

Please accept this email in response to the request for comments for the 5 year review of Individual Disability Income products. The Idaho Department of Insurance did not review the previous standards that were adopted in 2012. However, we would like to submit recommendations regarding two of the current standards.

**Comment 1: IIPRC-DI-I-H11-POL, B. Definitions and Concepts: (21) Preexisting Conditions**

The current standard states the following: 1) a condition for which symptoms existed that would cause an ordinarily prudent person to seek diagnosis, care or treatment within a one-year period preceding the effective date of the coverage of the insured, and 2) for which medical advice or treatment was recommended by a Physician or received from a Physician within a two-year period preceding the effective date of the coverage of the insured.

The Rule for Individual Minimum Standards which includes Disability Income in Idaho states a pre-existing condition cannot be more restrictive than: A condition that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care or treatment during the six (6) months immediately preceding the effective date of coverage; and shall not deny, exclude or limit benefits for a covered individual for covered expenses incurred more than twelve (12) months following the effective date of the individual's coverage due to a preexisting condition.

The COMPACT standard does not have a stop date as to when a preexisting condition can be excluded. The timeframe prior to the effective date is broader than allowed in Idaho, therefore not in the benefit of the consumer.

We recommend the committee modify the definition of preexisting conditions to be consistent with Idaho Rules (IDAPA 18.01.30.004.10) as follows:

“Preexisting Condition” means a condition for which symptoms existed that would cause an ordinarily prudent person to seek diagnosis, care or treatment within a six-month period preceding the effective date of the coverage of the insured. The policy shall not deny, exclude or limit the coverage of the insured due to any preexisting condition not excluded by name or specific description after twelve months following the effective date of the coverage of the insured. The term “coverage [...] increases.

**Comment 2: IIPRC-DI-I-H11-POL, F. PERMISSIBLE LIMITATIONS OR EXCLUSIONS: (8) Insurance with Other Companies**

Even though there is wording that states “(c) The use of the term “coordination of benefits” shall not be acceptable in describing this provision,” it basically is a coordination of benefit provision. Per IDAPA 18.01.74, Coordination of Benefits, since an individual disability income policy does not meet the definition of “plan” these policies would pay regardless of any similar insurance with other companies.

Idaho recommends the standard be revised to state that no benefits would be offset or return of premium paid if there is any “other valid coverage” as defined in the standard 3.F.(8)(b), and the carrier would pay the full benefits offered within the contract.