

STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Bulletin PF-4 (rev.)
December 15, 2000

- TO: ALL INSURERS LICENSED TO WRITE LIFE OR ACCIDENT AND HEALTH INSURANCE AND ALL FRATERNAL BENEFIT SOCIETIES
- RE: APPROVAL OF LIFE, ANNUITY AND ACCIDENT AND HEALTH POLICY FORMS, APPLICATIONS, RIDERS, AMENDMENTS AND ENDORSEMENTS

The purpose of this revised bulletin is to update the information regarding submission of life and health insurance forms found in Bulletin PF-4.

Following are guidelines for companies submitting life insurance policies, annuity contracts, accident and health policies, riders, applications or endorsements for review and approval by the commissioner in accordance with Connecticut law. Compliance with these guidelines will expedite the review and approval of policy form submissions.

Companies are also reminded of the need to comply with pertinent statutes and regulations, including regulations concerning policy form approval.

I. All Forms

- (a) All forms shall be completed in "John Doe" fashion.
- (b) Requests for approval of rates or rate changes shall be accompanied by the policy form.
- (c) Forms shall have policy descriptions that are not misleading or deceptive.

II. All Applications

- (a) An application shall be submitted with all policy forms, riders, and endorsements that require applications.
- (b) The declarative portion of an application shall contain the wording "to the best of my knowledge and belief."
- (c) All policy and contract applications shall contain a replacement question.
- (d) Applications shall not contain discriminatory questions as to race, color, creed, etc.
- (e) Applications shall not contain nebulous questions such as, "Are you of good moral habits? – Do you drink to excess? etc."
- (f) Applications shall not ask detailed medical questions of the applicant which are properly in the domain of a health care provider, such as a detailed gastro-intestinal questionnaire or a detailed diabetic questionnaire.

III. Incontestability Provisions

- (a) Policy forms shall not contain an incontestability provision that excludes the riders that may be attached to the form unless those riders contain their own incontestability provisions.
- (b) No policy, rider, endorsement, or amendment shall be perpetually contestable.

IV. Exclusions

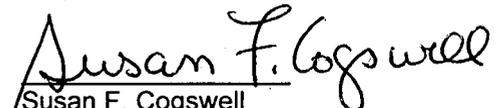
- (a) The phrase "participation in a riot" shall not be approved unless the words "participation" and "riot" are defined.
- (b) Benefits shall not be excluded as result of "intoxication" unless the word "intoxication" is defined.
- (c) An exclusion using the words "taking of any drug or poison or the inhalation of any gas, whether voluntary or involuntary" shall not be approved.
- (d) Benefits shall not be excluded for loss of life or injury due to the deliberate act of another.

V. Hospital and Medical Forms

(a) Policies that provide for an initial introductory rate with a substantial increase in the next due premium shall be deemed to have rates that are inadequate and misleading and shall not be approved.

(b) Policies that provide for an excessive "policy fee" shall not be approved.

(c) Individual policies that provide for a refund of a portion of premiums paid if no claims are presented during a stated time period shall not be approved.


Susan F. Cogswell
Insurance Commissioner