

**§ 58-58-390. Requirements for insurers.**

(a) To the extent that an insurer's records of its in-force policies, annuities, and account owners are available electronically, an insurer shall perform a comparison of such in-force policies, annuities, and account owners against a death master file, on a semiannual basis, to identify potential death master file matches. To the extent that an insurer's records of its in-force policies, annuities, and account owners are not available electronically, an insurer shall perform a comparison of such in-force policies, annuities, and account owners against a death master file, on a semiannual basis, to identify potential death master file matches, using the records most easily accessible by the insurer.

(b) The requirements of subsection (a) of this section shall not apply to any of the following:

- (1) Policies or annuities for which the insurer has received an active premium payment within the 18 months immediately preceding the death master file comparison.
- (2) Any policies, annuities, or retained asset accounts issued or delivered prior to October 1, 2015, for which the insurer attests, in a sworn statement signed by an officer or director of the insurer that is subject to perjury and delivered to the Commissioner, that the insurer has done all of the following:
  - a. Not engaged in asymmetric conduct.
  - b. Has historically practiced compliance with the requirements of G.S. 58-63-15(11) with respect to the investigation, handling, and payment of policy proceeds.
  - c. Monitored the limiting age of each person, as stated in the policy, and performed its obligations under Chapter 116B of the General Statutes when an insured reached the limiting age.
- (3) Group life insurance policies for which the insurer does not perform record-keeping services.

(c) An insurer may comply with the requirements of subsection (a) of this section by using the full death master file once and thereafter using the death master file update files for future comparisons.

(d) An insurer exempted under subdivision (b)(2) of this section shall comply with the requirements of subsection (a) of this section for all policies, annuities, or retained asset accounts issued or delivered on or after October 1, 2015.

(e) Within 90 days of learning of the possible death of a person, through a DMF match or otherwise, the insurer shall do all of the following:

- (1) Confirm the death of such person against other available records and information.
- (2) Review its records to determine whether such deceased person had purchased any other products with the insurer.
- (3) Determine whether benefits may be due in accordance with any applicable policy, annuity, or retained asset account.
- (4) Locate the beneficiary or beneficiaries.
- (5) Provide the appropriate claims forms or instructions to the beneficiary to make a claim and notify the beneficiary of the actions necessary to submit a valid claim.
- (6) Maintain documentation of all efforts to locate the beneficiary or person, as applicable.

(f) Except as prohibited by law, an insurer may disclose only the minimum necessary identifying personal information about such an insured, annuitant, account owner, or

beneficiary to anyone who the insurer reasonably believes may be able to assist the insurer in locating the beneficiary or a person otherwise entitled to payment of the claims proceeds.

(g) An insurer or its service provider shall not charge any beneficiary or other person who may be entitled to benefits any fees or costs associated with a DMF search or the verification of a DMF match conducted pursuant to this section.

(h) The benefits from life insurance policies, annuities, or retained asset accounts and any applicable accrued contractual interest shall first be payable to the beneficiaries or account owners as provided for in such policies, annuities, or retained asset accounts. In the event the beneficiaries or account owners cannot be found, the benefits and any associated contractual interest shall escheat to the State as unclaimed property as set forth in Article 4 of Chapter 116B of the General Statutes.

(i) Nothing in this section limits an insurer from requiring a valid death certificate as part of any claims validation process or otherwise requiring compliance with the terms and conditions of the policy or annuity relative to filing and payment of claims. (2015-236, s. 1.)