



Kentucky Department of Insurance Insurance Innovation Application FAQ

- When can I apply? Any entity can apply on or before December 31, 2025. Except for those entities who are not authorized to apply pursuant to KRS 304.3-705 Section 2
- Where do I apply? Please utilize the Online application system developed by the Department of Insurance, located on our website here: <https://insurance.ky.gov/doieservices/UserRole.aspx>
 - For any questions regarding the information system to submit your application, please contact:
Kentucky Online Gateway (KOG)
502-564-0104 Extension: 2
Monday - Friday
8:30 AM - 5:00 PM EST
KOGhelpdesk@ky.gov
- Where do I find the application requirements?
 - Kentucky Revised Statutes 304.3-700 to 304.3-735
 - For a copy of the statutes, please visit this link: <https://apps.legislature.ky.gov/law/statutes/chapter.aspx?id=38687>
- Who can submit an application?
 - The innovation application is open to any entity provided they meet the requirements established by Kentucky Revised Statutes 304.3-700 to 304.3-735.
 - Licensure is not required to submit an application, but it may be required before commencement of an approved beta test.

- What must be included in the application?
 - The Kentucky Department of Insurance is not requiring a specific form for the application. Instead, the Department permits applicants to draft their application specific to the proposed innovation.
 - The application must, at a minimum, include the following:
 - Filing fee of seven hundred fifty dollars (\$750);
 - Detailed description of the innovation;
 - Functionality;
 - Manner in which it will be offered;
 - Technical white paper; and
 - Description of the statutory and regulatory barriers to entry including a specific citation;
 - Statement that no product, process, method, or procedure substantially similar to the proposed innovation is currently available in the Commonwealth;
 - Name and contact information of the applicant's regulatory counsel;
 - A proposed limited no-action letter outlining the proposed permitted conduct;
 - A proposed terms and conditions letter to govern the beta test;
 - Proposed metrics for the Department to consider during the required reporting throughout the beta test to determine the usefulness of the innovation;
 - Corporate and company disclosures;
 - Satisfaction of the financial security requirements; and
 - License status of the applicant.
- Are there provisions of the insurance code **not** subject to waiver through an innovation application?
 - Yes - KRS 304.3-705 Section 2(b) specifically prohibits a waiver of the following requirements:
 - Assets, deposits, investments, capital, surplus, or other solvency requirements applicable to insurers;
 - Required participation in an assigned risk plan, residual market, or guaranty fund;
 - Any licensing or certificate of authority requirements; and
 - The application/payment of any taxes or fees.
- How will my application be evaluated?
 - In reviewing an application, the Commissioner and the Director of Insurance Innovation will consider all materials submitted by the

application to determine satisfaction of the requirements. Some considerations include:

- Whether the proposal satisfies the definition of innovation;
 - Whether the proposal poses an unreasonable risk of consumer harm;
 - Are cited regulatory or statutory barriers to entry in existence;
 - Does the proposal add value to customers and serve the public interest;
 - Is the proposal economically viable; and
 - Whether the proposal provides suitable and adequate consumer protections.
- During the review, the Department anticipates dialogue may become necessary between the parties and is willing to answer questions on any specific proposal application.
- Can multiple entities apply for the same innovation?
 - Generally, no. The Department will accept applications and time stamp them on receipt. The time stamp will determine the order of filing. If two applications are substantially similar, the entity who filed earlier will receive the safe harbor attributed to the limited no-action letter.
 - Entities may utilize similar concepts so long as the proposals are not substantially similar in violation of the definition of innovation.
 - Is there a limit on the number of beta tests an entity can have ongoing at one?
 - Yes - Entities are limited to five (5) ongoing beta tests at one time.
 - How long is the application review process?
 - The review process begins as soon as the Department receives the application. The review process will necessarily include additional dialogue and information requests between the applicant and Department personnel.
 - The Department has sixty (60) days to review a complete application but can request a thirty (30) day extension. At the end of the ninety (90) day review period, the Department is required to issue a notice of acceptance or rejection. The applicant may also withdraw the proposal and re-submit to restart the time period if additional time is required for review.

The Department stands ready and willing to assist applicants through this process. Please do not hesitate to contact us if you have further questions or need assistance. Questions may be directed to:

DJ Wasson, Deputy Commissioner - Policy

dj.wasson@ky.gov or 502-564-6026