

304.52-050 Persons offering travel insurance are subject to Subtitle 12 -- Information provided to consumers -- Acts that do not constitute unfair trade practices -- Negative option or opt-out.

- (1) "Aggregator site" means a Web site that provides access to information for use in comparison shopping regarding insurance products from more than one (1) insurer, including product and insurer information.
- (2) All persons offering travel insurance to residents of this state shall be subject to the provisions of Subtitle 12 of this chapter to the extent applicable and not in conflict with the provisions of this subtitle.
- (3) No person shall engage in the following in this state, which shall constitute an unfair trade practice:
 - (a) Offering or selling a travel insurance policy that could never result in payment of any claims for any insured under the policy; or
 - (b) Marketing blanket travel insurance as free.
- (4)
 - (a) All documents provided to consumers prior to the purchase of travel insurance, including but not limited to sales materials, advertising materials, and marketing materials, shall be consistent with the travel insurance policy or certificate itself, including but not limited to forms, endorsements, policies, rate filings, and certificates of insurance.
 - (b) For travel insurance policies or certificates containing pre-existing condition exclusions, information, and an opportunity to learn more, about the pre-existing condition exclusions shall be provided to the consumer prior to the time of purchase and in the fulfillment materials.
 - (c)
 1. The fulfillment materials and the information described in KRS 304.52-030(3)(a) shall be provided to a policyholder or certificate holder as soon as practicable following the purchase of a travel protection plan.
 2. Unless an insured has either started a covered trip or filed a claim under the travel insurance coverage, the policyholder or certificate holder may cancel a policy or certificate for a full refund of the travel protection plan price from the date of purchase of a travel protection plan until at least:
 - a. Fifteen (15) days following the date of delivery of the travel protection plan's fulfillment materials by postal mail; or
 - b. Ten (10) days following the date of delivery of the travel protection plan's fulfillment materials by means other than postal mail.
 3. Delivery of the fulfillment materials may be made by:
 - a. Handing the fulfillment materials to the policyholder or certificate holder; or
 - b. Sending the fulfillment materials by postal mail or electronic means to the policyholder or certificate holder.
- (5) An insurer shall disclose in the policy documentation and fulfillment materials

whether the travel insurance is primary or secondary to other applicable coverage.

- (6) The following shall not constitute an unfair trade practice or other violation of law:
- (a) Providing an accurate summary or short description of coverage on an insurer's Web site, or through an aggregator site, that markets travel insurance directly to the consumer, so long as the consumer has access to the full provisions of the travel insurance policy through electronic means; and
 - (b) When a consumer's destination jurisdiction requires insurance coverage, requiring the consumer to choose between the following options as a condition of purchasing a trip or travel package:
 - 1. Purchasing the coverage required by the destination jurisdiction through the travel retailer, or limited lines travel insurance producer, supplying the trip or travel package; or
 - 2. Agreeing to obtain, and provide proof of, coverage that meets the destination jurisdiction's requirements prior to departure.
- (7) A person offering, soliciting, or negotiating travel insurance, on an individual or group basis, shall not do so through the use of a negative option or opt-out, which would require a consumer to take an affirmative action to deselect coverage, including unchecking a box on an electronic form, when the consumer purchases a trip.

Effective: June 29, 2021

History: Created 2021 Ky. Acts ch. 36, sec. 5, effective June 29, 2021.