

191—15.2(507B) Definitions.

“*Advertisement*” for the purpose of these rules means material designed to create public interest in insurance or an insurer, or to induce the public to purchase, increase, modify, reinstate or retain a policy including:

1. Printed and published material, audio and visual material, and descriptive literature of an insurer or producer used in direct mail, newspapers, magazines, radio scripts, TV scripts, billboards, computer online networks and similar displays and descriptive literature and sales aids of all kinds issued by an insurer or producer for presentation to members of the public.

2. However, for the purpose of these rules “advertisement” shall not include: communications or materials used within an insurer’s own organization and not intended for dissemination to the public; communications with policyholders other than material urging policyholders to purchase, increase, modify, reinstate, or retain a policy; and a general announcement from a group or blanket policyholder to eligible individuals on an employment or membership list that a policy or program has been written or arranged, provided the announcement clearly indicates that it is preliminary to the issuance of a booklet explaining the proposed coverage.

“*Aftermarket crash parts*” means replacement parts as defined in Iowa Code section 537B.4.

“*Certificate*” means a statement of the coverage and provisions of a policy of group accident and sickness insurance that has been delivered or issued for delivery in this state and includes riders, endorsements and enrollment forms, if attached.

“*Duplicate Medicare supplement insurance*” means the sale or the attempt to knowingly sell to an individual a policy of insurance designed to supplement Medicare benefits as provided in Title XVIII, Health Insurance for the Aged and Disabled, of the Social Security Amendments of 1965 as then constituted or later amended, when the individual is already insured under such a policy.

“*Duplication*” means policies of the same coverage type according to minimum standards classifications outlined in rule 191—36.6(514D) that overlap to the extent that a reasonable individual would not consider the ownership of the policies to be beneficial.

“*Exception*” for the purpose of these rules shall mean any provision in a policy whereby coverage for a specified hazard is entirely eliminated; it is a statement of a risk not assumed under the policy.

“*Illustrated scale*” means a scale of nonguaranteed elements currently being illustrated that is not more favorable to the policyholder than the lesser of the disciplined current scale or the currently payable scale as defined in rule 191—14.4(507B).

“*Institutional advertisement*” means an advertisement having as its sole purpose the promotion of the reader’s, viewer’s or listener’s interest in the concept of accident and sickness insurance, or the promotion of the insurer as a seller of accident and sickness insurance.

“*Insurer*” means any corporation, association, partnership, reciprocal exchange, interinsurer, Lloyd’s, fraternal benefit society, and any other legal entity engaged in the business of insurance.

“*Invitation to contract*” means an advertisement for accident and sickness insurance that is neither an invitation to inquire nor an institutional advertisement.

“*Invitation to inquire*” means an advertisement having as its objective the creation of a desire to inquire further about accident and sickness insurance and that is limited to a brief description of the loss for which benefits are payable. An invitation to inquire must not refer to cost but may contain the dollar amount of benefits payable and the period of time during which benefits are payable.

“*Limitation*” for the purpose of these rules means any provision that restricts coverage under the policy other than an exception or a reduction.

“*Limited benefit health coverage*” means the same as defined in 191—subrule 36.6(10).

“*Person*” means any individual, corporation, association, partnership, reciprocal exchange, interinsurer, fraternal benefit society, and any other legal entity engaged in the business of insurance, including insurance producers and adjusters. “Person” also means any corporation operating under the provisions of Iowa Code chapter 514 and any benevolent association as defined and operated under Iowa Code chapter 512A. For purposes of this chapter, corporations operating under the provisions of Iowa Code chapters 514 and 512A shall be deemed to be engaged in the business of insurance.

“Policy” includes any policy, plan, certificate, contract, agreement, statement of coverage, rider, or endorsement that provides for insurance benefits.

“Preneed funeral contract or prearrangement” means an agreement by or for an individual before the individual’s death relating to the purchase or provision of specific funeral or cemetery merchandise or services.

“Producer” means a person who solicits, negotiates, effects, procures, delivers, renews, continues or binds policies of insurance for risks residing, located or to be performed in this state.

“Prominently” or *“conspicuously”* means that the information to be disclosed will be presented in a manner that is noticeably set apart from other information or images in the advertisement.

“Reduction” for the purpose of these rules means any provision that reduces the amount of the benefit; a risk of loss is assumed but payment upon the occurrence of such loss is limited to some amount or period less than would be otherwise payable had such reduction not been used.

“Twisting” means any action by a producer or insurer to induce or attempt to induce any individual to lapse, forfeit, surrender, terminate, retain, assign, borrow, or convert a policy or an annuity in order that such individual procure another policy or annuity, when such action would operate to the overall detriment of the interests of the individual.

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