

508C.18A Notice to policyholders — summary of chapter and disclosure.

1. a. A member insurer shall not deliver a policy or contract in Iowa to the policy owner, contract owner, certificate holder, or enrollee unless a summary document describing the general purposes and current provisions of [this chapter](#) and containing a disclosure in compliance with [subsection 2](#) is delivered to the policy owner, contract owner, certificate holder, or enrollee at the same time.

b. The summary document shall also be available upon request by a policy owner, contract owner, certificate holder, or enrollee.

c. The distribution, delivery, contents, or interpretation of the summary document does not guarantee that either the policy or contract, or the policy owner, the contract owner, certificate holder, or enrollee, is covered in the event of the impairment or insolvency of a member insurer.

d. The summary document shall be revised by the association and approved by the commissioner as amendments to [this chapter](#) may require. Failure to receive a summary document does not give the insurance policy or contract owner, certificate holder, enrollee, or insured any greater rights than those stated in [this chapter](#).

2. The summary document prepared pursuant to [this section](#) shall contain a clear and conspicuous disclosure on its face. The commissioner shall establish the form and content of the disclosure which shall do all of the following:

a. State the name and address of the association and the Iowa insurance division.

b. Prominently warn the policy or contract owner, certificate holder, or enrollee that the association may not cover the policy or contract or, if coverage is available, it will be subject to substantial limitations and exclusions and conditioned on continued residence in this state.

c. State the types of insurance policies and contracts for which the association will provide coverage.

d. State that the member insurer and the member insurer's agents are prohibited by law from using the existence of the association for the purpose of sales, solicitation, or inducement to purchase any form of insurance or health maintenance organization coverage.

e. State that the policy owner, contract owner, certificate holder, or enrollee should not rely on coverage from the association when selecting an insurer or health maintenance organization.

f. Explain rights available and procedures for filing a complaint to allege a violation of any provisions of [this chapter](#).

g. Provide other information as directed by the commissioner, including but not limited to sources for information about the financial condition of a member insurer provided that the information is not proprietary and is subject to disclosure under [chapter 22](#).

3. A member insurer shall retain evidence of compliance with the provisions of [this section](#) for as long as the policy or contract for which the notice is given remains in effect.

[2011 Acts, ch 70, §23; 2019 Acts, ch 12, §31 – 33, 35, 36](#)

2019 amendments apply beginning March 29, 2019; 2019 Acts, ch 12, §35, 36

Subsection 1 amended

Subsection 2, paragraphs b, d, e, and g amended

Subsection 3 amended