

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill No. 698, Page 1, Section A, Line 5, by inserting immediately after all of said section and
3 line the following:
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5 "376.2050. Sections 376.2050 to 376.2053 shall be known and may be cited as the
6 "Unclaimed Life Insurance Benefits Act".

7 376.2051. As used in sections 376.2050 to 376.2053, the following terms mean:

8 (1) "Asymmetric conduct", an insurer's use of the Death Master File prior to January 1,
9 2018 in connection with searching for information regarding whether annuitants under the insurer's
10 contracts might be deceased, but not in connection with whether the insureds or account owners
11 under its policies or retained asset accounts might be deceased;

12 (2) "Contract", an annuity contract. The term "contract" shall not include an annuity used to
13 fund an employment-based retirement plan or program in which the insurer does not perform the
14 record-keeping services or the insurer is not committed by terms of the annuity contract to pay death
15 benefits to the beneficiaries of specific plan participants;

16 (3) "Death Master File", the United States Social Security Administration's Death Master
17 File or any other database or service that is at least as comprehensive as the United States Social
18 Security Administration's Death Master File for determining that a person has reportedly died;

19 (4) "Death Master File match", a search of the Death Master File that results in a match of
20 the Social Security number or the name and date of birth of an insured, annuitant, or retained asset
21 account holder;

22 (5) "Policy", any policy or certificate of life insurance that provides a death benefit. The
23 term "policy" shall not include:

24 (a) Any policy or certificate of life insurance that provides a death benefit under:

25 a. An employee benefit plan, subject to the Employee Retirement Income Security Act of
26 1974, as defined by 29 U.S.C. Section 1002(3), as periodically amended; or

27 b. Any federal employee benefit program;

28 (b) Any policy or certificate of life insurance that is used to fund a preneed funeral contract
29 or arrangement;

30 (c) Any policy or certificate of credit life or accidental death insurance; or

31 (d) Any policy issued to a group master policyholder for which the insurer does not provide
32 record-keeping services;

33 (6) "Record-keeping services", those circumstances under which the insurer has agreed with
34 a group policy or contract customer to be responsible for obtaining, maintaining, and administering
35 in its own or its agents' systems at least the following information about each individual insured
36 under an insured's group insurance contract, or a line of coverage thereunder:

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1 (a) Social Security number or name and date of birth;
2 (b) Beneficiary designation information;
3 (c) Coverage eligibility;
4 (d) Benefit amount; and
5 (e) Premium payment status;
6 (7) "Retained asset account", any mechanism whereby the settlement of proceeds payable
7 under a policy or contract is accomplished by the insurer or an entity acting on behalf of the insurer
8 depositing the proceeds into an account with check or draft writing privileges, where those proceeds
9 are retained by the insurer or its agent, under a supplementary contract not involving annuity
10 benefits other than death benefits.

11 376.2052. 1. An insurer shall perform a comparison of its in-force life insurance policies,
12 contracts, and retained asset accounts against a Death Master File on at least a semiannual basis by
13 using the full Death Master File one time and thereafter using the Death Master File update files for
14 future comparisons to identify potential matches. Nothing in this section shall limit an insurer from
15 requesting a valid death certificate as part of any claims validation process. For those potential
16 matches identified as a result of a Death Master File match, the insurer shall, within ninety days of a
17 Death Master File match:

18 (1) Complete a good-faith effort, which shall be documented by the insurer, to confirm the
19 death of the insured, annuitant, or retained asset account holder against other available records and
20 information; and

21 (2) Use good-faith efforts to determine whether benefits are due in accordance with the
22 applicable policy or contract and, if benefits are due in accordance with the applicable policy or
23 contract:

24 (a) Use good-faith efforts, which shall be documented by the insurer, to locate the
25 beneficiary or beneficiaries; and

26 (b) Provide the appropriate claims forms or instructions to each beneficiary or beneficiaries
27 to make a claim, including the need to provide an official death certificate if applicable under the
28 policy or contract.

29 2. To the extent that an insurer's records of its in-force policies, contracts, and account
30 owners are available electronically, an insurer shall perform the comparison required by subsection
31 1 of this section using such electronic records. To the extent that an insurer's records of its in-force
32 policies, contracts, and account owners are not available electronically, an insurer shall perform the
33 comparison required by subsection 1 of this section using the records most easily accessible by the
34 insurer.

35 3. In the event an insurer is unable to confirm the death of a person following a Death
36 Master File match and completion of the good-faith efforts described in subsection 1 of this section,
37 an insurer may consider such policy, contract, or retired asset account to be in force according to its
38 terms.

39 4. With respect to group life insurance, the insurer is required to confirm the possible death
40 of an insured or certificate holder only if the insurer has agreed to provide record-keeping services.

41 5. To the extent permitted by law, the insurer may disclose the minimum necessary personal
42 information about the insured or beneficiary to a person whom the insurer reasonably believes may
43 be able to assist the insurer to locate the beneficiary or a person otherwise entitled to payment of the
44 claims proceeds.

45 6. An insurer or its service provider shall not charge any beneficiary or other authorized
46 representative for any fees or costs associated with a Death Master File search or verification of a
47 Death Master File match conducted in accordance with this section.

48 7. The benefits from a policy, contract, or retained asset account, plus any applicable

1 accrued contractual interest, shall first be payable to the designated beneficiaries or owners, or in the
2 event such beneficiaries or owners cannot be found shall escheat to the state as unclaimed property
3 under section 447.510.

4 8. The director may promulgate rules and regulations as may be reasonably necessary to
5 implement the provisions of sections 376.2050 to 376.2053. Any rule or portion of a rule, as that
6 term is defined in section 536.010, that is created under the authority delegated in this section shall
7 become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
8 applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the
9 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
10 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
11 rulemaking authority and any rule proposed or adopted after August 28, 2016, shall be invalid and
12 void.

13 9. The failure to meet any requirements of sections 376.2050 to 376.2053 with such
14 frequency as to constitute a general business practice shall constitute an unfair trade practice under
15 the provisions of sections 375.930 to 375.948. Nothing in sections 376.2050 to 376.2053 shall be
16 construed to create or imply a private cause of action for a violation of sections 376.2050 to
17 376.2053.

18 10. Nothing in sections 376.2050 to 376.2053 limits an insurer from requiring compliance
19 with the terms and conditions of the policy or contract relative to filing and payment of claims.

20 11. The director may exempt an insurer from the comparison required by subsection 1 of
21 this section if the insurer demonstrates to the director's satisfaction that compliance would result in
22 undue hardship to the insurer.

23 376.2053. An insurer that has not engaged in any asymmetric conduct prior to January 1,
24 2018, shall not be required to comply with the requirements of sections 376.2050 to 376.2053 with
25 respect to any policies, contracts, or retained asset accounts that are issued and delivered in this state
26 and that are issued or entered into prior to January 1, 2018; provided, however, that an insurer,
27 regardless of whether it has engaged in asymmetric conduct, shall comply with the requirements of
28 sections 376.2050 to 376.2053 for all policies, annuities, or retained asset accounts that are issued
29 and delivered in this state and that are issued or entered into on or after January 1, 2018."; and
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31 Further amend said bill by amending the title, enacting clause, and intersectional references
32 accordingly.