

40-2221a. Same; notice required prior to termination; reinstatement. (a) Except as otherwise provided in K.S.A. 40-2221b, no medicare supplement policy of insurance, as defined by the commissioner of insurance by rules and regulations, issued or delivered in this state shall be terminated for failure to pay premiums when due unless the insurer sends to the insured a notice, addressed to the insured's last address of record with such insurer, indicating the policy terminated due to failure to pay the required premium as of the premium due date. Such notice shall be enclosed in an envelope on the front of which the following language appears in bold-faced type in a conspicuous place: **IMPORTANT--PREMIUM RENEWAL NOTICE ENCLOSED** . Such notice shall be sent no later than 45 days following the date on which premium was due, and shall inform the insured of the amount of premium that would be required to reinstate the policy and of the time within which such premium must be remitted to the insurer to effect such reinstatement. Except as provided in subsection (b), upon payment of the required premium by the insured to the insurer within 45 days of the insurer's having mailed such notice, the policy shall be automatically reinstated as continuous coverage without lapse by the insurer without imposing upon the insured any new exclusions, reductions or waiting periods and without requiring of the insured proof of insurability.

(b) Medicare supplement policies of insurance, as defined by the commissioner of insurance by rules and regulations, shall be reinstated in the event of lapse if the insurer is provided proof of cognitive impairment or the loss of functional capacity within five months after termination and the insured requests such reinstatement. Collection of past due premium will be allowed, where appropriate. The standard of proof of cognitive impairment or loss of functional capacity shall be established by clinical diagnosis by a person licensed to practice medicine and surgery and qualified to make such diagnosis.

History: L. 1988, ch. 159, § 1; L. 1996, ch. 182, § 8; July 1.