

LAW OFFICE
WILLIAM G. SCHIFFBAUER
CHARTERED
1300 PENNSYLVANIA AVENUE, N.W.
SUITE 700
WASHINGTON, D.C. 20004

(202) 204-3030
FAX (202) 789-7349
wgslaw@erols.com

May 27, 2022

[REDACTED]

Senior Health & Life Policy Counsel
National Association of Insurance Commissioners
444 North Capitol Street, NW – Suite 700

[REDACTED]

Bill

NAIC Model 171 - Comments on
Proposed Definition of Hospital Indemnity or Other Fixed Indemnity

1. The phrase "provides a benefit", for hospital confinement. Could be read as permitting only one benefit. the phrase "provides benefits" per the Model Act. two separate

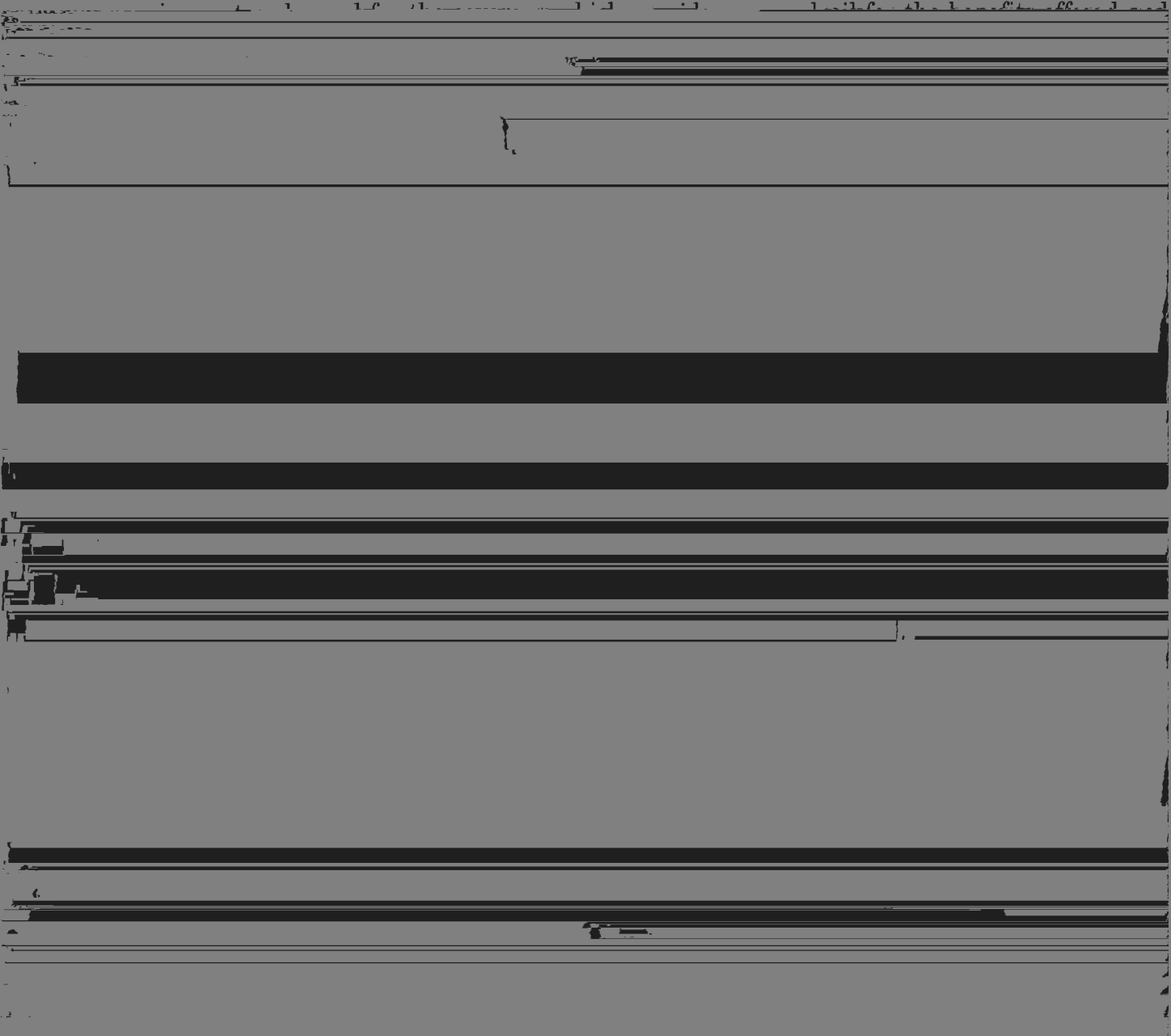
provisions for defining "hospital indemnity coverage" and "other fixed indemnity coverage" to clarify that

"other fixed indemnity coverage" may be offered without a hospital confinement benefit.

2. The phrase "or another health-related event". Could be read as permitting only one other benefit

that is not the "health-related" phrase as fixed indemnity coverage provides benefits that are triggered by a

2. The phrase "not less than \$[X] per day". The minimum daily benefit amount based on criteria (what is the basis of the amount - it is arbitrary). not including a per day minimum amount. This provision has been in the Model Regulation since 1975 when it was \$30 per day. This is more of a "descriptive" provision rather than a "proscriptive" provision. using this as a "for example" in the drafting note rather than as a benefit standard. Competition and innovation in marketplace determines the daily benefits offered. State insurance departments review the contracts and



PROPOSED AMENDED FIXED INDEMNITY LANGUAGE

B. Hospital Indemnity or Other Fixed Indemnity Coverage

(1) In General. "Hospital indemnity or other fixed indemnity coverage" provides benefits for specified events based on a fixed dollar amount, regardless of the amount of expenses incurred, and without coordination with any other health coverage.

(2) Hospital Indemnity Coverage. "Hospital indemnity coverage" may provide a single lump sum

