

Waiver Life Benefit Uniform Standards for Consideration
by the Management Committee and Commission

Information Sheet Prepared by the Compact Office

- On March 23rd, The Management Committee will receive the recommendation from the Product Standards Committee for changes in response to comments presented during the rulemaking process. The Uniform Standards are for benefit features for individual life insurance products. Action to approve will be taken at a later meeting.
- These Uniform Standards are linked below. In these versions, the amendments shown in **red** and underlined are the original ones recommended by the PSC to the Waiver of Premium and Waiver of Monthly Deduction Standards. Amendments in **blue** and **bold** are ones recommended by the PSC to respond to comments submitted:
 - [*Additional Standards for Qualifying Events for Waiver of Premium Benefits*](#)
 - [*Additional Standards for Qualifying Events for Waiver of Monthly Deductions Benefits*](#)
 - [*Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance*](#)
- Waiver of premium benefit waives premium due for an insured under the life insurance policy when the insured meets certain benefit triggers.
- Waiver of monthly deductions waives monthly deductions applicable under a life insurance policy when the insured meets certain benefit triggers. Monthly deductions are the actual cost of insurance charges, expense charges, and costs or charges which are specified in the policy to be deducted from the account value.
- Waiver of surrender charge benefit waives applicable surrender charges under a life insurance policy when the insured meets certain benefit triggers.
- Two of these Uniform Standards are amendments to existing Uniform Standards initially adopted in 2007: [*Additional Standards for Waiver of Premium Benefits*](#) and [*Additional Standards for Waiver of Monthly Deductions Benefits*](#).
 - Amending the title of these respective standards is part of the proposed amendments under consideration.
 - The proposed amendments expand the type of conditions or circumstances which can trigger the benefit. The existing Uniform Standards trigger the benefit only upon proof of total disability. The amendments allow the benefit to trigger upon proof of other qualifying events which makes the benefit more widely accessible.
- [*Additional Standards for Waiver of Surrender Charge Benefit for Life Insurance*](#) is a new Uniform Standard and was modeled after the [*Additional Standards for Waiver of Surrender Charge Benefits for Annuity Contracts*](#).
- The qualifying events added to these three Uniform Standards that would trigger access to the benefit are as follows: 1) diagnosis of limited life expectancy or life-threatening condition; (2) diagnosis of cognitive impairment; (3) assessment by qualified professional establishing inability to perform certain activities of daily living; (4) receipt of care from a health care facility; (5) disability; or (6) unemployment.
- Please note these Uniform Standards clearly state they are not for long-term care insurance or as providing long-term care benefits and prohibit the waiver benefits be contingent upon receipt of long-term care services.
- The Product Standards Committee initially recommended these three Uniform Standards in December 2019 (see [*12/9/19 Transmittal Letter*](#)) and is recommending further changes to these Uniform Standards in response to comments submitted during the notice and comment rulemaking period (see 3/23/21 Transmittal Letter).
- Questions or Need Additional Information? Please contact Susan Ezalarab at sezalarab@insurancecompact.org