



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Insurance

Sean Parnell, Governor
Susan K. Bell, Commissioner
Linda S. Hall, Director

BULLETIN B 11-06

TO: ALL INSURERS AUTHORIZED TO TRANSACT LIFE OR HEALTH INSURANCE BUSINESS IN THE STATE OF ALASKA AND OTHER INTERESTED PARTIES

RE: NOTICE OF PROTECTION PROVIDED BY THE ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

AS 21.79.160(b) and (c) require the Alaska Life and Health Insurance Guaranty Association to prepare a summary document and disclaimer for approval by the director that describes coverage, limitations, and exclusions under the Alaska Life and Health Insurance Guaranty Association Act. The director has approved the attached notice for this purpose. The attached *Notice of Protection Provided by the Alaska Life and Health Insurance Guaranty Association* replaces the summary document attached Bulletins B 01-04 and B 06-14. It conforms to the *Life & Health Insurance Guaranty Association Model Act (#520)* adopted by the National Association of Insurance Commissioners.

Effective April 15, 2010, an insurer may not deliver a policy or contract to a policy or contract owner unless the attached *Notice of Protection Provided by the Alaska Life and Health Insurance Guaranty Association* is delivered to the policy or contract owner at the time of delivery of the policy or contract. This document must also be made available upon the request of a policy owner.

If you have any questions relating to the attached notice, please contact Maxine L. Froemling, Financial Examiner, at maxine.froemling@alaska.gov or (907) 269-7907.

Bulletin B 11-06 supersedes Bulletin B10-02.

Dated: July 21, 2011

Linda S. Hall
Director

NOTICE OF PROTECTION PROVIDED BY
ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the Alaska Life and Health Insurance Guaranty Association (Association) and the protection it provides for policyholders. This safety net was created under Alaska law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity, or health insurance company becomes financially unable to meet its obligations and is taken over by its insurance regulatory agency. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Alaska law, with funding from assessments paid by other insurance companies.

The basic protections provided by the Association are:

- Life Insurance
 - \$300,000 in death benefits
 - \$100,000 in cash surrender or withdrawal values
- Health Insurance
 - \$500,000 in hospital, medical and surgical insurance benefits
 - \$300,000 for disability insurance or long term care insurance
 - \$100,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in present value of annuity benefits including withdrawal and cash values
 - \$5,000,000 for covered unallocated annuities that fund other plans

The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$300,000. Special rules may apply with regard to hospital, medical, and surgical insurance benefits.

The protections listed above apply only to the extent that benefits are payable under covered policy(s). In no event will the Association provide benefits greater than those given in the life, annuity, or health insurance policy or contract.

NOTE: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements and other limitations under Alaska law.

A written complaint to allege violation of any provision of the Alaska Life and Health Insurance Guaranty Association Act must be filed with the Alaska Division of Insurance, 550 West Seventh Avenue, Suite 1560, Anchorage, Alaska, 99501-3567; telephone (907) 269-7900.

Financial information for an insurance company, if the insurance information is not proprietary, is available at the same address and telephone number. The Association should not be contacted regarding the financial information of an insurance company.

To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.aklifega.org, or contact:

Alaska Life and Health Insurance
Guaranty Association
1007 West Third Avenue, Ste. 400
Anchorage, AK 99501
(907) 243-2311

Alaska Division of Insurance
550 West Seventh Avenue, Ste. 1560
Anchorage, AK 99501-3567
(907) 269-7900

Insurance companies and agents are not allowed by Alaska law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and Alaska law, then Alaska law will control.