

**11 NCAC 12 .1720 INSURANCE COMPANY PRACTICES**

(a) Every life insurance company licensed in this State shall respond to a request for verification of coverage from a provider or a broker within 30 calendar days after the date a request is received. The insurer shall inform the provider or broker whether the insurer intends to pursue an investigation regarding possible fraud or the validity of the insurance contract. The following items shall accompany the request for verification of coverage:

- (1) A current authorization signed by the insured;
- (2) If the policy to be viaticated is an individual policy, a verification of coverage form, completed by the provider or broker, substantially similar to the format prescribed by the NAIC in Appendix B of the NAIC Viatical Settlements Model Regulation; and
- (3) If the viatication involves a group insurance certificate, a verification of coverage form, completed by the provider or the broker, substantially similar to the format prescribed by the NAIC in Appendix C of the NAIC Viatical Settlements Model Regulation.

(b) A life insurance company shall not charge a fee for responding to a request for information from a provider or broker in accordance with this rule in excess of any usual and customary charges to insureds for similar services.

(c) A life insurance company may send an acknowledgment of receipt of the request for verification of coverage to the viator and, where the viator is not the insured, also to the insured. The acknowledgment shall contain a description of any accelerated death benefit that is available under a provision of or rider to the policy.

(d) Copies of the formats described in this Rule are on file at the Division.

*History Note: Authority G.S. 58-2-40; 58-6-6; 58-58-250; 58-58-300;  
Temporary Adoption Eff. April 1, 2002;  
Eff. April 1, 2003;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018.*