

TITLE 41
INSURANCE

CHAPTER 30
IDAHO UNCLAIMED LIFE INSURANCE BENEFITS ACT

41-3001. DEFINITIONS. As used in this chapter:

(1) "Contract" means an annuity contract. The term "contract" shall not include an annuity used to fund an employment-based retirement plan or program where:

- (a) The insurer does not perform the recordkeeping services; or
- (b) The insurer is not committed by terms of the annuity contract to pay death benefits to the beneficiaries of specific plan participants.

(2) "Death master file" means the United States social security administration's death master file or any other database or service that is at least as comprehensive as the United States social security administration's death master file for determining that a person has reportedly died.

(3) "Death master file match" means a search of the death master file that results in a match of the social security number or the name and date of birth of an insured, annuity owner or retained asset account holder.

(4) "Knowledge of death" means:

- (a) Receipt of an original or valid copy of a certified death certificate; or
- (b) A death master file match validated by the insurer in accordance with section [41-3002](#), Idaho Code.

(5) "Policy" means any policy or certificate of life insurance that provides a death benefit. The term "policy" shall not include:

- (a) Any policy or certificate of life insurance that provides a death benefit under an employee benefit plan that is:
 - (i) Subject to the employee retirement income security act of 1974, 29 U.S.C. section 1002, as periodically amended; or
 - (ii) Under any federal employee benefit program;
- (b) Any policy or certificate of life insurance that is used to fund a preneed funeral contract or prearrangement;
- (c) Any policy or certificate of credit life or accidental death insurance; or
- (d) Any policy issued to a group master policyholder for which the insurer does not provide recordkeeping services.

(6) "Recordkeeping services" means those circumstances under which the insurer has agreed with a group policy or contract customer to be responsible for obtaining, maintaining and administering in its own or its agents' systems information about each individual insured under an insured's group insurance contract, or a line of coverage thereunder, at least the following information:

- (a) Social security number or name and date of birth;
- (b) Beneficiary designation information;
- (c) Coverage eligibility;
- (d) Benefit amount; and
- (e) Premium payment status.

(7) "Retained asset account" means any mechanism whereby the settlement of proceeds payable under a policy or contract is accomplished by the insurer or an entity acting on behalf of the insurer depositing the proceeds into an account with check or draft writing privileges, where those proceeds

are retained by the insurer or its agent, pursuant to a supplementary contract not involving annuity benefits other than death benefits.

[41-3001, added 2015, ch. 74, sec. 1, p. 194.]

41-3002. INSURER CONDUCT. (1) An insurer shall perform a comparison of its insureds' in-force policies, contracts and retained asset accounts against a death master file, on at least a semiannual basis, by using the full death master file once and thereafter using the death master file update files for future comparisons to identify potential matches of its insureds. For those potential matches identified as a result of death master file match, the insurer shall:

(a) Within ninety (90) days of a death master file match:

(i) Complete a good faith effort, which shall be documented by the insurer, to confirm the death of the insured, annuity owner or retained asset account holder against other available records and information;

(ii) Determine whether benefits are due in accordance with the applicable policy or contract; and

(iii) If benefits are due in accordance with the applicable policy or contract, use good faith efforts, which shall be documented by the insurer, to locate the beneficiary or beneficiaries and provide the appropriate claims forms or instructions to the beneficiary or beneficiaries to make a claim including the need to provide an official death certificate, if applicable under the policy or contract.

(b) With respect to group life insurance, insurers are required to confirm the possible death of an insured when the insurers maintain at least the following information of those covered under a policy or certificate:

(i) Social security number or name and date of birth;

(ii) Beneficiary designation information;

(iii) Coverage eligibility;

(iv) Benefit amount; and

(v) Premium payment status.

(c) Every insurer shall implement procedures to account for:

(i) Common nicknames, initials used in lieu of a first or middle name, use of a middle name, compound first and middle names and interchanged first and middle names;

(ii) Compound last names, maiden or married names and hyphens, and blank spaces or apostrophes in last names;

(iii) Transposition of the month and date portions of the date of birth; and

(iv) Incomplete social security number.

(d) To the extent permitted by law, the insurer may disclose minimum necessary personal information about the insured or beneficiary to a person who the insurer reasonably believes may be able to assist the insurer locate the beneficiary or a person otherwise entitled to payment of the claims proceeds.

(2) An insurer or its service provider shall not charge any beneficiary or other authorized representative for any fees or costs associated with a death master file search or verification of a death master file match conducted pursuant to this section.

(3) The benefits from a policy, contract, or retained asset account, plus any applicable accrued contractual interest, shall first be payable to the designated beneficiaries or owners and in the event such beneficiaries or owners cannot be found shall escheat to the state as unclaimed property pursuant to [chapter 5, title 14](#), Idaho Code. Interest payable under section [41-1337](#), Idaho Code, shall not be payable as unclaimed property under [chapter 5, title 14](#), Idaho Code.

(4) An insurer shall notify the unclaimed property administrator upon the expiration of the statutory time period for escheat that:

(a) A policy or contract beneficiary or retained asset account holder has not submitted a claim with the insurer; and

(b) The insurer has complied with subsection (1) (a) of this section and has been unable, after good faith efforts documented by the insurer, to contact the retained asset account holder, beneficiary or beneficiaries.

(5) Upon such notice, an insurer shall immediately submit the unclaimed policy or contract benefits or unclaimed retained asset accounts, plus any applicable accrued interest, to the unclaimed property administrator.

[41-3002, added 2015, ch. 74, sec. 1, p. 195; am. 2024, ch. 27, sec. 7, p. 218.]

41-3003. UNFAIR TRADE PRACTICE. Failure to meet any requirement of this act with such frequency as to constitute a general business practice is a violation of [chapter 13, title 41](#), Idaho Code. Nothing contained in this section shall be construed to create or imply a private cause of action for a violation of this section.

[41-3003, added 2015, ch. 74, sec. 1, p. 196.]