periods to complement mentoring duties;
2. Utilizing state and local professional development funds, Career Ladder or stipends to support mentors' additional duties;
3. Providing release time for observation and meeting (minimum of three (3) each year); and
4. Encouraging college support of resources, on-line classes, personal visits and/or beginning educators' assistance programs.

APPENDIX A

TOPIC	Beginning Teacher	Mentor or Professional Development Committee	Principal	District, PDC and School Board	College or University	DESE, Associations, and Others
TRAINING		Attends training. Appropriate PDC selects mentor/protégé pairing	Selects and/or supports pairing of mentor and protégé	Provides policy and support for ongoing mentor training program	Provides awareness or expectation for graduates and may provide training for mentors	Provides regional training for mentors with cognitive coaching information
CONTACT	Seeks contact prior to beginning of school year	Contacts protégé and welcomes him/her to community. Confirms first meeting	Contacts protégé and welcomes him/her to community. Arranges first meeting	Provides curriculum guides, handbooks and pertinent grade/subject level information	Instructs student teachers on expectation of mentoring	
COMMUNICATION	Seeks support and assistance with mentor and colleagues	Follows through on contacts and individualizes topics for protégé	Assures mentor and protégé communicate regularly	May provide district-wide opportunities for mentors and protégés	Provides a minimum of annual contact for 1 st & 2 nd year teachers	Supports communication between colleges and new teachers
CONFIDENTIALITY	Maintains confidentiality at all times and appreciates assistance	Maintains confidentiality at all times and reinforces trust	Appreciates mentor/protégé confidentiality and does not undermine effort	Remains neutral party.		
DOCUMENTATION	Maintains log/list of in-service, professional workshops, reading, and organizational activities	Reviews documentation	Reviews formal professional development plan		May collect data on strength or weakness of first-year teachers	May assist in data collection and review
PROFESSIONAL DEVELOPMENT PLAN	Maintains and regularly evaluates personal plan; shares with mentor	Encourages growth and career advancement	Supports new educators' professional development plans	Protégé and support team complete end-of-year district checklist or assessment	May provide ongoing or advanced coursework	Provides models and workshop opportunities
SUPPORT			Supports time for observation, collaboration & compensation	Formalizes written guidelines, mentor time & resources	Offer support to graduates from any Missouri college	Develops rules and standards
EVALUATION OF MENTORING PROCESS	Participate in formal evaluation of mentoring program	Participate in formal evaluation of mentoring program	Participate in formal evaluation of mentoring program	Assess formal evaluation of mentoring and make revisions	May utilize information to improve preparation programs	Provides models; evaluates for MSIP purposes

AUTHORITY: sections 160.720, 161.092 and 161.375, RSMo Supp. 2007. Original rule filed Oct. 29, 2002, effective June 30, 2003. Rescinded and readopted: Filed Jan. 18, 2008.

PUBLIC COST: The proposed rule will cost local school districts a maximum of \$2.1 million per year over the life of the rule, assuming mentoring is provided through an outside vendor. The cost of implementation could be substantially reduced for districts reallocating the resources of existing mentoring programs.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Elementary and Secondary Education, Attention: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480 or email to Tammy.Allee@dese.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*

**PUBLIC COST
FISCAL NOTE**

I. RULE NUMBER

Title 5 – Department of Elementary and Secondary Education

Division 80 – Teacher Quality and Urban Education

Chapter 850 – Professional Development

Rule Number and Name:	5 CSR 80-850.045 Mentoring Program Standards
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
School Districts	Estimated maximum cost of \$2.1 million per year over the life of the rule.

III. WORKSHEET**IV. ASSUMPTIONS**

The public cost of this rule is based on the assumption that the school district uses an outside vendor for implementation of the mentoring program. Currently, mentoring programs provided by an outside vendor cost \$350 per participant. Assuming 6,000 new teacher entering Missouri school district each year, the total cost for mentoring programs would be \$2.1 million per year over the life of the rule. The cost of implementation could be substantially reduced or eliminated for districts reallocating the resources of existing mentoring programs. In addition, mentoring training could be included as a part of the district's program of professional development or career ladder programs.

**Title 5—DEPARTMENT OF ELEMENTARY
AND SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 860—Scholarships and Financial Aid**

PROPOSED RULE

5 CSR 80-860.050 Urban Flight and Rural Needs Scholarship Program

PURPOSE: Section 173.232, RSMo, establishes a program that makes scholarships available for eligible students who make a commitment to a teaching career and who enroll in a college program leading to certification to teach in public schools of Missouri, the population of which includes a higher than average “at-risk student population.” This rule sets forth the qualifications required of applicants for the scholarships, the criteria to be used in selecting scholarship recipients, terms to which a scholarship recipient must agree and repayment procedures to be followed by recipients who fail to fulfill their commitment to become certificated to teach or to teach in the public schools of Missouri, with a population which includes a higher than average “at-risk student population.”

(1) Eligible applicants are defined as a United States citizen and residents of Missouri who:

(A) Are high school seniors, students in a four (4)-year college or university located in Missouri, or students enrolled in a junior or community college located in Missouri with approved teacher education programs;

(B) Make a commitment to pursue an approved teacher education program and enroll as full-time students in an approved two (2) or four (4)-year college or university located in Missouri;

(C) Have a cumulative grade point average (GPA) of 2.5 and demonstrates financial need; and

(D) Meet the requirements for entry into an approved teacher education program in Missouri.

(2) Each student wishing to apply for a scholarship shall submit an application to the Department of Elementary and Secondary Education (DESE) on a form required by DESE by April 15 in order to be considered for the award of a scholarship for the fall and spring semesters. The application for Urban Flight and Rural Needs Scholarship is included herein.

(3) Each application shall contain information as may be required to enable DESE to select recipients under the provisions of this rule.

(4) Each eligible applicant will be notified by June 1 whether the applicant has or has not been selected as a recipient, pending legislative funding.

(5) Recipients will be selected from the group of eligible applicants on the basis of each applicant’s qualifying GPA and financial need.

(6) Annually, DESE shall appoint a selection committee whose assignment shall be to review the eligible applicants on the basis of the criteria.

(7) In the event that there are more eligible applicants than can be granted scholarships because insufficient funds have been appropriated, scholarships shall be awarded ranking eligible applicants regarding cumulative GPA after seventh semester and financial need.

(8) In the event that a designated recipient declines to accept a scholarship, the scholarship shall be offered to the next highest ranked eligible applicant, if any.

(9) Following notification that the applicant has been selected to receive a scholarship, the applicant shall respond to DESE to accept or decline the scholarship. The recipient (and parents or guardians, if the recipient is under eighteen (18) years of age) shall sign an agreement form which obligates the student to fulfill the commitment to be made by recipients with the provision that funds received under the terms of this rule shall be repaid according to the terms of this rule if the student defaults on the commitments. The Urban Flight and Rural Needs Scholarship agreement form is included herein.

(10) After a recipient has completed admission and registration procedures at the college or university and is ready to attend class at the beginning of the fall semester of the program year (fiscal year), a copy of the student’s schedule must be sent to DESE within thirty (30) days after the start of the semester. Following completion of the semester coursework, the student must submit a DESE invoice form with official transcripts within thirty (30) days of the semester end. Upon receipt of the official transcripts, a check will be issued to the student for the eligible students’ tuition and fees, if a GPA of 2.5 or higher has been obtained. A similar procedure shall occur for each concurrent semester until a total of eight (8) semesters or four (4) years have occurred.

(11) On the two (2) occasions, at the beginning of the first and second semesters after the recipient has completed all enrollment requirements and is ready to attend class, the recipient (and parents or guardians, if the recipient is under eighteen (18) years of age) shall sign an agreement form which obligates the student to fulfill the commitment to be made by recipients with the provision that funds received under the terms of this rule shall be repaid according to the terms of this rule if the student defaults on the commitments. The agreement form for the Urban Flight and Rural Needs Scholarship is included herein.

(12) Eligible colleges or universities must:

(A) Be located in Missouri; and

(B) Offer a teacher education program approved by DESE.

(13) Before receiving any funds from the state under terms of the Urban Flight and Rural Needs Scholarship Program, each designated recipient must agree to the following terms and conditions:

(A) To enroll in and complete a college program designed to qualify the recipient for a Missouri teaching certificate within five (5) years from the date of receiving funds under the scholarship program (three (3) years in the case of students transferring from a junior or community college);

(B) To teach on a full-time basis for a period of up to eight (8) years (two (2) years for each year of scholarship funding) in a Missouri public elementary or secondary school, the population of which includes a higher than average “at-risk student population” after receiving a teaching certificate;

(C) To notify DESE each fall and spring semester, on the Urban Flight and Rural Needs Form A of the applicant’s current status as a student during years of college attendance. Form A is included herein;

(D) To notify DESE annually of their teaching status for a period of up to eight (8) years in a Missouri public school with a higher than average “at-risk student population;”

(E) To repay the scholarship funds received from the state in accordance with terms set forth in this rule if any one (1) of the following events occurs:

1. The recipient ceases study leading to teacher certification for any reason, including, but not limited to:

A. Failure to maintain a cumulative GPA of 2.5;

B. Enrollment and attendance during any fall or spring semester with less than twelve (12) semester hours (less than full-time) in a program leading to certification to teach in Missouri public schools;

C. Change of career goal as evidenced by the nature of courses selected in colleges;

D. Discontinuance of college attendance; or

E. Dismissal, suspension or expulsion from college for any reason;

2. The recipient fails to be hired for or to accept a full-time teaching position in a Missouri public school, the population of which includes a higher than average "at-risk student population" within ten (10) months of receiving certification to teach in Missouri public schools; or

3. The recipient fails to teach on a full-time basis for a period of eight (8) years in a Missouri public elementary or secondary school with a higher than average "at-risk student population" or two (2) years for each one (1) year of scholarship funding.

(14) If a recipient does not complete requirements for certification to teach in public elementary and secondary schools in Missouri in accordance with the terms of this rule, the scholarship amount shall be considered as a loan to the recipient and interest at the rate of nine and one-half percent (9.5%) per year shall be charged on the unpaid balance of the amount received from the state from the date the recipient ceased study leading to teacher certification until the amount received has been paid back to the state.

(15) If a recipient fails to be hired for or to accept a full-time teaching position in a Missouri public elementary or secondary school with a population that includes a higher than average "at-risk student population" within ten (10) months after receiving certification to teach in Missouri public elementary or secondary schools, the scholarship amount shall be considered as a loan to the recipient and interest at the rate of nine and one-half percent (9.5%) per year shall be charged on the unpaid balance of the amount received from the state from the date ten (10) months after receiving certification until the amount has been paid back to the state.

(16) If a recipient does not continue to teach on a full-time basis in a Missouri public elementary or secondary school for a period of eight (8) years after receiving a degree (or two (2) years of teaching for each year of scholarship funding), the scholarship amount shall be considered as a loan to the recipient and interest at the rate of nine and one-half percent (9.5%) per year shall be charged on the unpaid balance of the amount received from the date the recipient ceases to teach until the amount received has been paid back to the state. For each year, up to eight (8) years, that the recipient teaches in a Missouri public elementary or secondary school, one-eighth (1/8) of the amount received under the scholarship program shall be applied against the total amount received and shall not be subject to repayment.

(17) The amount received (plus interest) shall be repaid to the state within five (5) years of the date of default; except that repayment shall not be triggered for a period of not more than:

(A) One (1) year by a recipient's returning to full-time study after two (2) years of teaching in a Missouri public elementary or secondary school; or

(B) One (1) semester by a recipient's requesting and receiving maternity leave from a Missouri public school district if the recipient returns to a teaching position in a Missouri public elementary or secondary school following this interruption of employment.

(18) The obligation to teach on a full-time basis in a Missouri public elementary or secondary school with a higher than average "at-risk student population" for a period of eight (8) years following certification shall not be altered by any such moratorium on the requirement to repay the scholarship funds.



MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF TEACHER QUALITY AND URBAN EDUCATION
EDUCATOR RECRUITMENT AND RETENTION
P.O. Box 480, Jefferson City, MO 65102-0480
APPLICATION FOR URBAN FLIGHT AND RURAL NEEDS SCHOLARSHIP

INSTRUCTIONS

RETURN THIS APPLICATION ALONG WITH ALL OFFICIAL TRANSCRIPTS AND A STUDENT FINANCIAL AID REPORT TO THE ABOVE ADDRESS-APPLICATIONS MUST BE POSTMARKED BY APRIL 15

APPLICANT INFORMATION

*SOCIAL SECURITY NUMBER		CURRENT NAME (LAST, FIRST, MIDDLE INITIAL)	
HOME ADDRESS	CITY	STATE	ZIP CODE
COUNTY	DAYTIME TELEPHONE NUMBER(S) () ()		
NAME OF PARENT/GUARDIAN			
ADDRESS	CITY	STATE	ZIP CODE
DAYTIME TELEPHONE NUMBER ()			
ETHNIC ORIGIN (CHECK ONE) <input type="checkbox"/> BLACK <input type="checkbox"/> HISPANIC <input type="checkbox"/> INDIAN <input type="checkbox"/> WHITE <input type="checkbox"/> ASIAN <input type="checkbox"/> OTHER _____			GENDER: <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE

*View the Social Security number disclosure: http://desp.mo.gov/schoolaw/reqaskques/SSN_Disclosure.pdf

IN ORDER OF PREFERENCE, LIST THE COMMUNITY COLLEGE OR 4-YEAR COLLEGE OR UNIVERSITY THAT YOU WOULD ATTEND IF YOU WERE AWARDED A SCHOLARSHIP. THESE INSTITUTIONS MUST HAVE AN APPROVED TEACHER EDUCATION PROGRAM AND MUST BE IN MISSOURI.

(1) _____ (2) _____

IN WHAT SUBJECT AREA WOULD YOU PREFER TO SPECIALIZE?

HIGH SCHOOL/INSTITUTION CURRENTLY ATTENDING

CURRENT ACADEMIC STATUS (CHECK)

<input type="checkbox"/> HIGH SCHOOL SENIOR	
<input type="checkbox"/> COMMUNITY COLLEGE/UNIVERSITY FRESHMAN	_____ HOURS COMPLETED AT DECEMBER OF CURRENT YEAR
<input type="checkbox"/> COMMUNITY COLLEGE/UNIVERSITY SOPHOMORE	_____ HOURS COMPLETED AT DECEMBER OF CURRENT YEAR
<input type="checkbox"/> RETURNING ADULT STUDENT	_____ HOURS COMPLETED
<input type="checkbox"/> OTHER _____	

APPLICANT'S SIGNATURE	DATE
-----------------------	------



MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF TEACHER QUALITY AND URBAN EDUCATION
EDUCATOR RECRUITMENT AND RETENTION
P.O. Box 480, Jefferson City, MO 65102-0480
URBAN FLIGHT AND RURAL NEEDS SCHOLARSHIP FORM A

DIRECTIONS

In order to be eligible for the Urban Flight and Rural Needs Scholarship, a student must be enrolled in a 2 or 4-year accredited institution of higher education and enrolled full-time in an education program leading to certification to teach in the public schools of Missouri.

Please provide us with the following information and return the form to the above address.
Phone: 573-751-1191 or 573-751-1668 Fax: 573-526-3580

STUDENT INFORMATION

Last Name	Address
First Name	City and State
*SSN	Zip

CONTACT INFORMATION

Please provide the name and title of the contact person in the financial aid office and the mailing address.

Institution Name	Contact Person Title
Building Address	Street Address
City State MO Zip	Phone

ASSURANCES

This is to verify that the student listed above is enrolled as a full-time student with the above mentioned accredited institution of higher education and is in an approved education program that would lead to certification to teach.

hours enrolled current semester _____
_____ Fall Semester
_____ Spring Semester

*View the Social Security number disclosure: http://dese.mo.gov/schoolaw/freqaskques/SSN_Disclosure.pdf

{College/University Seal}	
	Signature of Institution Registrar/Official
	Printed or Typed Name of Registrar/Official
	DATE



MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF TEACHER QUALITY AND URBAN EDUCATION
EDUCATOR RECRUITMENT AND RETENTION
P.O. Box 480, Jefferson City, MO 65102-0480
AGREEMENT FORM FOR THE URBAN FLIGHT AND RURAL NEEDS SCHOLARSHIP

PERSONAL DEMOGRAPHIC INFORMATION:			
*SOCIAL SECURITY NUMBER			
CURRENT NAME (LAST, FIRST, MIDDLE INITIAL)			
STREET ADDRESS			
CITY, STATE, ZIP CODE			
E-MAIL ADDRESS			
DAYTIME PHONE NUMBERS () ()			
NAME OF UNDERGRADUATE INSTITUTION			
UNDERGRADUATE MAJOR			
* View the Social Security number disclosure: http://dese.mo.gov/schoollaw/freqesques/SSN_Disclosure.pdf			
ASSURANCES			
<p>I understand and agree that upon acceptance of scholarship funds through the Urban Flight and Rural Needs Scholarship Program, I <u>shall</u> remain a full-time student in an approved teacher education program through a Missouri college or university until which time I have acquired the credits deemed necessary by the Missouri Department of Elementary and Secondary Education to be eligible for a Missouri teaching certificate (not to exceed five (5) years if attending a four (4) year college or three (3) years if attending a community or junior college).</p> <p>Upon acceptance of scholarship funds through the Urban Flight and Rural Need Scholarship Program and after acquiring and receiving a Missouri teaching certificate, I understand that I have ten (10) months to acquire a full-time teaching position in a Missouri public elementary or secondary school, the population of which includes a higher than average "at-risk student population."</p> <p>I understand that failure to be employed as a full-time teacher in a Missouri public school with a population of which includes a higher than average "at-risk student population," for the number of years not to exceed eight (8) years or two (2) years for every year of funding through the Urban Flight and Rural Needs Scholarship program, that I will be required to repay all scholarship funds received through said scholarship with an interest of <u>9.5%</u>. The amount to repay may be reduced by the number of years taught.</p>			
Date Signed		Signature of Borrower	
Address		City	State
			Zip Code
NOTARY INFORMATION			
NOTARY PUBLIC EMOSS OR BLACK INK RUBBER STAMP SEAL	STATE		COUNTY (OR CITY OF ST. LOUIS)
	SUBSCRIBED AND SWORN BEFORE ME THIS		
	DAY OF	YEAR	USE RUBBER STAMP IN CLEAR AREA BELOW
	NOTARY PUBLIC SIGNATURE	MY COMMISSION EXPIRES	
NOTARY PUBLIC NAME (TYPED OR PRINTED)			

AUTHORITY: sections 161.092 and 173.232, RSMo Supp. 2007.
Original rule filed Jan. 18, 2008.

PUBLIC COST: This proposed rule is estimated to cost the Department of Elementary and Secondary Education one hundred sixty-nine thousand seven hundred fifty dollars (\$169,750), after the governor's three percent (3%) reserve, with the cost recurring annually for the life of the rule based upon yearly appropriations from the General Assembly.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Elementary and Secondary Education, Educator Recruitment and Retention, ATTN: Rosalyn Wieberg, PO Box 480, Jefferson City, MO 65102-0480. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Department Title: 5 - Department of Elementary and Secondary Education
Division Title: 80 - Teacher Quality and Urban Education
Chapter Title: 860 - Scholarships and Financial Aid

Rule Number and Name:	5 CSR 80-860.050 Urban Flight and Rural Needs Scholarship Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Elementary and Secondary Education	\$169,750 for FY 2007 after the Governor's 3% reserve, with the cost recurring annually for the life of the rule based upon yearly appropriations from the General Assembly

III. WORKSHEET

The Department of Elementary and Secondary Education administers the Urban Flight and Rural Needs Scholarship Program. The scholarship program provides financial assistance to students who make a commitment to a teaching career and who enroll in a college program leading to certification to teach in a Missouri public school with a population which includes a higher than average "at-risk student population."

IV. ASSUMPTIONS

Program costs will grow significantly until year four (4) when the costs should begin to level out. These calculations assume all one hundred (100) scholarships are appropriated each year and that each scholar continues through the program until the fourth year, meeting all requirements for eligibility. We have chosen the University of Missouri-Columbia to represent an average of tuition and fees for Missouri's eligible two (2)-year and four (4)-year colleges and universities; although it should be noted that costs can greatly exceed or be somewhat below this level. We further assume a three percent (3%) increase in tuition and fees in subsequent years.

Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—MO HealthNet Division
Chapter 4—Conditions of Recipient Participation,
Rights and Responsibilities

PROPOSED AMENDMENT

13 CSR 70-4.080 State Children's Health Insurance Program.
The division is amending sections (6), (8), (9), (11), and (12).

PURPOSE: The division is proposing to bring the rule into compliance with the provision of House Bill II enacted by the 94th General Assembly, 2007. The amendment changes how a monthly premium is calculated for the State Children's Health Insurance Program as required by annual state appropriation. The amendment clarifies when coverage ends when a premium is not paid to include the time needed for notification.

(6) An uninsured child/children with gross income of more than two hundred twenty-five percent (225%) but less than three hundred percent (300%) of the federal poverty level shall be eligible for service(s) thirty (30) calendar days after the application is received if the required premium has been received. An uninsured child/children with gross income of more than one hundred fifty percent (150%) but less than two hundred twenty-six percent (226%) of the federal poverty level shall be eligible for services once the required premium has been received.

(C) Parent(s) or guardian(s) of uninsured children with gross income of more than two hundred twenty-five percent (225%) but less than three hundred percent (300%) of the federal poverty level are responsible for a monthly premium equal to *[the statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan not to exceed five percent (5%) of the family's gross income.]* **four percent (4%) of monthly income between one hundred fifty percent (150%) and one hundred eighty-five percent (185%) of the federal poverty level for the family size plus eight percent (8%) of monthly income between one hundred eighty-five percent (185%) and two hundred twenty-five percent (225%) of the federal poverty level for the family size plus fourteen percent (14%) of monthly income between two hundred twenty-five percent (225%) and three hundred percent (300%) of the federal poverty level for the family size.**

(D) The monthly premium shall not exceed five percent (5%) of the family's gross income.

[(D)] **(E)** The premium must be paid prior to service delivery.

[(E)] **(F)** The premium notice shall include information on what to do if there is a change in gross income.

[(F)] **(G)** No service(s) will be covered prior to the effective date which is thirty (30) calendar days after the date the application is received for uninsured children in families with an income of more than two hundred twenty-five percent (225%) of the federal poverty level.

(8) Premium adjustments^[, based on changes in the Missouri Consolidated Health Care Plan,] shall be calculated yearly in March with an effective date of July 1 of the same calendar year. Individuals shall be notified of the change in premium amount at least thirty (30) days prior to the effective date.

(9) The six (6)-month waiting period and thirty (30)-calendar-day delay in service delivery is not applicable to a child/children already participating in the program when the parent's or guardian's income changes. Coverage shall be extended for *[thirty (30)]* **sixty (60)** calendar days to allow for premium collection and to ensure continuity in coverage. *[Eligibility]* Coverage shall be discontinued for the child/children if the premium payment is not made within the *[thirty (30)-]***sixty (60)**-day extension.

(11) The total aggregate premiums for a family covered by this rule shall not exceed five percent (5%) of the family's gross income for a twelve (12)-month period of coverage beginning with the first month of service eligibility.

[(A)] The total aggregate premiums for a family covered by this rule with gross income of more than one hundred fifty percent (150%) but less than one hundred eighty-six percent (186%) of the federal poverty level shall not exceed one percent (1%) of the family's gross income for a twelve (12)-month period of coverage beginning with the first month of service eligibility. When the total aggregate premiums have reached one percent (1%) of the family's gross income all premiums shall be waived for the remainder of the twelve (12)-month period. Waiver of premiums shall be made upon notification and documentation from the family that payments for premiums have been made up to one percent (1%) of their yearly gross income.

[(B)] The total aggregate premiums for a family covered by this rule with gross income of more than one hundred eighty-five percent (185%) but less than two hundred twenty-six percent (226%) of the federal poverty level shall not exceed three percent (3%) of the family's gross income for a twelve (12)-month period of coverage beginning with the first month of service eligibility. When the total aggregate premiums have reached three percent (3%) of the family's gross income all premiums shall be waived for the remainder of the twelve (12)-month period. Waiver of premiums shall be made upon notification and documentation from the family that payments for premiums have been made up to three percent (3%) of their yearly gross income.

[(C)] The total aggregate premiums for a family covered by this rule with gross income of more than two hundred twenty-five percent (225%) but less than three hundred percent (300%) of the federal poverty level shall not exceed five percent (5%) of the family's gross income for a twelve (12)-month period of coverage beginning with the first month of service eligibility. When the total aggregate premiums have reached five percent (5%) of the family's gross income all premiums shall be waived for the remainder of the twelve (12)-month period. Waiver of premiums shall be made upon notification and documentation from the family that payments for premiums have been made up to five percent (5%) of their yearly gross income.

(12) *[Parents of uninsured children]* **Parent(s) and guardian(s) of uninsured children with gross income of more than one hundred fifty percent (150%) but less than three hundred percent (300%) of the federal poverty level** must certify that their total net worth does not exceed two hundred fifty thousand dollars (\$250,000) to be eligible for health insurance under this rule.

AUTHORITY: sections 208.633, 208.636, 208.643, 208.646, 208.650, 208.655 and 208.657, RSMo 2000 and sections 208.201, 208.631, 208.640 and 208.647, RSMo Supp. [2006] 2007. Original rule filed July 15, 1998, effective Feb. 28, 1999. For intervening history please consult the *Code of State Regulations*. Amended: Filed Feb. 1, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will cost private entities an estimated one thousand eight hundred dollars (\$1,800) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the

*Department of Social Services, MO HealthNet Division, 615 Howerton Court, Jefferson City, Missouri 65109. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. If to be hand-delivered, comments must be brought to the MO HealthNet Division at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.*

**FISCAL NOTE
PRIVATE COST**

- I. Department Title: Title 13 – Department of Social Services**
Division Title: Division 70 – MO HealthNet Division
Chapter Title: Chapter 4 – Conditions of Recipient Participation, Rights and Responsibilities

Rule Number and Title:	13 CSR 70-4.080, State Children's Health Insurance Program
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
Average of 5 per month	Families paying premiums for SCHIP coverage	\$1,800

III. WORKSHEET

The increase in premiums was multiplied by the estimated number of families paying premiums to arrive at the increase in premiums collections.

IV. ASSUMPTIONS

The number of families paying premiums would remain the same as those who paid premiums in the months of September, October and November 2007. Average monthly count was five.

Average premium increase is \$30/month.

Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—[Division of Medical Services]
MO HealthNet Division
Chapter 5—Nonemergency Medical Transportation
(NEMT) Services

PROPOSED AMENDMENT

13 CSR 70-5.010 Nonemergency Medical Transportation (NEMT) Services. The division is amending the Purpose statement and sections (1) and (3) and adding section (4).

PURPOSE: This amendment changes the name of the state's medical assistance program to MO HealthNet and revises the name of the program's administering agency to MO HealthNet Division to comply with state law. The amendment also changes reference to program recipients to participants. The amendment also clarifies coverage criteria.

PURPOSE: This rule establishes the criteria by which the medical assistance program [(Medicaid)] MO HealthNet reimburses expenses for nonemergency medically necessary transportation if a [recipient] participant does not have access to transportation services that are available free of charge.

(1) The Missouri Medical Assistance program [(Medicaid)] MO HealthNet or its contractor reimburses eligible [recipients] participants or nonemergency medical transportation (NEMT) providers for medically necessary transportation only if a [recipient] participant does not have access to transportation services that are available free of charge.

(A) The [recipient] participant must have an appointment for any medical treatment that is approved by the [Division of Medical Services] MO HealthNet Division.

(B) Alternative transportation services that may be provided free of charge include volunteers, relatives, designated legal representative, individual involved in the resident's care, or transportation services provided by nursing facilities or other residential centers. [Recipients] Participants must [certify in writing that they do] not have access to free transportation.

(3) [Medicaid] MO HealthNet reimburses the most appropriate and least costly transportation alternative suitable for the [recipient's] participant's medical condition. If a [recipient] participant can use private vehicles or less costly public transportation, those alternatives must be used before [recipients] participants can use more expensive transportation alternatives.

(A) The alternative transportation services provided will include:

1. Bus passes/tickets;
2. Taxi/sedans;
3. Wheelchair van;
4. Multi-passenger vans;
5. Stretcher van;
6. Ambulance; or
7. Gas reimbursement.

(B) Transports are limited to medical treatment within the distance standards set forth in 20 CSR 400-7.095. Exceptions to these standards are listed below.

1. The participant has a previous history of other than routine medical care with the qualified, enrolled medical service provider for a special condition or illness.

2. The participant has been referred by a Primary Care Provider (PCP) to a qualified, enrolled medical service provider for a special condition or illness.

3. There is not a routine or specialty care appointment available within thirty (30) calendar days to a qualified, enrolled medical service provider within the travel standards.

(4) MO HealthNet reimburses for the least expensive and most appropriate ancillary services when the medical treatment requires an overnight stay. Ancillary services include meals and lodging.

AUTHORITY: section 208.201, RSMo [2000] Supp. 2007. Original rule filed May 16, 2005, effective Oct. 30, 2005. Amended: Filed Feb. 1, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, MO HealthNet Division, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. If to be hand-delivered, comments must be brought to the MO HealthNet Division at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—[Division of Medical Services]
MO HealthNet Division
Chapter 15—Hospital Program

PROPOSED AMENDMENT

13 CSR 70-15.020 Procedures for Admission Certification, Continued Stay Review and Validation Review of Hospital Admissions. The division is amending the Purpose and sections (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (13), and (14).

PURPOSE: This amendment changes the name of the state's medical assistance program to MO HealthNet and revises the name of the program's administering agency to MO HealthNet Division to comply with state law. The amendment also changes reference to program recipients to participants. It amends section (13) to remove the reinsurance reference for MC+ health plans since that cost is currently part of the capitation rate.

PURPOSE: The [Division of Medical Services] MO HealthNet Division establishes admission certification and validation procedures on which hospitals furnishing inpatient care to [Medicaid recipients] MO HealthNet participants will be reviewed to determine that admissions are medically necessary and appropriate for inpatient care.

(1) The following definitions will be used in administering this rule:

(B) Admission certification. Admission certification means the determination by the medical review agent, as transmitted to the hospital/physician and the fiscal agent, that the admission of a [recipient] participant for inpatient hospital services is approved as medically necessary, reasonable and appropriate as to placement at an acute level of care;

(C) Admitting diagnosis. Admitting diagnosis means the physician's tentative or provisional diagnosis of the [recipient's] participant's condition as a basis for examination and treatment when the physician requests admission certification;

(D) Admitting physician. Admitting physician means the physician who orders the [recipient's] participant's admission to the hospital;

(E) Certification number. Certification number means the number issued by the medical review agent that establishes that, based upon information furnished by the provider, a *[recipient's] participant's* admission for inpatient hospital services is approved as medically necessary;

(H) Fee for service. Fee for service refers to *[recipients] participants* and/or services not included in the MC+ Missouri Managed Care program or other prepaid health plans;

(I) Inpatient hospital service. Inpatient hospital service means a service provided by or under the supervision of a physician after a *[recipient's] participant's* admission to a hospital and furnished in the hospital for the care and treatment of the *[recipient] participant*;

(J) MC+. MC+ is the Missouri *[Medicaid] MO HealthNet* "Managed Care Plus" program under which some *[Medicaid recipients] MO HealthNet participants* are enrolled with a health plan who contract with the department to provide a package of *[Medicaid] MO HealthNet* benefits for a monthly fee per enrollee;

(M) Medically necessary. Medically necessary means an inpatient hospital service that is consistent with the *[recipient's] participant's* diagnosis or condition and is in accordance with the criteria as specified by the department;

(O) Pertinent information. Pertinent information means any information that the physician, hospital or *[recipient] participant* feels may justify or qualify the hospitalization;

(Q) Readmission. Readmission means an admission that occurs within fifteen (15) days of a discharge of the same *[recipient] participant* from the same or a different hospital. The fifteen (15)-day period does not include the day of discharge or the day of readmission;

(R) *[Recipient. Recipient] Participant. Participant* means a person who has applied and been determined eligible for *[Medicaid] MO HealthNet* benefits;

(T) Required information. Required information means the information to be provided by the physician or hospital to obtain a preadmission or postadmission certification, which includes *[recipient] participant*, physician and hospital identifying information, admission date, admission diagnosis, procedures, surgery date, indications for inpatient setting and plan of care;

(U) Transfer. Transfer means the movement of a *[recipient] participant* after admission from one (1) hospital directly to another or within the same facility;

(2) All admissions of *[Medicaid recipients] MO HealthNet participants* to *[Medicaid] MO HealthNet* participating hospitals in Missouri and bordering states are subject to admission certification procedures and validation review with the following exceptions as specified in Missouri *[Medicaid] MO HealthNet* provider manuals or bulletins:

(A) Admissions of *[recipients] participants* enrolled in a *[Medicaid] MO HealthNet* prepaid health plan;

(B) Admissions of *[recipients] participants* eligible for both Part A Medicare and *[Medicaid] MO HealthNet*;

(3) The admission certification procedure and validation review will be performed by a medical review agent. The confidentiality of all information shall be adhered to in accordance with section 208.155, RSMo and Title 42, *Code of Federal Regulations* part 431, subpart F. The medical review agent's decisions related to certification or noncertification of *[Medicaid] MO HealthNet* admissions are advisory in nature. The department is the final payment authority. The medical review agent's review decisions will be used as the basis for *[Medicaid] MO HealthNet* reimbursement.

(4) The types of certification and review include:

(A) Preadmission certification of nonemergency (elective) admissions of *[Medicaid recipients] MO HealthNet participants* with established eligibility on date of admission;

(B) Postadmission certification of emergency and urgent admissions of *[Medicaid recipients] MO HealthNet participants* with established eligibility on date of admission;

(C) Retrospective certification if the following occurs:

1. The request for preadmission or postadmission certification is not obtained in a timely manner as stated in subsection (5)(A) or (B); or

2. *[Recipient] Participant* eligibility is not established on or by date of admission;

(5) Time requirements for the certification procedures are as follows:

(D) The hospital shall submit, at its own expense, the *[recipient's] participant's* medical record to the medical review agent for retrospective certification cases specified in subsection (4)(C). Retrospective certification requests must be submitted in a reasonable period of time so as to allow the hospital to meet the claims timely filing requirements of 13 CSR 70-3.100; and

(6) The criteria to be used in the admission certification and validation review are as follows:

(C) Ambulatory procedure screening criteria is used in screening admissions for procedures on the *[Medicaid] MO HealthNet* outpatient surgery list; and

(7) The admission certification procedure is as follows:

(A) Certification requests can be made in the following manner:

1. For preadmission and postadmission certification, the physician or hospital contacts the medical review agent to provide the required information to obtain certification; or

2. For retrospective certification, the hospital submits, at its own expense, the *[recipient's] participant's* medical record to the medical review agent to obtain certification which is to include the emergency room record; history and physical; any operative, pathology or consultation reports; the first three (3) days of physician orders, progress notes, nurses' notes, graphic vital signs, medication sheets and diagnostic testing results;

(F) The physician will be contacted prior to a denial determination and allowed the opportunity to provide additional information. This additional information will be considered by the physician reviewer prior to a determination to approve or deny admissions. Determination decisions will be communicated as follows:

1. If the admission is approved, the approval determination and unique certification number are communicated to the physician and hospital; and

2. Denial determinations are communicated to the physician, hospital and *[recipient] participant*;

(G) The physician, hospital or *[recipient] participant* who is dissatisfied with an initial denial determination is entitled to a reconsideration by the medical review agent as outlined in section (8); and

(8) Reconsideration Requests. The medical review agent's denial decisions relate to medical necessity and appropriateness of the inpatient setting in which services were furnished or are proposed to be furnished. The procedure to request reconsideration of an initial denial determination is as follows:

(A) Time Requirements.

1. To request a reconsideration for a patient prior to admission or for a patient still in the hospital, the provider should telephone a request to the medical review agent. In either of these situations, the request for reconsideration must be received within three (3) working days of receipt of the written denial notice. In order to expedite the process, the provider must indicate that this is a request for a reconsideration. The medical review agent will complete the reconsideration review and issue a determination within three (3) working days of receipt of the request and all pertinent information; and

2. If the patient has been discharged from the hospital, the provider must submit a request for reconsideration in writing or by facsimile (FAX). This reconsideration cannot be requested by

telephone. The request must be made within sixty (60) calendar days of receipt of the written denial notice. The medical review agent will complete the reconsideration review within thirty (30) days after receipt of the request for reconsideration, medical records and all pertinent information. A written notice will be issued to the *[recipient] participant*, physician and hospital within three (3) days after the reconsideration is completed;

(E) If the *[recipient] participant* disagrees with a reconsideration denial by the medical review agent, s/he has the right to a fair hearing under sections 208.080, RSMo and 208.156, RSMo.

(9) Validation Sample of Approved Admissions.

(D) Admission certification is not a guarantee of *[Medicaid] MO HealthNet* payment. If the information provided during the certification process cannot be validated in the medical record by a nurse reviewer using the criteria in section (6), or was false, misleading or incomplete, the case will be referred to a physician reviewer for a medical necessity determination. The physician reviewer is not bound by any criteria and makes the determination based on medical facts in the case using his/her medical judgment.

(G) A validation review determination of denial will result in recovery of *[Medicaid] MO HealthNet* payments in accordance with 13 CSR 70-3.030. Overpayment determinations may be appealed to the Administrative Hearing Commission within thirty (30) days of the date of the notice letter if the sum in dispute exceeds five hundred dollars (\$500).

(10) As specific in relation to administration of the provisions of this rule and not otherwise inconsistent with *[recipient] participant* liability as determined under provisions of 13 CSR 70-4.030, *[recipient] participant* liability issues for admission certification and validation review are as follows:

(A) The *[recipient] participant* is liable for inpatient hospital services in the following circumstances:

1. When the preadmission request for certification is denied and the *[recipient] participant* is notified of the denial but the *[recipient] participant* chooses to be admitted, s/he is liable for all days;
2. When a postadmission request for certification of an admission is denied, the *[recipient] participant* is liable for those days of inpatient hospital service provided after the date of the notification to him/her of the denial;
3. When the *[recipient's] participant's* eligibility was not established on or by the date of admission and the request for certification is denied, the *[recipient] participant* is liable for all days; and
4. When the *[recipient] participant* has signed a written agreement with the provider indicating that *[Medicaid] MO HealthNet* is not the intended payer for the specific item or service, s/he is liable for all days. The agreement must be signed prior to receiving the services. In this situation, the *[recipient] participant* accepts the status and liabilities of a private pay patient in accordance with 13 CSR 70-4.030; and

(B) The *[recipient] participant* is not liable for inpatient hospital services in the following circumstances:

1. When the provider fails to comply with preadmission certification requirements, the *[recipient] participant* is not liable for any days;
2. When a postadmission request for certification of an admission is denied, the *[recipient] participant* is not liable for those days of inpatient hospital service provided prior to and including the date of the notification to him/her of the denial; and
3. When the medical review agent performs a validation review as provided in section (9) of this rule and determines an admission was not medically necessary for inpatient services, the *[recipient] participant* is not liable for any days.

(11) Continued stay reviews will be performed for all other fee-for-service Missouri *[Medicaid recipients] MO HealthNet participants* subject to admission certification to determine that services

are medically necessary and appropriate for inpatient care. The continued stay review procedure is as follows:

(13) Large case management will be performed for fee-for-service *[recipients] participants* with potentially catastrophic conditions whenever specific trigger diagnoses or other qualifying events are met. *[MC+ health plans eligible under the state's reinsurance plan for additional reimbursement of eighty percent (80%) of the plan's payment for inpatient days which exceed fifty thousand dollars (\$50,000) in an MC+ enrollee's plan year are subject to the medical review agent's monitoring of the plan's large case management intervention.]*

(A) Large case management procedures for fee-for-service *[recipients] participants* are as follows:

1. Preadmission review nurses identify patients who may qualify and benefit from case management, and refer to a case manager of the medical review agent. Cases include but are not limited to the following:

- A. Patients with high costs or anticipated high costs; or
- B. Patients with repeated admissions or unusually long lengths-of-stay; or
- C. Patients who encounter significant variances from the intervention or from expected outcomes associated with a clinical path; or
- D. Patients who meet one (1) or more of the indicators on the Trigger Diagnosis/Qualifying Events list;

2. The medical review agent will complete an initial screening which will include a review of the medical information, and interviews with the health care providers and patient if needed or feasible;

3. An in-depth assessment will be conducted, which will include evaluation of the patient's health status, health care treatment and service needs, support system, home environment and physical and psychosocial functioning. The assessment will be used to recommend one (1) of the following:

- A. Reassessment later; or
- B. No potential for case management; or
- C. Active monitoring in anticipation of a future plan for alternative treatment; or
- D. An alternative treatment plan is indicated;

4. If an alternative treatment plan is indicated, the medical review agent will collaborate with the patient's attending physician to develop an alternative treatment plan. The attending physician is responsible for implementation of the alternative treatment plan; and

5. The medical review agent will monitor and assess the effectiveness of the case management and will report to the state.

[(B) Large case management procedures for MC+ cases reaching the fifty thousand dollar (\$50,000) reinsurance cap are as follows:

1. *The MC+ health plan case manager or established liaison will be responsible for notifying the medical review agent as soon as a potential case management patient is identified. The medical review agent must be notified of MC+ enrollees who reach a threshold of forty thousand dollars (\$40,000), and provide information needed for the initial screen;*

2. *The medical review agent will complete an initial screening which will include a review of the medical information, patient status, current plan of care, hospital discharge summaries, and other records as appropriate, to be supplied by the health plan;*

3. *An in-depth assessment will be conducted, which will include evaluation of the patient's health status, health care treatment and service needs, support system, home environment and physical and psychosocial functioning. The assessment will be used to recommend one (1) of the following:*

- A. *Reassessment later; or*

B. No potential for case management; or

C. Active monitoring in anticipation of a future plan for alternative treatment; or

D. An alternative treatment plan is indicated;

4. *If an alternative treatment plan is indicated, the medical review agent will collaborate with a physician representative from the health plan's Utilization Review/Quality Assessment (UR/QA) Committee to discuss and develop an alternative treatment plan. The medical review agent will recommend an alternative treatment plan to the health plan;*

5. *The medical review agent will monitor and assess the effectiveness of the case management and will report to the state; and*

6. *The medical review agent will monitor each day of inpatient hospital care provided subsequent to the fifty thousand dollar (\$50,000)-threshold for appropriateness and acute level of care.]*

(14) Psychiatric admissions for [Medicaid recipients] MO HealthNet participants twenty-one (21) and over enrolled in a MC+ health plan who have exceeded the thirty (30) inpatient days/twenty (20) outpatient days limitation of behavioral health care in a plan year will be subject to a retrospective postpayment utilization/quality of care review by the medical review agent. The objectives of this review focus are to collect data on potentially medically unnecessary inpatient days of care to assist the division in projecting potential expenditures that could be made available for outpatient care, assuring that inpatient care is of acceptable quality, identify social or placement problems when post-hospital psychiatric services are needed, and monitor and report health plan compliance to notification requirements for enrollees meeting the thirty/twenty (30/20) cap.

AUTHORITY: section 208.201, RSMo [1994] Supp. 2007. Emergency rule filed Oct. 20, 1989, effective Nov. 1, 1989, expired Feb. 28, 1990. Original rule filed Nov. 2, 1989, effective Feb. 25, 1990. Amended: Filed June 18, 1991, effective Jan. 13, 1992. Amended: Filed July 2, 1992, effective Feb. 26, 1993. Amended: Filed July 1, 1996, effective Feb. 28, 1997. Amended: Filed Feb. 1, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, MO HealthNet Division, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. If to be hand-delivered, comments must be brought to the MO HealthNet Division at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

Title 13—DEPARTMENT OF SOCIAL SERVICES

Division 70—[Division of Medical Services]

MO HealthNet Division

Chapter 97—Health Insurance Premium Payment (HIPP) Program

PROPOSED AMENDMENT

13 CSR 70-97.010 Health Insurance Premium Payment (HIPP) Program. The division is amending the Purpose statement and sections (1), (2), (3), (4), (5), (6), (7), (8), (10), and (11), and adding a new section (13).

PURPOSE: This amendment changes the name of the state's medical assistance program to MO HealthNet and revises the name of the program's administering agency to MO HealthNet Division to comply with state law. It updates a reference in the definitions section. The amendment also changes reference to program recipients to participants and updates reference to the Division of Family Services to Family Support Division. The amendment further updates reference to HIPP forms and removes them from state regulation since they are available on the agency website.

PURPOSE: This rule establishes guidelines for the health insurance premium payment program in accordance with section 1906 of the Social Security Act, P.L. 101-508 of November 5, 1990, as amended. The Department of Social Services, [Division of Medical Services] MO HealthNet Division shall pay for the cost of enrolling an eligible [Medicaid recipient] MO HealthNet participant in a group or individual health insurance plan when the [Division of Medical Services] MO HealthNet Division determines it is cost-effective to do so.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. This material as incorporated by reference in this rule shall be maintained by the agency at its headquarters and shall be made available to the public for inspection and copying at no more than the actual cost of reproduction. This note applies only to the reference material. The entire text of the rule is printed here.

(1) Definitions. Group health insurance shall mean any plan of, or contributed to by, an employer (including a self-insured plan) to provide health care (directly or otherwise) to the employer's employees, former employees, or the families of the employees or former employees. A group health plan must meet section 5000(b)(1) of the Internal Revenue Code of 1986, as amended, and include continuation coverage pursuant to Title XXII of the Public Health Service Act, section 4980B of the Internal Revenue Code of 1986, or Title VI of the Employee Retirement Income Security Act of 1974, as amended. Participation in a health insurance plan that is not group health insurance as defined in this section is not a condition of [Medicaid] MO HealthNet eligibility.

(2) Condition of Eligibility. An individual eligible for [Medicaid] MO HealthNet, or a person acting on the [recipient's] participant's behalf, shall cooperate in providing information necessary for the [Division of Medical Services] MO HealthNet Division to establish availability and cost-effectiveness of group health insurance by completing the Application for Health Insurance Premium Payment (HIPP) Program, Form MO886-3179/[6-94]2-98/[included herein]. As a condition of [Medicaid] MO HealthNet eligibility, persons who are not enrolled in an available group insurance plan which the division has determined is cost-effective, and who are otherwise eligible for [Medicaid] MO HealthNet, shall apply for enrollment in the plan.

(A) The Department of Social Services, [Divisions of Medical Services] MO HealthNet Division shall pay all enrollee premiums and deductibles, coinsurance and other cost-sharing obligations for items and services otherwise covered under the [Medicaid] MO HealthNet program. Payment of these items is considered as payment for medical assistance; the group health insurance is the primary [payor] payer to [Medicaid] MO HealthNet. Only coverage of services not provided under the group health plan, but to which

the individual is entitled under the *[Medicaid]* MO HealthNet program, shall be provided under *[Medicaid]* MO HealthNet as wrap-around coverage.

(B) When an applicant, *[recipient]* participant, parent, guardian or caretaker fails to provide information necessary to determine availability and cost-effectiveness of group health insurance, *[Medicaid]* MO HealthNet benefits of the applicant, *[recipient]* participant, parent, guardian or caretaker shall be denied unless good cause for failure to cooperate is established. If an applicant, *[recipient]* participant, parent, guardian or caretaker fails to enroll in a group health insurance plan that has been determined cost-effective, or disenrolls from a group health insurance plan the department has determined cost-effective *[Medicaid]* MO HealthNet benefits of the applicant, *[recipient]* participant, parent, guardian or caretaker shall be terminated unless good cause for failure to cooperate is established. Good cause for failure to cooperate shall be established when the applicant, *[recipient]* participant, parent, guardian or caretaker demonstrates one (1) or more of the following conditions exist:

1. There was a serious illness or death of the applicant, *[recipient]* participant, parent, guardian or caretaker or a member of the applicant's, *[recipient's]* participant's, parent's, guardian's or caretaker's family.

2. There was a family emergency or household disaster such as a fire, flood or tornado;

3. The applicant, *[recipient]* participant, parent, guardian or caretaker offers a good cause beyond the applicant's, *[recipient's]* participant's, parent's, guardian's or caretaker's control; and

4. There was a failure to receive the department's request for information or notification for a reason not attributable to the applicant, *[recipient]* participant, parent, guardian or caretaker. Lack of a forwarding address is attributable to the applicant, *[recipient]* participant, parent, guardian or caretaker.

(C) *[Medicaid]* MO HealthNet benefits of a child shall not be denied or terminated due to the failure of the parent, guardian or caretaker to cooperate. Additionally, the *[Medicaid]* MO HealthNet benefits of the spouse of the employed person shall not be denied or terminated due to the employed person's failure to cooperate when the spouse cannot enroll in the plan independently of the employed person.

(3) Cost-effectiveness. Enrollment in a health insurance plan is considered cost-effective when the cost of paying the premiums, *[coinsure]* coinsurance, deductibles and other cost-sharing obligations, and additional administrative costs is likely to be less than the amount paid for an equivalent set of *[Medicaid]* MO HealthNet services. When determining the cost-effectiveness of the health insurance plan, the following data shall be considered:

(C) The average anticipated *[Medicaid]* MO HealthNet utilization, by age, sex, geographic location and coverage group, for persons covered under the insurance plan;

(D) The specific health-related circumstances of the persons covered under the insurance plan. *The HIPP Medical History Questionnaire, Form MO886-3178(6-94) shall be used to obtain this information*; and

(E) Annual administrative expenditures of an amount determined by the *[Division of Medical Services]* MO HealthNet Division per *[Medicaid]* MO HealthNet *[recipient]* participant covered under the health insurance policy.

(4) Coverage of Non-*[Medicaid]* MO HealthNet-Eligible Family Members. When *[is]* it is determined to be cost-effective, the department shall pay for health insurance premiums for non-*[Medicaid]* MO HealthNet-eligible family members if a non-*[Medicaid]* MO HealthNet-eligible family member must be enrolled in the health plan in order to obtain coverage for the *[Medicaid]* MO HealthNet-eligible family members. However, the needs of the non-*[Medicaid]* MO HealthNet-eligible family members shall not be taken into con-

sideration when determining cost-effectiveness, and payments for deductibles, coinsurances or other cost-sharing obligations shall not be made on behalf of family members who are not *[Medicaid]* MO HealthNet-eligible.

(5) Exceptions to Payment. Premiums shall not be paid for health insurance plans under any of the following circumstances:

(C) The premium is used to meet a spend-down obligation when all persons in the household are eligible or potentially eligible only under the spenddown program. When some of the household members are eligible for full *[Medicaid]* MO HealthNet benefits, the premium shall be paid if it is determined to be cost-effective when considering only the persons receiving full *[Medicaid]* MO HealthNet coverage. In those cases, the premium shall not be allowed as a deduction to meet the spenddown obligation for those persons in the household participating in the spenddown program. As long as the health insurance premium is not used as a deduction to income when determining client participation in the *[Medicaid]* MO HealthNet program, then spenddown coverage shall not exclude a *[Medicaid]* MO HealthNet eligible individual from participating in the HIPP program;

(E) The persons covered under the plan are not *[Medicaid]* MO HealthNet-eligible on the date the decision regarding eligibility for the HIPP program is made.

(6) Duplicate Policies. When more than one (1) health insurance plan or policy is available, the Department of Social Services, *[Division of Medical Services]* MO HealthNet Division shall pay only for the most cost-effective plan. However, in situations where the department is buying-in to the cost of Medicare Part A or Part B for eligible Medicare beneficiaries, the cost of premiums for a Medicare supplemental insurance policy may also be paid if the department determines it is likely to be cost-effective to do so.

(7) Discontinuance of Premium Payments. When all *[Medicaid]* MO HealthNet-eligible members covered under the health insurance plan lose *[Medicaid]* MO HealthNet eligibility, premium payments shall be discontinued as of the month of *[Medicaid]* MO HealthNet ineligibility. When only some of the *[Medicaid]* MO HealthNet-eligible members covered under the health insurance plan lose *[Medicaid]* MO HealthNet eligibility, a review shall be completed in order to ascertain whether payment of the health insurance premium continues to be cost-effective.

(8) Effective Date of Premium Payment. The effective date of premium payments for cost-effective health insurance plans shall be determined as follows:

(B) In no case shall payments be made for premiums which are used as a deduction to income when determining client participation in the *[Medicaid]* MO HealthNet program.

(10) Reviews of Cost-Effectiveness. Reviews of cost-effectiveness will be completed at least every six (6) months for employer-related group health plans and annually for nonemployer-related group health plans. Additionally, redeterminations shall be completed whenever a predetermined premium rate, deductible, or coinsurance increases, some of the persons covered under the policy lose full *[Medicaid]* MO HealthNet eligibility, there is a change in MO HealthNet eligibility, loss of employment when the insurance is through an employer, or there is a decrease in the services covered under the policy. *[Recipients]* Participants shall report all changes concerning health insurance coverage to the local Family Support Division's *[of Family Service's]* office within ten (10) days of the change.

(11) Notices.

(A) Notice shall be provided to the household under the following circumstances:

1. To inform the household of the initial decision on cost-effectiveness and premium payment (Form MO886-3180[(6-94)] (02/05) or Form MO886-3181[(6-94)] (02/05));

2. To inform the household that premium payments are being discontinued because [Medicaid] MO HealthNet eligibility has been lost by all persons covered under the policy (Form MO886-3182[(6-94)] (02/05)); or

3. The policy is no longer available to the family (for example, the employer drops insurance coverage or the policy is terminated by the insurance company, Form MO886-3182[(6-94)] (02/05)).

(B) A timely notice shall be provided to the household informing them of a decision to discontinue payment of the health insurance premium because the department has determined the policy is [not] no longer cost-effective (Form MO886-3182[(6-94)](02/05)).

(13) Administration. HIPP Program information and forms are currently located and can be accessed on the MO HealthNet Division's website at www.dss.mo.gov/mhd. HIPP Program information and forms shall be determined by the division and shall be included in the MO HealthNet provider manuals, which are incorporated by reference and made a part of this rule as published by the Department of Social Services, MO HealthNet Division, 615 Howerton Court, Jefferson City, MO 65109, at its website www.dss.mo.gov/mhd, March 3, 2008. The rule does not incorporate any subsequent amendments or additions.

AUTHORITY: sections 208.153 and 208.201, RSMo [2000] Supp. 2007. Original rule filed June 30, 1994, effective Jan. 29, 1995. Emergency amendment filed Aug. 19, 2005, effective Sept. 1, 2005, expired Feb. 27, 2006. Amended: Filed June 1, 2005, effective Nov. 30, 2005. Amended: Filed Feb. 1, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, MO HealthNet Division, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. If to be hand-delivered, comments must be brought to the MO HealthNet Division at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

Title 19—DEPARTMENT OF HEALTH AND SENIOR SERVICES

Division 30—Division of Regulation and Licensure Chapter 20—Hospitals

PROPOSED RULE

19 CSR 30-20.125 Unlicensed Assistive Personnel Training Program

PURPOSE: This rule requires hospitals to have a personnel training policy that requires unlicensed health care personnel who provide direct patient care under the delegation and supervision of a registered nurse to complete the Unlicensed Assistive Personnel (UAP) Training Program, which shall be used to prepare individuals for employment in hospitals. This program shall be designed to teach the knowledge and skills that will qualify students to perform uncomplicated nursing procedures and assist in direct patient care.

(1) Definitions Relating to this Rule.

(A) Acute care unit—an area of a hospital that provides care primarily for patients with acute diseases or conditions. This does not include care provided in a long-term care unit such as a skilled nursing, intermediate care and residential care units.

(B) Unlicensed Assistive Personnel (UAP)—unlicensed health care personnel who provide direct patient care twenty-five percent (25%) or more of the time, under the delegation and supervision of a registered nurse. Individuals who provide a specific job function such as, but not limited to, phlebotomist, radiology technician or patient transporter are not included in this definition.

(2) The hospital training policy for UAPs shall include the following minimum standards:

(A) The curriculum of the UAP Program shall consist of a standard plan of instruction to include:

1. A minimum of seventy-five (75) hours of classroom instruction.

2. Computer or paper-based learning modules that provide documentation of completion may be substituted for up to sixty (60) hours of classroom time.

3. A minimum of one hundred (100) hours of clinical practicum.

4. Curriculum content of the program shall include procedures and instructions on basic nursing skills including but not limited to the areas of:

A. The Role of the UAP (ethics, law, team member communication, observation, reporting, documentation, medical terminology);

B. Patient/Client Rights (Health Insurance Portability and Accountability Act (HIPAA), privacy, confidentiality, advanced directives, abuse and neglect, age specific care, cultural diversity, pain management, restraint-free care, end-of-life care, death and dying, do not resuscitate (DNR) orders, post-mortem care);

C. Vital Signs;

D. Basic Human Needs (age specific cognitive/psychological/social needs, activities of daily living, ambulation, positioning, personal care, elimination and toileting, nutrition, hydration, feeding, bed making);

E. Infection Control (universal precautions, blood-borne pathogens, safe needle devices, aseptic technique, hand washing, gloving, isolation);

F. Skin Care (wound care, pressure ulcers and prevention); and

G. Safety (cardiopulmonary resuscitation (CPR), allergies, fall prevention, environmental safety issues, fire/electrical, hazardous materials transportation safety information (HAZMAT), emergency procedures, body mechanics).

5. The clinical practicum of one hundred (100) hours shall start after the student has enrolled and started the course curriculum.

6. Skill validation and knowledge verification is to be used to determine student competence.

7. Annual in-service training also shall occur as required under 19 CSR 30.20.021(3)(L)6. and 7. and (5)(B)4.

(3) The hospital training policy for UAPs shall begin three (3) months after the effective date of this rule. UAP training shall be completed within ninety (90) days of employment for any individual who is hired as a UAP. UAPs from staffing agencies shall comply with this regulation. A UAP shall not work in direct patient care, except as part of their supervised practicum, until the entire UAP training requirements have been met. Hospitals shall not be required to meet the UAP training requirements if an employee demonstrates competency in the content areas required by this rule; in the duties specific to their job and the patient population assigned and:

(A) Is enrolled in a professional or practical nursing education program and has or will complete within ninety (90) days a fundamentals of nursing course; or

(B) Was a professional nursing or practical nursing licensure candidate who failed to pass the state licensure examinations in the past three (3) years; or

(C) Is certified as a nursing assistant as defined in section 198.082, RSMo; or

(D) Has documented experience as a nurse assistant, emergency medical technician or surgical technician in the past three (3) years; or

(E) Has proof of completion of UAP training program in Missouri or another state which meets the requirements of this rule within the last three (3) years; or

(F) Has completed a professional or licensed practical nursing program outside the United States and is awaiting the licensure examination in this country.

(4) The hospital training policy for UAPs shall meet the following faculty qualifications and responsibilities:

(A) A registered nurse shall be designated as the course coordinator and shall be responsible for all aspects of the course, and must supervise all classroom and clinical instruction.

(B) Instructors shall hold a current license or temporary permit to practice as a registered nurse in Missouri and have a minimum of two (2) years of nursing experience in an acute care, long-term care or ambulatory surgery facility within the prior five (5) years, or an experience as a clinical faculty member in a nursing program within the prior five (5) years. An instructor's nursing license shall not be under current disciplinary action;

(C) A clinical supervisor's or preceptor's nursing license shall not be under current disciplinary action or investigation; and

(D) UAPs who have satisfied the training requirements of this rule and Licensed Practical Nurses may assist with the clinical practicum under the direction of the course coordinator.

(5) A hospital or ambulatory surgical center that provides training for UAPs shall meet the following training site requirements:

(A) Provide designated space sufficient to accommodate the classroom teaching portion of the course or have a written agreement with another acute care hospital, an area vocational-technical school, a high school offering a health service occupation program, a community college or a provider agency to provide the classroom portion of the course;

(B) Provide on-the-job clinical practicum or have a written agreement with one (1) or more hospitals or ambulatory surgical centers in their vicinity to do so;

(C) Assess and review the program and outcomes of any training provided by another facility to ensure that all of the requirements of this rule have been met;

(D) Maintain, either electronically or on paper in the employee's personnel file, records of course completion and competency for a minimum of three (3) years. Records shall be signed and dated by the course coordinator and each of the instructors and clinical supervisors verifying classroom time, clinical time and competency for each student; and

(E) Provide a signed copy of the course completion and competency record to the student, that includes the elements in subsection (5)(D) of this rule.

AUTHORITY: section 197.287, RSMo 2000. Original rule filed Jan. 31, 2008.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions approximately one hundred eighty-seven thousand, three hundred forty-one dollars (\$187,341) in the first year and one hundred two thousand, three hundred forty-one dollars (\$102,341) annually thereafter.

PRIVATE COST: This proposed rule will cost private entities \$1,580,888 in the first year and \$1,295,888 annually thereafter.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with Kimberly O'Brien, Director, Division of Regulation and Licensure, PO Box 570, Jefferson City, MO 65102-0570. Telephone (573) 522-8535. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC ENTITY COST**

I. RULE NUMBER

Rule Number and Name:	19 CSR 30 – 20.125 – Unlicensed Assistive Personnel Training Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
34 State Licensed Hospitals operated by Counties, Cities, or Hospital Districts	\$187,341 (\$85,000 + \$34,335 + \$68,006) the first year and \$102,341 annually thereafter
Department of Health and Senior Services	\$9,250 annually

III. WORKSHEET**HOSPITALS:**

Policy/curriculum development: 34 hospitals X \$2,500/hospital = \$85,000 one-time costs
 Additional training: \$27.25 hourly RN rate for instructor X 18 instructors X 70 hours = \$34,335 annually
 UAP time spent in additional training: \$10.56 hourly UAP rate X 92 UAPs X 70 hours = \$68,006 annually

DEPARTMENT OF HEALTH AND SENIOR SERVICES:

148 Licensed Hospitals X 2 additional hours per inspection X \$31.25 hourly rate for inspection staff (includes fringe) = \$9,250 annually

IV. ASSUMPTIONS**HOSPITALS:**

The Department of Health and Senior Services worked with the Missouri Hospital Association to obtain information with which to estimate the cost of this proposed rule.

Hospitals would incur a one-time cost of developing policies and a UAP curriculum to meet the requirements of this rule. We estimate the average cost to each hospital at \$2,500. The twenty-seven hospitals with swing beds are assumed to comply with the current training requirements for certified nursing assistants and would not need to develop additional policies or curriculum.

Hospitals (private and public) reported on the 2004 annual hospital survey that they employed 14,657 full-time and part-time nursing assistants. According to the MHA Workforce Report, the hospitals reported a turnover rate for all positions of 12.9%. Applying the turnover rate to the existing positions (12.9% of 14,657) results in 1,879 new UAPS hired per year. The proposed rule exempts previously trained UAPs moving from one facility to another. If 25% of the 1,879 are considered to be UAPs moving from facility to facility, this leaves 1,409 UAPs at private and public hospitals who would need training. There are 22,817 licensed hospital beds; 2,830 in public hospitals and 19,987 in private hospitals. This is a ratio of 12.4% public and 87.6% private. Applying this ratio to the number of UAPs results in 174 UAPs in public facilities and 1,234 in private facilities that would require training.

Current rules already require nursing assistants in hospitals who work with long-term care patients to be certified nursing assistants. They are already required to complete 175 hours of training. Twenty-seven public hospitals have swing-beds which can be used for either acute or long-term care. Hospitals with swing beds typically require all nursing assistants to be certified so they can provide either acute or long-term care, as needed. The licensed beds in these twenty-seven hospitals account for 56% of the total licensed beds in public hospitals. Making the assumption then that 47% of the UAPs would already be trained to satisfy the certified nursing requirements, this would leave 92 UAPs (174 UAPs – 47%) at public hospitals subject to training as required in the new rule. Assuming that hospitals, on average, already provide a minimum of 80 hours of training to unlicensed personnel, it is estimated that hospitals would need to provide an additional 70 hours above what they are currently providing to these 92 UAPs. Assuming 5 trainees per RN instructor, would result in a need for 18 instructors. Assuming the average hourly rate for a staff RN is \$21.80 (per MHA's 2004 compensation survey) and allowing an additional 25 percent for benefits would give an hourly rate of \$27.25. $\$27.25/\text{hour} \times 18 \text{ instructors} \times 70 \text{ hours} = \$34,335$ annually.

MHA's compensation survey indicates the average hourly pay rate for new UAPs is approximately \$8.45. Adding an additional 25 percent for benefits gives a pay rate of \$10.56. The cost related to the 92 UAPs that will be spending an additional 70 hours in training amounts to \$68,006 annually.

As of 12/20/07 there are 34 state-licensed hospitals that are publicly funded. The DHSS believes the 25 of these hospitals that have swing-beds are already compliant with this rule and would not incur additional costs.

DEPARTMENT OF HEALTH AND SENIOR SERVICES:

The DHSS estimates that these regulatory changes would result in adding an average of 2 additional hours of inspection time for each of the 148 hospitals. This additional time for inspections includes write-up and follow-up time in addition to the additional time at the

facility. These changes will result in the need for an additional 286 hours of employee time. The estimated hourly rate of inspection staff is \$21.95. Factoring in fringe benefits at 42.38% gives an hourly rate of \$31.25. Additional inspection costs are therefore estimated at \$9,250.

This estimate does not include the investigation of any complaints that might be reported as a result of the regulatory changes. It is impossible to estimate the number of possible complaints or the amount of time they might take to investigate.

**FISCAL NOTE
PRIVATE ENTITY COST**

I. RULE NUMBER

Rule Number and Name:	19 CSR 30-20.125 – Unlicensed Assistive Personnel Training Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities.
114	State-licensed hospitals	\$1,580,888 (\$285,000 + \$440,633 + \$855,255) the first year and \$1,295,888 annually thereafter

III. WORKSHEET

Policy/curriculum development 114 hospitals X \$2,500/hospital = \$285,000 one-time costs

Additional training staff time: \$27.25 hourly RN rate for instructor X 231 instructors X 70 hours = \$440,633 annually

Unlicensed Assistive Personnel (UAP) time spent in additional training: \$10.56 hourly UAP rate X 1,157 UAPs X 70 hours = \$855,255 annually

IV. ASSUMPTIONS

The Department of Health and Senior Services worked with the Missouri Hospital Association to obtain information with which to estimate the cost of this proposed rule.

Hospitals would incur a one-time cost of developing policies and a UAP curriculum to meet the requirements of this rule. We estimate the average cost to each hospital at \$2,500. The 22 hospitals with swing beds are assumed to comply with the current training requirements for certified nursing assistants and would not need to develop additional policies or curriculum.

Hospitals (private and public) reported on the 2004 annual hospital survey that they employed 14,657 full-time and part-time nursing assistants. According to the MHA 2005 Workforce Report, hospitals also reported a turnover rate for all positions of 12.9%. Applying the turnover rate to the existing positions (12.9% of 14,657) results in 1,879

new UAPS hired per year. The proposed rule exempts previously trained UAPs moving from one facility to another. If 25% of the 1,879 are considered to be UAPs moving from facility to facility, this leaves 1,409 UAPs at private and public hospitals who would need training. There are 22,817 licensed hospital beds; 2,830 in public hospitals and 19,987 in private hospitals. This is a ratio of 12.4% public and 87.5% private. Applying this ratio to the number of UAPs results in 165 UAPs in public facilities and 1,244 in private facilities that would require training.

Current rules already require nursing assistants in hospitals who work with long-term care patients to be certified nursing assistants. They are already required to complete 175 hours of training. Twenty-two private hospitals have swing-beds which can be used for either acute or long-term care. Hospitals with swing beds typically require all nursing assistants to be certified so they can provide either acute or long-term care, as needed. The licensed beds in these twenty-two hospitals account for 7% of the total licensed beds in private hospitals. Making the assumption then that 7% of the UAPs would already be trained to satisfy the certified nursing requirements, this would leave 1,157 UAPs (1,244 UAPs – 7%) at private hospitals subject to training as required in the new rule. Assuming that hospitals, on average, already provide a minimum of 80 hours of training to unlicensed personnel, it is estimated that hospitals would need to provide an additional 70 hours above what they are currently providing to these 1,157 UAPs. Assuming 5 trainees per RN instructor, would result in a need for 231 instructors. Assuming the average hourly rate for a staff RN is \$21.80 (per MHA's 2004 compensation survey) and allowing an additional 25 percent for benefits would give an hourly rate of \$27.25. $\$27.25/\text{hour} \times 231 \text{ instructors} \times 70 \text{ hours} = \$440,633$ annually for instruction.

MHA's compensation survey indicates the average hourly pay rate for new UAPs is approximately \$8.45. Adding an additional 25 percent for benefits gives a pay rate of \$10.56. The cost related to the 1,157 UAPs that will be spending an additional 70 hours in training amounts to \$855,255 annually.

As of 12/20/07 there are 114 state-licensed hospitals that are privately operated. The DHSS believes that 22 of these hospitals that have swing-beds are already compliant with this rule and would not incur additional costs.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**

**Division 200—Insurance Solvency and Company
Regulation**

Chapter 18—[Warranties and] Service Contracts

PROPOSED AMENDMENT

**20 CSR 200-18.010 Registration of Motor Vehicle Extended
Service Contract [Administrators] Providers**

PURPOSE: This amendment will conform the rule to the provisions of section 385.200 to 385.220 of House Bill No. 221 (2007) which replaced the prior provisions in Chapter 407, RSMo.

PURPOSE: The purpose of this rule is to effectuate the provisions of sections [407.1200 to 407.1227] 385.200 to 385.220, RSMo, regarding the registration of all [administrators of] motor vehicle extended service contract[s sold] providers in this state.

(1) Each “[administrator] provider,” as that term is used in sections [407.1200 to 407.1227] 385.200 to 385.220, RSMo, shall register with the director by completing and filing an application for motor vehicle [S]service [C]contract provider [Administration] [R]registration [on a form provided by the director and in accordance with the instructions contained therein]. Effective January 1, [2007] 2008, each [administrator] provider is required to register at the following times:

(A) Before [administering] issuing any “motor vehicle extended service contract,” as that term is used in section[s] 407.1200 to 407.1227] 385.200, RSMo, unless such [administration] issuance occurs in January [2007] 2008, in which case registration must occur between January 1 and February 1 of [2007] 2008; and

(2) Each completed and filed application for registration [form] must be accompanied by/:

(A) P]payment of a registration fee of five hundred dollars (\$500), [for each provider, including the registering administrator if the administrator is also a provider, on behalf of whom the administrator is or will be administering any service contract (fee = \$500 × number of providers); and

(B) A completed provider exhibit, on a form provided by the director and in accordance with the instructions contained therein, for each provider, including the registering administrator if the administrator is also a provider, on behalf of whom the administrator is or will be administering any service contract. Each provider exhibit shall be accompanied by the surety bond or the guaranty in the form set forth in Appendices A and B to rule 20 CSR 200-18.020 of this chapter, if the provider’s assurance of the faithful performance of its obligations to its contract holders includes a surety bond or guaranty.]

[[3] In addition to the requirements of sections (1) and (2) of this rule, each administrator shall complete and file a provider exhibit within thirty (30) days after an administrator begins to administer any service contract on behalf of any provider for whom a completed provider exhibit was not included with the administrator’s most recently filed registration.]

[[4]] (3) Copies of [the Service Contract Administrator Registration and Provider Exhibit forms may be obtained from the director at: Attention: Admissions Specialist,] a recommended, but not mandatory, application for motor vehicle service contract provider registration form are available at the department’s office, at the department website, www.insurance.mo.gov, or by mailing a written request to the Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

[[5]](4) For purposes of this rule and rule 20 CSR 200-18.020, the term “provider” refers only to the party that is contractually obligated to provide service under a motor vehicle extended service contract. Such term does not refer to an administrator or seller of the product that is not so obligated.

AUTHORITY: section [407.1225] 385.218, RSMo Supp.[2005] 2007. Original rule filed June 26, 2006, effective Dec. 30, 2006. Amended: Filed Jan. 29, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment at 1:30 p.m. on April 11, 2008 at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement, in support of or in opposition to the proposed amendment, until 5:00 p.m. on April 11, 2008. Written statements shall be sent to Elfin L. Noce, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**

**Division 200—Insurance Solvency and Company
Regulation**

Chapter 18—[Warranties and] Service Contracts

PROPOSED AMENDMENT

**20 CSR 200-18.020 Faithful Performance of a Motor Vehicle
Extended Service Contract Provider’s Obligations [to its
Contract Holders]**

PURPOSE: This amendment will conform the rule to the provisions of sections 385.200 to 385.220 of House Bill No. 221 (2007) which replaced the prior provisions in Chapter 407, RSMo.

PURPOSE: The purpose of this rule is to effectuate the provisions of sections [407.1200 to 407.1227] 385.200 to 385.220, RSMo, regarding assuring the faithful performance of a provider’s obligations to its contract holders.

(1) Each provider who is contractually obligated to [provide services under a service contract] the service contract holder under the terms of a motor vehicle extended service contract shall:

(A) Insure all service contracts under a reimbursement insurance policy as provided in section [407.1203.3(1)] **385.202.3(1)**, RSMo;

(B) Maintain a funded reserve account and place in trust with the director a financial security deposit as provided in section [407.1203.3(2)(a) and (b)] **385.202.3(2)(a) and (b)**, RSMo; or

(C) Maintain a net worth of at least one hundred (100) million dollars as provided in section [407.1203.3(3)(a)] **385.202.3(3)(a)**, RSMo, and provide the information required under section [407.1203.3(3)(b)] **385.202.3(3)(b)**, RSMo.

(2) To assure the faithful performance of a provider's obligations to its contract holders:

(A) Each provider electing to insure all service contracts under a reimbursement insurance policy, as set forth in section [407.1203.3(1)] **385.202.3(1)**, RSMo, and subsection (1)(A) of this rule, shall comply with the following requirements:

1. Any such policy shall be issued by an insurance company authorized to transact insurance in this state. As used in this paragraph, the term "insurance company authorized to transact insurance in this state" means either an insurance company with a valid certificate of authority from the director to transact liability insurance or a financially responsible risk retention group (RRG). A financially responsible RRG is any RRG that meets each of the following requirements:

A. Such RRG is registered with the director pursuant to sections 375.1080–375.1105, RSMo.

B. Such RRG files with the director its most recent sworn annual statement reporting at a minimum its balance sheet (assets and liabilities, surplus and other funds), income statement or statement of profit and loss (summary of operations), and cash flow statement, which annual statement:

(I) Was prepared with the consistent application of statutory accounting principles, as shown by the National Association of Insurance Commissioners (NAIC's) *Accounting Practices and Procedures Manual* as provided in 20 CSR 200-1.020, with only those deviations from such principles as are commonly allowed insurance companies which possess a certificate of authority from the director to transact liability insurance; and

(II) Has been, within five (5) years after the "as of" date of such annual statement, examined by this department or any other state insurance regulatory authority which was, at the time of the examination, accredited pursuant to the Financial Regulation Standards and Accreditation Program of the NAIC; and

(III) Shows that on the basis of such statutory accounting principles, the RRG maintains at least **one million six hundred thousand dollars** (\$1,600,000) in surplus as regards policyholders, has deposited with the insurance regulatory authority of its state of domicile for the security of all its policyholders and creditors cash or securities valued at no less than eight hundred thousand dollars (\$800,000), and is not in a hazardous financial condition;

2. Either:

A. No such policy may have any deductible or retention payable by the policyholder or claimant under the policy; or

B. To the extent that any such policy has a deductible or retention payable by the policyholder or claimant under the policy, the provider must either:

(I) Maintain a funded reserve account and place in trust with the director a financial security deposit as provided in section [407.1203.3(2)(a) and (b)] **385.202.3(2)(a) and (b)**, RSMo, and this rule, for the difference between the amount paid by or on behalf of the service contract holder for the service contract and the amount paid by or on behalf of the provider for the reimbursement insurance policy; or

(II) Maintain a net worth of at least that percentage of one hundred (100) million dollars which is determined by dividing the difference between the total amount paid by or on behalf of all service contract holders for the service contracts insured under the reimbursement insurance policy and the total amount paid by or on

behalf of the provider for the reimbursement insurance policy by the total amount paid by or on behalf of all service contract holders for the service contracts insured under the reimbursement insurance policy and provide the information required under section [407.1203.3(3)(b)] **385.202.3(3)(b)**, RSMo.

3. Any such policy shall contain a provision that requires the insurer issuing such policy to provide the director with a least sixty (60) days prior notice of insurer's termination of such policy by delivering notice to the Consumer Affairs Division.

(B) Each provider electing to maintain a funded reserve account, as set forth in section [407.1203.3(2)(a)] **385.202.3(2)(a)**, RSMo, and subsection (1)(B) of this rule, shall establish and maintain such account in accordance with each of the following requirements:

1. Such account shall be maintained in cash or cash equivalent in either:

A. A "qualified United States financial institution" as that term is defined in section 375.246.3(2), RSMo; or

B. Such other financial institution as specifically approved in writing by the director;

2. At least forty percent (40%) of gross considerations received on the sale of each service contract shall be deposited into such account;

3. No check or draft may be drawn on such account, except for:

A. The payment of a claim under a service contract for which at least forty percent (40%) of the gross consideration was deposited into such account; or

B. Payment to the provider at the expiration of a service contract of any positive balance of the difference between the sums deposited into such account under such contract and the claims paid from such account under such contract, provided, however, that no such payment may be made to the provider if after such payment the balance in such account would be less than the difference between forty percent (40%) of the total gross considerations received under all such contracts and the claims paid on all such contracts; or

C. Such payment as the director may specifically approve in writing; and

4. Any cash withdrawal from or check or draft payable to cash or bearer drawn on such account shall be presumed in violation of this rule, unless sufficient written evidence is maintained showing that such withdrawal, check or draft was made for one of the purposes listed in subparagraphs (2)(B)3.A., B., or C. above.

(C) Each provider placing in trust with the director a financial security deposit, as set forth in section [407.1203.3(2)(b)] **385.202.3(2)(b)**, RSMo, and subsection (1)(B) of this rule, shall comply with the following requirements:

1. The amount of such deposit shall at least equal the greater of five percent (5%) of the gross consideration received, less claims paid, on the sale of all service contracts issued and in force or twenty-five thousand dollars (\$25,000); and

2. To the extent, if any, that such deposit consists of:

A. Cash or securities as permitted by section [407.1203.3(2)(b)b or c] **385.202.3(2)(b)b or c**, RSMo, such deposit shall be made with the same depository and upon the same terms and conditions as the capital deposits of insurance companies domiciled in this state, except that the amount of the deposit will be determined by the provisions of section [407.1203.3(2)(b)] **385.202.3(2)(b)**, RSMo and this rule;

B. A surety bond, as provided in section [407.1203.3(2)(b)a] **385.202.3(2)(b)a**, RSMo, that shall be acceptable only if the bond is completed on the [form included herein as Appendix A to this rule] **Bond of Motor Vehicle Service Contract Provider Form (Form SC-1)** and is filed with the director along with the provider's completed provider exhibit; or

C. A letter of credit, as provided in section [407.1203.3(2)(b)e] **385.202.3(2)(b)d**, RSMo, that shall comply with the following requirements:

(I) The letter of credit must be issued by a "qualified financial institution" as defined in section 375.246.3(1), RSMo, or such other financial institution as specifically approved in writing by the

director; and

(II) The terms of the letter of credit must comply with the terms and conditions for letters of credit stated in subsections (A), (B), (C) and (D) of section (9) of 20 CSR 200-2.100, including, but not limited to, the requirements that such letter of credit be clean, irrevocable and unconditional, except that the beneficiary shall be the director and his or her successors in office.

(D) Each provider maintaining a net worth of one hundred (100) million dollars and establishing such net worth through the provider's parent company, as set forth in section [407.1203.3(3)(b)] **385.202.3(2)(b)**, RSMo, and subsection (1)(C) of this rule, shall comply with the following requirements with respect to the guaranty of the parent company:

1. The guaranty shall be in writing [*in the form included herein as Appendix B to this rule*] and shall conform to the **Guaranty of Motor Vehicle Service Contract Obligations Form (Form SC-2)**; and

2. The guaranty shall be filed with the director along with the provider's completed provider exhibit.

(3) Forms. The following forms have been adopted and approved for filing with the director under this rule:

(A) The Bond of Motor Vehicle Service Contract Provider Form (Form SC-1), revised on January 2, 2008; and

(B) The Guaranty of Motor Vehicle Service Contract Obligations Form (Form SC-2), revised on January 2, 2008. Copies of the forms are available at the department's office, at the department website, www.insurance.mo.gov, or by mailing a written request to the Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

AUTHORITY: section [407.1225] 385.218, RSMo Supp. [2005] 2007. Original rule filed June 26, 2006, effective Dec. 30, 2006. Amended: Filed Jan. 29, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment at 1:30 p.m. on April 11, 2008 at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement, in support of or in opposition to the proposed amendment, until 5:00 p.m. on April 11, 2008. Written statements shall be sent to Elfin L. Noce, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, Missouri 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 200—Insurance Solvency and Company
Regulation
Chapter 18—[Warranties and] Service Contracts**

PROPOSED RULE

20 CSR 200-18.110 Registration of Service Contract Providers (Non-Motor Vehicle)

PURPOSE: This rule effectuates the provisions of sections 385.300 to 385.320, RSMo, regarding the registration of all service contract providers in this state.

(1) Each "provider," as that term is used in sections 385.300 to 385.320 RSMo, shall register with the director by completing and filing an application for service contract provider registration. Effective January 1, 2008, each provider is required to register at the following times:

(A) Before issuing any "service contract," as that term is used in section 385.300, RSMo, unless such issuance occurs in January 2008, in which case registration must occur between January 1 and February 1 of 2008; and

(B) Annually thereafter between January 1 and February 1.

(2) Each completed and filed application for registration must be accompanied by payment of a registration fee of three hundred dollars (\$300).

(3) Copies of a recommended, but not mandatory, application for service contract provider registration form are available at the department's office, at the department website, www.insurance.mo.gov, or by mailing a written request to the Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

(4) For purposes of this rule and rule 20 CSR 200-18.020, the term "provider" refers only to the party that is contractually obligated to provide service under a service contract. Such term does not refer to an administrator or seller of the product that is not so obligated.

AUTHORITY: section 385.318, RSMo Supp. 2007. Original rule filed Jan. 29, 2008.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions twenty-three thousand two hundred and three dollars (\$23,203) annually, plus one-half of the expense and equipment cost associated with one full-time employee.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule at 1:30 p.m. on April 11, 2008 at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement, in support of or in opposition to the proposed rule, until 5:00 p.m. on April 11, 2008. Written statements shall be sent to Elfin L. Noce, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

FISCAL NOTE
PUBLIC COST

I. RULE NUMBER

Rule Number and Name:	20 CSR 200-18.110, Registration of Service Contract Providers (Non-Motor Vehicle)
Type of Rulemaking	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Insurance, Financial Institutions & Professional Registration (DIFP)	\$23,203 annually, plus one-half of the expense and equipment cost associated with 1 FTE employees.

II. WORKSHEET

The estimated cost for one FTE employees is \$46,406, plus associated expense and equipment cost. One half of such estimated cost is \$23,203.

IV. ASSUMPTIONS

The proposed rule contains no sunset clause. Any costs imposed by the proposed amendment may, therefore, be shown only on an annual basis.

In 2007, the General Assembly passed and the Governor signed into law House Bill No. 221. This bill enacted a new regulatory scheme for service contracts for products other than motor vehicles in sections 385.300 to 385.320. DIFP estimated for the General Assembly that the Department would require the full-time employment of an insurance product analyst. The total estimated cost for such employees was \$46,406, plus associated expense and equipment cost.

This rule would require approximately one-half of such estimated cost. The other half is associated with enforcement of the companion proposed rule, 20 CSR -200-18.120.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**
**Division 200—Insurance Solvency and Company
Regulation**
Chapter 18—[Warranties and] Service Contracts

PROPOSED RULE

**20 CSR 200-18.120 Faithful Performance of a Service Contract
Provider's Obligations (Non-Motor Vehicle)**

PURPOSE: This rule effectuates the provisions of sections 385.300 to 385.320, RSMo, regarding assuring the faithful performance of a provider's obligations to its contract holders.

(1) Each provider who is contractually obligated to the service contract holder under the terms of a service contract shall:

(A) Insure all service contracts under a reimbursement insurance policy as provided in section 385.302.4(3), RSMo;

(B) Maintain a funded reserve account and place in trust with the director a financial security deposit as provided in section 385.302.4(1)(a) and (b), RSMo; or

(C) Maintain a net worth of at least one hundred (100) million dollars as provided in section 385.302.4(2)(a), RSMo, and provide the information required under section 385.302.4(2)(b), RSMo.

(2) To assure the faithful performance of a provider's obligations to its contract holders:

(A) Each provider electing to insure all service contracts under a reimbursement insurance policy, as set forth in section 385.302.4(3), RSMo, and subsection (1)(A) of this rule, shall comply with the following requirements:

1. Any such policy shall be issued by an insurance company authorized to transact insurance in this state. As used in this paragraph, the term "insurance company authorized to transact insurance in this state" means either an insurance company with a valid certificate of authority from the director to transact liability insurance or a financially responsible risk retention group. A financially responsible risk retention group is any risk retention group (RRG) that meets each of the following requirements:

A. Such RRG is registered with the director pursuant to sections 375.1080 to 375.1105, RSMo.

B. Such RRG files with the director its most recent sworn annual statement reporting at a minimum its balance sheet (assets and liabilities, surplus and other funds), income statement or statement of profit and loss (summary of operations), and cash flow statement, which annual statement:

(I) Was prepared with the consistent application of statutory accounting principles, as shown by the National Association of Insurance Commissioners (NAIC's) *Accounting Practices and Procedures Manual* as provided in 20 CSR 200-1.020, with only those deviations from such principles as are commonly allowed insurance companies which possess a certificate of authority from the director to transact liability insurance; and

(II) Has been, within five (5) years after the "as of" date of such annual statement, examined by this department or any other state insurance regulatory authority which was, at the time of the examination, accredited pursuant to the Financial Regulation Standards and Accreditation Program of the NAIC; and

(III) Shows that on the basis of such statutory accounting principles, the RRG maintains at least one million six hundred thousand dollars in surplus as regards policyholders, has deposited with the insurance regulatory authority of its state of domicile for the security of all its policyholders and creditors cash or securities valued at no less than eight hundred thousand dollars (\$800,000), and is not in a hazardous financial condition;

2. Either:

A. No such policy may have any deductible or retention payable by the policyholder or claimant under the policy; or

B. To the extent that any such policy has a deductible or retention payable by the policyholder or claimant under the policy, the provider must either:

(I) Maintain a funded reserve account and place in trust with the director a financial security deposit as provided in section 385.302.4(1)(a) and (b), RSMo, and this rule, for the difference between the amount paid by or on behalf of the service contract holder for the service contract and the amount paid by or on behalf of the provider for the reimbursement insurance policy; or

(II) Maintain a net worth of at least that percentage of one hundred (100) million dollars which is determined by dividing the difference between the total amount paid by or on behalf of all service contract holders for the service contracts insured under the reimbursement insurance policy and the total amount paid by or on behalf of the provider for the reimbursement insurance policy by the total amount paid by or on behalf of all service contract holders for the service contracts insured under the reimbursement insurance policy and provide the information required under section 385.302.4(2)(b), RSMo.

3. Any such policy shall contain a provision that requires the insurer issuing such policy to provide the director with a least sixty (60) days prior notice of insurer's termination of such policy by delivering notice to the Consumer Affairs Division.

(B) Each provider electing to maintain a funded reserve account, as set forth in section 385.302.4(1)(a), RSMo, and subsection (1)(B) of this rule, shall establish and maintain such account in accordance with each of the following requirements:

1. Such account shall be maintained in cash or cash equivalent in either:

A. A "qualified United States financial institution" as that term is defined in section 375.246.3(2), RSMo; or

B. Such other financial institution as specifically approved in writing by the director;

2. At least forty percent (40%) of gross considerations received on the sale of each service contract shall be deposited into such account;

3. No check or draft may be drawn on such account, except for:

A. The payment of a claim under a service contract for which at least forty percent (40%) of the gross consideration was deposited into such account; or

B. Payment to the provider at the expiration of a service contract of any positive balance of the difference between the sums deposited into such account under such contract and the claims paid from such account under such contract, provided, however, that no such payment may be made to the provider if after such payment the balance in such account would be less than the difference between forty percent (40%) of the total gross considerations received under all such contracts and the claims paid on all such contracts; or

C. Such payment as the director may specifically approve in writing; and

4. Any cash withdrawal from or check or draft payable to cash or bearer drawn on such account shall be presumed in violation of this rule, unless sufficient written evidence is maintained showing that such withdrawal, check or draft was made for one (1) of the purposes listed in subparagraphs (2)(B)3.A, B, or C above.

(C) Each provider placing in trust with the director a financial security deposit, as set forth in section 385.302.4(1)(b), RSMo, and subsection (1)(B) of this rule, shall comply with the following requirements:

1. The amount of such deposit shall at least equal the greater of five percent (5%) of the gross consideration received, less claims paid, on the sale of all service contracts issued and in force or twenty-five thousand dollars (\$25,000); and

2. To the extent, if any, that such deposit consists of:

A. Cash or securities as permitted by section 385.302.4(1)(b)b or c, RSMo, such deposit shall be made with the

same depository and upon the same terms and conditions as the capital deposits of insurance companies domiciled in this state, except that the amount of the deposit will be determined by the provisions of section 385.302.4(1)(b), RSMo and this rule;

B. A surety bond, as provided in section 385.302.4(1)(b)a, RSMo, that shall be acceptable only if the bond is completed on the Bond of Service Contract Provider Form (Form SC-3) and is filed with the director along with the provider's completed provider exhibit; or

C. A letter of credit, as provided in section 385.302.4(1)(b)d, RSMo, that shall comply with the following requirements:

(I) The letter of credit must be issued by a "qualified financial institution" as defined in section 375.246.3(1), RSMo, or such other financial institution as specifically approved in writing by the director; and

(II) The terms of the letter of credit must comply with the terms and conditions for letters of credit stated in subsections (A), (B), (C) and (D) of section (9) of 20 CSR 200-2.100, including, but not limited to, the requirements that such letter of credit be clean, irrevocable and unconditional, except that the beneficiary shall be the director and his or her successors in office.

(D) Each provider maintaining a net worth of one hundred (100) million dollars and establishing such net worth through the provider's parent company, as set forth in section 385.302.4(2)(b), RSMo, and subsection (I)(C) of this rule, shall comply with the following requirements with respect to the guaranty of the parent company:

1. The guaranty shall be in writing and shall conform to the Guaranty of Service Contract Obligations Form (Form SC-4); and

2. The guaranty shall be filed with the director along with the provider's completed provider exhibit.

(3) Forms. The following forms have been adopted and approved for filing with the director under this rule:

(A) The Bond of Service Contract Provider Form (Form SC-3), revised on January 2, 2008; and

(B) The Guaranty of Service Contract Obligations Form (Form SC-4), revised on January 2, 2008. Copies of the forms are available at the department's office, at the department website, www.insurance.mo.gov, or by mailing a written request to the Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

AUTHORITY: section 385.318, RSMo Supp. 2007. Original rule filed Jan. 29, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule at 1:30 p.m. on April 11, 2008 at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement, in support of or in opposition to the proposed rule, until 5:00 p.m. on April 11, 2008. Written statements shall be sent to Elfin L. Noce, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.020 Scope and Definitions

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

(1) Applicability of Rules. The rules in this chapter apply to title insurers, title agencies and title agents transacting the business of insurance in this state under Chapter 381, RSMo. The rules shall be read together with Chapter 536, RSMo.

(2) Definitions. As used in this chapter, the following terms shall mean:

(A) "Charge," as defined in section 381.031.4, RSMo 1994;

(B) "Closing protection letter," a letter issued on behalf of a title insurer, which indemnifies a buyer, lender, or seller solely against losses not to exceed the amount of settlement funds because of the acts set forth in section 381.058, RSMo;

(C) "Closing protection fee," the consideration paid by or on behalf of the buyer, borrower, lender or seller for a closing protection letter calculated from the rate filed with the director;

(D) "Director," the director of the department;

(E) "Department," the Department of Insurance, Financial Institutions and Professional Registration;

(F) "Risk rate," the total consideration paid by or on behalf of the insured for a title insurance policy. Risk rate shall include the title insurance agent's commission but shall not include any charge as defined in section 381.031.4, RSMo 1994;

(G) "Residential real estate transaction," the sale, purchase, financing or refinancing of a house or other dwelling designed principally for the occupancy of from one to four (1-4) families, but does not include transactions involving real estate designed for business, commercial or agricultural purposes;

(H) "Title insurance premium," the premium in a title insurance transaction;

(I) "Title service charge," any charge as defined in this rule, except for any closing protection fee or any fee for the handling of escrows, settlements or closing;

(J) "Premium," as defined in section 381.031.14, RSMo 1994, and reviewed under section 381.171, RSMo 1994; and

(K) "Price estimate," a good faith estimate or prediction of prices based upon information presented at the time of the estimate.

AUTHORITY: section 374.045, RSMo 2000 and section 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested

persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.030 General Instructions

PURPOSE: This rule prescribes the general filing requirements for the rules in this chapter.

(1) Filing and Report Forms. The following forms have been adopted and approved for filing with the department:

(A) The Title Insurance Premium and Title Service Charge Disclosure form (Form T-1), revised on January 17, 2008, or any form which substantially comports with the specified form;

(B) The Notice of Availability of Owner's Title Insurance form (Form T-2), revised on January 17, 2008, or any form which substantially comports with the specified form;

(C) The Notice of Closing or Settlement Risk form (Form T-3), revised on January 17, 2008, or any form which substantially comports with the specified form;

(D) The Affiliated Business Disclosure form (Form T-4), approved by the United States Housing and Urban Development on November 15, 1996, in Appendix D to 24 CFR part 3500, or any form which substantially comports with the specified form;

(E) The Affiliated Business Arrangement Report form (Form T-5), revised on January 17, 2008, or any form which substantially comports with the specified form;

(F) The Uniform Premium (Risk Rate) Report form (Form T-7), revised January 1, 2008, or any form which substantially comports with the specified form;

(G) The Seller's Closing Protection Letter form (Form T-8), revised on January 17, 2008, or any form which substantially comports with the specified form;

(H) The Buyer's or Lender's Closing Protection Letter form (Form T-9), revised on January 17, 2008, or any form which substantially comports with the specified form;

(I) The Verification of Examination of Title form (Form T-10), revised on January 17, 2008, or any form which substantially comports with the specified form;

(J) The Examination Location Affidavit form (Form T-11), revised on January 1, 2008, or any form which substantially comports with the specified form; and

(K) The Title Plant Registration form (Form T-12), revised on January 1, 2008, or any form which substantially comports with the specified form.

(2) Location. Reports and filings required under this chapter shall be delivered to the Insurance Market Regulation Division, Room 530, 301 W. High Street, Jefferson City, Missouri 65102.

(3) Availability. The forms can be accessed at the department's website at www.insurance.mo.gov or at the department offices.

(4) Filing Fees. All reports, filings or amendments to reports required to be filed by title insurers under this chapter shall be accompanied by a filing fee of fifty dollars (\$50) as required by section 374.230(5), RSMo.

AUTHORITY: section 374.045, RSMo 2000 and section 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.050 Disclosure of Premiums and Charges

PURPOSE: This rule implements the disclosure of material price information pursuant to sections 381.019 and 375.144, RSMo.

(1) Disclosure with Price Estimate.

(A) When a prospective purchaser of title insurance or other party to the residential real estate transaction contacts a title insurer, title agency or title agent for a price estimate, the following must be disclosed:

1. Title insurance premium as calculated based upon the filed title insurance risk rate(s);

2. Closing protection fee as calculated based upon the filed closing protection rate;

3. Title service charges including, but not limited to, abstracts, search and examination fees; and

4. Closing or settlement charges.

(B) The above items may be disclosed orally or in writing.

(C) If the above prices are disclosed, the amount may also be totaled.

(D) Upon further inquiry or request by a prospective purchaser of title insurance or other party to the residential real estate transaction for explanation, the title insurer, title agency or title agent shall disclose that title premium and closing protection fee are determined by rate schedules filed with the state, but the title service charges, closing charges and other charges are not filed with the state and may vary between different title insurers, agencies and agents.

(E) If the title insurer, title agency or title agent discloses the above information in writing when giving a price estimate, the following disclosure statement (Form T-1), or a statement that substantially comports with the following, is acceptable:

Title Insurance Premium and Title Service Charge Disclosure Statement

To: _____

Based upon the information available to us at this time, we estimate that you will pay as part of your residential real estate transaction the following premiums, charges and/or fees:

- 1) Title insurance premium _____
- 2) Closing protection fee(s) _____
- 3) Title service charge(s) (i.e., search and examination, clearing items, etc.) _____
- 4) Closing charge(s) _____

Title insurance premium and a closing protection fee have been calculated according to rates filed with the Missouri Department of Insurance, Financial Institutions and Professional Registration. But title service charges, closing charges and other fees are not limited by state law and may vary among title insurers, agencies and agents.

For further general information regarding title insurance, you may visit the Missouri Insurance website at www.insurance.mo.gov or call the Missouri Department of Insurance, Financial Institutions and Professional Registration at (800) 726-7390.

_____ Date	_____ Title Agent
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(2) Disclosure at a Residential Real Estate Closing. Title insurance premium, fee and charge disclosure at the closing of a residential real estate transaction shall be made in the following manner:

- (A) Closings that involve use of a HUD-1 form.
 - 1. Premium should be the only amount totaled on the "Title Insurance" line, usually line 1108. If multiple title insurance policies are reflected in the "Title Insurance" line, the premium amounts associated with each title insurance policy shall be distinguished on the HUD-1 form on a line other than the "Title Insurance" line.
 - 2. Other charges including, but not limited to, the closing protection fee, abstract or title search and examination fees, escrow, settlement or closing fees, or other associated charges or fees shall be listed on lines other than the "Title Insurance" line; or

(B) Closings that do not require use of a HUD-1 form. Disclosure shall be made on a disclosure form in substantially the same format as the form set forth in subsection (1)(E) of this rule, but with final price detail and an acknowledgement of receipt by the purchaser.

(3) Misleading or Confusing Terms in Marketing Materials.

(A) Title insurers, title agencies and title agents shall not use the terms "rate," "card rate," "premium" or other terms of similar import in marketing materials to describe an all-inclusive title insurance price, which aggregates both:

- 1. Premium; and
- 2. Charges that may be negotiable in the particular transaction.

(B) The total amount in subsection (1)(C) of this rule may be described in terms which convey both premium and charges, such as "total cost for title insurance and services" or "total cost for title insurance and charges."

AUTHORITY: section 374.045, RSMo 2000 and sections 381.019 and 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will cost private entities twenty-six thousand five hundred dollars (\$26,500) per title agency initially and twelve thousand dollars (\$12,000) per title agency annually, thereafter.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

FISCAL NOTE
PRIVATE COST

I. RULE NUMBER

Rule Number and Name:	20 CSR 500-7.050 Disclosure of Premiums and Charges
Type of Rulemaking	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classifications by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
568 Title agencies		Initial cost per agency: \$26,500
4,804 individual insurance producers licensed for the title line of authority		Annual cost per agency: \$12,000

III. WORKSHEET/ASSUMPTIONS

Private Cost: This proposed rule adds a disclosure of premiums and charges pursuant to sections 381.019 and 375.144, RSMo. Currently there are 4,804 individual producers licensed for the title line of authority and approximately 568 title agencies. Based on information received from a title agency and a computer software contractor with title agency clients in the state, estimated costs per agency for implementation of price disclosure including closings that involve use of a HUD-1 form and closings that do not are as follows:

Creation of forms and program for calculation of price information	\$5,000
Staff training on proper disclosure and use of forms and programs	\$10,000
Printing of forms and instructions	\$10,000
Modifications of software used to generate HUD-1 forms & support	<u>\$1,500</u>

Total initial cost per agency \$26,500

Ongoing costs are estimated to be \$12,000 annually per agency for printing and training.

\$26,500 x 568 = \$15,052,000 total annual first year costs

\$12,000 x 568 = \$6,816,000 total annual ongoing costs

These estimates were based upon information given to the department by a title agency and a computer contractor with 25 title agency clients in Missouri.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.060 Disclosure of Coverage Limitation

PURPOSE: This regulation prescribes requirements for customer disclosure for limitations of coverage in some circumstances.

(1) Lender's Title Insurance Limitation. Pursuant to section 381.015.2, RSMo, in those purchase transactions where a lender's title insurance policy is to be issued simultaneously with the purchase of all or part of the real estate securing the loan and where no owner's title insurance policy has been requested, a title insurer, title agency, or title agent shall give written notice that the lender's title insurance policy does not provide title insurance protection to the purchaser-mortgagor, and that the purchaser-mortgagor may obtain an owner's title insurance policy within sixty (60) days of closing at a specified or approximate cost. The disclosure shall be made using a Notice of Availability of Owner's Title Insurance form (Form T-2), or any form that substantially comports with the specified form.

(2) Closing and Settlement Risk.

(A) Title insurers, agencies and agents making disclosure under subsections 5 and 6 of section 381.022, RSMo, may make this disclosure to the unprotected person with a Notice of Closing or Settlement Risk form (Form T-3), or any form that substantially comports with the specified form.

(B) The authority of a title insurer under section 381.058.3, RSMo, to issue a closing protection letter extends only to transactions in which it is issuing a title insurance policy and its issuing agent or agency is performing closing or settlement services.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.015, 381.022 and 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.070 Affiliated Business Arrangements

PURPOSE: This regulation prescribes requirements for disclosure to customers and reporting to the director of affiliated business arrangements.

(1) Disclosure to Customer.

(A) It is unlawful for a title insurer, title agency or title agent to accept an order for title services from any producer with an affiliated business arrangement, unless contemporaneous with the referral, the title insurer, title agency or title agent discloses the affiliated business arrangement or has taken reasonable steps to verify that the producer has disclosed the arrangement. Disclosure to its customer of the existence of the affiliated business arrangement may be made by using the Affiliated Business Disclosure form (Form T-4), or any form that substantially comports with the specified form.

(B) The disclosure required by this rule may be made in combination with all disclosures made under rule 20 CSR 500-7.050.

(2) Annual Report.

(A) Title insurers, agencies and agents are required under section 381.029.4, RSMo, to file reports with the director setting forth the names and addresses of any persons with a financial interest in the insurer, agency or agent, which the insurer, agency or agent knows to be producers or associates of producers. The report shall be made annually by submitting a completed Affiliated Business Arrangement Report form (Form T-5), or any form that substantially comports with the specified form, no later than March 31 of each year.

(B) Title insurers, agencies and agents shall have a continuing duty to update the information supplied pursuant to Form T-5 within thirty (30) days of any material change in the information required on the form.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.029.3 and 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.090 Special Circumstances for Policy Delay

PURPOSE: This regulation prescribes the special circumstances which may delay compliance with the requirement that title policies be issued within forty-five (45) days after compliance with the requirements of the commitment.

(1) "Meeting the requirements," means the receipt of documents or completion of tasks set out in the requirements section of the commitment or Schedule B-1; or, if the commitment does not have requirements, then receipt of documents and/or completion of tasks required by the closing instructions to create the estate to be insured.

(2) A title policy must be issued within forty-five (45) days after compliance with the requirements of the commitment, except in the following circumstances:

(A) The title insurer, title agency or title agent has filed, in the office of the recorder of deeds, the deed and/or security instruments, but the deed and/or security instruments have not yet been recorded; or

(B) Commitment, policy, recording costs and other fees have not been paid to the title agent, agency, or insurer.

(3) A title insurer, title agency or title agent has the burden of proving any exception under this rule.

(4) A title insurer, title agency or title agent shall provide notification to the insured lender or buyer, if applicable, if a policy will not be issued within forty-five (45) days after compliance with the requirements of the commitment.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.038 and 381.042, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED AMENDMENT

20 CSR 500-7.100 [Forms and] Rate Schedules. The department is removing Appendix A from the rule and amending the Purpose clause and sections (1) and (2).

PURPOSE: This amendment reflects the requirements that were enacted in SB 66. Furthermore, this amendment may remove forms, separate requirements for form filings and correct any minor grammatical or spelling errors.

PURPOSE: This regulation prescribes procedures to be followed by title insurers when filing [forms and] rate schedules with the director [of insurance].

[(1) Definitions. As used in this regulation, the following terms shall mean:

(A) Charge means any fee charged to the insured, or paid for the benefit of the insured, for the performance of title-related services other than the risk rate charged for title insurance. This charge shall include, but not be limited to, fees for abstracts, title search and examination, handling of escrows, settlements or closings;

(B) Director means the director of the Department of Insurance or his/her appointee;

(C) Department means the Department of Insurance, staff and employees; and

(D) Risk rate means the total consideration paid by or on behalf of the insured for a title insurance policy. Risk rate shall include the title insurance agent's commission but shall not include any charge as defined in subsection (1)(A).]

[(2)] (1) Filing of [Title Insurance] Rates.

(A) Title Insurance Rates. Every title insurer licensed in Missouri shall file with the director as required by section 381.181, RSMo 1994, a completed title insurance rate reporting form for the risk rates it proposes to use in each county of this state and each city not within a county in this state. **Rate schedules filed under this rule must comply with section 381.171, RSMo 1994.** The effective date for these rates shall be no earlier than the thirtieth day following the receipt of the form by the director.

(B) [Appendix A] Filing Form. The Uniform Premium (Risk Rate) Report form (Form T-7), sets forth a risk rate reporting format to be utilized by title insurers in this state for the respective types of title insurance contracts. When computing insurance premiums on a fractional thousand of insurance (except as to minimum premiums), multiply those fractional thousands by the rate per thousand applicable, considering any fraction of one hundred dollars (\$100) as a full one hundred dollars (\$100). **The form can be accessed at the department's website at www.insurance.mo.gov or at the department offices.**

(C) Closing Protection Rates. Every title insurer shall file with the director rates for closing protection letters applicable to residential real estate transactions. **Rates for closing protection letters in residential real estate transactions shall meet the following standards:**

1. Rates shall not be excessive or inadequate;

2. Rates are excessive if, in the aggregate, they are likely to produce a long run profit that is unreasonably high in relation to the risk of the business or if expenses are unreasonably high in relation to the services rendered;

3. Rates are inadequate if they are clearly insufficient, together with investment income attributable to them, to sustain projected losses and expenses or if continued use of such rates will have the effect of substantially lessening competition or the effect of tending to create a monopoly;

4. Rate filing standards apply separately to closing protection letters issued under section 381.058.3(2)-(3);

5. The rate filing shall document the anticipated losses, expenses and profits underlying the rates and provide appropriate actuarial support for the data, methods and assumptions;

6. Expected losses for rates do not include losses that result in a title insurance claim; and

7. Rates shall reflect expected fiduciary practices under current law and losses incurred in another state or under prior fiduciary practices may only be used if adjusted to reflect prospective Missouri fiduciary practices.

[(3) Filing of Title Insurance Forms.

(A) No title insurer licensed in Missouri shall issue or agree to issue any form of title insurance binder, title insurance commitment, preliminary report, title insurance policy, title insurance standard form endorsement, other contract of title insurance or any related form unless these have been filed with the director of the Department of Insurance. The filing shall be received by the director of the Department of Insurance not less than thirty (30) days before the use of the form.

(B) No policy, standard form endorsement or simultaneous instrument which provides title insurance coverage shall be issued unless it contains the following:

1. Total amount to be paid for the issuance of the policy; and

2. Risk rate for the policy.

**APPENDIX A
MISSOURI DEPARTMENT OF INSURANCE
UNIFORM PREMIUM (RISK RATE) REPORTING FORM**

**NOTE: Risk rates must be filed with the department in accordance with 381.181, RSMo (Cum. Supp. 1989).
20 CSR 500-7.100 requires that the risk rates filed include the title insurance agent's commission.**

Date Filed and Recorded
By Department: _____

RISK CLASSIFICATIONS

Description of Risk Amount*	Original Title Insurance For Owners and Leasehold Owners Policies ¹	Reissue Title Insurance For Owners and Leasehold Owner Policies ²	Title Insurance For Conversion Of Contract Purchaser's And Leasehold Policies ³	Original Title Insurance For Loan Policies ⁴	Reissue Title Insurance For Loan Policies ⁵	Title Insurance For Owners Or Leasehold Policies Upon Acquisition In Satisfaction of Debt ⁶	Title Insurance For Substitution ⁷	Simultaneous Issue Policies ⁸	Title Insurance For Builder/ Developer (Subdepartment Rates) ⁹	Other	Other
Up to \$50,000 of Liability Written											
Over \$50,000 And Up To \$100,000, Add											
Over \$100,000 And Up To \$500,000, Add											
Over \$500,000 And Up To \$10,000,000, Add											
Over \$10,000,000 And Up To \$15,000,000, Add											
Over \$15,000,000, Add											
Minimum Premium											

* The description of risk amounts shown is provided as a suggestion; other amount classifications will be considered by the department.

¹"Original Title Insurance for Owners and Leasehold Owners Policies" means any owner's policy insuring fee simple estate for the full value of the premises, or any owner's policy insuring a leasehold estate for the present market value of such leasehold estate.

²"Reissue Title Insurance for Owners and Leasehold Owners Policies" means a title insurance policy issued to a purchaser or lessee of real estate from a person whose title as owner has previously been insured by any company prior to the application for a new policy.

³"Title Insurance for Conversion of Contract Purchaser's and Leasehold Policies" means a title insurance policy issued to a contract purchaser who has previously obtained a policy from an insurer insuring his/her contract, who subsequently obtains a deed given in pursuance of the contract and makes an application for an owner's policy from the same insurer and surrenders the previous policy; or a title insurance policy issued to a lessee who has previously obtained a leasehold policy of an insurer insuring his/her lease and subsequently purchases the property, makes application for an owner's policy from the same insurer and surrenders the previous policy.

⁴"Original Title Insurance for Loan Policies" means a mortgage title insurance policy issued for an amount equal to or higher than the principal amount of the mortgage debt.

⁵"Reissue Title Insurance for Loan Policies" means a mortgage title insurance policy issued for an owner of property who has had the title to such property previously insured as owner by any title insurer.

⁶"Title Insurance for Owners or Leasehold Owners Policies upon Acquisition in Satisfaction of Debt" means a title insurance policy issued to an insured under a mortgage title policy who acquires title by foreclosure or by voluntary conveyance in extinguishment of debt.

⁷"Title Insurance for Substitution" means a title insurance policy issued to a borrower who obtains a substitution loan on the same property by the same lender.

⁸"Simultaneous Issue Policies" means an owner's and a mortgagee's policy(ies) covering identical land which are issued simultaneously.

⁹"Title Insurance for Builder/Developer (Subdepartment Rates)" means a title insurance policy covering premises owned by one owner which have been platted into multiple lots; a title insurance policy issued to an owner of multiple lots within a platted subdepartment; or a title insurance policy issued to an owner who proposes to sell vacant lots to individual purchasers and furnish an owner's title insurance policy to each purchaser, as evidence of title, in lieu of furnishing an abstract of title.

*The description of risk amounts shown is provided as a suggestion; other amount classifications will be considered by the department.]

AUTHORITY: section[s] 374.045, RSMo [1986] 2000 and sections [381.181, 381.211 and 381.231,] 381.042 and 381.058, RSMo Supp. [1989] 2007. This rule was previously filed as 4 CSR 190-20.011. Original rule filed Jan. 14, 1982, effective June 1, 1982. Amended Filed Sept. 6, 1988, effective Jan. 16, 1989. Emergency rescission filed July 28, 1989, effective Aug. 7, 1989, expired Dec. 4, 1989. Emergency amendment filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Amended: Filed Jan. 16, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed amendment until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500-Property and Casualty
Chapter 7—Title**

PROPOSED RULE

20 CSR 500-7.130 Insurance and Closing Protection Form Filings

PURPOSE: This regulation prescribes requirements for forms to be used in this state and filing procedures with the director.

(1) Title Insurance Commitments, Policies and Other Forms.

(A) No title insurer in this state shall issue or agree to issue any standard form of title insurance binder, title insurance commitment, preliminary report, title insurance policy, title insurance form endorsement, other contract of title insurance or any related form unless the forms have been filed with the director as required by section 381.085, RSMo. A form is standard if the form is to be applied in more than one (1) instance. The filing must be received by the director at least thirty (30) days before the use of the form.

(B) No policy, standard form endorsement or simultaneous instrument which provides title insurance coverage shall be issued unless it contains the premium collected for the issuance of the policy as calculated from the filed risk rate for the policy.

(2) Closing Protection Letters.

(A) No title insurer, agency or agent in this state shall issue or agree to issue a closing protection letter unless the form has been filed with the director as required by section 381.085, RSMo. The filing shall be received by the director at least thirty (30) days before the use of the form.

(B) The terms of coverage of closing protection letters used to satisfy the requirements of section 381.022.5 or 381.058, RSMo, shall be consistent with the applicable Closing Protection Letter form (Form T-8 or Form T-9), or any form that substantially comports

with the specified form, approved by the director in rule 20 CSR 500-7.030. Any such form may be modified by the insurer by striking the two (2) provisions that limit liability to five (5) million dollars.

(3) Filing Fees. The filing fee for forms filed under this rule is fifty dollars (\$50) per filing as required by section 374.230(5), RSMo.

(4) Insured closing letters issued pursuant to sections 381.400 to 381.405, RSMo, are not closing protection letters for purposes of this rule. Insured closing letters shall not be used to satisfy the requirements of section 381.022.5 or 381.058, RSMo. Insured closing letters are not required to be filed with the director under section 381.085, RSMo, unless a fee is charged for the insured closing letter.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.085, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

PROPOSED AMENDMENT

20 CSR 500-7.200 Standards For Policy Issuance. The department is removing section (4) and Appendices A, B and C from the rule and amending the Purpose clause and sections (2) and (3) of this rule.

PURPOSE: This amendment will eliminate the incorporation of forms in the rule and adopt the forms by reference and eliminate a redundant provision.

PURPOSE: This rule implements section 381.071, RSMo [(Cum. Supp. 1989)] 2000 relating to the duties of a title insurance company before writing a title insurance policy.

(2) Exceptions.

(A) An attorney licensed to practice law in this state is not required to base an examination of title upon a set of records geographically indexed if s/he [is] personally [responsible for the inspection of] inspected the best title evidence available.

(3) Documentation.

(C) The written statement required by subsection (3)(A) of this regulation shall [follow the form as exemplified by Appendix A which follows] conform to the **Verification of Examination of Title form (Form T-10), or any form that substantially comports with the specified form.**

(D) If a title insurance company, agent or agency performs or causes to perform examinations of titles in the same manner for each and every title insurance policy issued, that company, agent or agency may file, in place of the requirements of subsections (3)(A)–(C) of this rule with the director [of the Department of Insurance], an [affidavit stating the place] **Examination Location Affidavit form (Form T-11), or any form that substantially comports with the specified form, describing** where examinations of titles are conducted and the specific reasons why any exceptions, if any, as stated in section (2) of this regulation are followed. A copy of [the affidavit] a **completed Form T-11** shall be posted in the office of the agency or agent in a conspicuous place for public view. Any deviation from an examination of title as described by [the affidavit] **Form T-11** shall require compliance with subsections (3)(A)–(C) of this rule. The filing of [the affidavit] **Form T-11, or any form that substantially comports with the specified form,** shall be accompanied by a fifty-dollar (\$50) filing fee as mandated by section 374.230[(6)](5), RSMo, [(Cum. Supp. 1989)] if made by an insurance company. Otherwise, no filing fee is mandated.

(E) The [Missouri Department of Insurance] **director** shall maintain a Missouri title plant registry. Any entities which can be defined as a title plant pursuant to section 381.031(22), [Revised Statutes of Missouri] **RSMo Cum. Supp. 1989,** shall **annually** file with the [Missouri Department of Insurance] **director** a registration statement in a **Title Plant Registration form [as exemplified by Appendix C which follows] (Form T-12), or any form that substantially comports with the specified form.** No filing fee is mandated.

(F) The forms referenced in subsections (3)(C)–(3)(E) can be accessed at the department's website at www.insurance.mo.gov or at the department offices.

[(4) Discipline for Violation. The director of the Missouri Department of Insurance may institute disciplinary action for violations of this regulation in accordance with the provisions of section 375.141, RSMo (1986) and any other applicable law.]

*[APPENDIX A
Verification Of The Examination Of Title*

1. *Name and residential address of person performing examination of title—*

2. *Location of property subject to examination of title—*

3. *Date examination completed—*

4. *Place where examination conducted—*

5. *Was set of records used in examination geographically indexed?*

_____ *Yes*

_____ *No*

6. *If answer in question 4. was no, explain the reasons why.*

7. *Title insurance policy number (if issued)—*

The undersigned hereby verifies the information stated herein is true and correct.

Signature of Examiner

Date

APPENDIX B
Affidavit

Persons (or Persons) conducting title searches-

Names _____

Address _____

Name of title insurance companies for which title searches are conducted-

Location of set of records where title searches conducted by each county where title insurance policy is issued-

Is set of records for the title search geographically indexed for each county? How many years for a continuous period of time?

County _____
_____ Yes
_____ No
How many years _____

County _____
_____ Yes
_____ No
How many years _____

County _____
_____ Yes
_____ No
How many years _____

County _____
_____ Yes
_____ No
How many years _____

If no, state reasons why for each no answer-

State of Missouri

County of _____

I, _____, an individual charged with conducting title searches for the *(name of entity conducting the searches)*, first being duly sworn, do hereby on my oath state that the information contained in the above document relating to title searches is accurate and correct to the best of my knowledge. I, furthermore state on my oath that I have caused an original copy of this document to be filed with the Missouri Department of Insurance and a copy of same to be displayed in the office of *(name of entity conducting title search)* in a conspicuous place for public view.

(Print name of signature)

Subscribed and sworn to before me this _____ day of _____, _____. I am commissioned as a notary public within the County of _____, State of Missouri, and my commission expires on _____.

Notary Public

APPENDIX C
Annual Registration of Title Plant
(One registration for each county)

1. Name of plant: _____
 Name of owner: _____ Incorporated? _____
 Address: _____

 Telephone no.: _____
 County of coverage: _____
2. Organization of plant.
 a. Is the plant geographically indexed? _____
 b. Does the plant index—
 1. Judgments
 2. Mechanics liens
 3. County taxes
 4. Municipal taxes
 5. Public utility easements prior to 45 years
 6. Public utility assessments
 7. Subdivision and condominium assessments
 c. How many years does your plant cover? _____
 d. Does your plant duplicate the records of the Recorder of Deeds? _____ of the Circuit Clerk? _____
3. Is the plant open to use by licensed title insurance agents not affiliated with or employed by the plant? _____
 a. Physical access to the plant? _____
 b. Access by computer modem? _____
4. If the answer to 3 is "yes"—
 a. What is the charge for each use? _____
 b. How was this charge determined? _____
5. If the answer to 3 is "yes"—
 a. Is there any time delay between the request and actual admission to the plant? _____
 b. Average time delay? _____
 Maximum? _____
 Minimum? _____
 c. Does the time delay vary according to the time of the year? _____

- 6. Does the Recorder of Deeds maintain a geographical index? _____
- 7. Does the County Assessor designate each parcel by a locator or other number? _____
- 8. Do you carry errors and omissions insurance? _____
 - a. Name of carrier _____
 - b. Policy limits _____
 - c. Deductible _____
- 9. How many licensed title insurance agents do you employ? _____

This statement was prepared by:

Name: _____

Address: _____

Date

Signature]

AUTHORITY: section[s] 374.045, RSMo 2000 [381.031(22) and 381.231, Supp. 1998 and 381.071, RSMo 1994] and section 381.042, RSMo Supp. 2007. This rule was previously filed as 4 CSR 190-20.060. Original rule filed Dec. 1, 1989, effective June 29, 1990. Amended: Filed April 23, 1999, effective Nov. 30, 1999. Emergency amendment filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Amended: Filed Jan. 16, 2008.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed amendment, until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**

**Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

PROPOSED RULE

20 CSR 700-8.005 Scope and Definitions

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

(1) Applicability of Rules. The rules in this chapter apply to title agents and title agencies transacting the business of insurance in this state under Chapter 381, RSMo, including those licensed as insur-

ance producers under section 375.018, RSMo. The rules shall be read together with Chapter 536, RSMo.

(2) Definitions.

- (A) "Director," the director of the department;
- (B) "Department," the Department of Insurance, Financial Institutions and Professional Registration;
- (C) "Insurer" or "title insurer," an insurance company organized under the laws of this state, or another state or country, and transacting the business of title insurance in this state;
- (D) "License," the authority granted by the director to any person to transact business as a title agent or title agency;
- (E) "Licensee," a person authorized under an insurance producer license by this state to act as a title agent or title agency;
- (F) "NAIC," the National Association of Insurance Commissioners;
- (G) "NIPR," the National Insurance Producer Registry;
- (H) "Title agency," any partnership, corporation, association, sole proprietorship, or any other legal entity not an individual, which as an agent of a title insurer or representative of the title agent or agency, transacts the business of title insurance; and
- (I) "Title agent," any individual, who as an agent of a title insurer or representative of the title agent or agency, transacts the business of title insurance.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.115, RSMo Supp. 2007. Original rule filed Jan. 17, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement, in support or in opposition to the proposed rule, until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

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**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

PROPOSED RULE

20 CSR 700-8.100 Applications for License

PURPOSE: This rule prescribes the information to be contained in, and the documents to accompany, applications for license as title agency and title agent.

(1) Application Forms. The following forms have been adopted and approved for filing with the department:

(A) The Uniform Application for Individual Insurance Producer License form (Form UA-IP), adopted by the NAIC on May 10, 2006, or any form which substantially comports with the specified form;

(B) The Uniform Application for Business Entity Insurance Producer License form (Form UA-BEP), adopted by the NAIC on May 10, 2006, or any form which substantially comports with the specified form; and

(C) The report of agency's owners, any ownership interests in other persons or businesses, and all material transactions between the parties under section 381.029.3, RSMo (Form T-AB), revised on January 1, 2008, or any form which substantially comports with the specified form.

(2) Application and Fees. Application for licensure as a title agent or title agency shall contain the information and requirements outlined for insurance producers in sections 375.015 to 375.018, RSMo, and this rule and may be submitted by electronic means to the National Insurance Producer Registry (NIPR) or other system(s) as the director may designate.

(A) Initial Licensure.

1. Resident Title Agent/Individual Insurance Producer:

- A. A completed Form UA-IP; and
- B. One hundred dollar (\$100) application fee.

2. Nonresident Title Agent/Individual Insurance Producer:

- A. A completed Form UA-IP; and
- B. One hundred dollar (\$100) application fee.

3. Resident Title Agency/Business Entity Insurance Producer:

- A. A completed Form UA-BEP;
- B. One hundred dollar (\$100) application fee;
- C. Designation of a qualified principal;
- D. List of Missouri-licensed title agents conducting business on behalf of the title agency;

E. Domestic corporations, limited liability companies, or limited liability partnerships must include a certificate of good standing, certificate of incorporation, or certificate of organization issued by the secretary of state and dated within the past year. Partnerships must include a copy of the fictitious name registration as issued by the secretary of state; and

F. A completed Form T-5.

4. Nonresident Title Agency/Business Entity Insurance Producer:

- A. A completed Form UA-BEP;
- B. One hundred dollar (\$100) application fee;
- C. Designation of a qualified principal;
- D. List of Missouri-licensed title agents conducting business on behalf of the title agency;

E. Corporations, limited liability companies, limited liability partnerships or other entities must include a certificate of good standing, certificate of incorporation, or certificate of organization issued by the state of residency and dated within the past year; and

F. A completed Form T-5.

(B) Renewal Application.

1. Title Agents/Individual Producers:

A. An updated Form UA-IP. If applying for renewal through NIPR, the application is deemed submitted at the time of fee payment pursuant to the producer's continuing duty to amend the application in sections 375.018 and 375.141, RSMo; and

B. One hundred dollar (\$100) application fee.

2. Title Agencies/Business Entity Producers:

A. An updated Form UA-BEP. If applying for renewal through NIPR, the application is deemed submitted at the time of fee payment pursuant to the producer's continuing duty to amend the application in sections 375.018 and 375.141, RSMo;

B. One hundred dollar (\$100) application fee;

C. List of Missouri-licensed producers conducting business on behalf of the business entity; and

D. A completed Form T-5.

(C) Provisional Title Agent Licensure.

1. An employee of a licensed title agency or title insurer under the direct supervision of a licensed title agent may apply for a provisional title agent license by submitting the following:

A. A completed Form UA-IP;

B. One hundred dollar (\$100) application fee; and

C. An acknowledgment that:

(I) The applicant's initial employment or initiation of new functions requiring a title agent license has been within the past six (6) months;

(II) The applicant is under the direct supervision of a licensed title agent; and

(III) Unless the examination requirement of 20 CSR 700-8.150 is met within the six (6) months of the applicant's initial employment or initiation of new functions requiring a title agent license, the provisional license will expire.

2. If the title agent takes and passes within six (6) months of the agent's initial employment or initiation of new functions requiring license the examination required under 20 CSR 700-8.150, the director will grant a full license under this rule without a renewed application or additional fee.

3. If the title agent fails to take and pass within six (6) months of the agent's initial employment (or initiation of new functions requiring license) the examination required under 20 CSR 700-8.150, the provisional license may be summarily cancelled by the director.

(D) All fees must be paid by cashier's check, money order, company check or electronic funds transfer. Fees submitted with electronic applications shall be paid by electronic funds transfer, credit card or other methods approved by the director or the director's designee under this rule.

(E) Application and renewal fees are not refundable if an application is refused by the director under section 375.141, RSMo, or withdrawn by the applicant.

(3) Failure to Timely Apply for Renewal. If a producer fails to file for a license renewal on or before the license expiration date, the director may issue a renewal of the license upon payment of a late renewal fee of twenty-five dollars (\$25) per month or fraction of a month after the renewal deadline in addition to the renewal fee designated in subsection (2)(B) of this rule. In the alternative to payment of a late renewal fee, the former licensee may apply for a new license except that the former licensee must comply with all provisions of sections 375.015 and 381.118, RSMo regarding issuance of a new license.

(4) Availability of Forms. The department, upon request, will supply in printed format the forms listed in this rule. Accurate reproduction of the forms may be utilized for filing in lieu of the printed forms. All application forms referenced herein are available at <http://www.insurance.mo.gov>.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.115, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, Missouri. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

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**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

PROPOSED RULE

20 CSR 700-8.150 Examination Requirements

PURPOSE: This rule prescribes the examination requirements for title agents and qualified principals of title agencies.

(1) Title Agents. Before an individual may be licensed as a title agent, the applicant must first take and pass the Missouri Title Agent Examination, approved by the director, testing both the individual's knowledge regarding title services, title insurance, real estate closings, and title insurance statutes and regulations. The examination must be taken and passed prior to submitting an application for a title agent license to the department.

(2) Title Agency Qualified Principals. Before a business entity may be licensed as a title agency, the applicant must designate a qualified principal who has taken and passed the Missouri Title Agency Qualified Principal Examination, approved by the director, testing the individual's knowledge regarding title services, title insurance, real estate closings, and title insurance statutes and regulations. The examination must be taken and passed by the qualified principal prior to submitting an application for a title agency license to the department.

(3) Testing Service. The department contracts with an independent testing service, which administers the examinations referred to in this rule. In order to take an examination, an individual must register and pay the appropriate fee to the independent testing service designated by the director. Instructions may be obtained from the independent testing service or the department.

(4) Time Limitation. Once an individual has passed an examination, the applicant has one (1) year from the date of the examination in which to submit an application for licensure to the department. If an applicant fails to submit an application for licensure to the department within this time period, the applicant must take and pass the examination again before the applicant may be licensed.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

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**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

PROPOSED RULE

20 CSR 700-8.160 Continuing Education

PURPOSE: This rule sets out the continuing education requirements for title agents and qualified principals of title agencies.

(1) Title Agent. All natural persons licensed as title insurance producers with the department must complete during any two (2)-year licensure period courses or programs of study equivalent to a minimum of eight (8) hours of instruction before the producer license may be renewed by the director.

(2) Qualified Principal of Title Agency. Since a qualified principal must be licensed as a title agent in order to be designated as a qualified principal, compliance with the continuing education requirements for title agents in section (1) of this rule satisfies the continuing education requirement for the qualified principal.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.115, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 14, 2008. Original rule filed Jan. 16, 2008.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule from 10:00 a.m. to 5:00 p.m. on April 10, 2008. The public hearing will be held at the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support of or in opposition to the proposed rule, until 5:00 p.m. on April 10, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, PO Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five (5) working days prior to the hearing.

This section will contain the final text of the rules proposed by agencies. The order of rulemaking is required to contain a citation to the legal authority upon which the order of rulemaking is based; reference to the date and page or pages where the notice of proposed rulemaking was published in the *Missouri Register*; an explanation of any change between the text of the rule as contained in the notice of proposed rulemaking and the text of the rule as finally adopted, together with the reason for any such change; and the full text of any section or subsection of the rule as adopted which has been changed from that contained in the notice of proposed rulemaking. The effective date of the rule shall be not less than thirty (30) days after the date of publication of the revision to the *Code of State Regulations*.

The agency is also required to make a brief summary of the general nature and extent of comments submitted in support of or opposition to the proposed rule and a concise summary of the testimony presented at the hearing, if any, held in connection with the rulemaking, together with a concise summary of the agency's findings with respect to the merits of any such testimony or comments which are opposed in whole or in part to the proposed rule. The ninety (90)-day period during which an agency shall file its order of rulemaking for publication in the *Missouri Register* begins either: 1) after the hearing on the proposed rulemaking is held; or 2) at the end of the time for submission of comments to the agency. During this period, the agency shall file with the secretary of state the order of rulemaking, either putting the proposed rule into effect, with or without further changes, or withdrawing the proposed rule.

**Title 12—DEPARTMENT OF REVENUE
Division 10—Director of Revenue
Chapter 110—Sales/Use Tax—Exemptions**

ORDER OF RULEMAKING

By the authority vested in the director of revenue under section 144.270, RSMo 2000 and section 144.054, RSMo Supp. 2007, the director adopts a rule as follows:

12 CSR 10-110.621 Application of Sales Tax Exemption, as Defined in Section 144.054, RSMo is **adopted**.

A notice of proposed rulemaking containing the text of the proposed rule was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2248-2250). No changes have been made in the text of the proposed rule, so it is not reprinted here. This proposed rule becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—MO HealthNet Division
Chapter 1—Organization**

ORDER OF RULEMAKING

By the authority vested in the MO HealthNet Division under section 208.201, RSMo Supp. 2007, the division amends a rule as follows:

13 CSR 70-1.020 Standards for Privacy of Individually Identifiable Health Information is **amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2250). No changes have been made in the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—MO HealthNet Division
Chapter 4—Conditions of Participant Participation,
Rights and Responsibilities**

ORDER OF RULEMAKING

By the authority vested in the MO HealthNet Division under section 207.020, RSMo 2000 and sections 208.152 and 208.153, RSMo Supp. 2007, the division amends a rule as follows:

13 CSR 70-4.030 Participant Liability for Medical Services Not Reimbursable to the Provider by the MO HealthNet Agency is **amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2250-2251). No changes have been made in the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—MO HealthNet Division
Chapter 4—Conditions of Participant Participation,
Rights and Responsibilities**

ORDER OF RULEMAKING

By the authority vested in the MO HealthNet Division under sections 208.153 and 208.201, RSMo Supp. 2007, the division amends a rule as follows:

13 CSR 70-4.040 Eligibility Corrective Action Participant Payments is **amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2251-2252). No changes have been made in the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 1—Organization and Description of Commission**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-1.010 General Organization is amended.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2266). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 3—Applications for License; License
Examinations**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under sections 339.090 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-3.010 Applications for License is amended.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2266–2267). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board amends a rule as follows:

**20 CSR 2250-4.020 Expiration and Renewal; Name and Address
Changes is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2267–2268). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board amends a rule as follows:

**20 CSR 2250-4.040 Individual License; Business Name;
Inactive Brokers is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2268). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board amends a rule as follows:

**20 CSR 2250-4.050 Broker-Salesperson and Salesperson
Licenses; Transfers; Inactive Salespersons is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2268–2269). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board amends a rule as follows:

**20 CSR 2250-4.070 Partnership, Association or Corporation
License is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15,

2007 (32 MoReg 2269–2270). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board rescinds a rule as follows:

20 CSR 2250-4.080 Nonresident Licenses; Reciprocity; Process Agent **is rescinded**.

A notice of proposed rulemaking containing the proposed rescission was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2270). No changes have been made to the proposed rescission, so it is not reprinted here. This proposed rescission becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 4—Licenses**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.120, RSMo Supp. 2007, the board adopts a rule as follows:

20 CSR 2250-4.080 Nonresident Licenses; Reciprocity **is adopted**.

A notice of proposed rulemaking containing the text of the proposed rule was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2270–2273). No changes have been made to the text of the proposed rule, so it is not reprinted here. This proposed rule becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 5—Fees**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under sections 339.090 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-5.020 Application and License Fees **is amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2274–2277). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 7—Schools**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-7.010 Standards for Real Estate School Accreditation and Renewal **is amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2278). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 7—Schools**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-7.080 Additional Requirements for Approved Schools Offering Distance Delivered Courses **is amended**.

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2278). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 7—Schools**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission

under section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-7.090 Investigation and Review of Accredited Schools and Approved Courses **is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2278–2279). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 8—Business Conduct and Practice**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under sections 339.100 and 339.120, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-8.070 Advertising **is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2279–2280). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 8—Business Conduct and Practice**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under sections 339.730, 339.740, 339.750, 339.755 and 339.820, RSMo 2000 and sections 339.120 and 339.780, RSMo Supp. 2007, the board amends a rule as follows:

20 CSR 2250-8.090 Brokerage Service Agreements **is amended.**

A notice of proposed rulemaking containing the text of the proposed amendment was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2280). No changes have been made to the text of the proposed amendment, so it is not reprinted here. This proposed amendment becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 2250—Missouri Real Estate Commission
Chapter 8—Business Conduct and Practice**

ORDER OF RULEMAKING

By the authority vested in the Missouri Real Estate Commission under section 339.780, RSMo 2000 and sections 339.120, 339.720, and 339.820 RSMo Supp. 2007, the board rescinds a rule as follows:

20 CSR 2250-8.210 Management Agreements **is rescinded.**

A notice of proposed rulemaking containing the proposed rescission was published in the *Missouri Register* on November 15, 2007 (32 MoReg 2280–2281). No changes have been made to the proposed rescission, so it is not reprinted here. This proposed rescission becomes effective thirty (30) days after publication in the *Code of State Regulations*.

SUMMARY OF COMMENTS: No comments were received.