***Model Regulation to Implement the Supplementary and Short-Term Health Insurance Minimum Standards Model Act* (#171)**

Suggested Revisions to Sections 9 and 10

**(Assuming the proposed NAIC staff working draft revisions are accepted)**

November 18, 2022, Comment Deadline Comments

|  |
| --- |
| **Section 9. Required Disclosure Provisions** |
| **A. General Rules****(1) All applications for coverages specified in Section 8B, C, D, E, F, G and H shall contain a prominent statement by type, stamp or other appropriate means in either contrasting color or in boldface type at least equal to the size type used for the headings or captions of sections of the application and in close conjunction with the applicant’s signature block on the application as follows:****“The [policy] [certificate] provides limited benefits. Review your [policy][certificate] carefully.”****(2) All applications for dental plans shall contain a prominent statement by type, stamp or other appropriate means in either contrasting color or in boldface type at least equal to the size type used for the headings or captions of sections of the application and in close conjunction with the applicant’s signature block on the application as follows:****“The [policy] [certificate] provides dental benefits only. Review your [policy] [certificate] carefully.”****(3) All applications for vision plans shall contain a prominent statement by type, stamp or other appropriate means in either contrasting color or in boldface type at least equal to the size type used for the headings or captions of sections of the application and in close conjunction with the applicant’s signature block on the application as follows:****“The [policy] [certificate] provides vision benefits only. Review your [policy] [certificate] carefully.”****(4) Each policy of individual supplementary or short-term health insurance subject to this regulation, as provided in Section 3A of this regulation, shall include a renewal, continuation or nonrenewal provision. The language or** **specification of the provision shall be consistent with the type of contract to be issued. The provision shall be appropriately captioned, shall appear on the first page of the policy, and shall clearly state the duration, where limited, of renewability and the duration of the term of coverage for which the policy is issued and for which it may be renewed.****(5) Except for riders or endorsements by which the insurer effectuates a request made in writing by the policyholder or exercises a specifically reserved right under the policy, all riders or endorsements added to a policy after date of issue or at reinstatement or renewal that reduce or eliminate benefits or coverage in the policy shall require signed acceptance by the policyholder. After date of policy issue, any rider or endorsement that increases benefits or coverage with a concomitant increase in premium during the policy term must be agreed to in writing signed by the policyholder, except if the increased benefits or coverage is required by law. The signature requirements in this paragraph apply to group supplemental health insurance certificates only where the certificate holder also pays the insurance premium.** **(6) Where a separate additional premium is charged for benefits provided in connection with riders or endorsements, the premium charge shall be set forth in the policy or certificate.****(7) A policy or certificate that provides for the payment of benefits based on standards described as “usual and customary,” “reasonable and customary,” or words of similar import shall include a definition of the terms and an explanation of the terms in its accompanying outline of coverage.****(8) If a policy or certificate contains any limitations with respect to preexisting conditions, the limitations shall appear as a separate paragraph of the policy or certificate and be labeled as “Preexisting Condition Limitations.”****(9) All accident-only policies and certificates shall contain a prominent statement on the first page of the policy or certificate, in either contrasting color or in boldface type at least equal to the size of type used for headings or captions of sections in the policy or certificate, a prominent statement as follows:****“Notice to Buyer: This is an accident-only [policy][certificate] and it does not pay benefits for loss from sickness. Review your [policy][certificate] carefully.”****Accident-only [policies][certificates] that provide coverage for hospital or medical care shall contain the following statement in addition to the Notice to Buyer above: “This [policy][certificate] provides limited benefits. Benefits provided are supplemental and are not intended to cover all medical expenses.”****(10) All policies and certificates, except single-premium nonrenewable policies and as otherwise provided in this paragraph, shall have a notice prominently printed on the first page of the policy or certificate or attached to it stating in substance that the policyholder or certificate holder shall have the right to return the policy or certificate within thirty [30] days of its delivery and to have the premium refunded if, after examination of the policy or certificate , the policyholder or certificate holder is not satisfied for any reason.** **Drafting Note:** This section should be included only if the state has legislation granting authority.**(11) If age is to be used as a determining factor for reducing the maximum aggregate benefits made available in the policy or certificate as originally issued, that fact shall be prominently set forth in the outline of coverage.****(12) If a policy or certificate contains a conversion privilege, it shall comply, in substance, with the following: The caption of the provision shall be “Conversion Privilege” or words of similar import. The provision shall indicate the persons eligible for conversion, the circumstances applicable to the conversion privilege, including any limitations on the conversion, and the person by whom the conversion privilege may be exercised. The provision shall specify the benefits to be provided on conversion or may state that the converted coverage will be as provided on a policy form then being used by the insurer for that purpose.****(13) (a) Outlines of coverage delivered in connection with policies defined in this regulation as hospital indemnity or other fixed indemnity (Section 8B), specified disease (Section 8E), or limited benefit health coverages (Section 8G) to persons eligible for Medicare by reason of age shall contain, in addition to the requirements of Subsections D and F, the following language, which shall be printed on or attached to the first page of the outline of coverage:****This IS NOT A MEDICARE SUPPLEMENT policy. If you are eligible for Medicare, review the Guide to Health Insurance for People With Medicare available from the company.****(b) An insurer shall deliver to persons eligible for Medicare any notice required under [insert reference to state law equivalent of Section 17D of the *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act*].****(14) Insurers, except direct response insurers, shall give a person applying for specified disease insurance a Buyer’s Guide approved by the commissioner at the time of application enrollment and shall obtain all recipients’ written acknowledgement of the guide’s delivery. Direct response insurers shall provide the Buyer’s Guide upon request but not later than the time that the policy or certificate is delivered.****(15) All specified disease policies and certificates shall contain on the first page or attached to it in either contrasting color or in boldface type at least equal to the size type used for headings or captions of sections in the [policy][certificate], a prominent statement as follows: Notice to Buyer: This is specified disease [policy] [certificate].This policy] [certificate] provides limited benefits. Benefits provided are supplemental and are not intended to cover all medical expenses. Read your [policy] [certificate] carefully with the outline of coverage and the Buyer’s Guide.****Drafting Note:** The second sentence of this caption should only be required in those states where the commissioner exercises discretionary authority and requires the guide.**(16) (a) All hospital indemnity or other fixed indemnity policies and certificates shall display prominently by type, stamp or other appropriate means on the first page of the policy or certificate, or attached to it, in either contrasting color or in boldface type at least equal to the size type used for headings or captions of sections in the policy the following:****“Notice to Buyer: This is a hospital indemnity [or other fixed indemnity] [policy][certificate]. This [policy][certificate] provides limited benefits. Benefits provided are supplemental and are not intended to cover all medical expenses.”****(b) For all “hospital indemnity or other fixed indemnity” products sold in the individual market, a notice must be displayed prominently in the application materials in at least 14 point type that has the following language: “THIS IS A SUPPLEMENT TO HEALTH INSURANCE AND IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE.”****(17) All limited benefit health policies and certificates shall display prominently by type, stamp or other appropriate means on the first page of the policy or certificate, or attached to it, in either contrasting color or in boldface type at least equal to the size type used for headings or captions of sections in the [policy][certificate] the following:****“Notice to Buyer: This is a limited benefit health [policy][certificate]. This [policy][certificate] provides limited benefits. Benefits provided are supplemental and are not intended to cover all medical expenses.”****(18) All limited scope dental coverage policies and certificates shall display prominently by type, stamp or other appropriate means on the first page of the policy or certificate, or attached to it, in either contrasting color or in boldface type at least equal to the size type used for headings or captions of sections in the [policy][certificate] the following:****“Notice to Buyer: This [policy] [certificate] provides dental benefits only.”****(19) All limited scope vision coverage policies and certificates shall display prominently by type, stamp or other appropriate means on the first page of the policy or certificate, or attached to it, in either contrasting color or in boldface type at least equal to the size type used for headings or captions of sections in the [policy][certificate] the following:****“Notice to Buyer: This [policy] [certificate] provides vision benefits only.”** |
| **NAIC consumer representatives** | A. General Rules(1) Any disclosures, and the documents to which they refer, must be delivered in the written medium requested by the consumer. These documents must be available before the consumer submits a completed application. (accepted 4/24/23)(2) (a) All applications for coverages specified in Section 8B, Hospital indemnity or Other Fixed Indemnity Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics . The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The [policy] [certificate] only pays a fixed dollar amount [benefit] (delete benefit 5/15/23) when you have? initiated by? triggered by? a [hospital stay] or other covered health-related event, regardless of how much your expenses are. Carefully review your [policy] [certificate] to understand what health-related events it covers before you decide whether to submit an application.” Will return to this on 5/22/23 in re language to use trigger, initiated, etc.**Drafting Note:** The words “fixed dollar amount” should be prominent. They may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.[(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows: ](did not accept 5/15/23 make a drafting note for (2)(a)Drafting note on readability and accessibility to have states refer to their state laws and regulations and any applicable NAIC models (make what was (2)(b) a drafting note on accessibility). (3)(a) All applications for coverages specified in Section 8C, Disability Income Protection Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. [(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these.] Same changes as above in (2)./The statement shall read as follows:“The [policy] [certificate] only provides for periodic [weekly or monthly] payments for a set time when you are disabled from either sickness or injury or a combination of both. Review your [policy] [certificate] carefully to understand when it would cover a disability before you decide whether to submit an application.”(4)(a) All applications for coverages specified in Section 8D, Accident Only Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. [(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these.] same as above The statement shall read as follows:“The [policy] [certificate] only provides coverage, singly or in combination, for death, dismemberment, disability or hospital and medical care caused by an accident. Carefully review the [policy] [certificate] to understand what accidents it covers before you decide whether to submit an application.”**Drafting Note:** The words “caused by an accident” in the first sentence should be prominent. They may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(5) (a) All applications for coverages specified in Section 8E, Specified Disease Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. [(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these.] same as above The statement shall read as follows:“The [policy] [certificate] only pays limited benefits to diagnose and treat a named the disease(s) named in the [policy] [certificate]. Review your [policy] [certificate] carefully to learn what specific disease(s) it covers before you decide whether to submit an application.”Tweak to make it say trigger the benefit.(6) (a) All applications for coverages specified in Section 8F, Specified Accident Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. (b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“The [policy] [certificate] only provides coverage for accidental death or accidental death and dismemberment combined and then only if it is caused by a type of accident named in the [policy] [certificate]. Carefully review the [policy] [certificate] to understand what type(s) of accidents it covers before you decide whether to submit an application.”(7) (a) All applications for coverages specified in Section 8G, Limited Benefit Health Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. (b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“The [policy] [certificate] only covers disease(s) named in the [policy] [certificate]. Review the [policy] [certificate] carefully to learn what specific disease(s) it covers before you decide whether to submit an application.”**START HERE JULY 24, 2023**(8) (a) All applications for coverages specified in Section 8H, Short-Term, Limited-Duration Health Insurance Coverage, shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. (b) The statement referenced in clause (8)(a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“The [policy] [certificate] only covers healthcare expenses named in the [policy] [certificate]. It may not cover all pre-existing conditions. Carefully review the [policy] [certificate] to understand what health care expenses it covers and what pre-existing conditions it will not cover before you decide whether to submit an application.”**Drafting Note:** The sentence “It may not cover all pre-existing conditions.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(9) (a) All applications for dental plans shall contain a prominent statement in a Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application.[(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The statement must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these.] The statement shall read as follows:“The [policy] [certificate] pays dental benefits only. It is not intended to cover all dental expenses. Review your [policy] [certificate] carefully to understand what dental services it covers and any cost-sharing that may be your responsibility before you decide whether to submit an application.”**Drafting Note:** The sentence “It is not intended to cover all dental expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(10) (a) All applications for vision plans shall contain a prominent in Sans Serif font. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity with the applicant’s signature block on the application.(b) The statement referenced in subparagraph (a) must be made available to potential applicants whether they view the application online or in written form. The state must be accessible to potential applicants, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“The [policy] [certificate] pays vision benefits only. It is not intended to cover all vision expenses. Review your [policy] [certificate] carefully to understand what vision services are covered and any cost-sharing that may be your responsibility before you decide whether to submit an application.”**Drafting Note:** The sentence “It is not intended to cover all vision expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(11) Each policy of individual supplementary or short-term health insurance subject to this regulation, as provided in Section 3A of this regulation, shall include a renewal, continuation or nonrenewal provision. The language or specification of the provision shall be consistent with the type of contract to be issued. The provision shall be appropriately captioned, shall appear on the first page of the policy, and shall clearly state the duration, where limited, of renewability and the duration of the term of coverage for which the policy is issued and for which it may be renewed.(12)[] **(Subgroup agreed to delete the first clause, but retain the sentence Aug. 7, 2023**) After date of policy issue, any rider or endorsement that increases benefits or coverage with a concomitant increase in premium during the policy term must be agreed to in writing signed by the policyholder, except if the increased benefits or coverage is required by law. The signature requirement in this paragraph applies to group supplemental health insurance certificates only where the certificate holder also pays the insurance premium. (check to see what other language in other sections in re riders).(13) Where a separate additional premium is charged for benefits provided in connection with riders or endorsements, the premium charge shall be set forth in the policy or certificate and the combined total premium clearly identified as such. (accepted 7/24/23)(14) A policy or certificate that provides for the payment of benefits based on standards described as “usual and customary,” “reasonable and customary,” or words of similar import shall include a definition of the terms and an explanation of the terms in its accompanying outline of coverage.(15) If a policy or certificate contains any limitations with respect to preexisting conditions, the limitations shall appear as a separate paragraph of the policy or certificate and be labeled as “Preexisting Condition Limitations.”(16) All policies and certificates, except single-premium nonrenewable policies and as otherwise provided in this paragraph, shall have a notice prominently printed in Sans Serif font on the first page of the policy or certificate or attached to it stating clearly that the policy or certificate holder shall have the right to return the policy or certificate within thirty [30] days of its delivery and to have the premium refunded if, after examination of the policy or certificate , the policy or certificate holder is not satisfied for any reason. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. (look at previous language to see if revise for consistency or re-organize to have this go above with the general language)Drafting Note: This section should be included only if the state has legislation granting authority.(17) If age is to be used as a determining factor to reduce the benefits made available in the policy or certificate as originally issued, that fact shall be prominently set forth in the outline of coverage. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. (review this provision as to where it belongs organizationally).(18) If a policy or certificate contains a conversion privilege, it shall comply, in substance, with the following: The caption of the provision shall be “Conversion Privilege” or words of similar import. The provision shall indicate the persons eligible for conversion, the circumstances applicable to the conversion privilege, including any limitations on the conversion, and the person who may exercise the conversion privilege. The provision shall specify the benefits to be provided on conversion or may state that the converted coverage will be as provided on a policy form then being used by the insurer for that purpose. (accepted 7/24/23)(19) (a) Outlines of coverage delivered in connection with policies defined in this regulation as hospital indemnity or other fixed indemnity (Section 8B), specified disease (Section 8E), or limited benefit health coverages (Section 8G) to persons eligible for Medicare by reason of age shall contain, in addition to the requirements of Subsections D and F, the following language, which shall be printed on or attached to the first page of the outline of coverage:“This is not a Medicare Supplement policy. If you are eligible for Medicare, ask the company for the *Guide to Health Insurance for People with Medicare*. (Read) Review your [policy][certificate] carefully the description of benefits provided [ before you decide whether to submit an application] revise similar to above.”**Drafting Note:** The sentence “This is not a Medicare Supplement policy.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics**.** *Add language to generally refer the disclosure language in the Medigap model appendix. (Accepted Aug 7, 2023)* (b) An insurer shall deliver to persons eligible for Medicare any notice required under [insert reference to state law equivalent of Section 17D **(check cross reference**) of the *Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act*].*Add DN? States that include individuals under age 65???? Review how to provide these notices. (Agreed to add DN Aug. 7, 2023)*(20) Insurers shall give a person applying for specified disease insurance a Buyer’s Guide approved by the commissioner at the time of application enrollment and shall obtain all recipients’ written acknowledgement of the guide’s delivery. (Accepted Aug. 7 2023)***Taken care of above with proposed new langauge***(21) (a) All hospital indemnity or other fixed indemnity policies and certificates shall contain a statement in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. (b) The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“Notice to Buyer: This is a [hospital indemnity] [or other fixed indemnity] [policy][certificate]. This [policy][certificate] pays limited benefits. The benefits are intended to supplement your other health insurance coverage. Benefits are **not** intended to cover all medical expenses. In the last year, the average cost of a day of hospital care in the US was $xxx. Review your [policy] [certificate] carefully before you decide whether to submit an application.”**Drafting Note:** The sentence “This [policy] [certificate] pays limited benefits.” and the word “not” in the fourth sentence should be prominent. Both may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(c) For all “hospital indemnity or other fixed indemnity” products sold in the individual market, a notice must be displayed prominently in the application materials in at least 14-point Sans Serif type that has the following language: “This product is intended to supplement your other health insurance. It is not a substitute for major medical coverage.” The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(22) All disability income protection policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“**Notice to Buyer:** This is a disability income protection [policy] [certificate]. This [policy] [certificate] only provides for [weekly] [monthly] periodic payments for a set period when you are disabled from either sickness or injury or a combination of both. The insurer makes payments directly to you to replace part of your income. This [policy] [certificate] does not pay your healthcare provider for medical services. Benefits are not intended to replace all of your income. Review your [policy] [certificate] carefully before you decide whether to submit an application.”**Drafting Note:** The last two sentences should be prominent. Both may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(23) (a) All accident-only policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“**Notice to Buyer:** This is an accident-only [policy] [certificate]. It does not pay benefits for any other expenses that are not related to a covered accident. Review your [policy] [certificate] carefully before you decide whether to submit an application.”**Drafting Note:** The word “not” in the second sentence should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(b) Accident-only [policies] [certificates] that provide coverage for hospital or medical care shall contain the following statement in addition to the Notice to Buyer above: “This [policy] [certificate] pays limited benefits. The benefits are intended to supplement your other health insurance coverage. Benefits are not intended to cover all medical expenses.”**Drafting Note:** The sentence “Benefits are not intended to cover all medical expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(24) All specified disease policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:**“Notice to Buyer:** This is a specified disease [policy] [certificate]. This policy] [certificate] pays limited benefits only for health care related to the disease the policy specifies. Any benefits provided are intended to supplement your other health insurance coverage. The benefits are not intended to cover all medical expenses. Read your [policy] [certificate], outline of coverage, and the Buyer’s Guide carefully before you decide whether to submit an application.”**Drafting Note:** The second sentence of this caption should only be required in those states where the commissioner exercises discretionary authority and requires the guide. **Drafting Note:** The sentence “The benefits are not intended to cover all medical expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(25) All specified accident coverage policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:**“Notice to Buyer:** This is a specified accident [policy] [certificate].This policy] [certificate] pays limited benefits only for health care related to the type(s) of accident(s) named in the [policy] [certificate]. Any benefits provided are intended to supplement your other health insurance coverage. The benefits are not intended to cover all medical expenses. Read your [policy] [certificate], the outline of coverage, and the Buyer’s Guide carefully before you decide to submit an application.”**Drafting Note:** The second sentence of this caption should only be required in those states where the commissioner exercises discretionary authority and requires the guide.**Drafting Note:** The sentence “The benefits are not intended to cover all medical expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(26) All limited benefit health policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential applicants whether they view the application online or in written form. All potential applicants must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“Notice to Buyer: This is a limited benefit health [policy][certificate]. The benefits are intended to supplement your other health insurance coverage. The benefits are not intended to cover all medical expenses. Read your [policy] [certificate], the outline of coverage, and the Buyer’s Guide carefully before you decide whether to submit an application.”**Drafting Note:** The sentence “The benefits are not intended to cover all medical expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(27) All short-term, limited-duration health insurance policies and certificates shall display a statement prominently in a Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential enrollees whether they view the application online or in written form. All potential enrollees must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“**Notice to Buyer:** This is a short-term, limited-duration health insurance [policy] [certificate]. This is not comprehensive health insurance. This [policy] [certificate] only covers healthcare expenses named in your [policy] [certificate]. It may not cover services for pre-existing conditions or services like [categories of benefits not covered]. You will have to pay out of pocket for the health care services this [policy] [certificate] does not cover, unless you have other health insurance. Review your [policy] [certificate] carefully before you decide whether to submit an application.”**Drafting Note:** The sentence “This is not comprehensive health insurance.” should be prominent. They may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(28) All limited scope dental coverage policies and certificates shall display a statement prominently in Sans Serif font on the first page of the policy or certificate.The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential enrollees whether they view the application online or in written form. All potential enrollees must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“Notice to Buyer: This [policy] [certificate] pays dental benefits only. It is not intended to cover all dental expenses or any other healthcare expenses. Review your [policy] [certificate] carefully to understand what dental services are covered and any cost sharing that might apply before you decide whether to submit an application.”**Drafting Note:** The sentence “It is not intended to cover all dental expenses or any other healthcare expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics.(29) All limited scope vision coverage policies and certificates shall display a statement prominently in Sans Serif font on the first page of the policy or certificate. The statement may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. The font size must be at least equal to the size type used for the headings or captions of sections of the application. The statement must be placed in close proximity to the applicant’s signature block on the application. The statement must be made available to potential enrollees whether they view the application online or in written form. All potential enrollees must have access to the statement, including those with disabilities such as blindness or macular degeneration, deafness or hearing loss, learning disabilities, cognitive limitations, limited movement, speech disabilities, photosensitivity, and combinations of these. The statement shall read as follows:“Notice to Buyer: This [policy] [certificate] pays vision benefits only. It is not intended to cover all vision benefits or any other healthcare expenses. Review your [policy] [certificate] carefully to understand what services are covered and any cost sharing that might apply before you decide whether to apply.”**Drafting Note:** The sentence “It is not intended to cover all vision expenses or any other healthcare expenses.” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. |
|  |  |
|  |  |
| **B. Outline of Coverage Requirements****(1) An insurer shall deliver an outline of coverage to an applicant or enrollee in the sale of supplementary and short-term health insurance, limited scope dental coverage and limited scope vision coverage as required in Section 6 of the Act.****(2) If an outline of coverage was delivered at the time of application or enrollment and the policy or certificate is issued on a basis which would require revision of the outline, a substitute outline of coverage properly describing the policy or certificate must accompany the policy or certificate when it is delivered and contain the following statement in no less than twelve (12) point type, immediately above the company name:** **“NOTICE: Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon [application][enrollment], and the coverage originally applied for has not been issued.”****(3) In any case where the prescribed outline of coverage is inappropriate for the coverage provided by the policy or certificate, an alternate outline of coverage shall be submitted to the commissioner for prior approval.****(4) Advertisements may fulfill the requirements for outlines of coverage if they satisfy the standards specified for outlines of coverage in Section 6H of the Act as well as this regulation.** |
| **NAIC consumer representatives** | B. Outline of Coverage Requirements(1) An insurer shall deliver an outline of coverage to an applicant prior to the sale of all applicable plans as required in Section 7 of the Act. (accepted 8/7/23)(2) A substitute outline of coverage must be provided to enrollees and applicants when renewing the policy. The substitute outline must properly describe the renewed policy or certificate and must accompany the policy or certificate when it is delivered and contain the following statement in no less than twelve (12) point Sans Serif font (okay to accept 8/7/23) the font change) type, immediately above the company name: (did not accept language 8/7/23)“NOTICE: Read this outline of coverage carefully. It is different from the outline of coverage you received when you [applied][enrolled].The coverage you applied for was not issued.” (accepted language 8/7/23) Agreed to accept the suggested language after a re-review 8/21/23**Drafting Note:** The sentence “It is different from the outline of coverage you received when you [applied] [enrolled].” should be prominent. It may be made prominent in one or more of several ways, including using large font, leading, bolding, or italics. (accepted language 8/7/23)(3) In any case where the prescribed outline of coverage is inappropriate for the coverage provided by the policy or certificate, an alternate outline of coverage shall be submitted to the commissioner for prior approval. In such instances, no policies may be sold or renewed until approved by the commissioner. (Accepted 8/7/23)(4) Advertisements may fulfill the requirements for outlines of coverage if they satisfy the standards specified for outlines of coverage in Section 6H of the Act as well as this regulation. |
|  |  |
|  |  |
| **C. Hospital Indemnity or Other Fixed Indemnity Coverage (Outline of Coverage)** **An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 8B of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:****[COMPANY NAME]****HOSPITAL INDEMNITY [OR OTHER FIXED INDEMNITY] COVERAGE****THIS [POLICY][CERTIFICATE] PROVIDES LIMITED BENEFITS****BENEFITS PROVIDED ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES****OUTLINE OF COVERAGE****(1) Read Your [Policy][Certificate] Carefully—This outline of coverage provides a very brief description of the important feature of coverage. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY] [CERTIFICATE] CAREFULLY!****(2) Hospital indemnity or other fixed indemnity coverage is designed to provide, to persons insured, coverage in the form of a fixed daily benefit during periods of hospitalization resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Coverage is not provided for any benefits other than the fixed daily indemnity for hospital services and any additional benefit described below.****(3) [A brief specific description of the benefits in the following order: (a) Daily benefit payable during hospital confinement; and (b) Duration of benefit described in (a).]****Drafting Note:** The above description of benefits shall be stated clearly and concisely.**(4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefit, described in Paragraph (3) above.]****(5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.]****(6) [Any benefits provided in addition to the daily hospital benefit.]** |
| **NAIC consumer representatives** | C. Hospital Indemnity or Other Fixed Indemnity Coverage (Outline of Coverage) An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 8B of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME][Hospital Indemnity] [Other Fixed Indemnity] CoverageThe benefits in this [policy] [certificate] are limited. They are intended to supplement your other health insurance coverage.They are not intended to cover all medical expenses.OUTLINE OF COVERAGE(1) Read your [policy][certificate] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. (deleted 8/21/23) The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) [Hospital indemnity] [Other fixed indemnity] coverage is designed to pay a fixed [daily delete] benefit [when you are in a hospital] because of a covered accident or sickness. The benefit may be limited in ways described in the [policy] [certificate]. The fixed [daily delete] benefit may be less than the hospital stay’s cost. The fixed amount stated in your [policy] [certificate] may be less than what you are charged. (Review language in the application section. Separate out?? Aug. 21, 2023)(3) [A brief specific description of the benefits in the following order: (a) Daily benefit payable during hospital confinement; and (b) Duration of benefit described in (a).] benefit trigger???? Why are you paying, when are you paying, when you are stopping payment. (Aug. 21, 2023). Do a search for “daily”. Paragraph (3) should provide: when benefits are payable/triggered, how long the benefits pay (duration), and the dollar amount of the benefits.(4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefit, described in Paragraph (3) above.](5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.](6) [Any benefits provided in addition to the [“daily” delete?] hospital benefit.](7) [A specific coverage example similar to those in the Summary of Benefits and Coverage.] (did not accept 8/21/23)**Drafting Note:** The above descriptions shall be stated clearly and concisely. (accepted 8/21/23) |
|  |  |
|  |  |
|  |  |
| **D. Disability Income Protection Coverage (Outline of Coverage)****An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 8C of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:****[COMPANY NAME]****DISABILITY INCOME PROTECTION COVERAGE****OUTLINE OF COVERAGE****(1) Read Your Policy Carefully—This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!****(2) Disability income protection coverage is designed to provide, to persons insured, coverage for disabilities resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.****(3) [A brief specific description of the benefits contained in this policy.]****Drafting Note:** The above description of benefits shall be stated clearly and concisely.**(4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.]****(5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.]** |
| **NAIC consumer representatives** | D. Disability Income Protection Coverage (Outline of Coverage)An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 8C of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME]Disability Income Protection CoverageOUTLINE OF COVERAGE(1) Read your policy carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. (deleted 8/21/23). The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read you [policy] [certificate] carefully!(2) Disability income protection coverage is designed to pay a benefit for disabilities due to a covered accident or illness. The benefit may be limited in ways described in the [policy] [certificate]. The [policy] [certificate] does not pay benefits for basic hospital, basic medical-surgical, or major medical expenses and is not health insurance. (**Align this sentence with the application language, particularly remove the references to basic hospital, basic medical-surgical, etc 8/21/23)**. The benefit might (replaced “may” with “might” 8/21/23) not fully replace your income.(3) [A brief specific description of the benefits contained in this policy.](4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.](5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.](6) [A specific coverage example similar to those in the Summary of Benefits and Coverage.] (did not accept 8/21/23)**Drafting Note:** The above descriptions shall be stated clearly and concisely. (accepted 8/21/23) |
|  |  |
|  |  |
| **E. Accident-Only Coverage (Outline of Coverage)****An outline of coverage in the form prescribed below shall be issued in connection with policies meeting the standards of Section 8D of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:****[COMPANY NAME]****ACCIDENT-ONLY COVERAGE****THIS [POLICY][CERTIFICATE] PROVIDES LIMITED BENEFITS****BENEFITS PROVIDED ARE SUPPLEMENTAL AND NOT INTENDED TO COVER ALL MEDICAL EXPENSES****OUTLINE OF COVERAGE****(1) Read Your [Policy][Certificate] Carefully—This outline of coverage provides a very brief description of the important features of the coverage. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY][CERTIFICATE] CAREFULLY!****(2) Accident-only coverage is designed to provide, to persons insured, coverage for certain losses resulting from a covered accident ONLY, subject to any limitations contained in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.****(3) [A brief specific description of the benefits.]****Drafting Note:** The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provision applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation.**(4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.]****(5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]** |
| **NAIC consumer representatives** | E. Accident-Only Coverage (Outline of Coverage)An outline of coverage in the form prescribed below shall be issued in connection with policies meeting the standards of Section 8D of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME]Accident-Only CoverageThe benefits in this [policy] [certificate] are limited. They are intended to be separate from (agreed to 8/21/23) your other health insurance coverage.They are not intended to cover all (deleted “medical” 8/21/23) expenses. (start here next meeting)OUTLINE OF COVERAGE(1) Read your [policy][certificate] carefully. This outline of coverage briefly describes your coverages important features. It is not the insurance contract. (deleted 8/21/23) The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) Accident-only insurance only covers certain losses and then only if they are because of a covered accident. The benefits may be limited in ways described in the [policy] [certificate]. The [policy] [certificate] does not pay benefits for basic hospital, basic medical-surgical, or major medical expenses. (**Review language in the application section 8/21/23)**(3) [A brief specific description of the benefits.]**Drafting Note:** The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provision applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation.(4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.](5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.](6) [A specific coverage example similar to those in the Summary of Benefits and Coverage.]**Drafting Note:** The above descriptions shall be stated clearly and concisely. |
|  |  |
|  |  |
| **F. Specified Disease or Specified Accident Coverage (Outline of Coverage)****An outline of coverage in the form prescribed below shall be issued in connection with policies or certificates meeting the standards of Sections 7J8E and KF of this regulation. The coverage shall be identified by the appropriate bracketed title. The items included in the outline of coverage must appear in the sequence prescribed:****[COMPANY NAME]****[SPECIFIED DISEASE] [SPECIFIED ACCIDENT] COVERAGE****THIS [POLICY] [CERTIFICATE] PROVIDES LIMITED BENEFITS****BENEFITS PROVIDED ARE SUPPLEMENTAL AND****ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES****OUTLINE OF COVERAGE****(1) This coverage is designed only as a supplement to a comprehensive health insurance policy and should not be purchased unless you have this underlying coverage. Persons covered under Medicaid should not purchase it. Read the Buyer’s Guide to Specified Disease Insurance to review the possible limits on benefits in this type of coverage.****(2) Read Your [policy] [certificate] [Outline of Coverage] Carefully—This outline of coverage provides a very brief description of the important features of coverage. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY] [CERTIFICATE] CAREFULLY!****(3) [Specified disease][Specified accident] coverage is designed to provide, to persons insured, restricted coverage paying benefits ONLY when certain losses occur as a result of [specified diseases] or [specified accidents]. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.****(4) [A brief specific description of the benefits, including dollar amounts.]****Drafting Note:** The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provisions applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 78A(13) of this regulation. |
| **NAIC consumer representatives** | F. Specified Disease or Specified Accident Coverage (Outline of Coverage)An outline of coverage in the form prescribed below shall be issued in connection with policies or certificates meeting the standards of Sections 8E and F of this regulation. The coverage shall be identified by the appropriate bracketed title. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME][Specified Disease] [Specified Accident] CoverageThe benefits in this [policy] [certificate] are limited. They are intended to supplement your other health insurance coverage.They are not intended to cover all [medical] expenses.OUTLINE OF COVERAGE(1) This coverage is designed only to supplement comprehensive health insurance coverage. You should not buy this [policy] [certificate] unless you have comprehensive coverage. You also should not buy this [policy] [coverage] if you are covered under Medicaid. Read the *Buyer’s Guide to Specified Disease Insurance* to review how limited the benefits may be in this type of coverage. (strike paragraph (1) and move buyer’s guide language to paragraph (3)) (okay with 9/18/23)(2) Read your [policy] [certificate] and [outline of coverage] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. Only the actual [policy] [certificate] controls. The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(3) [Specified disease] [Specified accident] coverage is designed to pay benefits only for certain expenses that are a result of [specified diseases] or [specified accidents]. The [policy] [certificate] does not pay benefits for basic hospital, basic medical-surgical, or major medical expenses. (make consistent with 9A and add Buyer’s Guide language from paragraph (1))(4) [A brief specific description of the benefits, including dollar amounts.](5) [A specific coverage example similar to those in the Summary of Benefits and Coverage.] (did not accept 9/18/23)**Drafting Note:** The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provisions applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation. |
|  |  |
|  |  |
| **G. Limited Benefit Health Coverage (Outline of Coverage)****An outline of coverage, in the form prescribed below, shall be issued in connection with policies or certificates which do not meet the minimum standards of Sections 8B, D and G of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:****[COMPANY NAME]****LIMITED BENEFIT HEALTH COVERAGE****BENEFITS PROVIDED ARE SUPPLEMENTAL AND****ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES****OUTLINE OF COVERAGE****(1) Read Your [Policy][Certificate] Carefully—This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY][CERTIFICATE] CAREFULLY!****(2) Limited benefit health coverage is designed to provide, to persons insured, limited or supplemental coverage.****(3) [A brief specific description of the benefits, including dollar amounts.]****Drafting Note:** The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provisions applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation.**(4) [A description of any provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.]****(5) [A description of provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]** |
| **NAIC consumer representatives** | G. Limited Benefit Health Coverage (Outline of Coverage)An outline of coverage, in the form prescribed below, shall be issued in connection with policies or certificates which do not meet the minimum standards of Sections 8B, D and G of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME]Limited Benefit Health Coverage.The benefits in this [policy] [certificate] are limited. They are intended to supplement your other health insurance coverage.They are not intended to cover all [medical] expenses.OUTLINE OF COVERAGE(1) Read your [policy][certificate] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. Only the actual [policy] [certificate] controls. The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) Limited benefit health coverage is designed to supplement your other health insurance coverage. You should not buy this [policy] [certificate] if you do not have other health insurance. (**revise for consistency with the statement language in Section 9A).**(3) [A brief specific description of the benefits, including dollar amounts.]**Drafting Note:** The above descriptions of benefits shall be stated clearly and concisely, and shall include a description of any deductible or copayment provisions applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation.(4) [A description of any provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (3) above.](5) [A description of provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.](6) [A specific coverage example similar to those in the Summary of Benefits and Coverage.] (did not accept 9/18/23)**Drafting Note:** The above descriptions shall be stated clearly and concisely. (accepted 9/18/23) |
|  |  |
|  |  |
| **H. Short-Term, Limited-Duration Health Insurance Coverage (Outline of Coverage) (New Language)****TBD** |
| **NAIC consumer representatives** | An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 8H of this regulation. The items included in the outline of coverage must appear in the sequence prescribed:[COMPANY NAME]Short-Term, Limited-Duration CoverageThe benefits in this [policy] [certificate] are limited. They are intended to supplement your other health insurance coverage. They are not intended to cover all medical expenses.This [policy] [certificate] may not cover pre-existing conditions.OUTLINE OF COVERAGE(1) Read your [policy] [certificate] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. Only the actual [policy] [certificate] controls. The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) This is a short-term, limited-duration health insurance [policy] [certificate]. This is not comprehensive health insurance. Short-term, limited-duration coverage is designed to be used for a short time. It may not cover certain services or medicines. It also may not cover pre-existing conditions. This [policy] [certificate] only covers health care expenses named in your [policy] [certificate]. It may not cover services for pre-existing conditions. The benefits are not intended to cover all of your medical expenses. You will have to pay out-of-pocket for the health care expenses this [policy] [certificate] does not cover, unless you have other health insurance. Review your [policy] [certificate] carefully before you decide whether to submit an application.(3) [A brief specific description of the benefits in the following order: (a) Benefits covered by the plan, including required cost sharing; (b) Benefits that are not covered by the plan, that would be covered by an Affordable Care Act qualified health plan; (c) Notice that cost sharing limitations do not apply to benefits not covered by the plan; and (d) Duration of benefit described above.](4) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefit, described in Paragraph (3) above.](5) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.](6) [A specific coverage example similar to those in the Summary of Benefits and Coverage.]**Drafting Note:** The above descriptions, including those of benefits, shall be stated clearly and concisely, and shall include a description of any deductible or copayment provisions applicable to the benefits described. Proper disclosure of benefits that vary according to accidental cause shall be made in accordance with Section 8A(13) of this regulation. |
|  |  |
|  |  |
| **I. Limited Scope Dental Coverage (Outline of Coverage)****An outline of coverage in the form prescribed below shall be issued in connection with dental plan policies and certificates. The items included in the outline of coverage must appear in the sequence prescribed:****(1) Read Your [Policy][Certificate] Carefully—This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY][CERTIFICATE] CAREFULLY!****(2) [A brief specific description of the benefits.]****(3) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (1) above.]****(4) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]** |
| **NAIC consumer representatives** | I. Limited Scope Dental Coverage (Outline of Coverage)An outline of coverage in the form prescribed below shall be issued in connection with dental plan policies and certificates. The items included in the outline of coverage must appear in the sequence prescribed:(1) Read your [policy][certificate] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. Only the actual [policy] [certificate] controls. The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) [A brief specific description of the benefits.](3) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (1) above.](4) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]**Drafting Note:** The above descriptions shall be stated clearly and concisely. |
|  |  |
|  |  |
| **J. Limited Scope Vision Coverage (Outline of Coverage)****An outline of coverage in the form prescribed below shall be issued in connection with vision plan policies and certificates. The items included in the outline of coverage must appear in the sequence prescribed:****(1) Read Your [Policy][Certificate] Carefully—This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR [POLICY][CERTIFICATE] CAREFULLY!****(2) [A brief specific description of the benefits.]****(3) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (1) above.]****(4) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]** |
| **NAIC consumer representatives** | J. Limited Scope Vision Coverage (Outline of Coverage)An outline of coverage in the form prescribed below shall be issued in connection with vision plan policies and certificates. The items included in the outline of coverage must appear in the sequence prescribed:(1) Read your [policy][certificate] carefully. This outline of coverage briefly describes your coverage’s important features. It is not the insurance contract. Only the actual [policy] [certificate] controls. The [policy] [certificate] itself details your rights and obligations and those of your insurance company. It is important that you read your [policy] [certificate] carefully!(2) [A brief specific description of the benefits.](3) [A description of any policy provisions that exclude, eliminate, restrict, reduce, limit, delay or in any other manner operate to qualify payment of the benefits described in Paragraph (1) above.](4) [A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservations of right to change premiums.]Drafting Note: The above descriptions shall be stated clearly and concisely. |
|  |  |
|  |  |
|  |  |
|  |  |
| **Section 10. Requirements for Replacement of Individual Supplementary and Short-Term Health Insurance Coverage****A. An application form shall include a question designed to elicit information as to whether the insurance to be issued is intended to replace any other supplementary or short-term health insurance subject to this regulation, as provided in Section 3A of this regulation, presently in force. A supplementary application or other form to be signed by the applicant containing the question may be used.** |
| ***No comments received*** |  |
|  |  |
|  |  |
| **B. Upon determining that a sale will involve replacement, an insurer, other than a direct response insurer, or its agent shall furnish the applicant, prior to issuance or delivery of the policy, the notice described in Subsection C below. The insurer shall retain a copy of the notice. A direct response insurer shall deliver to the applicant upon issuance of the policy, the notice described in Subsection D below. In no event, however, will the notices be required in the solicitation of the following types of policies: accident-only and single-premium nonrenewable policies.** |
| **NAIC consumer representatives** | B. Upon determining that a sale will involve replacement, an insurer or its agent shall furnish the applicant, prior to issuance or delivery of the policy, the notice described in Subsection C below. The insurer shall retain a copy of the notice. A direct response insurer shall deliver to the applicant upon issuance of the policy, the notice described in Subsection D below. In no event, however, will the notices be required in the solicitation of the following types of policies: accident-only and single-premium nonrenewable policies. |
|  |  |
|  |  |
|  |
| **C. The notice required by Subsection B above for an insurer, other than a direct response insurer, shall provide, in substantially the following form:****NOTICE TO APPLICANT REGARDING REPLACEMENT****OF SUPPLEMENTARY OR SHORT-TERM HEALTH INSURANCE****According to [your application] [information you have furnished], you intend to lapse or otherwise terminate existing supplementary or short-term health insurance and replace it with a policy to be issued by [insert company name] Insurance Company. For your own information and protection, you should be aware of and seriously consider certain factors that may affect the insurance protection available to you under the new policy.****(1) Health conditions which you may presently have, (preexisting conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits present under the new policy, whereas a similar claim might have been payable under your present policy.****Drafting Note:** This subsection may be modified if preexisting conditions are covered under the new policy.**(2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.****(3) If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concern your medical/health history. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed and before you sign it, reread it carefully to be certain that all information has been properly recorded.****The above “Notice to Applicant” was delivered to me on:** **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** **(Date)** **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** **(Applicant’s Signature)** |
| **NAIC consumer representatives** | C. The notice required by Subsection B above for an insurer, other than a direct response insurer, shall provide, in substantially the following form:Notice to Applicant about Replacement of Supplemental or Short-Term Health InsuranceAccording to [your application] [information you provided], you intend to lapse or otherwise end the supplementary or short-term health insurance you have now and replace it with a policy [insert company name] Insurance Company will issue. For your own protection, you should know how replacing your policy with a new one may affect your coverage.(1) A new policy may not pay claims that the policy you have now would pay. A new policy may not cover health conditions you may have now (preexisting conditions) or may not cover them right away. A new policy might cover some but not all of the costs related to treating pre-existing conditions.**Drafting Note:** This subsection may be modified if preexisting conditions are covered under the new policy.(2) Talk with your current insurance agent or company representative about replacing your policy. It is in your best interest to be sure you understand how replacing your policy could affect your future coverage.(3) If you decide to buy a new policy, be sure to truthfully and completely answer all questions on the application about your medical/health history. If you do not, the company could deny any future claims and refund your premium as though your policy had never been in force. Check that the information on your application is complete and correct before you sign it.The above “Notice to Applicant” was delivered to me on: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Date)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Applicant’s Signature) |
|  |  |
|  |  |
|  |  |
| **D. The notice required by Subsection B of this section for a direct response insurer shall be as follows:****NOTICE TO APPLICANT REGARDING REPLACEMENT****OF SUPPLEMENTARY OR SHORT-TERM HEALTH INSURANCE****According to [your application] [information you have furnished] you intend to lapse or otherwise terminate existing supplementary or short-term health insurance and replace it with the policy delivered herewith issued by [insert company name] Insurance Company. Your new policy provides thirty days within which you may decide without cost whether you desire to keep the policy. For your own information and protection you should be aware of and seriously consider certain factors that may affect the insurance protection available to you under the new policy.****(1) Health conditions that you may presently have, (preexisting conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.****(2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.****(3) [To be included only if the application is attached to the policy]. If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, read the copy of the application attached to your new policy and be sure that all questions are answered fully and correctly. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to [insert company name and address] within ten days if any information is not correct and complete, or if any past medical history has been left out of the application.** |
| **NAIC consumer representatives** | D. The notice required by Subsection B of this section for a direct response insurer shall be as follows:Notice to Applicant about Replacement of Supplemental or Short-Term Health InsuranceAccording to [your application] [information you have provided], you intend to lapse or otherwise end the supplementary or short-term health insurance you have now and replace it with the attached policy issued by [insert company name] Insurance Company. Your new policy gives you thirty days to decide at no cost if you want to keep the policy. For your own protection, you should know how replacing your policy with a new one may affect your coverage.(1) A new policy may not pay claims that the policy you have now would pay. A new policy may not cover health conditions you have now (preexisting conditions)or may not cover them right away. A new policy might cover some but not all of the costs related to pre-existing conditions. (2) Talk with your insurance agent or company representative about replacing your policy. It is in your best interest to be sure you understand how replacing your policy could affect your future coverage.(3) [To be included only if the application is attached to the policy]. If you decide to buy a new policy, read the copy of the attached application and be sure that all questions are answered fully and correctly. If they are not, the insurer could refuse to pay an otherwise valid claim. Carefully check the application and write to [insert company name and address] within ten days if any information is not correct and complete, or if any past medical history has been left off the application. |
|  |  |