

PROPOSED RULES

**NORTH DAKOTA ADMINISTRATIVE CODE
ARTICLE 45-11
LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION**

Chapter
45-11-01 Notice to Policy Owners

**CHAPTER 45-11-01
NOTICE TO POLICY OWNERS**

Section
45-11-01-01 Required Notice to Policy Owners

45-11-01-01. Required notice to policy owners. A document that describes the general purposes and current limitations of the North Dakota life and health insurance guaranty association as required by subsections 2 and 3 of section 26.1-38.1-16 of the North Dakota Century Code must be in the form and contain the language printed in the notice shown in exhibit A.

History: Effective September 1, 1990; amended effective January 1, 2000; 2012 .

General Authority: NDCC 26.1-38.1-16

Law Implemented: NDCC 26.1-38.1-16

Replace Exhibit A – Notice Concerning Coverage, Limitations and Exclusions Under the North Dakota Life and Health Insurance Guaranty Association Act with the following page (Notice of Protection Provided by the North Dakota Life and Health Insurance Guaranty Association):

**NOTICE OF PROTECTION PROVIDED BY THE
NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION**

This notice provides a **brief summary** of the North Dakota Life and Health Insurance Guaranty Association (“the Association”) and the protection it provides for policyholders. This safety net was created under North Dakota law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with North Dakota law, with funding from assessments paid by other insurance companies.

The protections provided by the Association are based on contract obligations up to the following amounts:

- Life Insurance
 - \$300,000 in death benefits
 - \$100,000 in cash surrender or withdrawal values
- Health Insurance
 - \$500,000 in hospital, medical and surgical insurance benefits
 - \$300,000 in disability income insurance benefits
 - \$300,000 in long-term care insurance benefits
 - \$100,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in withdrawal and cash values

The maximum amount of protection for each individual, regardless of type of coverage is \$300,000; however, may be up to \$500,000 with regard to hospital, medical and surgical insurance benefits.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. If coverage is available, it will be subject to substantial limitations. There are also various residency requirements and other limitations under North Dakota law. To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association’s website at www.ndlifega.org or contact:

North Dakota Life and Health Insurance
Guaranty Association
P.O. Box 2422
Fargo, North Dakota 58108

North Dakota Insurance Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege a violation of any provision of the Life and Health Insurance Guaranty Association Act must be filed with the North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, North Dakota 58505; telephone (701) 328-2440. Financial information for an insurance company, if the information is not proprietary, is available at the same address and telephone number and on the Insurance Department website at www.nd.gov/ndins.

Insurance companies and agents are not allowed by North Dakota law to use the existence of the Association or its coverage to sell, solicit or induce you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and North Dakota law, then North Dakota law will control.