

# Viatical Provider Form Review Checklist

Date Received _____
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Provider Name \_\_\_\_\_ Telephone: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Contact Email: \_\_\_\_\_

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Are there any regulations in document?	Yes	No
Do changes meet regulation guidelines?	Yes	No
Are there any items in question?	Yes	No

**Comments:**  
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Admission Coordinator Date

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**IC 27-8-19.8-23 (b) Information to insured**

A viatical settlement provider or viatical settlement broker shall disclose the following information to the viator not later than the date of application:

- \_\_\_\_\_ (1) Possible alternatives to viatical settlement contracts, including accelerated benefits offered by the issuer of the life insurance policy.
- \_\_\_\_\_ (2) Tax consequences that may result from entering into a viatical settlement contract.
- \_\_\_\_\_ (3) Possible interruption of assistance provided by medical or public assistance programs as a consequence of entering into a viatical settlement contract.
- \_\_\_\_\_ (4) The viator’s right to rescind a viatical settlement contract within rescission period
- \_\_\_\_\_ (5) The amount of any fees paid by a viatical provider to a broker.
- \_\_\_\_\_ (6) A statement that proceeds of the viatical settlement could be subject to claims of creditors.
- \_\_\_\_\_ (7) A statement that a contract may cause other rights or benefits under the policy, including conversion rights, waiver of premium benefits, family riders, or coverage of a life other than an ill individual, to be forfeited by the viator.
- \_\_\_\_\_ (8) Procedures for method of contact. (ex US Mail)
- \_\_\_\_\_ (9) That the proceeds of the viatical settlement will be transferred to the viator within two (2) business days after the viatical settlement provider’s receipt.
- \_\_\_\_\_ (10) A statement containing the following language:“All medical, financial, or personal information solicited or obtained by a viatical settlement provider or viatical settlement broker about an insured, including the insured’s identity or the identity of family members, a spouse, or a significant other may be disclosed as necessary to effect the viatical settlement between the viator and the viatical settlement provider. If you are asked to provide this information, you will be asked to consent to the disclosure. The information may be provided to someone who buys the policy or provides funds for the purchase. You may be asked to renew your permission to share information every two years.”
- \_\_\_\_\_ (11) That the insured may be contacted by the viatical settlement provider or viatical settlement broker to determine the health status of the insured one time every three months for an insured with a life expectancy of more than one year or one time every month for an insured with a life expectancy of not more than one year. Contacts made with an insured must be made by mail unless the parties agree to another method of contact.

**IC 27-8-19.8-23 (c) General information**

The viatical settlement provider shall disclose the following information to the viator, conspicuously displayed in the viatical settlement contract or in a separate document signed by the viatical settlement provider and the viator, before a viatical settlement contract is signed:

- \_\_\_\_\_ (1) Any affiliation between the viatical settlement provider and the insurer that issued the life insurance policy or certificate that is the subject of the viatical settlement provider.
- \_\_\_\_\_ (2) The name, address, and telephone number of the viatical settlement provider.
- \_\_\_\_\_ (3) If the life insurance policy or certificate that is the subject of the viatical settlement contract was issued as a joint policy or includes family riders or any coverage of the other individuals other than the insured:
  - (A) the possible loss of coverage of the other individuals under the policy or certificate; and

- (B) that the viator should consult with the viator's insurance producer or the insurer that issued the policy or certificate for advice concerning the proposed viatical settlement contract

#### **IC 27-8-19.8-23 (c) General information (cont)**

- \_\_\_\_\_ (4) The: (A) dollar amount of the current death benefit payable to the viatical settlement provider; and  
(B) if known, the:  
(i) availability of any additional guaranteed insurance benefits;  
(ii) dollar amount of any accidental death and dismemberment benefits; and  
(iii) viatical settlement provider's interest in the benefits described in items (i) and (ii); under the policy or certificate.
- \_\_\_\_\_ (5) The: (A) name, business address, and telephone number of the trustee or escrow agent  
(B) right of the viator or insured to inspect or receive copies of the relevant escrow or trust agreements or documents.

#### **IC 27-8-19.8-23 (e) Transfer of Ownership**

- \_\_\_\_\_ If a viatical settlement provider transfers ownership or changes the beneficiary of a viaticated policy, the viatical settlement provider shall, not more than twenty (20) days after the transfer or change occurs, inform the insured of the transfer or change.

#### **IC 27-8-19.8-24.2 Escrow Accounts**

- \_\_\_\_\_ (a) Immediately upon a viatical settlement provider's receipt of a signed viatical settlement contract, the viatical settlement provider shall pay the proceeds of the viatical settlement to a trust or escrow account in a state or federally chartered financial institution whose deposits are insured by the Federal Deposit Insurance Corporation. The account shall be managed by a trustee or escrow agent independent of the parties to the contract.
- \_\_\_\_\_ (b) Within two (2) business days after the viatical settlement provider's receipt of the insurer's or group administrator's acknowledgement that the ownership of the policy or interest in the certificate has been transferred and the beneficiary has been designated according to the viatical settlement contract, the trustee or escrow agent shall transfer the proceeds to the viator. (also see IC 27-8-19.8-23(c) #5)

#### **760 IAC 1-61-7 (3) Disclosure forms (Rights & Benefits)**

- \_\_\_\_\_ The disclosure shall specifically address at least the following rights and benefits if available under the insurance policy.
- a) Guaranteed insurability options
  - b) Accidental death or accidental death and dismemberment benefits
  - c) Disability income or loss of income protection
  - d) Conversion rights
  - e) Waiver of premium benefits
  - f) Family, spousal, or children's riders or benefits, and any other comparable coverage for a life other than the insured's.

#### **760 IAC 1-61-7 (4) Disclosure forms (Health status)**

- \_\_\_\_\_ The disclosure form shall set forth the procedures for contact with the insured in compliance with IC 27-8-19.8-24.9. The disclosure form shall contain a statement that contacts for the purposes of determining the health status of the insured must be made by mail unless the parties agree to another method. If the insured agrees to contact by a method other than mail, the alternative method or methods of contact must be included in the contract.

#### **760 IAC 1-61-7 (5) Disclosure forms (Personal information)**

- \_\_\_\_\_ The disclosure form shall contain the following or substantially similar language "All medical, financial, and personal information solicited or obtained by a viatical settlement agent, broker, or provider about a viator and an insured, including the identity of the viator and insured and the identity of their family members or significant other, is confidential. The information shall not be disclosed to any person unless disclosure is:  
(A) Necessary and the viator and insured have provided written consent to the disclosure  
(B) Provided in response to an investigation or examination by the commissioner or other governmental officer or agency.  
(C) In connection with a transfer of the contract or policy to another licensed provider or entity that provides financing to the contract under a written agreement with the provider."

#### **760 IAC 1-61-7 (6) Disclosure forms (Financial protection)**

- \_\_\_\_\_ The disclosure form shall contain the following or substantially similar language: "Your insurance policy provides financial protection to your beneficiaries. If you sell your policy to a viatical settlement provider, your beneficiaries will no longer have that protection. Before you sell your policy, you should consider whether that protection is needed. Other financial options may be available to you. Consult your financial advisor or insurance company for more information.

#### **760 IAC 1-61-7 (7) Disclosure forms (Record retention)**

- \_\_\_\_\_ The viatical settlement provider must keep a copy of each disclosure statement used in connection with each executed viatical settlement contract. The provider must retain any disclosure statements and signed affidavits for at least five (5) years after the death of the insured.

#### **760 IAC I-61-10 (f) Advertising**

- \_\_\_\_\_ (1) Advertising related to the viatical settlement shall be truthful and not misleading by fact or implication.  
(2) If the advertiser emphasizes the speed with which the viatication will occur, the advertising must disclose the average time frame from completed application to the date of offer and from acceptance of the offer to receipt of the funds by the viator.  
(3) If the advertising emphasizes the dollar amounts available to viators, the advertising shall disclose the average purchase price as a percent of face value obtained by viators contracting with the advertiser during the previous six (6) months.