



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
160 WEST BROADWAY  
NEW YORK, NEW YORK 10013

**NOTE: WITHDRAWN EFFECTIVE OCTOBER 11, 2002**

Circular Letter No. 11 (1997)  
June 24, 1997

**TO:** All licensed life insurers, fraternal benefit societies, charitable and segregated gift annuity societies, employee welfare funds, retirement systems, viatical settlement companies, governmental supplemental annuity funds, savings bank life insurance departments, accredited life reinsurers, property/casualty insurers, co-operative property/casualty insurers, financial guaranty insurers, mortgage insurers, reciprocal insurers, accident and health insurers, Article 43 Corporations, Public Health Law Article 44 health maintenance organizations, title insurers, the State Insurance Fund, the Medical Malpractice Insurance Association and accredited property/casualty reinsurers; all hereinafter referred to as "licensees".

**RE:** Impact of Year 2000 on the Insurance Industry

For many licensees the Year 2000 will present a number of computer problems, many of which, if not adequately addressed, could impair the ability to fulfill contractual obligations and disrupt the insurance market. As such, the Insurance Department wants to confirm that all licensees under its jurisdiction have assessed the situation and have started to address the potential problems presented by Year 2000.

The purpose of this Circular Letter is to determine which licensees be vulnerable to the Year 2000 problem and also to determine whether such licensees have assessed the Year 2000 problem and its financial impact.

Please respond to the following questions and provide the information requested:

1. Does your organization have a written plan to ensure that your/your vendor's information processing (hardware and software) and delivery (voice and data communications) systems are Year 2000 compliant? Does the plan provide for regular reporting to and monitoring by senior management? Please provide an overview of this plan including key milestones and target dates and the name of a person we can contact for follow up. If your organization does not have such a plan, please explain.

2. Has your organization/your vendor established a budget for the Year 2000 effort and have you/your vendor determined whether you have sufficient resources (hardware, people and dollars) necessary to ensure Year 2000 processing capabilities? Please provide a breakdown of the expected cost components. If your organization has not budgeted for Year 2000 compliance, please explain.

All responses to this Circular Letter are to be made to the Department by July 31, 1997.

All licensed life insurers, fraternal benefit societies, charitable and segregated gift annuity societies, employee welfare funds, retirement systems, viatical settlement companies, governmental supplemental annuity funds, savings bank life insurance departments and accredited life reinsurers are to direct their responses and any questions relating to this Circular Letter to:

Mr. Michael Maffei, Principal Insurance Examiner  
New York State Insurance Department  
Financial Condition Life Bureau  
160 West Broadway  
New York, New York 10013  
Telephone (212) 602-0309

All licensed property/casualty insurers, co-operative property/casualty insurers, financial guaranty insurers, mortgage guaranty insurers, title insurers, reciprocal insurers, accident and health insurers, Article 43 Corporations, Public Health Law Article 44 health maintenance organizations, the State Insurance Fund, the Medical Malpractice Insurance Association and accredited and casualty reinsurers are to direct their responses and any questions relating to this Circular Letter to:

Mr. Leroy Kaalund, Associate Insurance Examiner  
New York State Insurance Department  
Financial Condition Property/Casualty Bureau  
160 West Broadway  
New York, New York 10013  
Telephone (212) 602-0243

---

Martin F. Carus  
Assistant Deputy Superintendent  
and Chief Examiner  
Financial Condition Life Bureau

---

Vincent Laurenzano  
Assistant Deputy Superintendent  
and Chief Examiner  
Financial Condition Property /  
Casualty Bureau

**Year 2000 Information**