

WEST VIRGINIA INFORMATIONAL LETTER
INSURANCE COMMISSIONER

No. 8
July, 1974

INDIVIDUAL ACCIDENT AND SICKNESS MINIMUM STANDARDS
ACT – PRE-EXISTING CONDITIONS

As of June 5, 1974, the "West Virginia Individual Accident and Sickness Insurance Minimum Standards Act" became effective in West Virginia. Broadly stated, the principal purposes of the Act are to standardize and simplify the terms of individual accident and sickness policies, and Blue Cross/Blue Shield subscriber contracts, to eliminate policy provisions which may be misleading or confusing in order to enable the public to better understand and compare such policies, and to provide by Regulations for minimum benefit standards to be met by such policies.

The West Virginia Insurance Department is currently preparing comprehensive Regulations designed to carry out the purposes of the new minimum standards law, as to which all affected insurers will in due course receive appropriate advisory information.

In the interim, this Letter will advise you of a provision in the minimum standards law which must be complied with immediately. Chapter 33, Article 28, Section 7 of the West Virginia Code (1931, as amended), provides that -- ". . . if an insurer or a hospital, medical or dental service corporation elects to use a simplified application form containing no questions concerning the applicants health history or medical treatment history, the policy or contract applied for must cover any loss occurring after twelve months from the inception date of coverage which loss is traceable to a pre-existing condition not specifically excluded from coverage by the terms of the policy, and, except as so provided, the policy or contract shall not include wording which would permit a defense based upon pre-existing conditions."

Accordingly, it is the position of the West Virginia Insurance Department that:

- (1) Inasmuch as policy provisions such as the above described, when used in connection with the type of application form described, are declared by the Statute to be prohibited, all affected insurers are advised that the approval previously granted such forms is withdrawn effective immediately;
- (2) All insurers currently using forms not in conformity with Code 33-28-7 are directed to contact this department within forty-five (45) days from the date of this Letter, in writing, to indicate an understanding of the terms of this Letter and to identify noncomplying forms in order that they may be removed from this departments records.

Samuel H. Weese
Insurance Commissioner