



BRIEFING SHEET ON DRAFT AMENDMENTS TO ADDRESS COLORADO STATUTORY CONFLICT WITH SUICIDE EXCLUSION PROVISIONS

Prepared by the Compact Office

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- The Governance Committee recommended to the Management Committee and Commission for their consideration draft amendments to address Colorado statutory conflict with suicide exclusion provisions.
- The Governance Committee took up this issue as one element of addressing the Amica case on behalf of the Colorado Division of Insurance and the other Compacting States. With the finalization of Position Statement 1-2022 concluding that Congress consented to the Compact in 2006, the Governance Committee turned back to this direct conflict between state statute and Uniform Standards. This recommendation serves to acknowledge the different maximum suicide exclusion period in two Compacting States and one non-Compacting State, including one state with a binding supreme court ruling.
- In 2021, the Governance Committee referred to the Product Standards Committee (PSC) specific conflicts between Colorado statute and the Uniform Standards. With the PSC's feedback, at this time the Governance Committee is recommending amendments to certain Uniform Standards to maintain a maximum suicide exclusion period of up to two years and to include an exception for a shorter maximum suicide exclusion period—up to one year—where required by state law. The Governance Committee recommends deferring any other discussion with respect to state-specific conflicts until the Compact puts a more deliberative process in place. This recommendation addresses the specific statutory conflict at issue in the *Amica* case.
- After public comment, the Product Standards Committee delivered its recommendation last Fall with respect to proposed changes to two areas in life Uniform Standards where the suicide exclusion period is referenced.
- The proposed amendment would prospectively recognize this state exception by continuing to keep the standard two-year suicide exclusion period unless the state, where the policy is delivered or issued for delivery, has a lesser period which would then apply.
- With the adoption of the Position Statement, the Governance Committee has expressed its intention to work on procedures and processes that gives states more flexibility to step out of or request amendments to Uniform Standards for conflicts that have political or legal ramifications for the state. For this reason, the Governance Committee recommended moving forward with the suicide exclusion recommendation at this time as there is a member state, Colorado, with a binding court opinion and two other states where addressing this conflict would be meaningful.
- The amendments were exposed for a 90-day written comment period with an updated due date of Friday, December 2nd.

- This is a substantive change that alters the meaning of the relevant provisions within the impacted Uniform Standards and will apply to all new product forms filed for approval under the impacted Uniform Standards with the Compact after the effective date of the amendment. In addition, because the amendment changes the existing Uniform Standards, filers must update existing forms currently approved under the impacted Uniform Standards to incorporate the amendment. Products issued on forms previously approved by the Compact must incorporate the amendment as of the secondary effective date. The Compact Office will provide guidance to filers for updating their previously-approved products to comply with these amendments for new sales of previously approved product forms.