

Department of Consumer & Business Services
Oregon Division of Financial Regulation – 5

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CHECKLIST FOR CREDIT LIFE AND HEALTH STANDARDS
Filing for Prior Approval under ORS 743.015 and OAR 836-060-0016

This checklist must be submitted with your filing to facilitate the review of your forms. It is designed to help insurers make a complete filing for credit life and health (disability) insurance. The list includes relevant statutes and rules. The standards, in some cases, are summaries. Review of the entire statute or rule may be necessary. Check to confirm diligent consideration has been given to each item and is certified by the signature on the certification of compliance form.

This checklist has five sections: I. Filing Requirements
II. Actuarial Information
III. Applications
IV. General Form Requirements
V. Form-Content Requirements

Type of coverage: (check all that apply)

- | | | |
|--|---|--|
| <input type="checkbox"/> Credit life (50) | <input type="checkbox"/> Gross coverage (501) | <input type="checkbox"/> Truncated (507) |
| <input type="checkbox"/> Credit health (disability) (52) | <input type="checkbox"/> Net coverage (502) | <input type="checkbox"/> Critical period (524) |
| <input type="checkbox"/> Single premium (213) | <input type="checkbox"/> Open-end (504) | <input type="checkbox"/> Close d-end (516) |
| <input type="checkbox"/> Group coverage | <input type="checkbox"/> Individual coverage | |

Note: Coverage in excess of 10 years cannot be filed as credit insurance. File according to the requirements for term life or disability.

Type of rates: (check all that apply)

- | | | |
|--|---|---|
| <input type="checkbox"/> Non-under written | <input type="checkbox"/> Prima facie | <input type="checkbox"/> Closed-end level rates (517) |
| <input type="checkbox"/> Underwritten | <input type="checkbox"/> Underwriting only on indebtedness over 30 days | <input type="checkbox"/> Other actuarially consistent rates |

Type of filing: (check one)

- New master policy, policy endorsements, or certificate
If replacing, form numbers to be replaced: _____
- Amending approved policy/certificate - Complete form is filed with a current revision date and changes highlighted.

Instructions: By each statement, on the line provided, identify the page and paragraph in your form that satisfies the requirement or check the boxes, when provided, to verify compliance. Any "No" answers must be explained in the cover letter. If a statement does not apply to this filing, mark "N/A" as not applicable. Any "No" or "N/A" responses on items that are applicable may result in disapproval of the filing.

General references: ORS 742.005(6)(c), ORS 743.015, ORS 743.342, ORS 743.371 to 743.380 and OAR 836-060-0000 to 836-060-0060 Exhibits and Tables

Requirement	Reference	Comment	Confirmation
I. Filing Requirements			
Filing submission requirements	As required on SERFF or on our website	Required forms are located on SERFF or on our website: http://dfr.oregon.gov/rates-forms/health/Pages/health.aspx . These requirements must be submitted for your filing to be accepted as complete: <ol style="list-style-type: none"> 1. Transmittal form 2. Cover letter (see instructions on the transmittal form) 3. Certification of compliance form 4. Product standards (this document) 5. Reability certification form 6. Schedule of rates (See Section II of this document) 7. Forms filed for approval. If submitting an underwritten application, see the guidelines on our website. 8. For mail in filings, include two self-addressed stamped envelopes, one large enough to return the approved forms in. 	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Experience report	OAR 836-060-0041	The Oregon-specific Credit Insurance Experience Exhibit is submitted to NAIC each year. In addition, by June 1 of each year, using the same NAIC form, a report is submitted to Oregon for credit business that is underwritten.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Report on creditors	OAR 836-060-0046	The insurer shall review its creditors' activities, write a report, and make this report available to the Insurance Division upon request.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Advertisements	ORS 742.009	Advertisements do not need to be filed unless requested. Advertisements for this policy/certificate include features or rates that are filed and approved for this policy. Rates are stated separately for each coverage.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Inducements	ORS 746.035, OAR 836-060-0055(1)(a)	Any amounts given to a policyholder or affiliated organizations as an incentive to purchase by means of a marketing allowance (including sponsorships and endorsement fees) are inducements filed as part of the policy, and each such account is filed with an actuarial demonstration. See Actuarial Information, below.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Requirement	Reference	Comment	Confirmation
Disclosure OAR	836-060-0060 Exhibit 1	Every applicant receives the disclosure in Exhibit 1, the federal Truth-in-Lending Disclosure, or a similar modified disclosure, which is included with this filing for approval.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Consent	OAR 836-060-0055(2)	The payment of coverage is not automatically deducted from an account without signed consent by the insured.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Delivery of coverage	ORS 743.377(3) & (4)	If the certificate or individual policy is not provided at the time the indebtedness is incurred, a notice of proposed insurance is provided to the debtor for signed acceptance that discloses amounts, premium, and a brief description and is included in this filing for approval.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	ORS 743.377(4)	The application or notice of proposed insurance is prominently set out or is a separate document from the loan or account agreement.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Effective date	ORS 743.377(4), ORS 743.378(2)	The certificate or individual policy is delivered and coverage effective within 30 days of the indebtedness. If the policy or certificate is not issued, the creditor must immediately give written notice and refund or credit paid premiums to the debtor.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Right to furnish insurance coverage	ORS 746.220, OAR 836-060-0011(2)	When the creditor requires insurance as security, the borrower is informed before the transaction is completed of the option of furnishing required insurance coverage through existing policies or purchasing coverage through any authorized insurer.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Conflict of interest	ORS 746.160(3)	Identify any other business arrangements made with the same market for this policy and explain in the cover letter the agreement in relation to the issuance of this policy.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Claim payment	ORS 743.380, OAR 836-060-0011(4)	Claims are processed promptly and paid by draft drawn upon the insurer or by insurer's check made to the claimant to whom payment is due or a person the claimant designates.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
II. Actuarial Information			
Compensation	OAR 836-060-0021	Commissions and other compensation do not exceed 40 percent of the premium. If total compensation exceeds 40 percent, a demonstration of how it is supported is included in the actuarial demonstration	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	ORS 743.379, ORS 743.378(3)	Any commission, service fee, other benefits, or returns to the creditor arising out of the sale or provision of credit insurance is not considered interest or charges in connection with loans or credit transactions.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Inducements and commissions	OAR 836-060-0021(1)	Any incentive as defined in Section I, item 4, plus commissions and other compensation, are demonstrated to be supported by 40 percent of the policy premium and a reasonable interest return.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Requirement	Reference	Comment	Confirmation
Incentives	ORS 746.160(1)	The demonstration for item 3 must also include the following: 1. Identify the types and amounts of incentives. 2. The agreement and basis upon which the incentives are paid. 3. Period of demonstration is the same period the marketing allowance is paid. If ongoing, a three-year demonstration is sufficient. 4. Each yearly calculation must assume to pay claims at 60 percent and may be illustrated in quarterly payments. 5. Amounts that are not supported by the policy are illustrated as a reduction to surplus including the duration of the reduction. 6. Explanation of the impact on the Oregon market and why the incentives would not violate ORS 746.160 by having the effect of controlling the compensations paid, or impacting a free competitive market.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Additional benefits	OAR 836-060-0026(2)(d), OAR 836-060-0031(2)(g)	If coverage includes additional benefits of small economic value, no additional premium is charged. Such benefits include dismemberment, partial disability, 90-day lump-sum payoff, etc.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Rates			
Rate tables	ORS 742.005(6)(c), ORS 743.015	Rates and tables filed are the most current prima facie rates adopted in OAR 836, Division 60.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Underwriting	OAR 836-060-0005(8)	Coverages that utilize application with medical questions include the underwritten rate schedules.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Single premium rates	OAR 836-060-0026(1)(b), OAR 836-060-0031(1)(a)	Single premium rates are filed at prima facie rates according to the formula and Tables 1 and 2. Any variations from that formula must provide a chart comparing the rates produced by the formula or tables and certify rates are equivalent for all loan durations.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Net coverage	OAR 836-060-0022(12)	Net coverage – A table of net premium rates for a representative set of terms and interest rates and statement of basis is included. The amount insured is the indebtedness outstanding less the unearned interest and finance charges.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Closed-end net coverage	OAR 836-060-0031(1)(b)	Closed-end net coverage – If monthly outstanding balance rates from Tables 1 or 2 are not used, the single premium rates must be calculated according to a formula that demonstrates it is actuarially consistent with the rates in subsection (a) of the rule.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Disability – critical period adjustments	OAR 836-060-0031(1)(h)	Critical-period coverage – Premiums for critical-period coverage for terms under 60 months do not exceed the 1974 Basic Tables of Credit A&H Claims Costs published by NAIC. For 60 months or longer, premiums do not exceed the NAIC 1970 extended tables. Factors published in Exhibit 2 of the rule.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Requirement	Reference	Comment	Confirmation
Disability – revolving rates	OAR 836-060-0031(1)(e)	Revolving outstanding balance accounts are filed using the prima facie rates for the plans stated in the rule. Plans with longer waiting periods are not permitted.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Disability – outstanding balance rates	OAR 836-060-0031(3)	The open-end disability rates under OAR 836-060-0031(l)(e) are rates for a benefit payoff within 48 months, including accruing interest and charges. If this filing is longer than 48 months, the rate adjustment that demonstrates a reduction consistent with the extended benefit period is included.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Life – outstanding balance	OAR 836-060-0026(1)(a)	Revolving-account coverage is filed using the prima facie rates for outstanding insured indebtedness in the rule.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Fixed level rates for closed-end net coverage	OAR 836-060-0026 (1)(f), OAR 836-060-0031(1)(f)	Rate plans that develop fixed-level rates for the duration of the coverage includes the following information: 1. A narrative and the level rate formula that is equivalent to the total premium at prima facie rates for the duration of the coverage divided by the number of months covered. 2. At least two illustrations comparing the loan duration showing a column of the prima facie MOB rates and a column of the filed level rates that verify the total premium to be the same. 3. If truncated or critical period is available, an example. 4. If a formula is used, an explanation of how it is applied to the prima facie rate to produce the same total premium and certification that it has been tested for all durations.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Age OAR	836-060-0025(2)(b), OAR 836-060-0031(2)(d)	Rates and coverages are not adjusted or restricted for ages less than 66.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Joint rates	OAR 836-060-0025(1)(d)	Joint coverage rate is at 165 percent of the rounded rate for single person coverage.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Combinations OAR	836-060-0025(1)(e), OAR 836-060-0031(1)(d)	If a level coverage is combined with a decreasing coverage, the rate is filed as a combination of the two and the schedule discloses each separately.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Life reserves	OAR 836-060-0027	Reserving is at least that of the Male 1980 CSO Mortality Tables at 4.5 percent interest.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Refunds	ORS 743.378, OAR 836-060-0036(4)	The refund formula is included in the filing. If the formula in the policy and certificate is one of the formulas described in OAR 836-060-0036, it does not have to be filed separately. If it is not a formula described in the rule, a comparison must be provided to demonstrate that it will provide returns equal or greater than the formulas stated in the rule.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

III. Applications

Requirement	Reference	Comment	Confirmation
Signed authorization	OAR 36-060-0055(2)	Applicant's signature is required prior to deducting premiums.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Underwriting OAR	OAR 836-060-0026(2), OAR 836-060-0031(2)	Underwriting questions pertain to high-risk conditions that are potentially terminal (for life coverage) or disabling (for disability coverage) during the period of coverage. Questions must be specific to the high-risk condition. Refer to Credit Underwriting Guidelines on our website, http://dfr.oregon.gov/rates-forms/Documents/2443g.pdf .	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	OAR 836-060-0005(8)	If additional questions are filed, they are considered an additional level of underwriting and filing includes a 10 percent reduction in prima facie rates for each additional level. Authorization for MIB is considered an additional level of underwriting. Underwriting conditions requiring more than a yes/no response are considered to be another level of underwriting.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
		Underwriting questions are asked in separate questions respective to the life or disability coverage and separately for single or joint applicants.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Eligibility -- work requirement	OAR 836-060-0031(2)(c)	The actively-at-work eligibility requirement for disability is applied only on the date of initial coverage and cannot exceed 30 days.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Unemployment exception	OAR 836-060-0031(2)(c)	Applicants unemployed solely because of seasonal layoff on the date of the loan are eligible for disability insurance.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Eligibility -- age	OAR 836-060-0026(2)(b), OAR 836-060-0031(2)(d)	Any limit on eligibility due to age is restricted to no less than age 66 based on date of issue.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Multiple plans	OAR 836-060-0011(1)	If multiple plans of coverage are available by the creditor, all choices are offered to the debtor.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Fraud statement	Bulletin INS 2010-3	Warning statements may be included if statements that connect criminal penalties are phrased to avoid definite statements of guilt. Phrases such as "may be guilty of insurance fraud" or "may be subject to prosecution for insurance fraud" are acceptable.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

IV. General Form Requirements			
Requirement	Reference	Comment	Confirmation
Changes and endorsements	OAR 836-060-0041	Endorsements are filed only for the master policy. Changes to individual policies or group certificates are filed as new forms with new form numbers, which may be revision date changes.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Identification of parties	ORS 743.377(2)	Individual policies or group certificates include the name and address of insurer, the name(s) of the debtor(s) and a title that accurately identifies the coverage.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Coverage duration	ORS 743.564	Coverage does not exceed 10 years.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Coverage amount -- life	ORS 743.374(1)	Coverage amount does not exceed the total amount repayable under the indebtedness, and for installment coverage, the greater of the scheduled or actual unpaid indebtedness.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Coverage amount -- disability	ORS 743.375, OAR 836-060-0011(12)(c)	Coverage amount does not exceed the aggregate of the periodic scheduled unpaid installments of the indebtedness, and the amount of each payment does not exceed the original indebtedness divided by the number of periodic installments.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Variables	ORS 743.015	Personal fill-in information is considered variable to the applicant. Items that have minimums or maximums by rule can be bracketed as variable when the range is included within the bracket.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Schedule			
Amounts	ORS 743.377 (2)(c) & (d)	Schedule discloses the borrowed amount, the insured amount, the premium charged separately for life and disability, and the critical period or truncated period, if applicable.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
		A separate schedule is filed for underwritten versus non-underwritten. (A separate schedule may be filed that underwrites above a stated amount of indebtedness, but it cannot be filed as variable. If filing schedules to do underwriting, see Experience Reports in OAR 836-060-0041.)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Premium calculated on amount insured	OAR 836-060-0011(12)	Premiums are calculated based on the covered amount as follows: 1. Life gross coverage covers the full loan balance including added charges. 2. Life net coverage covers the indebtedness outstanding less the unearned interest and finance charges. 3. Disability coverage covers the indebtedness outstanding inclusive of unearned interest or finance charges for the benefit period unless paid in a lump sum.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>

Requirement	Reference	Comment	Confirmation
Truncated and critical period disclosure	ORS 743.377(2)(d)	The schedule includes a prominent statement identifying the limited coverage if critical period or truncated coverage limits the benefits.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Combination of coverages	OAR 836-060-0026(1)(e)	If a level coverage is combined with a decreasing coverage, the schedule clearly identifies the respective periods and applicable rates.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Balloon payments	ORS 743.377(2)(d)	Loans that include balloon payments that are not covered prominently disclose the truncated benefit.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Effective date	ORS 743.376(1)	Coverage issued more than 30 days after the loan date has an effective date as to when the coverage was determined accepted and premiums are adjusted accordingly.	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Maximum benefits	ORS 743.377(e)	Maximum benefit payment for disability is not less than what would guarantee to pay off the covered debt with interest according to the following: <ul style="list-style-type: none"> • Full gross coverage – Debt is paid off in full. • Truncated coverage – Scheduled payments are made for the duration covered. • Critical period coverage – Scheduled payments are made for the remainder of the period covered. • Outstanding balance coverage – Debt covered is paid off with interest within 48 months. 	Yes No N/A <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
V. Form-Content Requirements			Page/paragraph
Master policy	OAR 836-060-0011(13)	The master group policy does not include a minimum-participation requirement as a reason for termination.	
Entire contract	ORS 743.015(3), ORS 743.174, ORS 743.411	The “entire contract” provision includes the application and certificate.	
Contestability	ORS 743.168	Contestability is measured for two years from the time of application for the policy or certificate on the amount applied for and can only be contested for non-payment of premium, except for total disability which may also be contested for fraud.	
Maximum term	ORS 743.372(2)	The maximum length of coverage does not exceed 10 years.	
Maximum coverage	OAR 836-060-0011(9)	The maximum coverage amount is on a per-policy (for individual forms) or per certificate (for group forms) basis.	
Eligible benefit	ORS 743.378	The amount of the benefit for revolving charge coverage includes all amounts charged up to the date of death or disability.	

Requirement	Reference	Comment	Page/paragraph
Beneficiary	ORS 743.377(2)(e)	A provision states that the benefits are paid to the creditor to reduce or extinguish the unpaid indebtedness and any excess is paid to the debtor's beneficiary or estate.	
Single premium term	OAR 836-060-0011(6)(a)	Single premium coverage continues for the entire coverage period and the forms do not provide for termination of coverage by the insurer.	
Termination of coverage	OAR 836-060-0011(5)(b)	Coverage issued and paid for outside of policy limits is valid coverage until written notice is given to the debtor.	
	OAR 836-060-0021(4)	Coverage will pay benefits up to two months on a delinquent loan.	
	OAR 836-060-0011	Coverage terminates following voluntary or involuntary prepayment.	
	ORS 743.376(3) and (4), ORS 743.378	The policy/certificate states that when indebtedness is discharged because of renewal or refinancing, the coverage is terminated and premiums refunded or credited before new coverage is issued on the renewed or refinanced debt.	
	OAR 836-060-0011(6)(b)	Coverages paid on a monthly outstanding balance basis provide that the debtor is given 30 days notice prior to termination unless replacement coverage is provided without lapse.	
	OAR 836-060-0036(2)	Upon termination, no charge is made for the first 15 days of a loan month, and a full month may be charged for 16 days or more of a loan month.	
	ORS 743.376(2)	Coverage that extends more than 15 days beyond the scheduled loan duration is done so without charge.	
Refunds	OAR 836-060-0036(3)	The refund provision states the refund formula name according to the rule or a complete description of the calculation.	
	OAR 836-060-0011(10)(c)	Refunds are calculated as of the date the coverage is terminated and refunds are processed within 30 days after the coverage is terminated.	
Age correction	ORS 743. 380	Coverage issued that exceeds the age limit is valid coverage until written notice is given to the debtor prior to a claim.	

Life			
Requirement	Reference	Comment	Confirmation
Refund	OAR 836-060-0036(3)	Refund formulas used on termination are set forth in the individual policy or group certificate. The method in the rule is based on the Rule of Anticipation plus a provision that allows a refund of 10 percent or \$75 of premium, whichever is less. (If you are using the Rule of Anticipation, you may identify this method by this title in the forms. Any other method must be described in the form, and the filing must include a comparison of the method with the Rule of Anticipation, demonstrated to provide equal or greater returns.)	
	OAR 836-060-0011(11)(a)	Unearned disability premiums are refunded in the case of prepayment by the proceeds of a credit life coverage or a lump-sum disability claim. Any excess of the amount required to repay the indebtedness is refunded to the debtor or the debtor's estate.	
Suicide	OAR 836-060-0026(2)(a)	The exclusion for suicide does not exceed six months.	
Pre-existing condition exclusions	OAR 836-060-0026(2)(c)	Pre-existing-condition exclusions are limited to those conditions that received medical diagnosis or treatment in the six months preceding the effective date of coverage and caused disability within six months following the effective date of coverage.	
Limitation to exclusions	OAR 836-060-0026(2)(a) and (c)	Exclusions for suicide and pre-existing conditions that are restarted with respect to each advance apply to the amount of the advance that exceeds \$3,000, based on the total loan amount after the initial six months of coverage.	

Disability (health)			
Requirement	Reference	Comment	Confirmation
Disability definition	OAR 836-060-0031(2)(f)	The definition of disability is an "own occupation" test for at least the first 18 months of disability. After 18 months, the definition is the inability to perform the essential duties of any gainful occupation for which you are reasonably suited by experience, education, or training.	
MOB benefit definition	OAR 836-060-0031(3)	Monthly benefit definition is stated at no more than 1/48 of the outstanding balance plus accrued interest and is reflected in the maximum benefit on the schedule. Stated percentage as the monthly benefit payment is shown to pay the balance with interest within 48 months.	

Requirement	Reference	Comment	Confirmation
Daily benefit	OAR 836-060-0031(2)(e)	Coverage includes a daily benefit equal to one-thirtieth of the monthly benefit.	
	OAR 836-060-0031(2)(h)	Regular doctor's care in the determination of disability is imposed as a criterion only when such care is stated to be medically necessary.	
Disability exclusions	OAR 836-060-0031(2)(b)	Total exclusions from disability benefits are limited to those specifically authorized in OAR 836-060-0031(2)(b) for normal pregnancy and intentionally self-inflicted injuries.	
Limitations on exclusions	OAR 836-060-0031(2)(a)	An exclusion for pre-existing conditions that are restarted with respect to each advance apply to the amount of the advance that exceeds \$3,000, based on the total loan amount after the initial six months of coverage.	
Refunds	OAR 836-060-0036(1)(a)	Refund formulas used for termination are set forth in the individual policy or group certificate. The stated method is the pro-rata method. Any other method is described and demonstrated to provide equal or greater returns.	
	OAR 836-060-0011(11)(b)	Unearned life premiums are refunded in the case of prepayment by the proceeds of a lump-sum disability claim. Any excess of the amount required to repay the indebtedness is refunded to the debtor or the debtor's estate.	

Claims			
Requirement	Reference	Comment	Confirmation
Claims payment	ORS 743.377 (4), OAR 836-060-0011(5)(b)	Claims are covered unless coverage is rescinded within 30 days, and no claim is denied for ineligibility if the coverage was not rescinded before the date of the claim.	
Claim procedures	ORS 743.429	Disability claims may require proof of loss submitted in writing within 90 days and no later than one year unless the claimant is legally incapable.	
	ORS 743.192(1)	Death claim requirements do not include a time limit and are payable upon receipt of the death certificate if past the two-year contestable period.	
	ORS 743.377 (2)(e), OAR 836-060-0011(5)(a)	Claim payments go first to pay the balance of the indebtedness and any residual is paid to the insured or insured's estate.	
Autopsy	ORS 743.438	An autopsy may be required at the insurer's expense unless forbidden by law.	