



May 10, 2018

Mr. David Torian
Counsel and Health Policy Analyst
National Association of Insurance Commissioners
444 North Capitol Street, N.W., Suite 700
Washington, DC 20001-1512

Re: Comments on Limited Long-Term Care Insurance Draft Model Act

Dear Mr. Torian:

The American Council of Life Insurers (ACLI¹) appreciates the opportunity to provide comments on the National Association of Insurance Commissioners' (NAIC) draft Model Act and Regulation for Limited Long Term Care Insurance.

ACLI's comments are limited to the need to explicitly exclude from its scope, HIPAA excepted health insurance policies and riders that provide fixed indemnity coverage that are not medical expense based (i.e., hospital indemnity, accident specified disease, cancer, critical illness, etc.) but that may have medical event triggers that could be impacted by the current language.

ACLI recommends that the language be clarified to ensure that these policies and riders that are not specifically designed to provide for Long-Term Care services and supports, be included within the excluded policies section of the definition. Attached is draft language that was submitted by ACLI member company Kemper with highlighted amendments that ACLI supports.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles Piacentini', is written over a horizontal line.

Charles Piacentini
ACLI

¹ The American Council of Life Insurers (ACLI) advocates on behalf of approximately 290 member companies dedicated to providing products and services that contribute to consumers' financial and retirement security. ACLI members represent 95 percent of industry assets, 93 percent of life insurance premiums, and 98 percent of annuity considerations in the United States. 75 million families depend on our members' life insurance, annuities, retirement plans, long-term care insurance, disability income insurance and reinsurance products. Taking into account additional products including dental, vision and other supplemental benefits, ACLI members provide financial protection to 90 million American families.

Section 4. Definitions

- A. "Limited long-term care insurance" means any insurance policy or rider advertised, marketed, offered or designed to provide coverage for less than twelve (12) consecutive months for each covered person on an expense incurred, indemnity, prepaid or other basis; for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital. The term also includes a policy or rider (other than the excluded policies listed below) that provides for payment of benefits based upon cognitive impairment or the loss of functional capacity. Limited long-term care insurance may be issued by insurers; fraternal benefit societies; nonprofit health, hospital, and medical service corporations; prepaid health plans; health maintenance organizations or any similar organization to the extent they are otherwise authorized to issue life or health insurance. Limited long-term care insurance shall not include any insurance policy that is offered primarily to provide basic Medicare supplement coverage, basic hospital expense coverage, basic medical-surgical expense coverage, hospital [confinement] indemnity or other fixed indemnity coverage, major medical expense coverage, disability income or related asset-protection coverage, accident only coverage, specified disease or specified accident coverage, or limited benefit health coverage. Notwithstanding any other provision of this Act, any product advertised, marketed or offered as Limited long-term care insurance shall be subject to the provisions of this Act.