

DEPARTMENT OF INSURANCE
TECHNICAL SERVICES GROUP
MANAGED CARE AND HEALTH BENEFITS DIVISION

RECORDS RETENTION AND DISPOSITION SCHEDULE

The Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

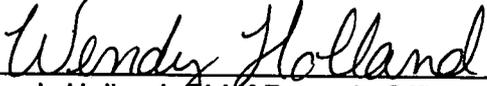
MANAGED CARE AND HEALTH BENEFITS DIVISION

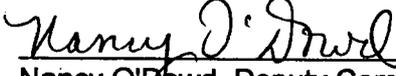
do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule. Public records including machine readable records not listed in this schedule are not authorized to be destroyed. The

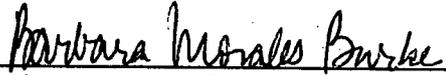
MANAGED CARE AND HEALTH BENEFITS DIVISION

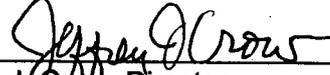
agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

APPROVAL RECOMMENDED

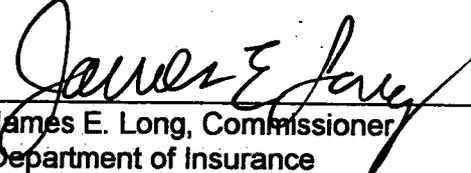

Wendy Holland, Chief Records Officer
Department of Insurance


Nancy O'Dowd, Deputy Commissioner
Managed Care and Health Benefits Division


Barbara Morales Burke,
Senior Deputy Commissioner
Technical Services Group


Jeffrey J. Crow, Director
Division of Archives and History

APPROVED


James E. Long, Commissioner
Department of Insurance


Betty Ray McCain, Secretary
Department of Cultural Resources

August 27, 1999

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ABOUT THIS RECORDS RETENTION AND DISPOSITION SCHEDULE

This records disposition schedule lists the records maintained in your office as reported to the Division of Archives and History on the date indicated. It lists all records, whether they are to be destroyed in your office or transferred to the State Records Center, and provides a brief description of each group (following the identification number) and instructions for their legal disposition (following the words "DISPOSITION INSTRUCTIONS"). Records should never be arbitrarily destroyed on the basis of personal opinion but only on the basis of a firm schedule. The disposition instructions contained herein provide that schedule and the legal procedures for records management activities in your agency.

Authority for this schedule, and the disposition instructions therein, is contained in Chapters 121 and 132 of the General Statutes of North Carolina. Compliance with the disposition instructions listed herein will help ensure conformity with these laws and that records of continuing value are retained and those no longer of value are destroyed. Procedures to be followed in applying this schedule are explained in the N.C. Administrative Code, Title 7, Chapter 4, Section 500. Errors and omissions do not invalidate this schedule or render it obsolete. All provisions of this schedule remain in effect until it is officially superseded.

Supervisors or other responsible office personnel, acting through their Records Officers, are requested to notify the Records Services Branch whenever corrections, additions, or deletions in the records schedule should be made. Records Services Branch personnel will then amend this schedule in order to ensure that it remains complete and accurate and is in compliance with federal and state laws and regulations.

The Records Services Branch will provide, upon request, the following assistance to agencies in the maintenance and operation of records schedules: amendment or update of existing schedules; supply and delivery of boxes, tape and labels for records scheduled to be transferred to the State Records Center; pickup of records to be transferred; reference service on records stored in the State Records Center; and advice and technical assistance in solving records management problems. There is no charge for these services.

For questions, please contact
Laura L. B. Hensey, Records Management Analyst
Records Services Branch,
Archives and Records Section, Division of Archives and History
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ELECTRONIC MAIL AS A PUBLIC RECORD IN NORTH CAROLINA
Guidelines for Its Retention, Disposition, and Destruction

Department of Cultural Resources
Division of Archives and History

The Division of Archives and History assumes that every state agency or other political unit in the state of North Carolina sends and receives electronic mail ("e-mail") or will shortly have the capability of doing so. E-mail (unless it is personal in nature) contains information of value concerning, or evidence of, the administration, management, operations, activities, and business of an office. Like paper records---such as the memoranda, correspondence, reports, and the hundreds of other types of records received traditionally, for example, through interoffice or U.S. mail or other avenues---e-mail has administrative, legal, reference, and/or archival values. *The content of electronic mail is a public record* (according to G.S. 121.8 and 132.1) *and may not be disposed of, erased, or destroyed without specific guidance from the Department of Cultural Resources.* This regulation, along with a current records retention and disposition schedule, is intended to provide for that guidance.

Accordingly, agencies and their offices which use e-mail should normally retain or destroy e-mail by following the provisions of a current, valid records retention and disposition schedule listing the records maintained by a particular office, filing e-mail (whether in paper or electronic format) within existing records series on their schedules and handling it according to the disposition instructions assigned to each such records series. Because of the characteristics of the medium, however, electronic mail also possesses a dual identity. E-mail is also used to transmit and receive messages which may have reference or administrative value but which are simultaneously of an ephemeral, temporary, or transient nature. As such, e-mail of this kind functions in some ways like telephone calls or telephone messages. Such messages remain public records but may be treated as having a reference or administrative value which ends when the user no longer needs the information such a record contains. E-mail of ephemeral or rapidly diminishing value may be erased or destroyed when the user has determined that its reference value has ended.

Agencies and offices need, however, to pay particular attention to the sometimes complex requirements for the retention of e-mail for longer periods of time, *i.e.* e-mail of more than transient value. E-mail in this category may be retained in electronic or paper form (the latter may in some cases be the only means of providing for archival retention, for example through microfilming of paper copies), but must be retained for as long as the period specified in a valid records schedule. If retained in paper form, the copies must retain transmission and receipt data. If electronic mail is retained in electronic form, office administrators need to insure that their electronic environment (client server, mainframe computer in or outside their agency, or office personal computer) assures the retention of e-mail for the required period of time. Office administrators may need to contact relevant personnel at ITS (Information Technology Services), at their own agency computer systems unit, or any other personnel who operate computer units or systems immediately or remotely, to insure that such systems process e-mail in accordance with records retention schedules and provide for backups, disaster recovery, physical and electronic security, and the general integrity of the system, its components, and the records it generates and maintains. Office administrators may also need to assure that office filing systems adequately provide for the proper classification of electronic files (including e-mail) in the same manner as currently provided for paper-based files.

Office administrators, department or unit heads, and all other state employees who use e-mail should regularly and consistently retain or delete e-mail in accord with the records series and disposition instructions, and other instructions, provided above. Retention of e-mail or any other records, whether in electronic or paper format, for longer than provided in a valid records retention and disposition schedule leads to inefficiency and waste and may subject the affected unit to legal vulnerabilities.

DEPARTMENT OF INSURANCE
TECHNICAL SERVICES GROUP
MANAGED CARE AND HEALTH BENEFITS DIVISION

RECORDS RETENTION AND DISPOSITION SCHEDULE

The Records Retention and Disposition Schedule and retention periods governing the records series listed herein are hereby approved. In accordance with the provisions of Chapters 121 and 132 of the General Statutes of North Carolina, it is agreed that the records of the

MANAGED CARE AND HEALTH BENEFITS DIVISION

do not and will not have further official use or value for administrative, research, or reference purposes after the respective retention periods specified herein. The N.C. Department of Cultural Resources consents to the destruction or other disposition of these records in accordance with the retention and disposition instructions specified in this schedule. However, records subject to audit or those legally required for ongoing official proceedings must be retained until released from such audits or official proceedings, notwithstanding the instructions of this schedule. Public records including machine readable records not listed in this schedule are not authorized to be destroyed. The

MANAGED CARE AND HEALTH BENEFITS DIVISION

agrees to destroy, transfer or dispose of records in the manner and at the times specified herein. This schedule is to remain in effect until superseded.

APPROVAL RECOMMENDED

Wendy Holland
Wendy Holland, Chief Records Officer
Department of Insurance

Nancy O'Dowd
Nancy O'Dowd, Deputy Commissioner
Managed Care and Health Benefits Division

Barbara Morales Burke
Barbara Morales Burke,
Senior Deputy Commissioner
Technical Services Group

Jeffrey J. Crow
Jeffrey J. Crow, Director
Division of Archives and History

APPROVED

James E. Long
James E. Long, Commissioner
Department of Insurance

Betty Ray McCain
Betty Ray McCain, Secretary
Department of Cultural Resources

This schedule was modified to
comply with the provisions of the
General Schedule for State Agency Records,
effective October 1, 2000
Remaining items retain the
original date shown below.

August 27, 1999

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**DEPARTMENT OF INSURANCE
TECHNICAL SERVICES GROUP
MANAGED CARE AND HEALTH BENEFITS DIVISION**

ITEM 43697. ACCEPTED EXAMINATION REPORTS FILE.

Records in paper and machine-readable formats concerning examination of domestic and foreign insurance companies operating in the state. File includes drafts and final version of the examination report which has been accepted by the insurance company. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.) (Comply with applicable provisions of G.S. 58-2-132(e) regarding confidentiality of examination work papers.)

DISPOSITION INSTRUCTIONS: Destroy in office drafts when final report is issued. Transfer remaining records to the State Records Center after 6 years. Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

ITEM 43698. ANALYST EXAMINATION ACCOUNTING FILE.

Reference copies of accounting records in paper and machine-readable formats concerning Market Conduct examinations used to determine an insurance entity's compliance with G.S. 58-2-133. File includes financial statements, cover sheets listing the amount deposited, summaries of expenses incurred by examiners, coding sheets, and other related records. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 3 year(s) if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 43699. ANNUAL REPORTS FILE.

Annual reports in paper and machine-readable formats concerning goals and accomplishments of the division. Reports include end-of-year work detail data. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Transfer 1 paper copy of annual report to the State Records Center after 3 years. Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives. Destroy in office remaining records after 3 years.

ITEM 43702. COMMISSIONER'S CORRESPONDENCE FILE.

Administrative and management correspondence in paper and machine-readable formats written by the division for the commissioner's signature. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 3 year(s). Records will be held for agency in the State Records Center 10 additional years and then transferred to the custody of the Archives.

ITEM 43703. CORRESPONDENCE FILE.

Reference copies of correspondence in paper and machine-readable formats sent by the office in response to routine requests for forms and other information. File includes backup records.

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years.

ITEM 43704. CORRESPONDENCE AND MEMORANDUMS (OFFICE MANAGEMENT) FILE.

Correspondence in paper and machine-readable formats with regulated managed care companies regarding clarifications and interpretations of laws, policies and procedures. File also includes reference copies of internal procedure memorandums. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 2 years.

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ITEM 43705. CORRESPONDENCE FOR COPYING CHARGES FILE.

Reference copies of correspondence in paper and machine-readable formats to companies concerning photocopying expenses incurred by the division.

DISPOSITION INSTRUCTIONS: Destroy in office after 3 year(s) if no litigation, claim, audit, or other official action involving the records has been initiated. If official action has been initiated, destroy in office after completion of action and resolution of issues involved.

ITEM 43706. DEPUTY COMMISSIONER'S CORRESPONDENCE FILE.

Correspondence in paper and machine-readable formats written and/or received by the deputy commissioner concerning the administration and management of the division. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 3 year(s). Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

ITEM 43707. DOMESTIC (IN-STATE) AND FOREIGN (OUT-OF-STATE) INSURANCE ADMINISTRATIVE FILE.

Records in paper and machine-readable formats concerning preparatory work in advance of on-site examinations of managed care companies. File includes requests for listings of consumer complaints, listings of active and terminated agents, annual statements referencing the examination periods, and other related records. File also includes drafts of examination reports and records associated with the closure of the examination reports. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office drafts of examination reports when final report is approved. Destroy in office remaining records after 5 years.

ITEM 43708. DOMESTIC (IN-STATE) AND FOREIGN (OUT-OF-STATE) INSURANCE WORK PAPERS FILE.

Reference copies of records in paper and machine-readable formats concerning on-site examinations of managed care companies. Examinations include licensure, regulation, compliance, target and market practices. File includes expense forms for individual examiners and other related records. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.) (Comply with applicable provisions of G.S. 58-2-132(f) regarding confidentiality of examination work papers.)

DISPOSITION INSTRUCTIONS: Destroy in office after 5 years.

ITEM 43710. HEALTH MAINTENANCE ORGANIZATION (HMO) APPLICATIONS FILE.

Applications received from health maintenance organizations requesting approval to do business in the state.

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 5 year(s). Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

ITEM 43711. HEALTH MAINTENANCE ORGANIZATION (HMO) COMPANY FILE.

Records concerning the agency's dealings with regulated health maintenance organizations. File includes correspondence, notifications of changes in company status, and other related

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 5 year(s). Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

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ITEM 43715. LEGISLATION FILE.

Records in paper and machine-readable formats concerning legislation proposed by the division. File includes drafts, correspondence and other related records. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 2 years.

ITEM 43716. MANAGED CARE COMPANY DISAPPROVAL CORRESPONDENCE FILE.

Correspondence in paper and machine-readable formats written to insurance companies informing them of their disapproved, withdrawn or closed forms. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years.

ITEM 43717. MANAGEMENT AND PROVIDER APPROVED CONTRACTS FILE.

Records in paper and machine-readable formats concerning forms filed by managed care companies which have been approved by the agency. File includes correspondence, reference copies of approved forms, and other related records. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 5 years.

ITEM 43718. MANAGEMENT AND PROVIDER CONTRACTS DATABASE (ELECTRONIC) FILE.

Machine readable records concerning contract filings submitted to the agency for approval. Electronic file includes tracking form number, name of company, date form was received, date of approval or withdrawal of form, and other related data. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Retain in office permanently.

ITEM 43720. MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWAS) FILE.

Records in paper and machine-readable formats concerning companies' applications for Multiple Employer Welfare Arrangements. File includes applications, correspondence, financial statements, powers of attorney, certificates of authority, and other related records. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 5 year(s). Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

ITEM 43724. PREFERRED PROVIDER ORGANIZATION (PPO) APPLICATIONS FILE.

Initial and renewal applications from insurance companies offering preferred provider benefit plans requesting approval to do business in the state. Application process is tracked in the Preferred Provider Organization (PPO) Database (Electronic) File (Item 43725).

DISPOSITION INSTRUCTIONS: Transfer to the State Records Center after 5 year(s). Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives.

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ITEM 43725. PREFERRED PROVIDER ORGANIZATION (PPO) TRACKING DATABASE (ELECTRONIC) FILE.

Machine readable records concerning the tracking of applications and renewals by preferred provider organizations. Applications are filed as Preferred Provider Organization (PPO) Applications File (Item 43724). (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Destroy in office after 5 years.

ITEM 43728. POLICIES AND PROCEDURES FILE.

Records in paper and machine-readable formats concerning policies and procedures for the administration and management of the agency. File includes reference copies of policies and procedures. (File maintenance and backup procedures are conducted by Company Services Group, Information Systems Division.)

DISPOSITION INSTRUCTIONS: Transfer 1 copy of official copies of policies and procedures to the State Records Center after 5 years. Records will be held for agency in the State Records Center 5 additional years and then transferred to the custody of the Archives. Destroy in office remaining records when superseded or obsolete.

ITEM 43733. WITHDRAWN AND CLOSED APPLICATIONS FILE.

Records concerning incomplete, withdrawn and closed applications for licensure and expansion. File includes applications, correspondence, and other related records.

DISPOSITION INSTRUCTIONS: Destroy in office after 3 years.