

The insurance policy document establishes comprehensive regulations and guidelines aimed at ensuring transparency, fairness, and ethical conduct within the insurance industry, particularly in Iowa. It outlines minimum standards to prevent unfair competition and deceptive practices, as mandated by Iowa Code chapter 507B. Key definitions are provided, including "advertisement," which refers to promotional materials intended for public interest in insurance products, while excluding internal communications. The document prohibits practices such as selling duplicate Medicare supplement insurance and mandates that advertisements must be truthful, clear, and complete, avoiding misleading claims about coverage limitations and benefits. Specific prohibitions include exaggerations in health insurance advertisements and misleading terms in life insurance and annuity policies. Advertisements must disclose waiting periods, conditions for benefits, and the insurer's identity, ensuring consumers are not misled about the nature of the products.

The document also specifies that advertisements cannot guarantee dividend payments and must clarify that illustrated dividends are not guaranteed. It requires clear disclosures regarding the relationship between gross and net premiums for deferred annuities and prohibits misleading representations of group membership benefits. Insurers must provide a buyer's guide and policy summary before delivering life insurance policies, and producers are required to disclose their identity and avoid high-pressure sales tactics. The policy includes a "free look" provision allowing policyholders to return their policy within ten days for a full refund.

Additionally, the document addresses uninsured/underinsured coverage, clarifying that it applies only to bodily injury and not vehicle damage, which requires collision coverage. It prohibits unfair discrimination based on sex, marital status, or other personal characteristics, ensuring equitable treatment in insurance practices. Insurers must maintain accurate records of complaints and advertisements, and the commissioner has the authority to enforce compliance through cease and desist orders and penalties for violations.

Claims processing procedures are detailed, requiring insurers to accept and either pay or deny clean claims within 30 days, with interest accruing for delays. Insurers must notify claimants of additional information needed and cannot audit claims beyond two years unless fraud is suspected. For property and casualty insurance, insurers must inform claimants of claim acceptance or denial within 30 days and provide detailed reasons for denials. The policy emphasizes timely communication and transparency in claims processing, including methods for loss calculation in automobile insurance claims.

Provisions regarding repairs stipulate that if repair costs exceed estimates, insurers must cover the difference or refer to a compliant repair shop. Insurers are responsible for ensuring repairs meet industry standards and must document all communications. The policy also outlines requirements for replacement cost coverage, including the use of certified aftermarket parts and the necessity for detailed itemization of depreciation deductions.

The document mandates clear disclosures for annuity contracts, including essential information about benefits, charges, and potential impacts of early surrender. Illustrations provided to consumers must be labeled accurately and not mislead regarding non-guaranteed elements. The policy emphasizes the importance of suitability in annuity transactions, requiring insurers to ensure recommendations align with consumers' financial needs.

Training requirements for insurance producers selling indexed products are specified, along with penalties for non-compliance. The document also addresses life insurance cost disclosures, including the necessity for clear policy summaries and the implications of HIV antibody testing for applicants, emphasizing confidentiality and the potential consequences of test results.

Overall, the insurance policy document establishes a framework for ethical advertising, fair claims processing, and consumer protection, ensuring that both insurers and producers adhere to strict

standards of conduct and transparency in their operations.