

Family Leave Coverage Guidance Document

Section 38.2-107.2 of the Code of Virginia authorizes family leave insurance as a new line of authority in Title 38.2. (House Bill 1156 and Senate Bill 15) The law becomes effective on 7/1/2022.

The coverage, as defined, is an insurance policy issued to an employer group related to a benefit program provided to its employees.

License:

This coverage may be written by carriers licensed to write life, accident and sickness, and property and casualty insurance in Virginia. Carriers domiciled in Virginia may apply for the new line of authority. Foreign insurers may apply for a line of authority to write family leave if the carrier is licensed to write family leave or disability income protection insurance in the carrier's state of domicile.

Form and Rates Requirements:

- Forms and rates related to family leave insurance must be filed with the State Corporation Commission.
- We anticipate that the forms will be submitted through SERFF. The SERFF Filing Description must state that forms and rates are submitted as family leave insurance. The TOI and Sub-TOI carriers should use when submitting the filing are: H11G and H11G.004.
- §§ 38.2-316 A and C of the Code of Virginia, require that all forms that provide family leave insurance be filed and approved by the State Corporation Commission. In addition to this requirement, the rate manual showing rates, rules, and classification of risks applicable to the insurance must be filed with the Commission.
- **Minimum Form Requirements**
 - The forms must describe the coverage as family leave insurance.
 - The coverage must provide for a percentage or a portion of loss of income due to (i) the birth of a child or adoption of a child by the employee; (ii) placement of a child with the employee for foster care; (iii) care of a family member of the employee who has a serious health condition; or (iv) circumstances arising out of the fact that the employee's family member who is a service member is on active duty or has been notified of an impending call or order to active duty.
 - The coverage may be written as an amendment or rider to a group disability income policy, included in a group disability income policy, or written as a separate group insurance policy for purchase by an employer.
 - The form number will appear in the lower left-hand corner of the first page of each form. The form number will distinguish the form from all other forms used by the company.

Family Leave Coverage Guidance Document

- The full licensed name of the carrier, including the address of the home office, must appear in prominent print at the top of any policy, certificate, rider, endorsement, application, and enrollment forms.
- A marketing name or logo may be used if it is not more prominent than the full licensed name.
- The cover page of each policy must include the address of an office that will administer the policy if different from the home office, a company telephone number, and company website address.
- Each form must be submitted in the final form in which it is to be issued or marketed.
- Each form submitted for review or approval must be written in simplified language, logically and clearly arranged, printed in a legible format, and understandable to a person of average intelligence without special insurance knowledge or training.
- A policy of more than three pages must include a table of contents listing the principal sections and provisions and the pages on which they are found.
- Defined words and terms must be placed in a separate definition section that is clearly identified. A word or term that is used only in one section may be defined within that section.
- Any form submitted for review or approval must be printed in at least 10-point type.
- Each policy, certificate and endorsement must achieve a minimum Flesch reading ease score of 50. The score for each form must be identified.
- Each filing must include the following certification of compliance that is signed by an officer of the company.

I represent that a review of the enclosed form has been conducted, and I certify that, to the best of my knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the applicable rules and regulations. I understand that a failure to comply with these requirements will result in a disapproval of the filing.

- Use of variable bracketed information must be limited. All variable information must be clear, easily understood and fully explain each use of the variable language.
- Each instance of variable text must appear in brackets and must be separately and completely explained in detail in a Statement of Variability document. Each explanation of variability must appear in the same order that it appears on the form.