

Review Requirements Checklist  
INDIVIDUAL SPECIFIED DISEASE INSURANCE

REVIEW REQUIREMENTS	REFERENCES	COMMENTS
<b>General Filing Requirements</b>		
Transmittal Letter	14 VAC 5-100-40	<b>For Paper Filings:</b> Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14 VAC 5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters or a combination of both.
	14 VAC 5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modification of previously approved forms and set forth the exact changes that are intended.
	14 VAC 5-100-40 3	Certificate of compliance signed by General Counsel, or officer of company, or attorney, or actuary representing company is required.
	14 VAC 5-100-40 5	Description of market for which form is intended.
	14 VAC 5-100-40 6	<b>For Paper Filings:</b> At least one copy of each form must be included in the filing. A duplicate copy of forms must be submitted if the company wants a "stamped" copy of forms for its records. A stamped self-addressed return envelope is required. The letter of transmittal must be addressed to: State Corporation Commission, Bureau of Insurance, P. O. Box 1157, Richmond, VA 23218.
	Admin Letter 1983-7	Must include the name and individual NAIC number of the company for which the filing is made.
<b>Forms</b>		
Form Number	14 VAC 5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company Name & Address	14 VAC 5-100-50 2	Full and proper corporate name (including "Inc.") must prominently appear on cover sheet of all policies and other forms. Home office address of insurer must prominently appear on each policy.
Final Form	14 VAC 5-100-50 3	Form must be submitted in the final form in which it will be issued and completed in "John Doe" fashion to indicate its intended use.
Applicatio	14 VAC 5-100-50 4	Any policy, which is to be issued with an attached application, must be filed with a copy of the application completed in "John Doe" fashion to indicate its intended use. (If application was previously approved, advise date of approval.)
Type Size	14 VAC 5-100-50 5	Individual Accident and Sickness forms must be printed with type size of at least ten-point type.
Table of Contents	14 VAC 5-110-50	Required for policy of more than 3 pages.
Readability Certification	14 VAC 5-110-60	Readability certification is required.
Arbitration	§ 38.2-312	Contract may not deprive courts of Virginia jurisdiction in actions against insurer. Arbitration may not be binding.

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Fraud Notice	§ 38.2-316 D 1	Title 38.2 of the Insurance Code does not define "Insurance Fraud." Any notice regarding insurance fraud is in non-compliance with this section of the Code. Variations in a notice warning of consequences of making fraudulent statements are acceptable. The notice may disclose that it does not apply in Virginia or may disclose states where applicable.
<b>Required Provisions</b>		
Contents of Policy	§ 38.2-305 A	Parties to policy named; subject of insurance; risks insured against; time insurance takes effect; statement of the premium.
Money/Considerations	§ 38.2-3500 A 1	The entire consideration must be expressed in the policy.
Effective – Terminates	§ 38.2-3500 A 2	The time (i.e. 12PM on effective date) at which the policy takes effect and terminates must be stated in the policy.
Exceptions – Reductions	§ 38.2-3500 A 4	Exceptions and Reductions must appear in the policy with the benefit or in an appropriate captioned section. If exception/reduction applies only to single benefit, then it must appear with that benefit.
Definition of Eligible Family Members	§ 38.2-3500 C	The definition establishes that eligible dependent children may not be required to live in the household as the policyowner.
DMAS Payor of last Resort	§ 38.2-3500 A 7	Policy must contain statement regarding the status of the Department of Medical Assistance Services as the payor of last resort.
Handicapped Child Coverage	§ 38.2-3409	Upon termination due to age, coverage will be continued for: (1) persons incapable of self-sustaining employment by reason of mental retardation or physical handicap; and (2) chiefly dependent on the insured for support and maintenance. Additional premium may be charged based upon class of risks.
Notice for Policy/Return	§ 38.2-3502	Each policy must contain a notice on first page stating substantially the wording in this section. If parts of notice inapplicable, it may be modified with the Commissions approval.
Policies that Include Issue Ages of 65 or Higher	14 VAC 5-170-150 E 1	Any policy marketed to persons age 65 or older must contain a notice that discloses that the policy is not a Medicare supplement policy or certificate.
Entire Contract/ Changes	§ 38.2-3503 1	Provision that this policy, including the amendment and attached papers, if any, constitute the entire contract of insurance. No change is valid unless approved by Company executive officer, endorsed hereon or attached hereto. No agent may change or waive any of the policy's provisions.
Time Limit on Certain Defenses/Incontestability	§ 38.2-3503 2	TLCD – Only fraudulent misstatements may be used after 2 years to deny a claim or void the policy. Incontestable – After 2 years from issue during insured's lifetime, the Company cannot contest the statements in application.
Grace Period	§ 38.2-3503 3	Grace period provision must state this policy has a 31-day grace period. During the grace period the policy shall stay in force.

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Reinstatement	§ 38.2-3503 4	If renewal premium not received within grace period, policy will lapse. Insured may apply for reinstatement, if accepted insurance starts on approval date. If no disapproval received by 45 <sup>th</sup> day insurance is effective on the 45 <sup>th</sup> day after conditional receipt of premium. Reinstatement will cover only loss from injury after approval date or sickness starting more than 10 days after such date.
Notice of Claim 20 days	§ 38.2-3503 5	Notice of Claim must be given to Company within 20 days after covered loss starts or as soon as reasonably possible. Notice shall include name of Insured and/or Claimant, and the policy number.
Claim Forms	§ 38.2-3503 6	Company must provide Claimant with Claim forms within 15 days. If not, proof of loss requirements can be met by giving the Company a written statement of the nature and extent of the loss within 90 days.
Proof of Loss (90 days)	§ 38.2-3503 7	Written proof of loss must be given within 90 days to the Company. If not reasonably possible to give proof of loss in the time provided company shall not reduce nor deny claim if proof is filed as soon as reasonably possible. In any event, except in the absence of legal capacity proof must be given no later than 1 year from the time specified.
Time of Payment of Claim	§ 38.2-3503 8	After receiving written proof of loss, Company will pay monthly all benefits then due. Benefits for any other loss will be paid as soon as proper written proof is received.
Payment of Claim	§ 38.2-3503 9	Benefits will be paid to the Insured if living, otherwise to the beneficiary or the Insured's estate. If paid to the Insured's estate or beneficiary the amount shall not exceed \$2000.
Physical Exam & Autopsy	§ 38.2-3503 10	The Company, at its own expense, can have the Insured examined as often as reasonably possible while claim is pending. It may also have autopsy made unless prohibited by law.
Legal Actions	§ 38.2-3503 11	No legal action may be brought within 60 days after written proof of loss has been given. No legal action may be brought after three years from the time written proof of loss is required to be given.
Change of Beneficiary	§ 38.2-3503 12	Insured may change beneficiary at any time except beneficiary's consent is required if designated as irrevocable beneficiary.
Cancellation by Insured	§ 38.2-3503 13	The insured may cancel this policy at any time by written notice to the company. In the event of cancellation, the company shall promptly return the unearned portion of any premium; the earned premium shall be computed pro rata. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.
<b>Other Provisions</b>		
Misstatement of Age	§ 38.2-3504 2	If Insured's age has been misstated, benefits will be those that the premium paid would have purchased at the correct age.
Other Insurance with Insurer	§ 38.2-3504 3	If Insured has more than one policy with Insurer, Insured may keep the one policy selected and Company will return all premiums paid for other such policies.

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Conformity with State Statues	§ 38.2-3504 9	Any provision of this policy that on its effective date is in conflict with the laws of the state in which the Insured resides on that date is hereby amended to conform to the minimum requirement of the law.
Intoxicants and Narcotics	§ 38.2-3504 11	Company will not be liable for any loss resulting from the Insured's being drunk, or under the influence of any narcotic unless taken on the advice of a physician.
<b>Policy Requirements</b>		
Definitions	14 VAC 5-120-40	Certain terms defined.
Continuation of Coverage for Spouse/Deceased Insured	14 VAC 5-120-50 1	For guaranteed renewable and noncancellable policies, the spouse of the insured will become the insured in the event of the insured's death.
Specified Disease Policies Guaranteed Renewable	14 VAC 5-120-50 2	All specified disease policies must be at least Guaranteed Renewable. Renewal provisions must contain explanatory language.
Military Refund	14 VAC 5-120-50 3	If a policy includes a status type military exclusion, the insurer will provide for refund of the premium, on a pro rata basis, upon receipt of a written notice of military service.
Transplant Donor Benefits	14 VAC 5-120-50 5	Any expense incurred policy providing transplant benefits must also provide reimbursement of medical expenses of a live donor to the extent that benefits remain after recipient's expenses have been paid.
Recurrent Disability – 6 Month Maximum	14 VAC 5-120-50 6	No recurrent disability benefit can be separated by a period greater than six months.
Pathological/Clinical Diagnosis	14 VAC 5-120-50 8	Any policy that conditions payment on pathological diagnosis must also provide for clinical diagnosis if pathological diagnosis is medically inappropriate.
Conditions Aggravated by Specified Disease	14 VAC 5-120-50 9	Policy cannot deny benefits for specified disease or for any other condition or disease directly caused or aggravated by the specified disease or its treatment.
Probationary Period - 30 days	14 VAC 5-120-50 10	No policy shall contain a waiting or probationary period greater than 30 days.
Reduction in Benefits – Other Ins.	14 VAC 5-120-50 13	Benefits for specified disease shall be paid regardless of other health insurance coverage (except Insurance w/this Insurer provision).
1 <sup>st</sup> Day Coverage Retro 90 Days	14 VAC 5-120-50 14	Benefits shall begin on first day of care or confinement even though the diagnosis is made at some later date. Retroactive application of such coverage may not be less than ninety (90) days prior to such diagnosis.
<b>Prohibited Policy Provisions</b>		
Dividend Policy or Rider	14 VAC 5-120-60 A	No policy, rider or endorsement may be issued as a dividend unless cash equivalent has also been offered. No dividend form shall be issued for an initial term of less than six months.
Return of Premium/Cash Value	14 VAC 5-120-60 C	Return of Premium or cash value benefits may be in policy so long as (1) such return of premium is not reduced by an amount greater than the aggregate of claims paid; and (2) Insurer demonstrates that the reserve basis is adequate.

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Federal Government Hospital Exclusion (Hospital Indemnity Policies)	14 VAC 5-120-60 D	Policies providing hospital confinement indemnity coverage shall not exclude coverage for confinement in a hospital operated by Federal Government.
Specified Disease Exclusions	14 VAC 5-120-60 E	No policy shall limit or exclude coverage by type of illness, treatment or medical condition, except as listed in this section.
Waivers Require Signed Acceptance	14 VAC 5-120-60 F	When waivers are required as a condition or issuance, signed acceptance by the insured is required unless full text of waiver is on first page or specification page of the policy or unless notice of waiver appears on first page or specification page.
<b>Minimum Standards for Specified Diseases</b>		
Non-Cancer Policies	14 VAC 5-120-70 1	Minimum standards for Non-Cancer policies.
Cancer Only/Cancer Combination Policy	14 VAC 5-120-70 2	Minimum standards for Cancer and Cancer Combination Policies.
<b>Required Disclosures</b>		
Renewal Provision – 1 <sup>st</sup> Page	14 VAC 5-120-80 A	Each specified disease policy shall contain a renewal provision on the first page of the policy and appropriately captioned.
Add Premium for Rider or Endorsement	14 VAC 5-120-80 C	When additional benefits are provided by rider or endorsement, additional premium charges shall be in the policy or attached schedule page.
UCR Definition Required if UCR used in policy	14 VAC 5-120-80 D	If policy provides benefits based on “usual and customary” or word of similar import shall include explanation of such terms.
Preexisting Condition Limitation	14 VAC 5-120-80 E	If a policy contains a preexisting condition limitation, the limitations must appear in a separate paragraph and labeled as “Preexisting Conditions Limitations.”
Conversion Privilege	14 VAC 5-120-80 F	If a policy contains a conversion privilege it shall 1) be captioned “Conversion Privilege”, 2) indicate who is eligible, by whom privilege may be exercised and circumstances applicable to conversion including limitations.
Limited Benefit Policy Disclosure	14 VAC 5-120-80 G	Each specified disease policy shall have the statement prominently displayed on the first page: “THIS IS A LIMITED POLICY. READ IT CAREFULLY.”
<b>Replacement Provisions</b>		
<a href="#">Replacement Question on Application</a>	14 VAC 5-120-90 A	Applications for specified disease must contain a question regarding the applicant’s intent to replace policy in force.
<a href="#">Replacement Notice</a>	14 VAC 5-120-90 B	If answer is yes, applicant must be provided with notice complying with subsection C or D of this provision.
<b>Rates</b>		
	14 VAC 5-130-60 A and 130-60 B	The regulation specifies rate filing and actuarial memorandum requirements.

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**Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at:  
<http://www.scc.virginia.gov/boi/laws.aspx>**

The Life and Health Division, Forms and Rates Section handles individual specified disease insurance. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

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I hereby certify that I have reviewed the attached individual specified disease filing and determined that it is in compliance with the individual specified disease checklist.

Signed: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Company Name: \_\_\_\_\_

Date: \_\_\_\_\_ Phone No: ( ) \_\_\_\_\_ FAX No: ( ) \_\_\_\_\_

E-Mail Address: \_\_\_\_\_