S T A T E O F N E W Y O R K

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I N A S S E M B L Y

January 12, 2011

Introduced by M. of A. COOK, ORTIZ, PHEFFER, ZEBROWSKI -- Multi-Sponsored by -- M. of A. GALEF, GOTTFRIED, MAISEL, PEOPLES-STOKES, J. RIVERA, SCHROEDER -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to the cancellation of life insurance policies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The insurance law is amended by adding a new section 3240 to read as follows:

S 3240. CANCELLATION OF LIFE INSURANCE POLICIES. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, ANY PERSON WHO MAKES APPLICATION FOR A POLICY OF LIFE INSURANCE ISSUED UNDER THE PROVISIONS OF THIS CHAPTER SHALL SUBMIT TO THE INSURER OR AN AGENT OF THE INSURER, AT THE TIME OF SUCH APPLICATION, A STATEMENT FROM A PHYSICIAN LICENSED TO PRACTICE MEDICINE UNDER THE LAWS OF THIS STATE, OR THE MEDICAL RECORDS OF SUCH PERSON, WHICH CONTAIN THE MEDICAL HISTORY OF SUCH PERSON. IF THE INSURER OR HIS AGENT ACCEPTS AN APPLICATION FROM A PERSON WHO HAS PROVIDED SUCH A STATEMENT OR SUCH MEDICAL RECORDS, THEN THE INSURER AND/OR HIS AGENT SHALL BE PROHIBITED FROM SUBSEQUENTLY REJECTING SUCH APPLICATION OR CANCELLING ANY POLICY ISSUED ON THE GROUNDS THAT THE INSURED HAS A CERTAIN MEDICAL CONDITION PROVIDED THAT SUCH CONDITION WAS DISCLOSED IN THE STATEMENT OR MEDICAL RECORDS SUBMITTED.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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