

514D.4 Standards for benefits established.

1. The commissioner shall issue rules to establish minimum standards for benefits under each of the following categories of coverage contained in policies of individual accident and sickness insurance or subscriber contracts:

- a.* Basic hospital expense coverage.
- b.* Basic medical-surgical expense coverage.
- c.* Hospital confinement indemnity coverage.
- d.* Major medical expense coverage.
- e.* Disability income protection coverage.
- f.* Accident only coverage.
- g.* Specified disease or specified accident coverage.
- h.* Medicare supplement coverage.
- i.* Limited benefit health coverage.

2. This section does not prohibit the issuance of a policy which combines two or more of the categories of coverage enumerated in paragraphs "a" to "f" of subsection 1. A category of coverage referred to in paragraph "g", "h" or "i" of subsection 1 shall not be combined in a policy or contract either with another category of coverage referred to in paragraph "g", "h" or "i" of subsection 1 or with a category of coverage referred to in any of paragraphs "a" to "f" of subsection 1 unless a rule issued by the commissioner specifically authorizes that combination of coverages.

3. The commissioner shall prescribe the method of identification of policies and contracts based upon coverages provided.

4. A policy of accident and sickness insurance or subscriber contract shall not be delivered or issued for delivery in this state unless the policy or contract meets the minimum standards prescribed under this section.

5. The commissioner may upon notice and hearing at any time after the initial filing or approval of any individual accident and sickness policy or subscriber contract form, withdraw approval or suspend further sale of the form if the benefits provided are unreasonable in relation to the premium charge. The commissioner shall establish reasonable and creditable anticipated minimum loss ratios for medicare supplement and other accident and sickness insurance policies.

6. A rule issued by the commissioner under this section shall not apply to a conversion policy issued pursuant to a contractual conversion privilege under a group or individual policy of accident and sickness insurance when such group or individual contract contains provisions which are inconsistent with the requirements of this chapter or any rule issued under this chapter.

7. A rule issued by the commissioner under this section shall not apply to policies being issued to employees or members being added to a franchise plan, as defined in section 509.14, which is in existence on the effective date of the rule.

