Illinois Department of Insurance

Credit Accident and Health and Credit Life Checklist
TO BE COMPLETED BY COMPANY
Company Name:
SERFF TOI:
SERFF SUB TOI:
SERFF Tracking #:

Plan Type (check one)		ELECTRONIC REFERENCES - FEDERAL
	Accident and Health	**Code of Federal Regulations** **United States Code**
	Life	
Line of Business (check one)		**ELECTRONIC REFERENCES - ILLINOIS**
	Group	**Illinois Insurance Code** **Administrative Rules** **Illinois Company Bulletins** **Web Portal 2.1 User Guide**
	Individual	

Illinois is providing health insurance issuers a Web Portal through which rate filings and actuarial memorandum may be electronically reported.
This reporting process does not replace existing requirements for the submission of these materials through SERFF.

Checklist Directions
• The checklist must be completed to indicate where in the filing the General Filing requirements appear, must acknowledge each General Form Requirement and must indicate where, in the policy form, each required provision appears (e.g. form number, page number and section number).
• For requirements marked as "Affirmed," companies are to acknowledge, by checking the appropriate box: 1) their compliance with prohibited language; or 2) their understanding of the informational nature of the requirement.
• This document is to be downloaded and submitted with this filing in SERFF. Alteration of this document will result in rejection of the filing.

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Index Directions

Credit Life filings must include the requirements listed in "Part 1" and "Part 2."

Credit Health and Accident filings must include the requirements listed in "Part 1" and "Part 3."

Part 1 - ALL POLICIES				
SECTION A - FORM FILING REQUIREMENTS				
Line	**Review Requirement**	**Reference**	**Items that must be included with Filing**	**Location/Affirmed**
1.A.1	Review Requirements Checklist	Review Requirements Checklists	Each filing must include a completed Review Requirements Checklist that must contain a completed "Location of Standard in Filing" column for each required element of the filing. Please indicate the proper page # and form # for each entry.	
1.A.2	Forms Review	50 IAC 916.40(b)	Each company shall file with the Director for approval each new policy form in a searchable text PDF before it is issued or delivered in this State. Each filing shall be submitted directly through SERFF and shall include a detailed description of the purpose for the policy form and the manner in which it will be marketed and a cross-reference SERFF tracking number for identical submissions made by affiliated companies.	
1.A.3	Rates	215 ILCS 5/155.58(a) 50 IAC 916.40(f)	Individual and group credit policy form filings shall be accompanied by the rate filing that provides a description of the classification of risks and the premium rates. Data demonstrating the calculation of the rates shall accompany each credit policy form.	

Line	Review Requirement	Reference	Items that must be included with Filing	Location/Affirmed
SECTION B - GENERAL REQUIREMENTS FOR ALL FILINGS				
1.B.1	**Time Limitation Applicability**	**215 ILCS 5/155.51(b)**	All life insurance and all accident and health insurance sold, or otherwise made effective, in connection with loans or other credit transactions of less than 10 years duration is subject to this Article. Such insurance sold in connection with a loan or other credit transaction of 10 years duration or more is not subject to this Article.	
1.B.2	**Policy or Certificate Required**	**215 ILCS 5/155.56(a)**	All credit life insurance and credit accident and health insurance must be provided in the form of an individual policy, or in the case of group insurance by a certificate of insurance, delivered to the debtor	
1.B.3	**Contents of Policy or Certificate**	**215 ILCS 5/155.56(b)**	Each policy or certificate must include: (1) the name and home office address of the insurer; (2) the name or identify of the insured debtor; (3) the rate or amount of payment; (4) a description of the amount and the term of coverage; (5) a description of any exceptions, limitations or restrictions; (6) a statement that the benefits shall be paid to the creditor to reduce or extinguish the unpaid indebtedness; and, (7) that any excess shall be payable to the beneficiary, other than the creditor, named by the debtor or to his/her estate.	
1.B.4	**Termination of Insurance Prior to Scheduled Maturity Date**	**215 ILCS 5/155.58(b)**	The individual policy or group certificate must include a provision that in the event of termination prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the debtor for coverage shall be paid or credited promptly to the person entitled.	
1.B.5	**Payments Made Prior to Issuance of Policy or Certificate**	**215 ILCS 5/155.58(c)**	If an insured debtor is required to make a payment prior to the time the policy or certificate is issued the creditor must provide a written notice of such and make the appropriate credit to the account.	

SECTION C - DEPARTMENT POSITIONS				
Line	Review Requirement	Reference	Items that must be included with Filing	Location/Affirmed
1.C.1	Truncated or Critical Period Disability Rates	215 ILCS 5/143(1)	Truncated or critical period disability rates must be adjusted down for the shorter period of coverage.	
1.C.2	Truncated or Critical Period Disability	215 ILCS 5/143(1)	There must be a prominent disclosure on the schedule page indicating that the disability coverage is not for the full period of the loan.	
1.C.3	Pre-Existing Conditions	215 ILCS 5/143(1)	Benefits for loss due to pre-existing conditions during a period of 6 months before the effective date of coverage can only be denied for a period up to 6 months after the date of issue.	

Part 2 - CREDIT LIFE INSURANCE POLICIES				
SECTION A- ADMINISTRATIVE CODE PROVISIONS				
Line	Review Requirement	Reference	Items that must be included with Filing	Location/Affirmed
2.A.1	Prohibition on Exclusions other than for Suicide	50 IAC 951.50(b)(1)	The policy may include no exclusions other than suicide within one year of the effective date of coverage. Under open-end credit life plans the effective date may apply separately for each additional purchase or loan to which the coverage relates.	
2.A.2	Age Restriction	50 IAC 951.50(b)(2)	There may be no age restrictions, or age restriction only for initial eligibility, making ineligible for coverage debtors age 65 or over at the time indebtedness is incurred or debtors having attained age 66 or over on the maturity date of the indebtedness, provided that coverage will remain in full force and effect in the event the insurer accepts premium on a debtor whose correctly stated age exceeds the maximum for eligibility and the premium is not refunded within 60 days of receipt.	
2.A.3	Age Restrictions for Open-End Credit Plans	50 IAC 951.50(b)(3)	Insurance written in connection with an open-end credit plan may exclude from the classes eligible for insurance, classes of debtors determined by age, and provide for the cessation of insurance or reduction in the amount of insurance upon attainment of not less than age 65.	
2.A.4	Pre-Existing Restrictions for Open-End Plans	50 IAC 951.50(b)(4)	For open-end credit life plans where the amount of coverage is based on or limited to the outstanding unpaid balance, there may be no pre-existing condition limitation on a death claim except for a condition for which the insured debtor received medical diagnosis or treatment within six month preceding the effective date of coverage and which caused or substantially contributed to the death of that individual within six months following the effective date of coverage. The effective date of coverage for each part of the coverage attributable to a new advance or charge to the plan account is the date on which the advance or charge is posted to the account.	
2.A.5	Rate Increases	50 IAC 951.70(b)	No credit life insurer may charge or collect a premium rate higher than the prima facie rate, unless it files it with the Department sixty days prior to the intended effective date and provides credible Illinois experience data, actuarial procedures and ratemaking assumptions in support of its proposed rate.	

Part 3 - CREDIT ACCIDENT AND HEALTH INSURANCE POLICES				
SECTION A - ADMINISTRATIVE CODE PROVISIONS				
Line	Review Requirement	Reference	Items that must be included with Filing	Location/Affirmed
3.A.1	Minimum Hours Worked	50 IAC 952.30	If coverage for credit accident and health insurance is contingent upon the insured working a minimum amount of hours a week, then the application for insurance must contain a question eliciting a response indicating that the insured does or does not currently work the minimum number of hours. Additionally, if the credit accident and health insurance is offered on a guaranteed issue basis, the individual policy or group certificate must include a clear statement that stipulates the minimum of hours that must be worked a week.	
3.A.2	Required loss ratio standards	50 IAC 952.40	The Department requires a fifty percent (50%) loss ratio for benefits to be deemed reasonable in relation to the premium.	

IMPORTANT NOTICE: This Checklist does not include all of the requirements of Illinois laws, regulations or bulletins. Companies are responsible for reviewing Illinois laws, regulations and bulletins to ensure that forms are fully compliant before filing the forms.	
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