

October 19, 1966

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 20 (1966)

TO INSURERS LICENSED TO WRITE LIFE OR ACCIDENT AND HEALTH INSURANCE IN NEW YORK STATE:

Transmitted herewith are revised pages 16 through 18, 20, 23 through 25, 27 through 29, which are to be substituted for pages bearing such numbers previously transmitted by Circular Letters 1 and 4 (1965).

In brief, the major revisions consist of a redefinition of "wholesale life insurance" and "franchise accident, health or accident and health insurance" by adding thereto the factor "distributed on a mass merchandising basis and administered by group methods", and by deleting the reference to a consequential reduction of premium and removing the mandatory requirement of continuance of employment, membership or supplier participation; participation requirements for governmental employees under a plan whereby the employee pays all of the premium; (with respect to franchise insurance,) permission to terminate or non-renew where eligibility for Medicare exists, elimination of the right of conversion in certain cases and substitution therefor of the requirement, if the reason is priorly approved by the Superintendent, of a thirty day notice to the Superintendent of intention to terminate for such reason, the termination to become effective at the expiration of such period, unless the Superintendent objects.

Very truly yours,

[SIGNATURE]

Henry Root Stern, Jr.

Superintendent of Insurance

Encs.