6.6.1004 DEFINITIONS

For the purposes of ARM 6.6.1001, 6.6.1002, 6.6.1003, 6.6.1004, 6.6.1006, 6.6.1008, 6.6.1010, 6.6.1012, 6.6.1014, 6.6.1016, 6.6.1018, and 6.6.1020, the following definitions apply:

(1) "Excess beneficiary" means the person designated in the funeral insurance policy or certificate to receive any amount of the funeral insurance proceeds that exceed the cost of the funeral goods and services provided to the insured. Payment to the excess beneficiary may be subject to recovery by Medicaid pursuant to 33-20-1501, MCA.

(2) "Funeral goods and services" means personal property sold, or provided, and services provided in connection with a funeral or at the final disposition of human remains.

(3) "Funeral insurance" is a type of life insurance as defined in 33-20-1501, MCA. Funeral insurance may be purchased by making a one time payment of premium or by paying premium in installments. Funeral insurance may be issued on a group or individual basis. Annuity contracts and viatical settlement agreements are not funeral insurance and may not be marketed or designated as intended for use as funeral insurance.

(4) "Funeral insurance policy forms" means every policy, certificate, enrollment form, application form, printed rider, endorsement form, disclosure form, policy summary, or other document which purports to grant funeral insurance or effect a transaction of funeral insurance.

(5) "Funeral insurance proceeds" means the amount payable as stated in the funeral insurance policy forms upon the death of the insured. Funeral insurance proceeds are also known as the death benefit.

(6) "Insurable interest" has the same meaning as in 33-15-201, MCA.

(7) "One-time payment of premium" means a single premium payment is made and the funeral insurance is fully paid up with no further premium payments required.

(8) "Person" means an individual or a business entity including a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.

(9) "Preneed funeral arrangement" means an arrangement made with a person licensed under Title 37, chapter 19, parts 3 and 4, MCA, by the intended recipient of the funeral goods and services on that individual's own behalf, or by an authorized individual on behalf of the intended recipient, prior to the death of the individual. Preneed funeral arrangements are governed by Title 37, chapter 19, MCA, and the rules promulgated to implement that chapter.

(10) "Primary beneficiary" means the person designated in the funeral insurance to receive the funeral insurance proceeds intended by the applicant or insured, if not one in the same, to fund a preneed

funeral arrangement or to pay for funeral goods and services for the insured. The primary beneficiary may, but need not, be a person licensed under Title 37, chapter 19, parts 3 and 4, MCA. Payment to the primary beneficiary may be subject to recovery by Medicaid pursuant to 33-20-1501, MCA.

(11) "Specialized funeral insurance producer" means a person who holds a current specialized funeral insurance producer license.

(12) "Specialized funeral insurance producer license" means a life insurance producer license that is issued only to persons also licensed under Title 37, chapter 19, parts 3 and 4, MCA.

Authorizing statute(s): 33-1-313, 33-20-1503, MCA

Implementing statute(s): 33-17-201, 33-17-211, 33-17-212, 33-17-213, 33-17-214, 33-17-219, 33-17-220, 33-17-231, 33-17-236, 33-17-401, 33-17-405, 33-17-406, 33-17-407, 33-17-409, 33-17-411, 33-17-1001, 33-17-1002, 33-17-1003, 33-17-1004, 33-17-1005, 33-17-1101, 33-17-1102, 33-17-1103, 33-17-1203, 33-17-1205, 33-20-1501, 33-20-1502, MCA

History: NEW, 2008 MAR p. 118, Eff. 2/1/08.