

11 NCAC 12 .1202 DEFINITIONS

(a) "Accelerated benefits" covered under this Section are benefits are payable under a life insurance or annuity contract:

- (1) To a policyowner or certificateholder, during the lifetime of the insured, in anticipation of death or upon the occurrence of specified life-threatening or catastrophic conditions as defined by the policy or rider; and
- (2) That reduce the death benefit otherwise payable under the life insurance or annuity contract; and
- (3) That are payable upon the occurrence of a single qualifying event that results in the payment of a benefit amount fixed at the time of acceleration.

(b) "Qualifying event" means one or more of the following:

- (1) A medical condition that a duly licensed health care provider predicts would result in a drastically limited life span as specified in the contract; or
- (2) A medical condition that has required or requires extraordinary medical intervention, including a major organ transplant or continuous artificial life support, without which the insured would die; or
- (3) Any condition that usually requires continuous confinement in an eligible institution as defined in the contract if the insured is expected to remain there for the rest of his or her life; or
- (4) A medical condition that medical evidence indicates would, in the absence of extensive or extraordinary medical treatment, result in a drastically limited life span. Such condition may include one or more of the following:
 - (A) Coronary artery disease resulting in an acute infarction or requiring surgery;
 - (B) Permanent neurological deficit resulting from cerebral vascular accident;
 - (C) End stage renal failure; or
 - (D) Acquired Immune Deficiency Syndrome.

History Note: Authority G.S. 58-2-40; 58-3-150; 58-7-15(1); 58-58-1; Eff. March 1, 1992; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018.