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## Approval of Credit Life Insurance and Credit Accident and Health Insurance Policy Forms

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## Approval of Credit Life Insurance and Credit Accident and Health Insurance Policy Forms

### Sec. 38a-651-1. Definitions

As used in this regulation:

(a) "Commissioner" means the Insurance Commissioner of this state.

(b) "Form" means a credit life insurance or credit accident and health insurance, policy or application, certificate, notice of proposed insurance rider or endorsement used in connection therewith.

(c) "Insurer" means an insurance company licensed by the Commissioner to write credit life insurance or credit accident and health insurance.

(Effective September 25, 1992)

### Sec. 38a-651-2. Filing procedure

Any insurer required pursuant to Section 38a-651 of the General Statutes to file a copy of a form with the Commissioner for approval, shall comply with the following standards:

(a) **Filing Transmittal Letter.**

(1) The filing transmittal letter should be sent to the attention of the Life and Health Division of the Insurance Department.

(2) If one or more elements within a filing vary by member company within a group of companies, the filer shall send a separate filing transmittal letter for each insurer within the group.

(3) The filer shall enclose a return copy of the transmittal letter(s) along with a stamped self-addressed return envelope of a size sufficient to return the duplicate copies of the filing to the insurer, and one letter size self-addressed stamped envelope to provide the notice required by Section 38a-651-3 (a).

(4) The filing transmittal letter shall contain a descriptive caption. The caption shall identify the insurer when the insurer is a member of an affiliated group of insurers using generic letterhead. The caption shall also include a brief description of the type of filing, and any applicable form identification number. All subsequent correspondence to the Insurance Department on the filing shall include the caption in the identical format as it was displayed in the original filing transmittal letter, in addition to the date of the original filing transmittal letter (and the Department's file number, if known).

(5) The body of the filing transmittal letter shall list the documents submitted therewith, briefly outline proposed changes, the approval sought, and specify the proposed effective date. When the form(s) sought to be approved by the Commissioner are not subject to the requirements of the Insurance Plain Language Act, Chapter 699a of the General Statutes, the filing transmittal letter disclose state such fact.

(6) The insurer shall provide in the filing transmittal letter a telephone number for readily contacting the person responsible for submitting the filing.

(b) All forms filed with the Insurance Department in accordance with this section shall be filed in duplicate. All such filings must be submitted in a clearly legible condition.

(c) All form filings shall include a separate document for the disclosure of the intended use of the form and the method it will be marketed. Such disclosure document, which will delimit the scope of the Commissioner's approval of the form, shall contain in numerical sequence the following:

(1) Information on exactly how the form will be marketed (i.e. individual basis, mass merchandised, association membership, union membership etc.);

(2) The market for which the form is intended (especially note markets such as over age 65, key men, professionals, etc.);

(3) The underwriting basis used, note especially any deviation from standard underwriting rules (medical, non-medical, guaranteed issue, simplified application, etc.);

(4) Any limitation of the use of the form by certain agents or brokers;

(5) An explanation of any change in benefits which occur while the contract is in force with a reference to the contract provisions which relate to the benefit change;

(6) For individual forms, disclosure of whether the commissions and gross premium rates are consistent with those of the company's individual policies. If the assumptions underlying the premium rates differ from the insurer's regular individual policies, an explanation shall be given of the difference, and the reason that use of the form does not result in unfair discrimination;

(7) A notation and explanation of any deviation from the insurer's usual retention; and

(8) Any additional information which may be necessary to completely understand the form and its use in this state.

(d) Every form filing shall be completed in "John Doe" fashion.

(e) (1) Every form filing subject to the requirements of the Insurance Plain Language Act, Chapter 699a of the General Statutes, shall be accompanied with a certificate signed by an officer of the insurer that the form complies with the Insurance Plain Language Act.

(2) The certificate required by subdivision (1) of this subsection shall be in the following form:

(NAME OF COMPANY)

(COMPANY ADDRESS)

This is to certify that the forms listed below are in compliance with Chapter 699a of the Connecticut General Statutes.

A. Option Selected

____ 1. Policy and its related forms are scored for the Flesch reading ease test as one unit and the combined score is ____.

____ 2. Policy and its related forms are scored separately for the Flesch reading ease test. Scores for the policy and each form are indicated below:

| Form | Form Number | Flesch Score |
|---|---|---|

B. Test Option Selected

____ 1. Test was applied to entire form(s)

____ 2. Test was applied on sample basis. Form(s) contain(s) more than 10,000 words. Copy of form(s) enclosed indicating word samples tested.

C. Standards for Certification

A checked block indicates the standard has been achieved.

____ 1. The policy text achieves a minimum score of 45 on the Flesch reading ease test in accordance with the option chosen in Section A above.

____ 2. It is printed in not less than ten point type, one point leaded. (This does not apply to specification pages, schedules and tables.)

____ 3. The layout and spacing of the policy separate the paragraphs from each other and from the border of the paper.

____ 4. The section titles are captioned in bold face type or otherwise stand out significantly from the text.

____ 5. Unnecessarily long, complicated or obscure words, sentences, paragraphs or constructions are not used in the policy.

____ 6. The style, arrangement and overall appearance of the policy give no undue prominence to any portion of the policy or to any endorsement or riders.

____ 7. A table of contents or an index of the principal sections is included in the policy. (This applies only if the policy has more than 3,000 words or consists of more than 3 pages.)

(COMPANY NAME)

_____ By: _____

(Date) (Title)

(f) Each form filing shall be accompanied with the schedule of premium rates that will be used in connection with such form.

(g) The Insurance Department is obligated to collect, pursuant to Section 12-211 of the General Statutes, form filing fees from foreign or alien insurers, if the state or foreign country in which they are domiciled imposes such (and larger) fees upon Connecticut's domestic insurers. Accordingly, each insurer domiciled in any other state or jurisdiction which requires such fees shall remit the equivalent filing fee (in the form of a check made payable to the Treasurer, State of Connecticut) together with each such filing submitted. The insurer shall also represent and certify that the fee payment remitted is the same amount required by its domiciliary state or jurisdiction.

(Effective September 25, 1992)

**Sec. 38a-651-3. Policy form approval**

(a) Within fifteen (15) days of receipt of a form filed with the Commissioner for approval pursuant to Section 38a-651 of the General Statutes, the Insurance Department shall determine a filing to be complete or deficient for purposes of submission for review and shall issue written notice to the insurer regarding the status of the form.

(1) The written notice for a complete filing shall state that the form filing is complete and accepted for filing for review as of the date of its receipt. For purposes of this section, a form filing is complete upon agency determination that it is in compliance with Section 38a-651-2.

(2) The written notice for a deficient filing shall state that the form filing is deficient and not accepted for filing and shall set out the specific items that must be corrected to make the form complete. In addition to this notice, the Insurance Department may notify the insurer, in any manner, of problems with the form.

(b) Unless otherwise provided by law, the Insurance Department shall review all forms filed with the Insurance Commissioner for approval pursuant to Section 38a-651 of the General Statutes in the order in which they are received by the Department; provided, however, that in appropriate circumstances the Commissioner may waive this requirement and direct the immediate review of a form filing. The Department shall employ a chronological logging system to facilitate the chronological review of such forms.

(c) Within seventy-five (75) days after a form is accepted for review, the Insurance Department shall review the form and either approve it or disapprove it. If, upon such review of the form, the Insurance Department determines that additional information from the insurer is necessary in order to ascertain whether the form is contrary to law or is unfair, deceptive or may encourage misrepresentation of the policy, the Department shall make such request to the insurer. The insurer will then have thirty (30) days from the date of the request to provide the Department with the additional information; provided that during such time, the insurer may request in writing that the period for responding to the request for information be extended for an additional period of time, not to exceed sixty (60) days. The request for extension shall be considered granted upon its receipt by the Insurance Department. During the pendency of the Insurance Department's request for information, the seventy-five (75) day period for Department action shall be tolled. If the insurer fails to comply with such request within the allotted time, the insurer shall be deemed to have voluntarily withdrawn its filing and the Department shall close its file without further action.

(d) The Commissioner shall issue an order disapproving the use of any such form if the schedule of premium rates charged or to be charged is by reasonable assumptions excessive in relation to the benefits provided, or if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or which encourage misrepresentation of the coverage or which are contrary to any provision of the insurance laws or of any rule or regulation promulgated thereunder. Any such order shall specify the reason for disapproval of the form.

(e) Forms that are approved by the Commissioner shall have the form and the extra copy of the filing transmittal letter stamped "Approved," together with the name and signature of the staff member who acted upon the filing and the date of the approval.

(Effective September 25, 1992)

### Sec. 38a-651-3a. Electronic filing

(a) Any insurer filing a copy of a form with the commissioner in accordance with section 38a-651-2 of the Regulations of Connecticut State Agencies may submit such form electronically using software known as the System for Electronic Rate and Form Filing (SERFF), Version 2.0 or higher, or any subsequent corresponding system, adopted by the National Association of Insurance Commissioners. All such filings shall include the information required in section 38a-651-2 of the Regulations of Connecticut State Agencies.

(b) Filings made electronically shall be considered received by the commissioner when received at the Insurance Department. Filings received on a weekend or legal holiday shall be deemed received on the next business day. An electronic communication from the Insurance Department concerning a filing shall be deemed received by the person to whom the communication is addressed when the communication is sent to that person.

(Adopted effective January 2, 2002)

### Sec. 38a-651-4. Severability

If any provision of this regulation or application thereof to any person or circumstance is for any reason held to be invalid, the remainder of the regulation and the application of such provision to other persons or circumstances shall not be affected thereby.

(Effective September 25, 1992)