

514G.106 Incontestability period.

1. An insurer may rescind a long-term care insurance policy or certificate or deny an otherwise valid long-term care insurance claim if the policy or certificate has been in force for less than six months upon a showing of misrepresentation that is material to the insurer's acceptance for coverage.

2. An insurer may rescind a long-term care insurance policy or certificate or deny an otherwise valid long-term care insurance claim if the policy or certificate has been in force for at least six months but less than two years, upon a showing of misrepresentation that is both material to the acceptance for coverage and pertains to the condition for which benefits are sought.

3. An insurer shall not contest a long-term care insurance policy or certificate that has been in force for two or more years solely upon the grounds of misrepresentation. Such a policy or certificate may be contested only upon a showing that the insured knowingly and intentionally misrepresented relevant facts relating to the insured's health.

4. A long-term care insurance policy or certificate may be field-issued if the compensation paid to the field issuer is not based on the number of policies or certificates issued. For the purposes of [this subsection](#), a "field-issued" policy means a policy or certificate issued by a producer or third-party administrator pursuant to the underwriting authority granted to the producer or third-party administrator by an insurer and using the insurer's underwriting guidelines.

5. An insurer that has paid benefits under a long-term care insurance policy or certificate shall not recover such benefit payments if the policy or certificate is rescinded.

6. The provisions of [this section](#) are applicable to life insurance policies or certificates that accelerate benefits for long-term care. However, if an insured dies, the remaining death benefits of a life insurance policy that accelerates benefits for long-term care are not governed by [this section](#) but by the provisions of [section 508.28](#). In all other situations, [this section](#) shall apply to life insurance policies that accelerate benefits for long-term care.

[2008 Acts, ch 1175, §7](#)