

WAC 284-34-180 What mandatory benefits apply to prima facie credit accident and health insurance rates? The premium rates in WAC 284-34-170 apply to contracts providing credit accident and health insurance that contain terms as favorable to insured debtors as the terms below:

(1) The insurer may exclude benefits for disabilities that result from the following:

- (a) War or any act of war;
- (b) Elective surgery;
- (c) Intentionally self-inflicted injury;
- (d) Flight in any aircraft other than a commercial scheduled aircraft;
- (e) A preexisting condition. The preexisting condition exclusion does not apply to disabilities that begin at least six months after the effective date.

(2) Open-ended credit transaction: An insurer may apply a preexisting condition exclusion only to the portion of a new advance or charge that causes the amount of credit accident and health insurance to exceed the greatest amount previously subject to this exclusion.

(3) Definition of disability:

(a) For the first twenty-four months of disability: Total disability means the inability to perform the essential functions of the debtor's own occupation.

(b) After the first twenty-four months: Disability means the inability of the insured to perform the essential functions of any occupation for which the debtor is reasonably suited due to education, training or experience.

(4) An insurer may require a statement that the debtor is actively at work before insurance becomes effective.

(a) The insurer may not require the insured debtor to be employed more than thirty hours per week.

(b) If a debtor is absent due to a regular day off, holiday or paid vacation, the commissioner presumes the debtor is actively at work.

(5) Insurers may elect to include age restrictions in their certificates or policies, subject to the following conditions:

(a) An age restriction may say that no insurance will become effective on debtors who are age sixty-six or older.

(b) An age restriction may say that all insurance will end when the debtor becomes age sixty-six.

(c) Insurance coverage must continue until the end of the period for which a premium payment or charge is made.

(6) The insurer must provide a daily benefit equal to or greater than one-thirtieth of the monthly benefit payable under the policy.

[Statutory Authority: RCW 48.02.060, 48.30.010, 48.34.100, and 48.34.110. WSR 05-02-076 (Matter No. R 2002-02), § 284-34-180, filed 1/4/05, effective 4/1/05.]