

TITLE 50: INSURANCE
PART 2012 TRADITIONAL LONG-TERM CARE INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE

Section 2012.90 Requirements for Application Forms and Replacement Coverage

- a) Application forms shall include the following questions designed to elicit information as to whether, as of the date of the application, the applicant has another traditional long-term care insurance policy or certificate in force or whether a traditional long-term care policy or certificate is intended to replace any other accident and sickness or traditional long-term care policy or certificate presently in force. A supplementary application or other form to be signed by the applicant and insurance producer, except where the coverage is sold without an insurance producer, containing such questions may be used. With regard to a replacement policy issued to a group defined by Section 2012.30 of this Part the following questions may be modified only to the extent necessary to elicit information about health or traditional long-term care insurance policies other than the group policy being replaced; provided, however, that the certificateholder has been notified of the replacement.
- 1) Do you have another traditional long-term care insurance policy or certificate in force (including health care service contract, health maintenance organization contract)?
 - 2) Did you have another traditional long-term care insurance policy or certificate in force during the last 12 months?
 - A) If so, with which company?
 - B) If that policy lapsed, when did it lapse?
 - 3) Are you covered by Medicaid?
 - 4) Do you intend to replace any of your medical or health insurance coverage with this policy (certificate)?
- b) Insurance producers shall list any other health insurance policies they have sold to the applicant.
- 1) List policies sold which are still in force.
 - 2) List policies sold in the past 5 years which are no longer in force.
- c) **Solicitations Other than Direct Response.** Upon determining that a sale will involve replacement, an insurer, other than an insurer using direct response solicitation methods, or its insurance producer, shall furnish the applicant, prior to issuance or delivery of the individual traditional long-term care insurance policy, a notice regarding replacement of accident and sickness or traditional long-term care coverage. One copy of such notice shall be retained by the applicant and an additional copy signed by the applicant shall be retained by the insurer. The required notice shall be provided as set forth in Exhibit A of this Part.
- d) **Direct Response Solicitations.** Insurers using direct response solicitation methods shall deliver a notice regarding replacement of accident and sickness or traditional long-term care coverage to the applicant upon issuance of the policy. The required notice shall be provided as set forth in Exhibit B of this Part.

- e) Where replacement is intended, the replacing insurer shall provide written notice to the existing insurer of the proposed replacement. The existing policy shall be identified by the insurer, name and policy number or address including zip code. Notice shall be made within 5 working days from the date the application is received by the insurer or the date the policy issued, whichever is sooner.

(Source: Amended at 26 Ill. Reg. 8835, effective July 1, 2002)