

2017 SESSION

INTRODUCED

17103079D

SENATE BILL NO. 1213

Offered January 11, 2017

Prefiled January 10, 2017

A *BILL to amend and reenact § 38.2-232 of the Code of Virginia, relating to life and accident and sickness insurance; notice of lapse of policy, contract, or plan.*

Patrons—DeSteph; Delegate: Knight

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 38.2-232 of the Code of Virginia is amended and reenacted as follows:

§ 38.2-232. Notice of lapse or pending lapse of certain life and accident and sickness insurance policies.

A. Every insurer, health services plan, or health care plan that issues a policy, contract, or plan of insurance or annuity as defined in §§ 38.2-102 through 38.2-109 shall provide the policy owner, contract owner, or plan owner with a written notice prior to the date that the policy, contract, or plan will lapse for failure to pay premiums due, *which notice shall sent by registered or certified mail.*

B. The provisions of subsection A shall not apply (i) to group policies, contracts, or plans of insurance or (ii) to individual policies, contracts, or plans of insurance if the insurer, health services plan, or health care plan ~~(a) as a general business practice provides its policy owners, contract owners, or plan owners with written notices of premiums due or (b) has furnished its policy owner, contract owner, or plan owner with written notice, sent by registered or certified mail,~~ separate from that contained in the policy that the failure to pay premiums in a timely manner will result in a lapse of such policy, contract, or plan.

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