

Sec. 38a-819-3. Definitions

A. An “advertisement” for the purpose of these regulations shall include: (1) printed and published material, audio visual material, and descriptive literature of an insurer used in direct mail, newspapers, magazines, radio scripts, TV scripts, billboards and similar displays; and (2) descriptive literature and sales aids of all kinds issued by an insurer, agent or broker for presentation to members of the insurance buying public, including but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters; and (3) prepared sales talks, presentations and material for use by agents, brokers and solicitors.

B. “Policy” for the purpose of these regulations shall include any policy, plan, certificate, contract, agreement, statement of coverage, rider or endorsement which provides accident or sickness benefits, or medical, surgical or hospital expense benefits, whether on an indemnity, reimbursement service or prepaid basis.

C. “Insurer” for the purpose of these regulations shall include any individual, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyds, fraternal benefit society, health maintenance organization, and any other legal entity engaged in the advertisement of a policy as “policy” is herein defined.

D. “Exception” for the purpose of these regulations shall mean any provision in a policy whereby coverage for a specified hazard is entirely eliminated; it is a statement of a risk not assumed under the policy.

E. “Reduction” for the purpose of these regulations shall mean any provision which reduces the amount of the benefit; a risk of loss is assumed but payment upon the occurrence of such loss is limited to some amount or period less than would be otherwise payable had such reduction not been used.

F. “Limitation” for the purpose of these regulations shall mean any provision which restricts coverage under the policy other than an exception or a reduction.

G. “Institutional Advertisement” for the purpose of these regulations shall mean an advertisement having as its sole purpose the promotion of the reader’s or viewer’s interest in the concept of accident and sickness insurance, or the promotion of the insurer.

H. “Invitation to Inquire” for the purpose of these regulations shall mean an advertisement having as its objective the creation of a desire to inquire further about the product and which is limited to a brief description of the loss for which the benefit is payable, and which may contain: (1) The dollar amount of benefit payable, and/or (2) the period of time during which the benefit is payable; provided the advertisement does not refer to cost. An advertisement which specifies either the dollar amount of benefit payable or the period of time during which the benefit is payable shall contain a provision in effect as follows:

“For costs and further details of the coverage, including exclusions, any reductions or limitations and the terms under which the policy may be continued in force, see your agent or write to the company.”

I. “Invitation to Contract” for the purpose of these regulations shall mean an advertisement which is neither an invitation to inquire nor an institutional advertisement.

(Effective September 25, 1992)