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MATT BLUNT

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Documents will be accepted for filing on all regular workdays from 8:00 a.m. until 5:00 p.m. We encourage early filings to facilitate the timely publication of the *Missouri Register*. Orders of Rulemaking appearing in the *Missouri Register* will be published in the *Code of State Regulations* and become effective as listed in the chart above. Advance notice of large volume filings will facilitate their timely publication. We reserve the right to change the schedule due to special circumstances. Please check the latest publication to verify that no changes have been made in this schedule. To review the entire year's schedule, please check out the website at <http://www.sos.mo.gov/adrules/pubsched.asp>

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HOW TO CITE RULES AND RSMo

RULES—Cite material in the *Missouri Register* by volume and page number, for example, Vol. 28, *Missouri Register*, page 27. The approved short form of citation is 28 MoReg 27.

The rules are codified in the *Code of State Regulations* in this system—

Title	Code of State Regulations	Division	Chapter	Rule
1	CSR	10-	1.	010
Department		Agency, Division	General area regulated	Specific area regulated

They are properly cited by using the full citation, i.e., 1 CSR 10-1.010.

Each department of state government is assigned a title. Each agency or division in the department is assigned a division number. The agency then groups its rules into general subject matter areas called chapters and specific areas called rules. Within a rule, the first breakdown is called a section and is designated as (1). Subsection is (A) with further breakdown into paragraph 1., subparagraph A., part (I), subpart (a), item I. and subitem a.

RSMo—The most recent version of the statute containing the section number and the date.

The Secretary of State shall publish all executive orders beginning January 1, 2003, pursuant to section 536.035.2, RSMo Supp. 2003.

Executive Order 04-09

WHEREAS, Missouri state agencies and political subdivisions procure some goods and services, by contract, through public and private vendor corporations and businesses (collectively, "vendors"); and

WHEREAS, in a limited number of instances, vendors providing services may seek to subcontract or otherwise obtain some of these services from a location outside the United States; and

WHEREAS, such international outsourcing could aggravate unemployment and workforce dislocation of Missouri and United States residents, including industries and jobs this state has expended resources to attract; and

WHEREAS, international outsourcing potentially erodes revenues from the state of Missouri and the United States by drawing away jobs and income; and

WHEREAS, international outsourcing could provide fewer privacy protections for state residents whose personal information may, in the course of service delivery, be transmitted to locations outside the United States.

NOW, THEREFORE, I, BOB HOLDEN, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the authority vested in me as governor of the State of Missouri, do hereby order as follows:

1. Each vendor submitting a bid to the State of Missouri shall be required to provide certification of the location where the contracted services are to be performed, and whether the vendor contemplates any of the work necessary to provide the contracted services being performed offshore.
2. The Office of Administration shall direct all current contractors to disclose whether any work pursuant to existing contracts is being performed offshore.
3. If during the term of the contract, the contractor or subcontractor has certified that work will be performed in the United States and proceeds to shift work outside of the United States, the contractor shall be deemed in breach of contract, unless the Office of Administration shall first have determined in writing that extraordinary circumstances require the shift of work or that a failure to shift the work would result in economic hardship to the State of Missouri.

4. No state agency shall award a contract to a vendor who contemplates performing work (or having a subcontractor perform work) pursuant to the contract at a site outside the United States, or does not provide disclosures as required above, unless one of the following conditions is met:
- a. The vendor or its subcontractor provides a unique good or service; the particular good or service is deemed mandatory for the purposes of the purchasing agency; and no comparable domestically-provided good or service can adequately duplicate the unique features of the good or service provided by the vendor or its subcontractor; or
 - b. The vendor or its subcontractor is a foreign firm hired to market Missouri services or products to a foreign country; or
 - c. A significant and substantial economic cost factor exists that outweighs the economic impact of providing the function or professional services within the United States, such that a failure to use the vendor or subcontractor's services would result in economic hardship to the State of Missouri; or
 - d. The vendor or its subcontractor maintains a significant business presence in the United States and only performs a trivial portion of work under the contract outside of the United States.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 17th day of March 2004.

Bob Holden
Governor

ATTEST:

Matt Blunt
Secretary of State

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 symbology 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.

Proposed Amendment Text Reminder:

Boldface text indicates new matter.

[Bracketed text indicates matter being deleted.]

Title 11—DEPARTMENT OF PUBLIC SAFETY Division 45—Missouri Gaming Commission Chapter 4—Licenses

PROPOSED AMENDMENT

11 CSR 45-4.260 Occupational Licenses. The commission is amending section (4) and adding section (6).

PURPOSE: The commission proposes to amend this rule by describing the types of misdemeanor or municipal offenses that make an applicant or licensee unsuitable to hold an occupational license and clarifying what pleas are considered in determining suitability.

(4) The commission may refuse an occupational license to any person or revoke **or suspend** an occupational license of any person—

(A) Who has been convicted of a crime or has been found guilty of, plead guilty *[to or plead]* **or nolo contendere to, or entered an**

Alford plea to a crime, including such findings or pleas in a suspended imposition of sentence;

(6) **Within the five (5)-year period immediately preceding application for an occupational license or while holding an occupational license, a conviction, plea of guilty or nolo contendere, or the entering of an Alford plea in any jurisdiction for the following types of misdemeanor or municipal offenses, including such findings or pleas in a suspended imposition of sentence, shall make the applicant or licensee unsuitable to hold an occupational license: 1) any gambling-related offense; or 2) any offense an essential element of which is theft, fraud, or dishonesty. Applicants or licensees may be unsuitable to hold an occupational license for convictions, pleas of guilty or nolo contendere, or the entering of an Alford plea for other types of misdemeanor or municipal offenses within such five (5)-year period, including such findings or pleas in a suspended imposition of sentence.**

AUTHORITY: sections 313.004 and 313.805, RSMo 2000. Emergency rule filed Sept. 1, 1993, effective Sept. 20, 1993, expired Jan. 17, 1994. Emergency ruled filed Jan. 5, 1994, effective Jan. 18, 1994, expired Jan. 30, 1994. Original rule filed Sept. 1, 1993, effective Jan. 31, 1994. For intervening history, please consult the Code of State Regulations. Amended: Filed Feb. 24, 2004.

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 Gaming Commission, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for May 18, 2004 at 10 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.

Title 11—DEPARTMENT OF PUBLIC SAFETY Division 45—Missouri Gaming Commission Chapter 5—Conduct of Gaming

PROPOSED AMENDMENT

11 CSR 45-5.200 Progressive Slot Machines. The commission is amending subsection (12)(B).

PURPOSE: The commission proposes to amend this rule by altering the financial tests and ratios required of licensees that provide wide-area progressive slot machine systems.

(12) Unless the commission has approved the payment of prizes by installments, a licensee who has a progressive slot machine must maintain minimum cash reserves in accordance with 11 CSR 45-8.150. The commission must approve all such cash reserves. Notwithstanding the provisions of 11 CSR 45-5.240 Periodic Payments, to the contrary, the commission shall require that the licensee authorized to provide a wide-area progressive system—

(B) In addition, the licensee authorized to provide the wide-area system shall at all times satisfy and be in compliance with the following ratios and tests:

[1. A current ratio of not less than two to one (2:1); and]

[2.] 1. An interest coverage ratio of not less than three to one (3:1).; and

2. Debt to EBITDA (earnings before interest, taxes, depreciation and amortization) of not more than four to one (4:1); and

3. Satisfaction of one of the following ratios and tests:

A. A current ratio of not less than two to one (2:1); or

B. Working capital that is greater than twenty percent (20%) of the licensee's total jackpot liability.

AUTHORITY: sections 313.004, 313.800 and 313.805, RSMo 2000. Emergency rule filed Sept. 1, 1993, effective Sept. 20, 1993, expired Jan. 17, 1994. Emergency rule filed Jan. 5, 1994, effective Jan. 18, 1994, expired Jan. 30, 1994. Original rule filed Sept. 1, 1993, effective Jan. 31, 1994. Amended: Filed Aug. 30, 1996, effective March 30, 1997. Amended: Filed July 2, 1997, effective Feb. 28, 1998. Amended: Filed May 13, 1998, effective Oct. 30, 1998. Amended: Filed Aug. 30, 2002, effective March 30, 2003. Amended: Filed Jan. 24, 2003, effective Aug. 30, 2003. Amended: Filed Feb. 24, 2004.

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 Gaming Commission, PO Box 1847, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. A public hearing is scheduled for May 18, 2004 at 10 a.m., in the Missouri Gaming Commission's Hearing Room, 3417 Knipp Drive, Jefferson City, Missouri.

Title 19—DEPARTMENT OF HEALTH AND SENIOR SERVICES

Division 30—Division of Health Standards and Licensure Chapter 88—Resident's Rights and Handling Resident Funds and Property in Long-Term Care Facilities

PROPOSED AMENDMENT

19 CSR 30-88.010 Resident Rights. The department proposes adding a new section (9) and renumbering for consistency.

PURPOSE: This amendment specifies when residents have the right to be informed of home and community-based service options.

(9) Prior to or at the time of admission, each resident has the right to be informed of the home and community-based services options that exist in the state. III

[[9]] (10) Prior to or upon admission and at least annually after that, each resident or guardian shall be informed of facility policies regarding provision of emergency and life-sustaining care, of an individual's right to make treatment decisions for him/herself and of state laws related to advance directives for health-care decision making. The annual discussion may be handled either on a group or on an individual basis. Family members or other concerned individuals also shall be informed, upon request, regarding state laws related to advance directives for health-care decision making as well as the facility's policies regarding the provision of emergency or life-sustaining medical care or treatment. If a resident has a written advance health-care directive, a copy shall be placed in the resident's medical record and reviewed annually with the resident unless, in the interval, he/she has been determined incapacitated, in accordance with

section 475.075 or 404.825, RSMo. Residents' guardians or health care attorneys-in-fact shall be contacted annually to assure their accessibility and understanding of the facility policies regarding emergency and life-sustaining care. II/III

[[10]] (11) A physician shall fully inform each resident of his/her health and medical condition unless medically contraindicated. If the physician determines the resident's medical condition contraindicates his/her being fully informed of his/her diagnosis, treatment or any known prognosis, the medical record shall contain documentation and justification of this signed by the physician. If there is a legally authorized representative to make health-care decisions, that person shall be fully informed of the resident's medical condition and shall have free access to the resident's medical records for that purpose, subject to the limitations provided by the power of attorney or any federal law. I/II

[[11]] (12) Each resident shall be afforded the opportunity to participate in the planning of his/her total care and medical treatment, to refuse treatment and to participate in experimental research only upon his/her informed written consent. If a resident refuses treatment, this refusal shall be documented in the resident's record and the resident, legal guardian, or both, shall be informed of possible consequences of not receiving treatment. II

[[12]] (13) Each resident shall have the privilege of selecting his/her own physician who will be responsible for the resident's total care. II

[[13]] (14) No resident shall be transferred or discharged except in the case of an emergency discharge unless the resident, the next of kin, the legal representative, the attending physician and the responsible agency, if any, are notified at least thirty (30) days in advance of the transfer or discharge, and casework services or other means are utilized to assure that adequate arrangements exist for meeting the resident's needs. II

[[14]] (15) A resident may be transferred or discharged only for medical reasons or for his/her welfare or that of other residents, or for nonpayment for his/her stay. II

[[15]] (16) No resident may be discharged without full and adequate notice of his/her right to a hearing before the Department of Social Services and an opportunity to be heard on the issue of whether his/her discharge is necessary. Such notice shall be given in writing no less than thirty (30) days in advance of the discharge except in the case of an emergency discharge and must comply with the requirements set forth in [13 CSR 15-10.050] **19 CSR 30-82.050**. II/III

[[16]] (17) In emergency discharge situations a written notice of discharge and right to a hearing shall be given as soon as practicable. II/III

[[17]] (18) A room transfer of a resident within a facility, except in an emergency situation, requires consultation with the resident as far ahead of time as possible and shall not be permitted where this transfer would result in any avoidable detriment to the resident's physical, mental or emotional condition. II/III

[[18]] (19) Each resident shall be encouraged and assisted, throughout his/her period of stay, to exercise his/her rights as a resident and as a citizen and to this end a resident may voice grievances and recommend changes in policies and services to facility personnel or to outside representatives of his/her choice. A staff person shall be designated to receive grievances and the residents shall be free to voice their complaints and recommendations to the staff designee, an ombudsman or to any person outside the institution. Residents shall be informed of and provided a viable format for recommending

changes in policy and services. The facility shall assist residents in exercising their rights to vote. II/III

[(19)] (20) The exercise of resident rights shall be free from restraint, interference, coercion, discrimination or reprisal. II/III

[(20)] (21) Each resident shall be free from mental and physical abuse. I

[(21)] (22) The resident has the right to be free from any physical or chemical restraint except as follows:

(A) When used to treat a specified medical symptom as a part of a total program of care to assist the resident to attain or maintain the highest practicable level of physical, mental or psychosocial well-being. The use of restraints must be authorized in writing by a physician for a specified period of time; or

(B) When necessary in an emergency to protect the resident from injury to him/herself or to others, in which case restraints may be authorized by professional personnel so designated by the facility. The action taken shall be reported immediately to the resident's physician and an order obtained which shall include the reason for the restraint, when the restraint may be removed, the type of restraint and any other actions required. When restraints are indicated, only devices that are the least restrictive for the resident and consistent with the resident's total treatment program shall be used. I/II

[(22)] (23) In a residential care facility I or II, if it is ever necessary to use a restraint in case of emergency, the resident shall be reevaluated immediately for appropriateness of placement and transferred if necessary. II/III

[(23)] (24) All information contained in a resident's medical, personal or financial record and information concerning source of payment shall be held confidential. Facility personnel shall not discuss aspects of the resident's record or care in front of persons not involved in the resident's care or in front of other residents. Written consent of the resident or legal guardian shall be required for the release of information to persons not otherwise authorized by law to receive it. II/III

[(24)] (25) Each resident shall be treated with consideration, respect and full recognition of his/her dignity and individuality, including privacy in treatment and care of his/her personal needs. All persons, other than the attending physician, the facility personnel necessary for any treatment or personal care, or the Division of Aging or Department of Mental Health staff, as appropriate, shall be excluded from observing the resident during any time of examination, treatment or care unless consent has been given by the resident. II/III

[(25)] (26) No resident shall be required to perform services for the facility. If the resident desires and it is not contraindicated by his/her physician, the resident may perform tasks or services for him/herself or others. II/III

[(26)] (27) Each resident shall be permitted to communicate, associate and meet privately with persons of his/her choice whether on the resident's initiative or the other person's initiative, unless to do so would infringe upon the rights of other residents. The person(s) may visit, talk with and make personal, social or legal services available, inform residents of their rights and entitlements by means of distributing educational materials or discussions, assisting residents in asserting their legal rights regarding claims for public assistance, medical assistance and Social Security benefits and engaging in any other methods of assisting, advising and representing residents so as to extend to them the full enjoyment of their rights. The facility, however, may place reasonable limitations on solicitations. II/III

[(27)] (28) The facility shall permit a resident to meet alone with persons of his/her choice and provide an area which assures privacy. II/III

[(28)] (29) Telephones appropriate to the residents' needs shall be accessible at all times. Telephones available for residents' use shall enable all residents to make and receive calls privately. II/III

[(29)] (30) If the resident cannot open mail, written consent by the resident or legal guardian shall be obtained to have all mail opened and read to the resident. II/III

[(30)] (31) Each resident shall be permitted to participate, as well as not participate, in activities of social, religious or community groups at his/her discretion, both within the facility, as well as outside the facility, unless contraindicated for reasons documented by physician in the resident's medical record. II/III

[(31)] (32) Each resident shall be permitted to retain and use personal clothing and possessions as space permits. Personal possessions may include furniture and decorations in accordance with the facility's policies and shall not create a fire hazard. The facility shall maintain a record of any personal items accompanying the resident upon admission to the facility, or which are brought to the resident during his/her stay in the facility, which are to be returned to the resident or responsible party upon discharge, transfer or death. II/III

[(32)] (33) Each married resident shall be assured privacy for visits by his/her spouse. II/III

[(33)] (34) If both husband and wife are residents, they shall be allowed the choice of sharing or not sharing a room. III

[(34)] (35) Each resident shall be allowed the option of purchasing or renting goods or services not included in the per diem or monthly rate from a supplier of his/her own choice, provided the quality of goods or services meets the reasonable standards of the facility. Freedom of choice of pharmacy shall be permitted provided the facility's policy and procedures for packaging specifications are met. II/III

[(35)] (36) Residents shall not have their personal lives regulated or controlled beyond reasonable adherence to meal schedules and other written policies which may be necessary for the orderly management of the facility and the personal safety of the residents. II

AUTHORITY: sections 198.009[¹, RSMo Supp. 1997] and 198.088, RSMo [1994] 2000, and 660.050, RSMo Supp. 2003. This rule originally filed as 13 CSR 15-18.010. Original rule filed July 13, 1983, effective Oct. 13, 1983. Amended: Filed Sept. 12, 1984, effective Dec. 13, 1984. Amended: Filed Jan. 3, 1992, effective Aug. 6, 1992. Amended: Filed Feb. 13, 1998, effective Sept. 30, 1998. Moved to 19 CSR 30-88.010, effective Aug. 28, 2001. Amended: Filed March 1, 2004.

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

PRIVATE COST: The 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 Health and Senior Services, Division of Senior Services and Regulation, David S. Durbin, Director, PO Box 570, Jefferson City, MO 65102-0570. 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 20—DEPARTMENT OF INSURANCE
Division 400—Life, Annuities and Health
Chapter 1—Life Insurance and Annuity Standards

PROPOSED RULE

20 CSR 400-1.160 Recognition of the 2001 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and Nonforfeiture Benefits

PURPOSE: The purpose of this rule is to recognize, permit and prescribe the use of the 2001 Commissioners Standard Ordinary (CSO) Mortality Table in accordance with sections 376.380.1 and 376.670.9, RSMo, and 20 CSR 200-1.160(5)(A) and (B).

(1) Definitions.

(A) “2001 CSO Mortality Table” means that mortality table, consisting of separate rates of mortality for male and female lives, developed by the American Academy of Actuaries CSO Task Force from the Valuation Basic Mortality Table developed by the Society of Actuaries Individual Life Insurance Valuation Mortality Task Force, and adopted by the National Association of Insurance Commissioners (NAIC) in December 2002. The 2001 CSO Mortality Table is included in the *Proceedings of the NAIC (2nd Quarter 2002)*. Unless the context indicates otherwise, the “2001 CSO Mortality Table” includes both the ultimate form of the table and the select and ultimate form of that table and includes both the smoker and nonsmoker mortality tables and the composite mortality tables. It also includes both the age-nearest-birthday and age-last-birthday bases of the mortality tables.

(B) “2001 CSO Mortality Table (F)” means that mortality table consisting of the rates of mortality for female lives from the 2001 CSO Mortality Table.

(C) “2001 CSO Mortality Table (M)” means that mortality table consisting of the rates of mortality for male lives from the 2001 CSO Mortality Table.

(D) “Composite mortality tables” means mortality tables with rates of mortality that do not distinguish between smokers and nonsmokers.

(E) “Smoker and nonsmoker mortality tables” means mortality tables with separate rates of mortality for smokers and nonsmokers.

(2) 2001 CSO Mortality Table.

(A) At the election of the company for any one (1) or more specified plans of insurance and subject to the conditions stated in this regulation, the 2001 CSO Mortality Table may be used as the minimum standard for policies issued on or after January 1, 2004, and before the date specified in subsection (2)(B) to which sections 376.380.1 and 376.670.9, RSMo, and 20 CSR 200-1.160(5)(A) and (B) are applicable. If the company elects to use the 2001 CSO Mortality Table, it shall do so for both valuation and nonforfeiture purposes.

(B) Subject to the conditions stated in this regulation, the 2001 CSO Mortality Table shall be used in determining minimum standards for policies issued on and after January 1, 2009, to which sections 376.380.1 and 376.670.9, RSMo, and 20 CSR 200-1.160(5)(A) and (B) are applicable.

(3) Conditions.

(A) For each plan of insurance with separate rates for smokers and nonsmokers an insurer may use:

1. Composite mortality tables to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits;

2. Smoker and nonsmoker mortality tables to determine the valuation net premiums and additional minimum reserves, if any, required by section 376.380.1(2)(h), RSMo, and use composite mor-

tality tables to determine the basic minimum reserves, minimum cash surrender values and amounts of paid-up nonforfeiture benefits; or

3. Smoker and nonsmoker mortality tables to determine minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits.

(B) For plans of insurance without separate rates for smokers and nonsmokers the composite mortality tables shall be used.

(C) For the purpose of determining minimum reserve liabilities and minimum cash surrender values and amounts of paid-up nonforfeiture benefits, the 2001 CSO Mortality Table may, at the option of the company for each plan of insurance, be used in its ultimate or select and ultimate form, subject to the restrictions of section (4) and 20 CSR 200-1.160 relative to use of the select and ultimate form.

(D) When the 2001 CSO Mortality Table is the minimum reserve standard for any plan for a company, the actuarial opinion in the annual statement filed with the commissioner shall be based on an asset adequacy analysis as specified in subsection 20 CSR 200-1.116(3)(A). The director may exempt a company from this requirement if it only does business in this state and in no other state.

(4) Applicability of the 2001 CSO Mortality Table to 20 CSR 200-1.160.

(A) The 2001 CSO Mortality Table may be used in applying 20 CSR 200-1.160 in the following manner, subject to the transition dates for use of the 2001 CSO Mortality Table in section (2) of this rule (unless otherwise noted, the references in this section are to 20 CSR 200-1.160).

1. Subparagraph (1)(A)2.B.: The net level reserve premium is based on the ultimate mortality rates in the 2001 CSO Mortality Table.

2. Subsection (2)(B): All calculations are made using the 2001 CSO Mortality Rate, and, if elected, the optional minimum mortality standard for deficiency reserves stipulated in paragraph (4)(A)4. of this regulation. The value of “ $qx+k+t-1$ ” is the valuation mortality rate for deficiency reserves in policy year $k+t$, but using the unmodified select mortality rates if modified select mortality rates are used in the computation of deficiency reserves.

3. Subsection (3)(A): The 2001 CSO Mortality Table is the minimum standard for basic reserves.

4. Subsection (3)(B): The 2001 CSO Mortality Table is the minimum standard for deficiency reserves. If select mortality rates are used, they may be multiplied by X percent for durations in the first segment, subject to the conditions specified in subparagraphs (3)(B)3.A to I. In demonstrating compliance with those conditions, the demonstrations may not combine the results of tests that utilize the 1980 CSO Mortality Table with those tests that utilize the 2001 CSO Mortality Table, unless the combination is explicitly required by regulation or necessary to be in compliance with relevant Actuarial Standards of Practice.

5. Subsection (4)(C): The valuation mortality table used in determining the tabular cost of insurance shall be the ultimate mortality rates in the 2001 CSO Mortality Table.

6. Paragraph (4)(E)4: The calculations specified in subsection (4)(E) shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

7. Paragraph (4)(F)4: The calculations specified in subsection (4)(F) shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

8. Paragraph (4)(G)2: The calculations specified in subsection (4)(G) shall use the ultimate mortality rates in the 2001 CSO Mortality Table.

9. Subparagraph (5)(A)1.B.: The one (1)-year valuation premium shall be calculated using the ultimate mortality rates in the 2001 CSO Mortality Table.

(B) Nothing in this section shall be construed to expand the applicability of 20 CSR 200-1.160 to include life insurance policies exempted under 20 CSR 200-1.160(1)(A).

(5) Gender-Blended Tables.

(A) For any ordinary life insurance policy delivered or issued for delivery in this state on and after January 1, 2004, that utilizes the same premium rates and charges for male and female lives or is issued in circumstances where applicable law does not permit distinctions on the basis of gender, a mortality table that is a blend of the 2001 CSO Mortality Table (M) and the 2001 CSO Mortality Table (F) may, at the option of the company for each plan of insurance, be substituted for the 2001 CSO Mortality Table for use in determining minimum cash surrender values and amounts of paid-up nonforfeiture benefits. No change in minimum valuation standards is implied by this subsection of the regulation.

(B) The company may choose from among the blended tables developed by the American Academy of Actuaries CSO Task Force and adopted by the NAIC in December 2002.

(C) It shall not, in and of itself, be a violation of the Unfair Trade Practices Act for an insurer to issue the same kind of policy of life insurance on both a sex-distinct and sex-neutral basis.

(6) Separability. If any provision of this regulation or its application to any person or circumstance is for any reason held to be invalid, the remainder of the regulation and the application of the provision to other persons or circumstances shall not be affected.

AUTHORITY: sections 374.045, 376.380, 376.670, and 376.676, RSMo 2000. Original rule filed Feb. 27, 2004.

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 10 a.m. on May 11, 2004. The public hearing will be held at the Harry S Truman State Office Building, 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 May 11, 2004. Written statements shall be sent to Stephen R. Gleason, Department of Insurance, 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
Division 400—Life, Annuities and Health
Chapter 7—Health Maintenance Organizations**

PROPOSED AMENDMENT

20 CSR 400-7.200 Provider Selection Standards. The department is amending sections (1) and (2) of this rule.

PURPOSE: This amendment clarifies the reporting requirements found in section 354.606, RSMo, regarding each health carrier's obligation to file its selection standards for all participating health care professionals.

(1) Every health carrier, including its intermediaries and any provider networks with which it contracts, shall file with the director annually, on or before March 1, a complete copy of all selection standards and any modifications thereto, for the selection of partici-

pating [providers, participating] primary care professionals and participating health care professional specialties.

(2) Every health carrier shall make the information required to be reported by this rule available directly to all licensed health care providers upon request. [The information required to be filed by this rule shall be deemed a public record.]

AUTHORITY: sections 354.485, [354.510 RSMo 1994] and 374.045, RSMo [Supp. 1997] 2000 and 354.606, RSMo Supp. 2003. Original rule filed Nov. 3, 1997, effective May 30, 1998. Amended: Filed Feb. 27, 2004.

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.

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