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INSURANCE CODE - INS

DIVISION 2. CLASSES OF INSURANCE [1880 - 12880.8] (*Division 2 enacted by Stats. 1935, Ch. 145.*)

PART 2. LIFE AND DISABILITY INSURANCE [10110 - 11549] (*Part 2 enacted by Stats. 1935, Ch. 145.*)

CHAPTER 4. Standard Provisions in Disability Policies [10270 - 10402.1] (*Chapter 4 enacted by Stats. 1935, Ch. 145.*)

ARTICLE 8. Penalties [10400 - 10402.1] (*Article 8 enacted by Stats. 1935, Ch. 145.*)

10400. Any person willfully violating any provision of this chapter or order of the commissioner made in accordance therewith shall forfeit to the people of this state a sum not to exceed one hundred eighteen dollars (\$118) for each such violation, which sum may be recovered by civil action. The commissioner may also suspend or revoke the license of an insurer or agent for any such willful violation.

(*Amended by Stats. 1985, Ch. 770, Sec. 16.3.*)

10401. Any incorporated insurer admitted for disability insurance and any agent of such insurer, that makes or permits any discrimination between insureds of the same class in any manner whatsoever with relation to such insurance, is guilty of a misdemeanor.

The payment to insureds by an insurer of alternative rates of payment negotiated and contracted for with institutional providers shall not constitute a violation of this section.

On and after July 1, 1983, the amendments made to this section during the 1982 portion of the 1981–82 Regular Session, shall also be applicable with respect to both professional and institutional providers.

(*Amended by Stats. 1982, Ch. 329, Sec. 8.5.*)

10402. Any person who, without the prior authorization of an insurer or plan solicits a provider to enter into a contract for alternative rates under Section 10133 or 11512 of this code on behalf of such insurer or plan shall be guilty of a misdemeanor.

An insurer or plan which contracts for, or authorizes another person to, solicit or contract for alternative rates with providers on its behalf other than in the name of such insurer or plan shall be guilty of a misdemeanor.

(*Added by Stats. 1982, Ch. 1594, Sec. 12. Effective September 30, 1982. Operative January 1, 1983, by Sec. 82 of Ch. 1594.*)

10402.1. An insurer or plan which accepts or ratifies a contract for alternative rates known by it to have been executed by a provider prior to the insurer's or plan's authorization, in reliance on the representation that it was authorized by such insurer or plan, shall be guilty of a misdemeanor.

(*Added by Stats. 1982, Ch. 1594, Sec. 13. Effective September 30, 1982. Operative January 1, 1983, by Sec. 82 of Ch. 1594.*)