

Oregon Division of Financial Regulation

Guidelines for filing Life and Health policies, optional riders, and revisions (ORS 742.003 and OAR 836-010-0011)

(Group and Individual)

I. Filing a base policy:

A policy filing must include all the required policy language and provisions that constitute a complete insurance policy. This includes any required or mandated benefits under Oregon law. The policy cannot be broken down into provisions, paragraphs, or pages and filed in pieces.

II. Filing changes to the base policy:

When filing a change to the base policy, the changes may be filed in an amendment format showing those changes. The filing must include a reference copy of the base policy as it has been approved to date with the new language changes included and highlighted by underlining, bold type, or similar method. The base policy form number must be modified with a revision date (or a new number) to reflect the change in the language as of that approval.

Approval will only apply to new language or the language changes that were highlighted. Any changes not highlighted may not be considered approved unless previously filed and approved. Previously approved language that is unchanged will not be reviewed, unless such language is clearly contrary to applicable statutes, rules, or established Division of Financial Regulation position and is unjust, unfair, or inequitable to consumers or other insurers.

Filings that make changes to language in the base policy should be made on its own identifiable amendment separate from the filings that add new optional provisions, although they could be included within the same packet.

If an insurer assigns its own filing number, it may use one overall identifying filing number for the packet as long as the forms and policies have appropriate form numbers. For example, a filing packet sent to Oregon could contain an amendment to change base policy language with a sample policy showing the revision date on the form number and include other riders to add new optional provisions, each having their own identifying form number and a sample policy as stated below.

III. Filing of new optional provisions:

When filing a new optional benefit provision that will be offered in addition to the base policy, that addition must be filed in a rider/amendment form describing that particular benefit. More than one new optional provision may be filed at a time, but each must be on separate forms with separate identifiers unless they are intended to be sold together. Sample schedule pages for the base policy must accompany each optional provision that discloses the schedule features for that provision and how it will appear on the base policy schedule when the benefit is included.

If the new optional provision is going to be incorporated within the base policy when issued, a reference copy of the policy as it has been approved to date must be included with the new optional provisions section included and highlighted.

When approved optional provisions are incorporated into the base policy at issue, there are two ways to distinguish the policy with optional benefits included: (1) The filing of the optional provision can be incorporated into the base policy with a revised policy number or a suffix to the base policy number that distinguishes it as its own policy approval (i.e., base policy plus specific optional benefits); (2) if the form number on the policy cover is not changed, the optional provision can be designated with the optional benefit form number on the policy schedule or data page where the features are listed for that option. All methods must provide the ability to track the policies that were issued with a particular optional benefit by the optional benefit form number.

IV. Policy endorsements/amendments:

An endorsement or an amendment changes a previously approved policy and is issued separately from the original policy forms.

Endorsements and amendments (changes):

- Any endorsement or amendment must be filed and approved before delivery.
- An endorsement or amendment made to an in-force contract cannot reduce benefits, delete benefits, or provide less favorable terms.
- When filed in a separate document, an endorsement or amendment must contain a unique form number in the bottom left-hand corner.
- Only one endorsement is allowed per life insurance policy.

The analyst may require a company to file an entirely new version of the base policy if there are significant changes made by the endorsement or amendment.

The group plan policy endorsements must be submitted in accordance to the filing instructions on our website at: <http://dfr.oregon.gov/rates-forms/health/Pages/riders-endorsements.aspx>.

The individual plan policy endorsement must be submitted in accordance to the filing instructions on our website at: <http://dfr.oregon.gov/rates-forms/health/Pages/riders-endorsements.aspx>.

V. Disclosure requirements for Small Face Amount Individual Life (less than \$20,000)

Include documentation with your filing for this product that illustrates how your company complies with these disclosure requirements.

When, over the term of the policy, the cumulative policy premiums paid may exceed the face amount of the policy, clearly and prominently disclose to the consumer the length of time until the cumulative policy premiums paid may exceed the face amount of the policy. This disclosure must be made on or before policy delivery.

If the insurer must make the above disclosure, then the insurer must also disclose, on or before policy delivery, all available premium payment plans and product alternatives. If no alternatives exist, provide clear and prominent disclosure to the consumer that there are no such alternatives.

If the sum of the premiums for the first five years of the plan exceeds the death benefit, the filing must include a detailed demonstration showing that the benefit provided is in the best interest of the consumer. Disclosure as outlined above does not meet this standard.