



COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE

December 23, 2008

RULING LETTER NO.: 2008-96-AV

TO ALL INSURERS AUTHORIZED TO UNDERWRITE DISABILITY INSURANCE IN
PUERTO RICO AND ALL GENERAL AGENTS

**INDEMNITY POLICIES PROVIDING EMERGENCY MEDICAL TREATMENT
BENEFITS COVERAGE IN THE EVENT OF AN ACCIDENT**

Dear Sirs and Madams:

The Office of the Commissioner of Insurance (hereinafter, the OCI), carried out an investigation of policies and riders that provide emergency medical treatment benefits in the event of an accident. The investigation revealed that there has been excessive payment of benefits for this kind of coverage, which has not only affected adversely the delivery of services in our emergency rooms, but has contributed to propitiate the payment of benefits when it is not reasonably clear that the insurer has any obligation to pay such benefits.

Public Law No. 18, enacted on January 8, 2004, provides that all insurers have the obligation to detect, prevent, investigate, and combat possible fraudulent acts in the insurance business. Based on the results of the investigation, it must be concluded that for this kind of insurance the appropriate controls have not been established to prevent practices that could be fraudulent. The foregoing, in addition to the possible inappropriate use of the emergency rooms for the purpose of obtaining benefits under this policy or rider constitutes sufficient reason for establishing additional controls for the payment of these claims.

In view of this, to protect the stability of the insurance industry in Puerto Rico and the public interest, we have determined that all indemnity policies or riders providing emergency medical treatment in the event of an accident should be amended to include the following a definitions:

1. **Emergency Medical Treatment in the event of an accident:** means medical treatment provided for the insured or beneficiary as an outpatient within forty-eight (48) hours of the accident, due to accidental bodily injury caused solely by external and accidental means, evidenced by a visible contusion or wound on the exterior of the body or internal injury, as revealed by other means. The insurer will pay the named insured or his or her spouse for expenses incurred up to a maximum amount of \$ _____ per accident.
2. **Proof of treatment:** In order to claim emergency medical treatment benefit, the insured must submit adequate proof, consisting of at least one of the following: a sworn statement by the physician who attended the emergency and/or an invoice from the hospital including a diagnosis and/or treatment code.

No later than thirty (30) days after the date of this Ruling Letter, insurers that underwrite this kind of risk must submit for approval to this Office the rider that they will use to amend their policies. The rider must be attached to new policies and to existing policies upon renewal. Notice to the insured regarding changes to the policy must be made according to Section 11.180 of the Insurance Code. New policy forms or riders of this kind that are submitted for approval by this Office after the date of this letter should include the aforementioned provisions.

Amendments to policies or riders of this kind that have not been submitted according to the provisions of this Ruling Letter for approval of this Office within the aforementioned thirty (30) days will be automatically denied approval.

Strict compliance with the provisions of this letter is required.

Very truly yours,

SIGNED

Dorelisse Juarbe-Jiménez
Commissioner of Insurance