



**State of Utah**

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## **Insurance Department**

JONATHAN T. PIKE  
*Insurance Commissioner*

### **BULLETIN 2021-3(a)**

TO: Insurers Offering Life Insurance Coverage  
FROM: Jonathan T. Pike, Utah Insurance Commissioner  
DATE: May 28, 2021  
Subject: **Proof of Delivery for Termination of Life Insurance**

The Utah Insurance Department (Department) issues this Bulletin to provide guidance to an insurer offering life insurance regarding SB 79, Insurance Policy Notification Amendments, passed during the 2021 General Session, specifically Utah Code Ann. § 31A-22-402 (2021).

The new law requires an insurer to demonstrate proof of delivery prior to termination of coverage, which includes a certified mail receipt or, for electronic delivery, a read receipt. The manner in which proof of delivery is demonstrated is left to the determination of the insurer. The minimum requirements for proof of delivery are: a mailing receipt to the last known physical address or email address on file; and verification that the notice was delivered. Verification for delivery to a physical address can include documentation that a delivery or a delivery attempt was made. Verification for delivery to an email address requires a read receipt; an email returned as undeliverable is not considered proof of electronic delivery.

The Department recognizes that an insurer offering life insurance may have had difficulty updating systems to comply with the new requirements. The Department does not have the authority to delay the effective date of this new law. It is an insurer's responsibility to assure compliance with the law and provide proof of delivery upon request. The Department will not take an enforcement action against a life insurer for failure to provide proof of delivery prior to November 5, 2021, six months after the bill's effective date. It is important to note that the delayed enforcement by the Department does not affect any private right of action by the insured.

An insurer with questions related to this Bulletin are advised to contact the Health and Life Division at [health.uid@utah.gov](mailto:health.uid@utah.gov).

DATED this 28<sup>th</sup> day of May 2021.

  
Jonathan T. Pike  
Insurance Commissioner