

2002 SESSION

INTRODUCED

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HOUSE BILL NO. 1294

Offered January 18, 2002

A *BILL to amend the Code of Virginia by adding a section numbered 38.2-3115.1, relating to life insurance; accelerated payment of benefits.*

Patrons—Rollison and McQuigg

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 38.2-3115.1 as follows:

§ 38.2-3115.1. Accelerated payment of benefits.

A. Each life insurance policy issued in the Commonwealth shall provide for the accelerated payment of benefits to the insured during the lifetime of the insured:

1. If the insured is no longer able to perform two of the following activities of daily living: (i) bathing, (ii) dressing, (iii) continence, (iv) eating, (v) toileting, or (vi) transferring; or

2. If the insured requires substantial supervision by another person to protect the health and safety of the insured or any other person.

B. The Commission may issue rules and regulations to provide for the accelerated payment of benefits under any other conditions.

C. This section shall not apply to (i) credit life insurance for which the premium is paid wholly from funds of the creditor with no specific identifiable charge being made to insureds for the insurance and upon which post-death interest on the indebtedness is waived by the creditor in an amount at least equal to the amount of interest that would otherwise be payable under this section; or (ii) policies or contracts issued prior to July 1, 2002, but shall apply to any renewals or reissues of group life insurance policies or contracts occurring after that date.

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