

September 24, 1992

SUBJECT: INSURANCE

Circular Letter No. 16 (1992)

September 24, 1992

TO: ALL LICENSED INSURERS IN NEW YORK STATE

RE: APPROPRIATE DATING OF DOCUMENTS SENT TO POLICYHOLDERS

Insurers from time to time transmit to policyholders correspondence, endorsements and many other kinds of documents, including crucial notices dealing with claims, premium billing, and policy termination or modification. Typically, these important documents bear or contain dates making it clear exactly how and precisely when they take effect and their application, if any, to other policyholder documents, including the underlying insurance policy itself. Occasionally, insurers may send certain documents (such as stuffers) that are not dated and, by their nature, ought not be dated.

Of course, insurers usually do date time-sensitive documents. However, concern has been expressed by legislators and consumer groups about insurance-related documents which are sometimes sent in a manner that seems ambiguous and thus leave consumers guessing as to intended application and contemplated time dimensions.

When sending documents to policyholders, insurers should take care to eliminate confusion concerning pertinent time frames and effective dates -- whether on the document itself, via sticker or stamp, or by explanatory cover letter. Given the wide diversity among different kinds of insurance and the broad range of varying types of documents, no uniform legend or universal treatment is possible. Are documents correctly and conspicuously dated? Does a particular document (e.g., a new endorsement) transmitted after the policy has gone into effect attach as of receipt or some other point in time, or is it meant to relate back to policy inception or renewal? In the relatively exceptional case of any undated document, is it both plain and proper that its duration will be indefinite? With these questions asked and answered before submission to the Department or distribution to policyholders, problems can be minimized.

Very truly yours,

[SIGNATURE]

SALVATORE R. CURIALE

SUPERINTENDENT OF INSURANCE