



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
LEGAL SERVICES
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NED McWHERTER
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ELAINE A. McREYNOLDS
COMMISSIONER

BULLETIN

TO: All Health Insurers Doing Business
in Tennessee

FROM: Elaine A. McReynolds, Commissioner *EAM*
Tennessee Department of Commerce and Insurance

RE: Medicare Supplement Insurance Unconditional Refund

DATE: March 28, 1990

Tennessee Code Annotated Section 56-7-1404 (e) provides that an applicant for a medicare supplement insurance policy shall have an unconditional right to return the policy within thirty (30) days of its delivery and have the premium refunded if, after examination of the policy, the applicant is not satisfied for any reason. This section further provides that, upon the return of such policy by the policyholder, the company shall mail the refund directly to the policyholder and shall not require the policyholder to meet with an agent to receive the refund.

It has come to the attention of the Department that there may be some insurers who are not in compliance with this section of the Tennessee Insurance Laws.

Any insurer found to be mailing such refunds to agents for disbursement to consumers will be subject to disciplinary action under the Unfair Trade Practices Act.