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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/19/2016	.	
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The Committee on Banking and Insurance (Benacquisto) recommended the following:

Senate Amendment (with title amendment)

Delete lines 112 - 157

and insert:

insurer shall compare the records of its insureds' life or endowment insurance policies, annuity contracts that provide a death benefit, and retained asset accounts that were in force at any time on or after January 1, 1992, against the United States Social Security Administration Death Master File to determine if the death of an insured, an annuitant, or a retained asset



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11 account holder is indicated. The comparison must use the name
12 and social security number or date of birth of the insured,
13 annuitant, or retained asset account holder. The comparison must
14 be made on at least an annual basis before August 31 of each
15 year. If an insurer performs such a comparison regarding its
16 annuities or other books of business more frequently than once a
17 year, the insurer must also make a comparison regarding its life
18 insurance policies, annuity contracts that provide a death
19 benefit, and retained asset accounts at the same frequency as is
20 made regarding its annuities or other books or lines of
21 business. An insurer may perform the comparison required by this
22 paragraph using any database or service that the department
23 determines is at least as comprehensive as the United States
24 Social Security Administration Death Master File for the purpose
25 of indicating that a person has died.

26 (b) An insured, an annuitant, or a retained asset account
27 holder is presumed deceased if the date of his or her death is
28 indicated by the comparison required under paragraph (a), unless
29 the insurer has in its records competent and substantial
30 evidence that the person is living, including, but not limited
31 to, a contact made by the insurer with such person or his or her
32 legal representative. The insurer shall account for common
33 variations in data and for any partial names, social security
34 numbers, dates of birth, and addresses of the insured, the
35 annuitant, or the retained asset account holder which would
36 otherwise preclude an exact match.

37 (c) For purposes of this section, a policy, an annuity
38 contract, or a retained asset account is deemed to be in force
39 if it has not lapsed, has not been cancelled, or has not been



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40 terminated at the time of death of the insured, the annuitant,
41 or the retained asset account holder.

42 (d) This subsection does not apply to an insurer with
43 respect to benefits payable under:

44 1. An annuity that is issued in connection with an
45 employment-based plan subject to the Employee Retirement Income
46 Security Act of 1974 or that is issued to fund an employment-
47 based retirement plan, including any deferred compensation plan.

48 2. A policy of credit life or accidental death insurance.

49 3. A joint and survivor annuity contract, if an annuitant
50 is still living.

51 4. A policy issued to a group master policy owner for which
52 the insurer does not perform recordkeeping functions. As used in
53 this subparagraph, the term "recordkeeping" means those
54 circumstances under which the insurer has agreed through a group
55 policyholder to be responsible for obtaining, maintaining, and
56 administering, in its own or its agents' systems, information
57 about each individual insured under a group insurance policy or
58 a line of coverage thereunder, including at least the following:

59 a. The social security number, or name and date of birth;

60 b. Beneficiary designation information;

61 c. Coverage eligibility;

62 d. The benefit amount; and

63 e. Premium payment status.

64 (9) No later than 120 days after learning of the death of
65 an insured, an annuitant, or a retained asset account holder
66 through a comparison under subsection (8), an insurer shall:

67 (a) Complete and document an effort to confirm the death of
68 the insured, annuitant, or retained asset account holder against



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69 other available records and information.

70 (b) Review its records to determine whether the insured,
71 annuitant, or retained asset account holder purchased other
72 products from the insurer.

73 (c) Determine whether benefits may be due under a policy,
74 an annuity, or a retained asset account.

75 (d) Complete and document an effort to locate and contact
76 the beneficiary or authorized representative under a policy, an
77 annuity, or a retained asset account, if such person has not
78 communicated with the insurer before the expiration of the 120-
79 day period. The effort must include:

80 1. Sending to the beneficiary or authorized representative
81 information concerning the claim process of the insurer.

82 2. Notice of any requirement to provide a certified
83 original or copy of the death certificate, if applicable under
84 the policy, annuity, or retained asset account.

85 (10) An insurer may, to the extent permitted by law,
86 disclose the minimum necessary personal information about an
87 insured, an annuitant, a retained asset account owner, or a
88 beneficiary to an individual or entity reasonably believed by
89 the insurer to possess the ability to assist the insurer in
90 locating the beneficiary or another individual or entity that is
91 entitled to payment of the claim proceeds.

92 (11) An insurer, or any agent or third party that it
93 engages or that works on its behalf, may not charge insureds,
94 annuitants, retained asset account holders, beneficiaries, or
95 the estates of insureds, annuitants, retained asset

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97 ===== T I T L E A M E N D M E N T =====



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98 And the title is amended as follows:

99 Delete lines 9 - 19

100 and insert:

101 requiring an insurer to compare records of certain
102 insurance policies, annuity contracts, and retained
103 asset accounts of its insureds against the United
104 States Social Security Administration Death Master
105 File or a certain database or service to determine if
106 a death is indicated; providing requirements for the
107 comparison; providing for a presumption of death for
108 certain individuals; providing an exception; requiring
109 an insurer to account for certain variations in data
110 and partial information; providing the circumstances
111 under which a policy, a contract, or an account is
112 deemed to be in force; providing applicability;
113 defining a term; requiring an insurer to follow
114 certain procedures after learning of a death through a
115 specified comparison; authorizing an insurer to
116 disclose certain personal information to specified
117 persons for certain purposes; prohibiting an insurer
118 and