

INSURANCE COMPANY LAW OF 1921, THE - AMEND

Act of Apr. 3, 1992, P.L. 44, No. 13

Cl. 40

Session of 1992

No. 1992-13

SB 969

AN ACT

Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," further providing for insurable interests; and providing for health insurance claim forms.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 412 of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, amended July 19, 1951 (P.L.1100, No.245), is amended to read:

Section 412. Application for Insurance; Insurable Interest.--No policy of life insurance shall be delivered in this Commonwealth except upon the application of the person insured. A person liable for the support of a child may take out a policy of insurance on such child; and persons, copartnerships, associations, and corporations may insure the lives and health of officers, directors, principals, partners, and employes, without the signing of a personal application as hereinbefore required. Any person may insure his own life for the benefit of any person, copartnership, association, or corporation, but no person shall cause to be insured the life of another, unless the beneficiary named in such policy or agreement of life insurance, whether himself or a third person, has an insurable interest in the life of the insured. If a policy of life insurance has been issued in conformity with this section, no transfer of such policy or any interest thereunder shall be invalid by reason of a lack of insurable interest of the transferee in the life of the insured or the payment of premiums thereafter by the transferee. The term "insurable interest" is defined as meaning, in the case of persons related by blood or law, an interest engendered by love and affection, and, in the case of other persons, a lawful economic interest in having the life of the insured continue, as distinguished from an interest which would arise only by the death of the insured. **A charitable organization that meets the requirements of section 501(c) (3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501 (c) (3)), as amended, may own or purchase life insurance on an insured who consents to the ownership or purchase of that insurance.**

Section 2. Section 618(A) (6) of the act, added May 25, 1951 (P.L.417, No.99), is amended to read:

Section 618. Policy Provisions.--(A) Required Provisions. Except as provided in paragraph (C) of this section, each such policy delivered or issued for delivery to any person in this Commonwealth shall contain the provisions specified in this subsection in the

words in which the same appear in this section: Provided, however, That the insurer may, at its option, substitute for one or more of such provisions corresponding provisions of different wording approved by the commissioner which are in each instance not less favorable in any respect to the insured or the beneficiary. Such provisions shall be preceded individually by the caption appearing in this subsection or, at the option of the insurer, by such appropriate individual or group captions or sub-captions as the commissioner may approve.

* * *

(6) A provision as follows:

Claim Forms: The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within fifteen days after the giving of such notice, the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made. **The claim form to be used under this clause is the Health Care Financing Administration Form-1500. The provision for Health Care Financing Administration Form-1500 shall not apply to medical payments made by the Federal Government.**

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Section 3. This act shall take effect as follows:

(1) The amendment of section 618(A)(6) of the act shall take effect in 60 days.

(2) The remainder of this act shall take effect immediately.

APPROVED--The 3th day of April, A. D. 1992.

ROBERT P. CASEY