



May 20, 2026

Chair Joshua Guillory

Market Conduct Annual Statement Blanks (D) Working Group
1100 Walnut Street, Suite 1000
Kansas City, MO 64106-2197

Sent via email to HMarsh@naic.org

Dear Chair Joshua Guillory,

ACLI appreciates the opportunity to provide comments on the Long-Term Care (LTC) MCAS Definitions to the Market Conduct Annual Statement Blanks (D) Working Group. We hope that our feedback will aid in the development of useful improvements to the MCAS process for future responses. Below please find clarification questions and suggestions related to the Long-Term Care MCAS Definitions. We are happy to provide any further feedback or explanation.

Long-Term Care Interrogatories

- We seek clarification on the following terms used in Lines 16-21 “Substantially different,” “Outlier,” and “Shifting Market Strategies.” It would be helpful to either define these terms or provide a FAQ expanding on what is meant and differentiated between the information requested in Lines 4-15 and Lines 16-21. On the last MCAS Working Group call, one regulator suggested if Lines 4-15 and Lines 16-21 were both included, the Definitions could clarify that if a company wanted they could respond in Yes/No form to Lines 4-15 and use Lines 16-21 to include more subjective information. We would request this be added via the following language:
 - ***ACLI Suggested Addition: Interrogatories – All LTC Products:***
 - For the purpose of the MCAS Long-term care insurance reporting blank, reporting for Lines 4-15 will be yes or no answers and reporting for Lines 16-21 should be utilized for further or more subjective answers.
- Examples for statistically material thresholds and clarification around whether responses are required only for statistically material changes would be helpful in Lines 16-21. Further clarification on whether standardized explanation categories are allowed would be helpful.
- Definitions for “Managing General Agents” (MGAs) and “Third Party Administrators” (TPAs) would be helpful in providing uniform and consistent responses to Lines 25-26.

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Long-Term Care General Information

- Definitions for “approved,” “pending,” “received,” and “denied” applications would be helpful for companies in consistent interpretation of Line items 33-37. These definitions would allow for further clarification around what is considered in this reporting category so there is accurate data provided by all companies.
- As discussed on the last MCAS Working Group call, if Lines 30-31 are included, it would be helpful to provide a reference to Form 5 and the LTC Experience Exhibit already reported to states by companies. ACLI provides the following suggestions as options for achieving this uniform understanding:
 - ***ACLI Suggested Inclusions:***
 - Allow insurers to provide a copy of the Exhibit be provided in lieu of entering the numbers since that information is included and available to regulators via the financial statements;
 - The FAQs could include a comment for regulators to review the LTC Experience Exhibit; *or*
 - The FAQs could include a reference for companies to report the same information they report in Form 5.
- As written in Lines 52-56, most insurers would not be able to identify informal notes without a review of each file. As written, insurers may interpret these items differently based on how their internal systems track consumer contacts. Consideration should be given to providing definitions for “internal review,” “final adverse determination,” and “appeals,” and clarifying that reporting is intended to capture only formal appeals. Clarification or definitions are needed to clearly distinguish formal claims and appeals activity from informal complaints or consumer inquiries that may exist only in individual file notes.
 - ***ACLI Suggested Definitions:***
 - Appeal - A request by a policyholder, certificateholder, or their authorized representative for the company to review an adverse determination related to a Long-Term Care insurance claim or benefit decision. An appeal involves a reconsideration of the original decision using the policy terms, applicable laws, and any additional information submitted.
 - Adverse Determinations -Any decision that denies, reduces, limits, suspends, or terminates Long-Term Care insurance benefits or a claim for benefits, in whole or in part, including determinations related to eligibility, covered services, benefit amounts, or failure to approve benefits within applicable timeframes.
 - Internal Review -The company’s formal process for reviewing an adverse determination upon receipt of an appeal. The internal review is conducted by the insurer and includes an evaluation of the claim decision, relevant policy provisions, and any additional information provided, prior to any external review.
 - The Health MCAS also provides definitions which would be beneficial to explaining these terms used in Lines 52-56.

- We would also recommend adding a definition of “Independent Review” and including reference to the definition that is in the Model, like the Rescission definition.
 - ***ACLI Suggested Definition:***
 - Independent Review – The review of the insurer’s benefit trigger determination by an independent review organization after the insured has exhausted the insurer’s internal appeal process, in accordance with the guidelines provided in the NAIC Long-Term Care Insurance Model Regulation (#641).
- To reduce confusion for the DOIs and carriers, we would recommend that Lines 53-55 change “external review organization” to “independent review organization” and change “external review” to “independent review.” However, in absence of changes to the Blank, we recommend definitions to more clearly delineate which reviews are being referenced to provide better and more uniform industry responses.
- Further, where an external review process does not exist for Lines 53-55, a “not applicable” response should be permitted and noted.

Other Comments

- We suggest removing the “Upheld Decision” definition as this term is not defined in the NAIC LTCi Model Regulation and is not used in the Blank. Instead, definitions for “upheld” or “overturned” in Lines 54-55 could be helpful in further clarifying what is meant in those lines. *(See Comments on Long-Term Care General Information above).*

Thank you for the opportunity to provide comments. We are happy to explain further or provide further feedback.

Thank you,

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