

R590. Insurance, Administration. (Effective 6-21-2010)

R590-155. Utah Life and Health Insurance Guaranty Association Summary Document.

R590-155-1. Authority.

This rule is promulgated pursuant to:

(1) Subsection 31A-2-201(3)(a), in which the commissioner is empowered to administer and enforce this title and to make rules to implement the provisions of this title; and

(2) Subsection 31A-28-119, to provide guidelines for the Utah Life and Health Insurance Guaranty Association summary and disclaimer document.

R590-155-2. Purpose and Scope.

1. The purpose of this rule is to specify the form and content of the summary and disclaimer document for insurers to disclose to policy or contract holders the extent that contractual guarantees are not covered or have limited coverage by the Utah Life and Health Insurance Guaranty Association as required by Section 31A-28-119.

2. The rule shall apply to all insurance transactions in this state involving life and health insurance policies and annuity contracts as specified in Subsection 31A-28-103(2).

R590-155-3. Rule.

1. An insurer authorized to do business in this state, which is subject to the Utah Life and Health Insurance Guaranty Association Act, shall disclose to its policy or contract holders that its contractual guarantees may not be covered by the Utah Life and Health Insurance Guaranty Association.

2. For the purpose of this rule, the term "policy or contract holders" shall also mean insureds or certificate holders of group policies.

3. Disclosure shall be made in writing using the text in the attachment to this Rule.

4. Disclosure shall be given before or at the time of delivery of the policy, contract, or certificate. The summary and disclaimer document shall also be available upon request by a policy or contract holder.

5. Each insurer shall submit a copy of the summary and disclaimer document to the commissioner for approval.

R590-155-4. Enforcement Date.

The commissioner will begin enforcing this rule 45 days from the effective date of this rule.

R590-155-5. Penalties.

A person found to be in violation of this rule shall be subject to penalties as provided under Section 31A-2-308.

R590-155-6. Severability.

If any provision or clause of this rule or the application of it to any person is for any reason held to be invalid, the remainder of the rule and the application of any provisions to other persons or circumstances shall not be affected.

KEY: insurance

Date of Enactment or Last Substantive Amendment: 6-21-2010

Notice of Continuation: December 17, 2007

Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-28-119