

## PROHIBITION ON THE USE OF DISCRETIONARY CLAUSES MODEL ACT

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### **Section 1. Short Title**

This Act shall be known and may be cited as the Discretionary Clause Prohibition Act.

**Drafting Note:** In some states existing statutes may provide the commissioner with sufficient authority to promulgate the provisions of this Act as a regulation or bulletin. States should review existing authority and determine whether to adopt this model as an act or adapt it to promulgate as a regulation or bulletin.

### **Section 2. Purpose and Intent**

The purpose of this Act is to assure that health insurance benefits and disability income protection coverage are

## Prohibition of the Use of Discretionary Clauses