REPUBLIC OF THE MARSHALL ISLANDS

CONFIDENTIAL

C.M. 059 (2024)

FOR ACTION
Minister of Finance, Banking, and Postal Services

FOR INFORMATION
All Ministers

SUBJECT: Promulgation of Insurance Regulations to support administration of Workers Compensation Act

At its meeting on March 7, 2024, the Cabinet:

1. **Approved** the Promulgation of Insurance Regulations to facilitate the cooperation between Insurance carriers and their obligations under the Workers Compensation Act, and to supervise its activities and provide procedural mechanisms for resolving insurance complaints.

Kalani Kaneko
Acting President

Earlie C. Bing
Clerk of the Cabinet

[Reference - C.P. 9517 (2024)]
Signed by the Acting President on March 7, 2024.

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Republic of the Marshall Islands
Jepilpilin Ke Ejukaan

BANKING ACT (INSURANCE LICENSE TERMS AND CONDITIONS) REGULATION, 2024

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Republic of the Marshall Islands
Jepilpilin Ke Ejukaan

Banking Act ....

BANKING ACT (INSURANCE LICENSE TERMS AND CONDITIONS) REGULATION, 2024

Coming into Operation: *Upon Approval by Cabinet*

The Banking Commission makes the following Regulations under section 125(1) of the Banking Act 1987 and Regulations 9 and 16(3) of Workers Compensation Regulations 2023.

1. 1. Short Title.

These Regulations are the Banking Act (Insurance License Terms and Conditions) Regulation, 2024.

2. Commencement.

If approved, these Regulations come into operation on approval by Cabinet.

3. Definition.

Unless the contest otherwise requires:

(a) "Board" means the Marshall Islands Social Security Board;

(b) "Commissioner" means the Banking Commissioner;

(c) "MISSA" means the Marshall Islands Social Security Administrator;

4. Purpose

To facilitate cooperation between insurance carriers and their obligations under the Workers Compensation Act

5. Commissioners General Powers to License Terms and Conditions.

Pursuant to Section 125(1) of the Banking Act and Regulations 9 and 16(3) of Workers Compensation Regulations 2023, Commissioner may specify any terms and conditions which shall be complied with, by the Financial Services Provider known as insurance carriers.

6. Commissioners Specified Powers to License Terms and Conditions for Insurance Carriers.

The Commissioner shall ensure:

(1) confirmation from an insurer that it will meet its obligations under the *RMI Worker's Compensation Act* and Regulations in full;

(2) validation from an insurer that it has sufficient financial reserves to meet its obligations under any future claims based on the insurance policies written;

(3) an insurer will co-operate and implement all requests and decisions of the Workers' Compensation Board and Administrator (MISSA) arising from their responsibilities under the RMI Workers' Compensation Scheme and shall have an internal response complaint process to address and resolve any concerns raised by the insured (employers);

(4) to establish a formal complaint mechanism that is overseen by the Banking Commissioner's Office if, and when an insurer fails to meet its financial obligations, and or fails to fulfil claims covered by its policies or provide satisfactory service to the insured.