

§7058. Sales practices

1. Trade practices and frauds applicability. All persons offering travel insurance to residents of this State are subject to chapter 23, except as otherwise provided in this section. In the event of a conflict between this chapter and other provisions of this Title regarding the sale and marketing of travel insurance and travel protection plans, the provisions of this chapter control.

[PL 2021, c. 354, §15 (NEW).]

2. Deceptive travel insurance. Offering or selling a travel insurance policy that could never result in payment of any claims for any insured under the policy is an unfair trade practice under chapter 23.

[PL 2021, c. 354, §15 (NEW).]

3. Marketing. All persons offering travel insurance to residents of this State shall comply with the marketing requirements in this subsection.

A. All documents provided to consumers prior to the purchase of travel insurance, including but not limited to policy summaries, sales materials, advertising materials and marketing materials, must be consistent with the travel insurance policy, including but not limited to forms, endorsements, policies, rate filings and certificates of insurance. [PL 2021, c. 354, §15 (NEW).]

B. For travel insurance policies or certificates that contain preexisting condition exclusions, information and a reasonable opportunity to learn more about the preexisting condition exclusions must be provided prior to the time of purchase and in the fulfillment materials under section 7057, subsection 2. [PL 2021, c. 354, §15 (NEW).]

C. The fulfillment materials under section 7057, subsection 2 and the information described in section 7054, subsection 1, paragraphs A, D and E must be provided to a primary policyholder or primary certificate holder as soon as practicable following the purchase of a travel protection plan. Unless the insured has either started a covered trip or filed a claim under the travel insurance coverage, a primary policyholder or primary certificate holder may cancel a policy or certificate for a full refund of the travel protection plan price from the date of purchase of a travel protection plan until at least:

(1) Fifteen days following the date of delivery of the travel protection plan's fulfillment materials by mail; or

(2) Ten days following the date of delivery of the travel protection plan's fulfillment materials by means other than mail.

For the purposes of this paragraph, "delivery" means handing fulfillment materials to the primary policyholder or primary certificate holder or sending fulfillment materials by mail or electronic means to the primary policyholder or primary certificate holder. [PL 2021, c. 354, §15 (NEW).]

D. The insurer shall disclose in the policy documentation and fulfillment materials whether the travel insurance is primary or secondary to other applicable coverage. [PL 2021, c. 354, §15 (NEW).]

E. When travel insurance is marketed directly to a consumer through an insurer's website or by others through an aggregator site, it is not an unfair trade practice or other violation of law for an accurate summary or short description of coverage to be provided on the website or through an aggregator site, so long as the consumer has access to the full provisions of the policy through electronic means. [PL 2021, c. 354, §15 (NEW).]

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4. Opt-out format. A person offering, soliciting or negotiating travel insurance or travel protection plans on an individual or group basis may not do so by using a negative option or opt-out format that requires a consumer to take an affirmative action to deselect coverage, such as unchecking a box on an electronic form, when the consumer purchases a trip.

[PL 2021, c. 354, §15 (NEW).]

5. Blanket travel insurance. It is an unfair trade practice to market blanket travel insurance coverage as free.

[PL 2021, c. 354, §15 (NEW).]

6. Jurisdiction dictating coverage. When a consumer's destination jurisdiction requires insurance coverage, it is not an unfair trade practice to require that a consumer choose between the following options as a condition of purchasing a trip or travel package:

A. Purchasing the coverage required by the destination jurisdiction through the travel retailer or supervising travel insurance producer supplying the trip or travel package; or [PL 2021, c. 354, §15 (NEW).]

B. Agreeing to obtain and provide proof of coverage that meets the destination jurisdiction's requirements prior to departure. [PL 2021, c. 354, §15 (NEW).]

[PL 2021, c. 354, §15 (NEW).]

SECTION HISTORY

PL 2021, c. 354, §15 (NEW).

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