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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 9. The Private Health Care Voluntary Purchasing Alliance Act [10800 - 10887] (*Chapter 9 added by Stats. 1996, Ch. 916, Sec. 1.*)

ARTICLE 8. Marketing [10870 - 10873] (*Article 8 added by Stats. 1996, Ch. 916, Sec. 1.*)

10870. The board shall establish marketing standards to be used by participating carriers.

(*Added by Stats. 1996, Ch. 916, Sec. 1. Effective January 1, 1997.*)

10871. Any marketing, advertisement, or educational material for health benefit plans or ancillary benefit plans sold through the purchasing alliance shall be approved by the board prior to its use.

(*Added by Stats. 1996, Ch. 916, Sec. 1. Effective January 1, 1997.*)

10872. This article shall not be construed to prohibit or to compel the purchasing alliance or a participating carrier from using the services of an agent or broker.

(*Added by Stats. 1996, Ch. 916, Sec. 1. Effective January 1, 1997.*)

10873. (a) A participating carrier, agent, broker, contractor, or producer of a participating carrier, or independent insurance agent, broker, contractor, or producer may not engage, directly or indirectly, in an activity or marketing practice that would encourage small employers or eligible enrollees to do any of the following:

(1) Refrain from enrolling in a health benefit plan offered through the purchasing alliance because of their health status, claims experience, industry, occupation, or geographic location within the service region.

(2) Seek coverage from other participating carriers because of their health status, claim experience, industry, occupation, or geographic location within the service region.

(3) Enroll or fail to enroll in the purchasing alliance because of their health status, claims experience, industry, occupation, or geographic location within the service region.

(b) In the event that an agent, broker, contractor, carrier, or producer of a participating carrier fails to abide by these provisions, they shall be subject to the penalties and fines described in Section 10718.

(*Added by Stats. 1996, Ch. 916, Sec. 1. Effective January 1, 1997.*)