

STATE OF VERMONT
INSURANCE DIVISION

TRAVEL INSURANCE CERTIFICATION CHECKLIST

Policy Provision	REFERENCE	COMMENTS
Alcohol/Drugs	Department requirement	Acts committed under the influence of alcohol or drugs may not be excluded in Vermont.
All benefits are primary	Title 8 § 3542	Vermont requires that travel insurance coverage is written on a primary basis. We will not approve any benefits offered where the carrier requires that coverage is excess to other policies offering coverage for similar exposures. People are purchasing this coverage with the expectation that they will be compensated for covered losses during their travels through these products.
Autopsy	Department Requirement	The Department cannot approve any claims provision where an autopsy may be required as we feel this could potentially be an infringement of a person's religious beliefs and/or rights. However, if the following statement is added, then it would be acceptable: "...unless the law or your religion forbids it."
Binding Arbitration/Binding Appraisal	Department Requirement	Mandatory binding arbitration or appraisal is not permitted if the process can be demanded unilaterally, as it deprives the Insured access to the judiciary system. Both parties must agree to arbitration or appraisal at the onset or beginning of the process. If the carrier is going to utilize the American Arbitration Association, they are required to use consumer rules to resolve the dispute.
Brackets	Department Requirement	Extensive use of [brackets] throughout a form is not approvable as it would allow for substantive language changes than what has been filed for approved.
Cancellation, Non-Renewal, Renewal	Title 8 § 4223-4226	Applicable to all Private Passenger Auto policies.
Civil Union Requirements	Regulation I-2000-01 and Bulletin 127	Applicable to all lines. Where the terms "spouse" or "family member" appear in the forms, please confirm that a Vermont "Civil Union" endorsement will be attached to the policies. Note: inclusion of "Domestic Partner" is not a substitute for our "Civil Union" coverage requirement
Conformity to Law	Department Requirement	Currently, the Department request that you replace your policy language for the following language: Any provision of this policy, which is in direct conflict with the laws, regulations and statutes of the state of Vermont, will be governed by the laws, regulations and statutes of the state of Vermont as of the effective date of this policy
Criminal acts exclusions	Department Requirement	The Department does not allow exclusions to be based on alleged criminal acts. Exclusions can only be allowed if these acts have been determined to be of a criminal nature by a court of law. Furthermore; we require that the interests of an uninvolved insured be protected.
Epidemic and Pandemic Exclusions	Title 8 § 3542	For medical expense coverage, the carrier may only exclude this if the epidemic or pandemic was declared prior to the date of departure.
Fraud Warnings	Department Requirement	Please revise the fraud warning on the Application form. Vermont does not allow a fraud warning to state that a person who makes false statements on an application "commits" a fraudulent insurance act since the question of guilt is a determination for a court. As an alternative, it would be acceptable to use the following warning: "Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law."
Intentional loss	Department Requirement	We require that the interest of any uninvolved insured be protected. We recommend the language used in the ISO Vermont Amendatory Endorsement HO 01 44 - "We do not provide coverage for the insured who commits or directs an act with the intent to cause a loss". It is also not acceptable to exclude loss due to the failure to foresee logical consequences that cause accidents. We will allow the exclusion of willful or malicious acts intended to cause bodily injury or property damage.
Mental Health	Title 8 § 3542	The Department requires that insurers not differentiate between medical conditions in general and medical conditions caused by emotional or mental disorders. Please amend the filing to comply with this requirement.
Misrepresentation & Fraud Policy Language – Voiding Policy	Title 8 § 3879 and § 4711	Applicable to all lines. If an Insured obtains a policy through fraud or material misrepresentation, that policy may be voided. For fraud or material misrepresentation in the presentation of a claim, the claim may be denied and the policy may be cancelled but not voided.
Pre-Existing medical conditions	Department Requirement	No insurance policy or certificate shall use a definition of "pre-existing condition" which is more restrictive than the following: "Pre-existing condition" means a condition for which medical advice or treatment was recommended by or received from a physician within 6 months preceding the effective date of coverage of an insured person." No pre-existing condition exclusion can be applied unless it directly relates to a filed claim for an accident, injury or illness. (s/a: cannot deny a claim for a broken leg due to a pre-existing kidney condition)

Reasonable and Necessary	Department Requirement	we do not allow a restriction to “usual and / or customary” expenses. An injured person usually has no choice in where they are to be treated and is certainly in no position to research the amount for which they may be personally liable. The Department accepts a “reasonable and necessary” medical expense standard. Also, Auto Med Pay coverage shall always be provided as primary on all auto policies regardless if there is other similar insurance.
Settlement and payment of loss	Regulation 79-2	After settlement has been agreed upon, the insurer shall mail payment in the agreed amount to the claimant and/or loss payee within 10 working days.
Terrorism Event definition	Department Requirement	Vermont does not allow the "terrorist incident" definition to include the phrase "that is deemed terrorism by the United States government". The lines of property and casualty insurance defined within TRIA do not include travel insurance, therefore it is not appropriate to apply that definition to this line of insurance. Additionally, TRIA is limited to events that occur within the United States; most customers purchasing this product are traveling outside of the United State and its territories. The US government is neither obligated nor motivated to declare a terrorist incident to the requirements of TRIA that occurs in a foreign territory.
Traveling for medical procedures exclusions	Title 8 § 3542	We do not allow insurers to write total exclusions for travel due to medical treatments. We will allow insurers to exclude the costs of the previously scheduled medical treatment(s) and any costs directly related to that medical treatment. Excluding air travel or any other costs that are independent of the medical treatment is not allowed.
Vermont Amendatory Endorsement(s)	Regulation I-2010-03, Section 7(I)	If the requirement is satisfied in a previous filing and that filing contains an amendatory endorsement please provide a copy of the endorsement

***The checklist requirement, if applicable, must be satisfied in the submitted filing itself or satisfied in a previous filing that will be used with the submitted filing (e.g., a Vermont amendatory endorsement). If the requirement is satisfied in a previous filing that will be used with the submitted filing, you must provide the state tracking number and approval date of the previous filing. (Source: Regulation I-2010-3, Property and Casualty Insurance Filing Procedures, Section 6(G)(2)(e) and Section 7(I)).**