

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

The date following each state indicates the last time information for the state was reviewed/changed.

| | ALABAMA (1/24) |
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| Cite | Ala. Admin. Code r. 482-1-091 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>AAC 482-1-091-.06</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy”. <i>AAC 482-1-091-.06</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>AAC 482-1-091-.06</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>AAC 482-1-091-.07</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>AAC 482-1-091-.08</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>AAC 482-1-091-.09</i> Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>AAC 482-1-091-.10</i> Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>AAC 482-1-091-.11</i> Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |

ALABAMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALABAMA (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>AAC 482-1-091-.12</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>AAC 482-1-091-.19</i> |
| Agents Licensing Requirements | Must complete a one-time 8-hour training course and complete ongoing training of 4 hours every 24 months during the biennial producer license renewal cycle. <i>AAC 482-1-091-.32</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>AAC 482-1-091-.14</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>AAC 482-1-091-.15</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | An insurer shall provide notice of a pending premium rate schedule increase including an exceptional increase, to the commissioner at least 30 days prior to the notice to the policyholders. For each rate increase that is implemented, the insurer shall file for approval by the commissioner updated projections annually for the next 3 years and include a comparison of actual results to projected values. <i>AAC 482-1-091-.30</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>AAC 482-1-091-.16</i> |
| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall provide a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner of insurance of this state for review or approval by the commissioner to the extent it may be required under state law. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>AAC 482-1-091-.21</i> |

ALABAMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALABAMA (cont.) |
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| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>AAC 482-1-091-.22</i></p> <p>Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/1/2002. <i>AAC 482-1-091-.26</i></p> |
| Benefit Triggers for Qualified LTC Contracts | <p>Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. <i>AAC 482-1-091-.27</i></p> <p>Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period.</p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. <i>AAC 482-1-091-.23</i></p> <p>Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance.</p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a LTC insurance policy or certificate replaces LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>AAC 482-1-091-.24</i></p> |

ALABAMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALABAMA (cont.) |
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| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/1/02. <i>AAC 482-1-091-.25</i> The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>AAC 482-1-091-.17</i> |
| Permitted Compensation | Compensation shall not be greater than the renewal compensation payable by the replacing insurer on renewal policies if an existing policy is replaced unless benefits of new policy are clearly and substantially greater. <i>AAC 482-1-091-.20</i> |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>AAC 482-1-091-.31</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>AAC 482-1-091-.18</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALASKA (1/24) |
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| Cite | 3 AAC 28.550 to 28.599 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable and “noncancellable” require further explanatory language. Qualified LTC contract must be guaranteed renewable. <i>3 AAC 28.552</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage”, “conversion of coverage”, and “converted policy”. Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>3 AAC 28.552</i> |
| Provision for Discontinuance and Replacement | If a group long-term care policy is replaced by another group long-term care policy issued to the same policyholder, the succeeding insurer shall offer coverage to all persons covered under the previous group policy on its date of termination. <i>3 AAC 28.552</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination of the policy. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>3 AAC 28.554</i> |
| Disclosure of Rating Practices and Filing Requirements | Rating practices disclosure required for policy issued on or 1/1/23. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>3 AAC 28.556</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>3 AAC 28.558</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>3 AAC 28.559</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>3 AAC 28.560</i> |

ALASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALASKA (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>3 AAC 28.562</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>3 AAC 28.563</i> |
| Agents Licensing Requirements | A producer is not authorized to sell, solicit, or negotiate with respect to long-term care insurance except as authorized by statute. <i>3 AAC 28.565</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Consideration shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>3 AAC 28.568</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. <i>3 AAC 28.569</i> |
| Premium Rate Increases | Section applies to policies issued on or after 1/1/23. The insurer shall notify the director of a proposed premium rate schedule increase. Insurer shall submit actuarial memorandum justifying increase. Memorandum requirements are listed. For each rate increase, insurer shall file updated projections annually for the next three years. The director may place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>3 AAC 28.570</i> |
| Filing Requirement for Out-of-State Group Policy | Before an insurer or similar organization offers group long-term care insurance to a resident of this state, it shall file with the director evidence that the group policy or certificate under that section has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>3 AAC 28.573</i> |

ALASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALASKA (cont.) |
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| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall file a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner of insurance of this state for review and approval by the commissioner to the extent it may be required under state law. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>3 AAC 28.574</i> |
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include high pressure tactics, cold lead advertising, and other unfair trade practices contained in AS 21.36. <i>3 AAC 28.575</i></p> <p>An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>3 AAC 28.576</i></p> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/1/23. <i>3 AAC 28.583</i> |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>3 AAC 28.584</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards, train its agents in their use, and maintain a copy available for inspection on request of director. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information and filed with the director. Agents shall use suitability standards in marketing LTC insurance. <i>3 AAC 28.577</i> |

ALASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ALASKA (cont.) |
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| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive the time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>3 AAC 28.578</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/1/23. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>3 AAC 28.582</i> |
| Standard Format for Outline of Coverage | An outline of coverage to a prospective applicant must follow a standard form and content for an outline of coverages subject to the format as prescribed by the director. <i>3 AAC 28.588</i> |
| Permitted Compensation | Insurer may provide commission or other compensation only if the first-year commission is not more than 200% of the commission paid for selling the policy in the second year. Compensation includes non-pecuniary remuneration. <i>3 AAC 28.592</i> |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>3 AAC 28.595</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC. <i>3 AAC 28.590</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARIZONA (1/24) |
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| Cite | Ariz. Admin. Code R20-6-1001 to R20-6-1024 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Qualified LTC contract shall be guaranteed renewable. <i>AZ ADC R20-6-1004; R20-6-1003</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>AZ ADC R20-6-1004</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>AZ ADC R20-6-1004(F)</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>AZ ADC R20-6-1005; R20-6-1005</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>AZ ADC R20-6-1007 to R20-6-1009</i> Rating practices disclosure required for policy issued on or after 5/05. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>AZ ADC R20-6-1011</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>AZ ADC R20-6-1004(I)</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>AZ ADC R20-6-1006</i> |

ARIZONA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARIZONA (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>AZ ADC R20-6-1010</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>AZ ADC R20-6-1010</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>AZ ADC R20-6-1013</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>AZ ADC R20-6-1013</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 5/05. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine excess lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>AZ ADC R20-6-1014</i> |
| Filing Requirement for Out-of-State Group Policy | Before an insurer or similar organization may offer group LTC insurance to a resident of this state, the insurer or organization shall file with the director evidence that a state with statutory or regulatory LTC insurance requirements substantially similar to those of this state has approved the group policy or certificate for use in that state. <i>AZ ADC R20-6-1016</i> |
| Filing Requirement for Advertising | No provision |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>AZ ADC R20-6-1017</i> |

ARIZONA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARIZONA (cont.) |
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| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. An insurer may use additional ADLs to trigger covered benefits if the activities are defined in the policy. <i>AZ ADC R20-6-1007; R20-6-1020</i></p> <p>Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 11/05.</p> |
| Benefit Triggers for Qualified LTC Contracts | <p>A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>AZ ADC R20-6-1021</i></p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>AZ ADC R20-6-1018</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a LTC insurance policy or certificate replaces LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>AZ ADC R20-6-1010(H)</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/05. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>AZ ADC R20-6-1019</i></p> |

ARIZONA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARIZONA (cont.) |
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| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>AZ ADC R20-6-1022; R20-6-1026, Appendix J</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide approved by the director. Delivery may be satisfied by the current edition of the NAIC Shopper's Guide. <i>AZ ADC R20-6-1023</i> |
| Miscellaneous | No HIPAA |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARKANSAS (1/24) |
|---|--|
| Cite | AR ADC 054.00.13-1 to 054.00.13-34 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>AR ADC 054.00.13-6</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>AR ADC 054.00.13-6(D)</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>AR ADC 054.00.13-6(E)</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>AR ADC 054.00.13-7</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure for Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>AR ADC 054.00.13-8 to 054.00.13-9</i> Rating practices disclosure required for policy issued on or after 5/05. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. An insurer has 30 days to provide a copy of the disclosure documents and an actuarial certification to the commissioner. <i>AR ADC 054.00.13-9</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>AR ADC 054.00.13-11</i> Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>AR ADC 054.00.13-12</i> Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. |

ARKANSAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARKANSAS (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>AR ADC 054.00.13-13</i> Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace the policy. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>AR ADC 054.00.13-14</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>AR ADC 054.00.13-15</i> |
| Agents Licensing Requirements | Prevents producers and individuals from selling, soliciting, or negotiating with respect to long-term care insurance except for as authorized by statute. <i>AR ADC 054.00.13-16</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>AR ADC 054.00.13-18</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits under long-term care insurance policies shall be deemed reasonable in relation to premiums provided the expected loss ratio is at least 60%, calculated in a manner which provides for adequate reserving of the long-term care insurance risk. In evaluating the expected loss ratio, due consideration shall be given to all relevant factors. <i>AR ADC 054.00.13-19</i> |
| Premium Rate Increases | An insurer shall provide notice of a pending premium rate schedule increase, including an exceptional increase, to the commissioner at least 30 days prior to the notice to the policyholders. <i>AR ADC 054.00.13-20</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state pursuant to Ark. Code Ann. § 23-97-301 et seq., it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>AR ADC 054.00.13-21</i> |

ARKANSAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARKANSAS (cont.) |
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| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall file a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner of insurance of this state for review and approval by the commissioner to the extent it may be required under state law. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>AR ADC 054.00.13-22</i> |
| Standards for Marketing | Every insurer, health care service plan or other entity marketing LTC coverage in this state, directly or through its producers, shall establish marketing procedures and agent training requirements and inquire as to whether a prospective applicant already has accident and sickness or LTC insurance and the types and amounts. The following tactics are prohibited: twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>AR ADC 054.00.13-23</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>AR ADC 054.00.13-29</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 12 months from the effective date of this act. |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform at least 2 activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>AR ADC 054.00.13-30</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | Every insurer, health care service plan or other entity marketing long-term care insurance (the “issuer”) shall: (1) Develop and use suitability standards to determine whether the purchase or replacement of long-term care insurance is appropriate for the needs of the applicant; (2) Train its agents in the use of its suitability standards; and (3) Maintain a copy of its suitability standards and make them available for inspection upon request by the commissioner. <i>AR ADC 054.00.13-24</i> |

ARKANSAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ARKANSAS (cont.) |
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| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>AR ADC 054.00.13-25</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>AR ADC 054.00.13-28</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>AR ADC 054.00.13-31</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>AR ADC 054.00.13-33</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>AR ADC 054.00.13-32</i> |
| Miscellaneous | No HIPAA |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CALIFORNIA (1/24) |
|---|--|
| Cite | Ins. §§ 10231 to 10237.6 |
| Individual Policies are Guaranteed Renewable | Qualified LTC contract shall be guaranteed renewable. Defines “guaranteed renewable” and “noncancelable.” <i>Ins. § 10236</i> |
| Provision for Continuation and Conversion | Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>Ins. § 10236.5</i> Application for converted policy and first premium due no later than 31 days after termination. Defines “continuation of coverage” and “conversion of coverage.” Lists acceptable requirements insurer may impose on insured for conversion. |
| Provision for Discontinuance and Replacement | As to a group policy, replacement policy shall cover all persons covered under previous policy. As to a group policy, no exclusion for preexisting conditions that would have been covered under previous policy. <i>Ins. §§ 10233.3; 10236.5; 10236.8</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>Ins. § 10235.40</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, and whether policy intends to be qualified LTC insurance contract. <i>Ins. § 10235.14</i> |
| Prohibits Post-Claims Underwriting | Insurer shall maintain record of all policy or certificate rescissions. <i>Ins. § 10232.3</i> |
| Standards for Home Health Care | Lists minimum requirements of home care or community-based services. Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of maximum benefit available for nursing home benefits under the policy. In no event should benefit be paid at a rate of less than \$50 per day. <i>Ins. § 10232.9</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>Ins. § 10237.1</i> Lists exemptions, offer requirements and mandatory disclosures. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>Ins. § 10235.16</i> Replacing insurer shall provide notice to applicant regarding replacement. |

CALIFORNIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CALIFORNIA (cont.) |
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| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>Ins. § 10234.86</i> |
| Agents Licensing Requirements | Provides training requirements for sale or solicitation with respect to long-term care insurance. <i>Ins. § 10234.93</i> |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>Ins. § 10236.1</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Section applies to policies issued on or after 7/01/02. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Insurer shall submit actuarial memorandum justifying increase. Memorandum requirements are listed. <i>Ins. §§ 10236.13; 10236.14</i> Lists requirements for approval of increase and conditions subsequent to approval. |
| Filing Requirement for Out-of-State Group Policy | No group long-term care insurance coverage may be offered or sold to a resident of this state under a group policy issued in another state to a group unless the commissioner has determined that the requirements imposed by subdivision (d) of Section 10231.6 have been met. <i>Ins. § 10232</i> |
| Filing Requirement for Advertising | Shall provide a copy of any advertisement intended for use in California to the commissioner for review at least 30 days before dissemination. The advertisement shall comply with all laws in California. In addition, the advertisement shall be retained by the insurer for at least 3 years. <i>Ins. § 10234.9</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice regarding the Health Insurance Counseling and Advocacy Program (HICAP). <i>Ins. § 10234.93</i> Prohibited acts include twisting, high pressure tactics, and cold lead advertising. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting, transferring and ambulating. <i>Ins. § 10232.8</i> Threshold establishing eligibility shall be at least as permissive as a provision requiring one of these two criteria: impairment of two out of seven activities of daily life; and impairment of cognitive ability. A licensed health care professional shall certify that the insured meets the definition of "chronically ill individual." |

CALIFORNIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CALIFORNIA (cont.) |
|--|--|
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. <i>Ins. § 10234.95</i> Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC, values; benefits and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods to the extent that similar exclusions have been satisfied under the original policy or certificate. <i>Ins. § 10233.3</i> |
| Implementation of Nonforfeiture Benefit | Insurer is required to offer nonforfeiture benefit, with eligibility to begin no later than after 10 years of premium payments. <i>Ins. § 10235.30</i> Lifetime benefit is no less than the equivalent of 3 months of care at nursing home facility or the amount of premiums paid, whichever is greater. |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; and information and counseling. <i>Ins. § 10233.5</i> |
| Permitted Compensation | If the premium on the replacement product is less than or equal to the premium for the product being replaced, the commission shall be limited to the percentage of sale normally paid for renewal. <i>Ins. § 10234.97</i> File commission structure with the department. |
| Penalties | The commissioner shall have administrative authority to assess the penalties prescribed in this article for violation of any provision in this chapter against insurers, brokers, agents, and other entities which have been determined by the commissioner to be engaged in the business of insurance. <i>Ins. § 10234.2</i> |
| Shopper's Guide | Provide guide developed by Calif. Dept. of Aging. <i>Ins. § 10234.93</i> |
| Miscellaneous | Provides for methods to lower or increase coverage; consumer rate guide required. <i>Ins. §§ 10234.6</i> |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | COLORADO (1/24) |
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| Cite | 3 CCR 702-4:4-4-1; 4-4-4 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Defines these terms. <i>Reg. 4-4-1 § 6</i> Qualified LTC contract shall be guaranteed renewable. Less favorable renewal terms may be authorized by the commissioner under certain conditions. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>Reg. 4-4-1 § 6D</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | As to a group policy, replacement policy shall cover all persons covered under previous policy. As to a group policy, no exclusion for preexisting conditions that would have been covered under previous policy. <i>Reg. 4-4-1 § 6E</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>Reg. 4-4-1 § 7</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, policy summary, and accelerated death benefit costs. <i>Reg. 4-4-1 § 8</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>Reg. 4-4-1 § 9</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner at least 60 days prior to making a LTC insurance form available for sale. <i>Reg. 4-4-1 § 10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Insurer shall maintain record of all policy or certificate rescissions. <i>Reg. 4-4-1 § 11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>Reg. 4-4-1 § 12</i> |
| Offer of Inflation Protection | Optional inflation protection increases benefit levels. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>Reg. 4-4-4</i> |

COLORADO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | COLORADO (cont.) |
|---|---|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>Reg. 4-4-1 § 13</i> Replacing insurer shall provide notice to applicant regarding replacement. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>Reg. 4-4-1 § 14</i> |
| Agents Licensing Requirements | Training and certification required for agents selling LTC policies. <i>Reg. 4-4-1 § 15</i> |
| Reserve Standards for Accelerated Life Products | Cost disclosure to insurance department. <i>Reg. 4-4-1 § 16</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. Reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit may be found in Part 3 of Article 7 of Title 10, C.R.S. <i>Reg. 4-4-1 § 17</i> |
| Premium Rate Increases | An insurer shall request approval of a premium rate schedule increase, including an exceptional increase, to the commissioner at least 60 days prior to the proposed implementation of a rate increase. <i>Reg. 4-4-1 § 18</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state, pursuant to CRS 10-19-105, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>Reg. 4-4-1 § 19</i> |
| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval by the commissioner to the extent it may be required under state law. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>Reg. 4-4-1 § 20</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>Reg. 4-4-1 § 21</i> |

COLORADO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | COLORADO (cont.) |
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| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>Reg. 4-4-1 § 30</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for at least 3 activities of daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/01/08. |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. <i>Reg. 4-4-1 § 31</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. <i>Reg. 4-4-1 § 22</i> Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>Reg. 4-4-1 § 23</i> |
| Implementation of Nonforfeiture Benefit | Insurer is required to offer nonforfeiture benefit, with eligibility to begin no later than after 10 years of premium payments. <i>Reg. 4-4-1 § 29</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>Reg. 4-4-1 § 24, App. J</i> |
| Permitted Compensation | No provision |
| Penalties | Noncompliance may result in the imposition of sanctions, penalties, issuance of cease-and-desist orders, and/or suspension or revocations of license. <i>Reg. 4-4-1 § 34</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>Reg. 4-4-1 § 25</i> |
| Miscellaneous | See also Reg. 4-2-8 on home health care and hospice care. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CONNECTICUT (1/24) |
|---|---|
| Cite | Conn. Agencies Regs. §§ 38a-501-8 to 38a-501-24; 38a-528-1 to 38a-528-17; 38a-475-1 to 38a-475-6 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>§ 38a-501-11</i> |
| Provision for Continuation and Conversion | Group LTC policies shall allow continuation or conversion of coverage. If eligibility is based on relationship to another person, individual may continue or convert upon termination of qualifying relationship. <i>§ 38a-528-4</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>§ 38a-528-4</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | One person, in addition to the applicant, may receive notice of lapse or termination. <i>§ 38a-501-11</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, and limitations or conditions. <i>§ 38a-501-13</i> All filings of rates and rating schedules shall be accompanied by an actuarial certification demonstrating that expected claims in relation to premiums comply with the loss ratio required by subsection (b) of Section 38a-501 of the General Statutes when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can be expected to meet the required loss ratio standard. <i>§ 38a-501-15</i> |
| Prohibits Post-Claims Underwriting | Except for policies which are guaranteed issue, all applications shall contain clear and unambiguous questions to ascertain health of applicant. Insurer shall maintain record of all policy or certificate rescissions. <i>§ 38a-501-14</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>§ 38a-501-11</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>§ 38a-501-20</i> Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>§ 38a-501-22</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |

CONNECTICUT (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CONNECTICUT (cont.) |
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| Reporting of Lapse Rates | Insurer shall report annually by June 30: the number of policies lapsed and replacements sold; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>§ 38a-501-23</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | Loss ratio of at least 60% for individual policies; 65% for group, by statute C.G.S.A. <i>§§ 38a-50; 38a-528</i> |
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval by the commissioner to the extent it may be required under state law. <i>§ 38a-501-15</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has an insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>§ 38a-501-16</i> |
| Benefit Triggers | No provision |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care policy replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to pre-existing conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy or certificate. <i>§ 38a-501-12</i> |
| Implementation of Nonforfeiture Benefit | Insurer shall offer nonforfeiture benefit which provides return of premium, full benefits for a reduced benefit period, reduced benefits for the full benefit period, or another benefit that is acceptable to the commissioner. <i>§ 38a-501-19</i> |

CONNECTICUT (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | CONNECTICUT (cont.) |
|---|--|
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>§ 38a-501-21</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of shopper's guide approved by the commissioner. <i>§ 38a-501-18</i> |
| Miscellaneous | Includes provisions for certification for CT Partnership for Long-Term Care; separate regulations for individual and group coverage. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DELAWARE (1/24) |
|--|---|
| Cite | 18 Del. Admin. Code 1404-1.0 to 1404 Appendix G |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. <i>1404-6.0</i> Policy will not be issued under less favorable provision than “guaranteed nonrenewable” unless authorized by commissioner. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>1404-6.4</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>1404-6.5</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>1404-9.0</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>1404-7.0</i> Rating practices disclosure required for policy issued on or after 3/1/2005, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>1404-8.0</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner within 30 days prior to making a LTC insurance form available for sale. <i>1404-10.0</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>1404-11.0</i> Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>1404-12.0</i> Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. |

DELAWARE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DELAWARE (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>1404-13.0</i> Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>1404-14.0</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the total number of lapsed policies. <i>1404-15.0</i> |
| Agents Licensing Requirements | Provides authorization to market, sell, solicit, or otherwise contact any person with respect to long-term care insurance. <i>1404-16.0</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models utilizing all relevant decrements except for voluntary termination rates. <i>1404-18.0</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60% for individual policies and 65% for group policies. <i>1404-19.0</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 9/01/05. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine excess lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>1404-20.0</i> |

DELAWARE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DELAWARE (cont.) |
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| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state pursuant to 18 Del.C. § 7104 it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>1404-21.0</i> |
| Filing Requirement for Advertising | Prior to use, every insurer, health care service plan or other entity providing long-term care insurance in this state shall provide a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio or television medium to the Insurance Commissioner of the state of Delaware for review and approval by the commissioner. <i>1404-23.0</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice of Elderinfo Program. <i>1404-24.0</i> Prohibited acts include twisting, high pressure tactics, and cold lead advertising. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>1404-26.0</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. <i>1404-25.0</i> Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care insurance policy or certificate, the replacing insurer shall waive any time periods applicable to pre-existing conditions and probationary periods in the new long-term care insurance policy or certificate to the extent that similar exclusions have been satisfied under the original policy. <i>1404-27.0</i> |

DELAWARE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DELAWARE (cont.) |
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| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 5/01/97. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>1404-29.0</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>1404-22.0</i> |
| Permitted Compensation | Agent's commission may not exceed 35% of premium paid and 25% for replacement policy. <i>1404-30.0</i> |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>1404-31.0</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>1404-28.0</i> |
| Miscellaneous | Within 30 days after receipt of all requested additional information, an insurer shall pay benefit claims under an LTC policy or send a written notice detailing the specific reasons for denial of the claim. <i>1408-4.0</i> |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DISTRICT OF COLUMBIA (1/24) |
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| Cite | D.C. Mun. Regs. tit. 26, §§ 2600-2626; 2699 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” defined. § 2602 |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. § 2605 Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy, nor shall it vary or otherwise depend on the individual’s health or disability status, claim experience, or use of LTC services. § 2606 |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. § 2608 Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. §§ 2602; 2610; 2611 An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. § 2618 An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. § 2619 |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. § 2620 |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. § 2623 Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. |

DISTRICT OF COLUMBIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DISTRICT OF COLUMBIA (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. § 2624 Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. § 2625 Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the total number of lapsed policies. § 2626 |
| Agents Licensing Requirements | A producer is not authorized to sell, solicit, or negotiate with respect to long-term care insurance except as authorized by D.C. Official Code § 31-803. § 2627 |
| Reserve Standards for Accelerated Life Products | Reserves for policies and riders subject to this section should be based on the multiple decrement models utilizing all relevant decrements except for voluntary termination rates. § 2629 |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. § 2630 |
| Premium Rate Increases | The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine excess lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. § 2631 |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of the District of Columbia pursuant to D.C. Official Code § 31-3604, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in the District of Columbia. § 2633 |

DISTRICT OF COLUMBIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DISTRICT OF COLUMBIA (cont.) |
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| Filing Requirement for Advertising | Shall provide a copy of any long-term care insurance advertisement intended for use in the District of Columbia. § 2634 |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. § 2635 Prohibited acts include twisting, high pressure tactics, and cold lead advertising. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. § 2640 Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. § 2641 |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. § 2637 Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care insurance policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. § 2638 |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 5/23/00. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. § 2639 |

DISTRICT OF COLUMBIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | DISTRICT OF COLUMBIA (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. § 2642 |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. § 2644 |
| Shopper's Guide | Required to deliver a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. § 2643 |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | FLORIDA (1/24) |
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| Cite | Rule 69O-157.101 to 69O-157.122 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>Rule 69O-157.104</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>Rule 69O-157.104</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>Rule 69O-157.104</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | Provision in statute, not in regulations. A long-term care policy shall provide that the insured is entitled to a grace period of not less than 30 days, within which payment of any premium after the first may be made. The insurer may require payment of an interest charge not in excess of 8% per year for the number of days elapsing before the payment of the premium, during which period the policy shall continue in force. <i>F.S.A. § 627.94073</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>Rule 69O-157.106</i> Requirements for rating practice disclosure include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>Rule 69O-157.107</i> An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner not less than 30 days prior to making a LTC insurance form available for sale. <i>Rule 69O-157.108</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. <i>Rule 69O-157.109</i> |
| Standards for Home Health Care | Provision in statutes, not in regulations. A long-term care insurance policy, certificate, or rider that contains a home health care benefit must meet or exceed the minimum standards specified in this section. <i>F.S.A. § 627.94071</i> |

FLORIDA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | FLORIDA (cont.) |
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| Offer of Inflation Protection | Provision in statutes, not in regulations. Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>F.S.A. § 627.94072</i> Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>Rule 69O-157.110</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>Rule 69O-157.111</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>Rule 69O-157.112</i> |
| Loss Ratios | No provision |
| Premium Rate Increases | The insurer shall notify the office of a proposed premium rate schedule increase. Insurer shall submit actuarial memorandum justifying increase. Memorandum requirements are listed. <i>Rule 69O-157.113</i> Lists requirements for approval of increase and conditions subsequent to approval. |
| Filing Requirement for Out-of-State Group Policy | No group long-term care insurance coverage may be offered to a resident of this state under a group policy issued in another state to a group described in Section 627.9405(1)(c) or (d), F.S., unless this state or such other state having statutory and regulatory long-term care insurance requirements substantially similar to those adopted in this state has made a determination that the requirements have been met. <i>Rule 69O-157.114</i> |
| Filing Requirements for Advertising | Insurers shall provide the office with a copy of LTC policy advertising for review and approval. <i>Rule 69O-157.115</i> |
| Standards for Marketing | No provision |

FLORIDA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | FLORIDA (cont.) |
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| Benefit Triggers | Provision in statute, not in regulations. An LTC insurance policy shall condition the payment of benefits on a determination of the insured's ability to perform activities of daily living and on cognitive impairment. Eligibility for the payment of benefits shall not be more restrictive than requiring either a deficiency in the ability to perform not more than 3 of the activities of daily living or the presence of cognitive impairment. <i>F.S.A. § 627.94074</i> |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>Rule 69O-157.119</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. <i>Rule 69O-157.116</i> Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to time limit on certain defenses, preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>Rule 69O-157.117</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. <i>Rule 69O-157.118</i> |
| Standard Format for Outline of Coverage | Appendix I incorporated by reference. <i>Rule 69O-157.120</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>Rule 69O-157.122</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>Rule 69O-157.121</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | GEORGIA (1/24) |
|---|---|
| Cite | GA Comp. R. & Regs. 120-2-16 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Defines these terms. <i>GA ADC 120-2-16-.06</i> Insurer shall not issue LTC policy with terms less favorable than “guaranteed renewable for life.” |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>GA ADC 120-2-16-.06</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>GA ADC 120-2-16-.06</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>GA ADC 120-2-16-.07</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, and limitations. <i>GA ADC 120-2-16-.08</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>GA ADC 120-2-16-.09</i> An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. <i>GA ADC 120-2-16-.10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>GA ADC 120-2-16-.11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>GA ADC 120-2-16-.12</i> |
| Offer of Inflation Protection | Optional benefit rider to cover inflation may be offered. Must provide reasonable protection of LTC benefit. Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges, a graphic comparison of the benefit levels over a 20 year period. <i>GA ADC 120-2-16-.13</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>GA ADC 120-2-16-.14</i> |

GEORGIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | GEORGIA (cont.) |
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| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>GA ADC 120-2-16-.15</i> |
| Agents Licensing Requirements | Must be licensed to sell, solicit, or negotiate. <i>GA ADC 120-2-16-.16</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>GA ADC 120-2-16-.18</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>GA ADC 120-2-16-.19</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine excess lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>GA ADC 120-2-16-.20</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state pursuant to O.C.G.A. § 33-42-5, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>GA ADC 120-2-16-.21</i> |
| Filing Requirement for Advertising | Every insurer, health care service plan or other entity providing long-term care insurance or benefits in this state shall provide a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval by the commissioner to the extent it may be required under state law. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>GA ADC 120-2-16-.22</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>GA ADC 120-2-16-.23</i> |

GEORGIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | GEORGIA (cont.) |
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| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>GA ADC 120-2-16-.29</i> |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform at least 2 activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>GA ADC 120-2-16-.30</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>GA ADC 120-2-16-.24</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>GA ADC 120-2-16-.25</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 4/1/09. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>GA ADC 120-2-16-.28</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>GA ADC 120-2-16-.31</i> |
| Permitted Compensation | No provision |

GEORGIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | GEORGIA (cont.) |
|-----------------|---|
| Penalties | Any agent found to have violated any requirement of this state relating to the regulation of long-term care insurance or the marketing of such insurance shall be subject to such fines and penalties as provided under O.C.G.A. § 33-2-24. <i>GA ADC 120-2-16-.33</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>GA ADC 120-2-16-.32</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | HAWAII (1/24) |
|---|---|
| Cite | §§ 431:10H-201 to 431:10H-237 (statutes) |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. <i>§ 431:10H-202</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>§ 431:10H-205</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>§ 431:10H-206</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>§ 431:10H-208 to 431:10H-210</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, and benefit triggers. <i>§§ 431:10H-211; 431:10H-212</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>§ 431:10H-218</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>§ 431:10H-219</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>§ 431:10H-220</i> Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>§ 431:10H-221</i> |

HAWAII (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | HAWAII (cont.) |
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| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>§ 431:10H-222</i> |
| Agents Licensing Requirements | A producer is not authorized to sell, solicit, or negotiate with respect to long-term care insurance except as authorized by article 9A. <i>§ 431:10H-202.5</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>§§ 431:10H-224; 431:10H-225</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>§ 431:10H-226</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice and the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine excess lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>§ 431:10H-207.5</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state pursuant to <i>§ 431:10H-105</i> , it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>§ 431:10H-227</i> |
| Filing Requirement for Advertising | Every insurer, health care service plan, or other entity providing long-term care insurance or benefits in this state shall provide a copy of any long-term care insurance advertisement intended for use in this state whether through written, radio, or television medium to the commissioner for review or approval by the commissioner to the extent it may be reviewed under state law. In addition, all advertisements shall be retained by the insurer, health care service plan, or other entity for at least 3 years from the date the advertisement was first used. <i>§ 431:10H-228</i> |

HAWAII (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | HAWAII (cont.) |
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| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. §§ 431:10H-229 to 431:10H-230</p> <p>Prohibited acts include twisting, high pressure tactics, and cold lead advertising. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. § 431:10H-234</p> <p>Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 6/1/00.</p> |
| Benefit Triggers for Qualified LTC Contracts | <p>A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. § 431:10H-234.5</p> <p>Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period.</p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. § 431:10H-231</p> <p>Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance.</p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a long-term care insurance policy or certificate replaces another long-term care insurance policy or certificate, the replacing issuer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. § 431:10H-232</p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 6/30/00. § 431:10H-233</p> <p>The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse.</p> |

HAWAII (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | HAWAII (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>§ 431:10H-235</i> |
| Permitted Compensation | No provision |
| Penalties | In addition to any other penalties provided by the laws of this state, any insurer or producer found to have violated any requirement of this state relating to the regulation of long-term care insurance or the marketing of such insurance shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved in the violation or up to \$10,000, whichever is greater. <i>§ 431:10H-237</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>§ 431:10H-236</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IDAHO (1/24) |
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| Cite | IDAPA 18.04.11.000 to 18.01.04.037 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>IDAPA 18.04.11.012</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>IDAPA 18.04.11.012</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>IDAPA 18.04.11.012</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>IDAPA 18.04.11.013</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>IDAPA 18.04.11.014</i> Rating practices disclosure required for policy issued on or after 7/1/01. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 30 days before the effective date of the increase. |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>IDAPA 18.04.11.015</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>IDAPA 18.04.11.016</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>IDAPA 18.04.11.017</i> |

IDAHO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IDAHO (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>IDAPA 18.04.11.018</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>IDAPA 18.04.111.60.019</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>IDAPA 18.04.11.020</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>IDAPA 18.04.11.022</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>IDAPA 18.04.11.023</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 7/01/01. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>IDAPA 18.04.11.025</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the director evidence that the group policy has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>IDAPA 18.04.11.024</i> |
| Filing Requirement for Advertising | Shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio, or television medium to the director for review and approval. In addition, all advertisements shall be retained by the insurer or other entity for at least 5 years from the date the advertisement was first used; or until the filing of the next regular report of examination of the insurer, whichever is the longer period of time. <i>IDAPA 18.04.11.026</i> |

IDAHO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IDAHO (cont.) |
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| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>IDAPA 18.04.11.27</i></p> <p>An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after the effective date of the rule. <i>IDAPA 18.04.11.033</i></p> |
| Benefit Triggers for Qualified LTC Contracts | <p>Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>IDAPA 18.04.11.034</i></p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>IDAPA 18.04.11.028</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>IDAPA 18.04.11.029</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>IDAPA 18.04.11.032</i></p> |

IDAHO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IDAHO (cont.) |
|---|--|
| Standard Format for Outline of Coverage | A description of the principal benefits and coverage provided in the policy; a statement of the principal exclusions, reductions and limitations contained in the policy; a statement of the terms under which the policy or certificate, or both, may be continued in force or discontinued, including any reservation in the policy of a right to change premium. Continuation or conversion provisions of group coverage shall be specifically described; a statement that the outline of coverage is a summary only, not a contract of insurance, and that the policy or group master policy contains governing contractual provisions; a description of the terms under which the policy or certificate may be returned and premium refunded; and a brief description of the relationship of cost of care and benefits. <i>IDAPA 18.04.11.035; I.C. § 41-4605(7)</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>IDAPA 18.04.11.037</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>IDAPA 18.04.11.036</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ILLINOIS (1/24) |
|--|---|
| Cite | 50 Ill. Adm. Code 2012.10 to 2012.150 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Policy shall not contain renewal language less favorable than “guaranteed renewable.” <i>50 IL ADC 2012.50</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>50 IL ADC 2012.50</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>50 IL ADC 2012.50</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>50 IL ADC 2012.55</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, accelerated life products, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 1/01/03. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director 30 days prior to making a LTC insurance form available for sale. <i>50 IL ADC 2012.60; 2012.62 & 2012.64</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>50 IL ADC 2012.65</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>50 IL ADC 2012.70</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>50 IL ADC 2012.80</i> |

ILLINOIS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ILLINOIS (cont.) |
|---|--|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>50 IL ADC 2012.90</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>50 IL ADC 2012.95</i> |
| Agents Licensing Requirements | Agents need 8 hours of education or training to market, sell or solicit for LTC insurance. <i>50 IL ADC 2012.121</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>50 IL ADC 2012.120</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>50 IL ADC 2012.110</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 1/01/03. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>50 IL ADC 2012.112</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer offering group long-term care insurance to a resident of this state, it shall file with the director evidence that the group policy has been approved by a state that has adopted the NAICs' model legislation on LTC insurance and attendant regulations. <i>50 IL ADC 2012.100</i> |
| Filing Requirement for Advertising | Every insurer, as defined herein, providing long-term care insurance or benefits in this state shall comply with 50 Ill. Adm. Code 2002.180. <i>50 IL ADC 2012.115</i> |

ILLINOIS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ILLINOIS (cont.) |
|--|---|
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice regarding Senior Health Insurance Program (SHIP). Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>50 IL ADC 2012.122</i></p> <p>An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. <i>50 IL ADC 2012.128</i></p> <p>Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals.</p> |
| Benefit Triggers for Qualified LTC Contracts | <p>A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>50 IL ADC 2012.129</i></p> <p>Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period.</p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>50 IL ADC 2012.123</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>50 IL ADC 2012.124</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>50 IL ADC 2012.127, also see 50 IL ADC 2012.86</i></p> |

ILLINOIS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | ILLINOIS (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; contacts for further information; and graphic comparison. <i>50 IL ADC 2012.130, Exhibit C</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>50 IL ADC 2012.150</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>50 IL ADC 2012.140</i> |
| Miscellaneous | Also have LTC Partnership Policy. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | INDIANA (1/24) |
|--|---|
| Cite | Ind. Admin. Code tit. 760, r. 2-1-1 to 2-20-43 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>760 IAC 2-3-1</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>760 IAC 2-3-4</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>760 IAC 2-3-5</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>760 IAC 2-3-8</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 1/01/05, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>760 IAC 2-4-1; 760 IAC 2-4-2</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>760 IAC 2-5-1 to 760 IAC 2-5-4</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>760 IAC 2-6-1</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>760 IAC 2-7-1 to 760 IAC 2-7-4</i> Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. |

INDIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | INDIANA (cont.) |
|---|---|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>760 IAC 2-8-1 to 760 IAC 2-8-6</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>760 IAC 2-9-1</i> |
| Agents Licensing Requirements | Requires 8 hours continuing education in LTC insurance in the first 2 years and 5 hours continuing education in subsequent 2 years. <i>760 IAC 2-10-1</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>760 IAC 2-12-1</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>760 IAC 2-13-1</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state, it shall file for approval with the commissioner evidence that the group policy has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>760 IAC 2-14-1</i> |
| Filing Requirement for Advertising | Every insurer, health care service plan, or other entity providing LTC insurance or benefits in Indiana shall provide a copy of any LTC insurance advertisement intended for use in Indiana whether through written, radio, or television medium to the commissioner for review and approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>760 IAC 2-14-2</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice of Senior Health Insurance Information Program and Indiana Long-Term Care Insurance Program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>760 IAC 2-15-1</i> An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |

INDIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | INDIANA (cont.) |
|--|--|
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Eligibility requirements shall not be more restrictive than requiring either a deficiency in ability to perform not more than 3 activities of daily living or the presence of cognitive impairment. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 7/05. <i>760 IAC 2-2-1.5; 760 IAC 2-16.1-2</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>760 IAC 2-16.1-3</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant’s goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. <i>760 IAC 2-15.5-1</i> Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>760 IAC 2-3-5</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. <i>760 IAC 2-16.1-1</i> The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; additional features; and contact information for Senior Health Insurance Program. <i>760 IAC 2-17-1</i> |

INDIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | INDIANA (cont.) |
|------------------------|--|
| Permitted Compensation | The insurer shall pay the producer or representative, for at least 6 years, an annual commission for selling or servicing the policy. The amount of commission provided in years after the first year must be determined based on the premium charged for the long-term care insurance policy during the first year. By statute <i>IC § 27-8-12-18</i> |
| Penalties | Any insurer found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. The commissioner may also impose a penalty against the violating producer of up to 3 times the amount of any commissions paid for each policy involved or up to \$2,500, whichever is greater. <i>760 IAC 2-19-1; 760 IAC 2-19-2</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>760 IAC 2-18-1</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IOWA (1/24) |
|--|---|
| Cite | Iowa Admin. Code 191-39.1(514G) to 191-39.32(514G) |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>IAC 191-39.6(514G)</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>IAC 191-39.6(514G)</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>IAC 191-39.6(514G)</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>IAC 191-39.22(514G)</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 2/1/03, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>IAC 191-39.7(514G); 191-39.25(514G)</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>IAC 191-39.25(514G)</i> An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. <i>IAC 191-39.26(514G)</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Insurer shall maintain record of all policy or certificate rescissions. <i>IAC 191-39.8(514G)</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>IAC 191-39.9(514G)</i> |

IOWA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IOWA (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>IAC 191-39.10(514G)</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>IAC 191-39.11(514G)</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>IAC 191-39.27(514G)</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>IAC 191-39.12(514G)</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>IAC 191-39.13(514G)</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Applies to any LTC on or after February 1, 2003. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>IAC 191-39.28 (514G)</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization's offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>IAC 191-39.14(514G)</i> |
| Filing Requirement for Advertising | No provision |

IOWA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IOWA (cont.) |
|--|--|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>IAC 191-39.15(514G)</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 2/01/03, with exceptions. <i>IAC 191-39.30(514G)</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>IAC 191-39.31(514G)</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>IAC 191-39.16(514G)</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>IAC 191-39.17(514G)</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>IAC 191-39.29(514G)</i> |

IOWA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | IOWA (cont.) |
|---|--|
| Standard Format for Outline of Coverage | References Iowa Code § 514G.7(1). Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; additional features; and contact information for Senior Health Insurance. <i>IAC 191-39.18(514G)</i> |
| Permitted Compensation | No provision |
| Penalties | References Iowa Code Chapter 507B. <i>IAC 191-39.32(514G)</i> |
| Shopper’s Guide | Requires delivery of a shopper’s guide in the format developed by the NAIC or others specified. <i>IAC 191-39.19(514G)</i> |
| Miscellaneous | Return of premium provision. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KANSAS (1/24) |
|---|---|
| Cite | Kan. Admin. Regs. 40-4-37 to 40-4-37u and Uniform Policy Provisions in Chapter 40, Article 22 (K.S.A. 40-2254) |
| Individual Policies are Guaranteed Renewable | Policy shall not contain renewal language less favorable than “guaranteed renewable” for life. <i>K.A.R. 40-4-37a</i> |
| Provision for Continuation and Conversion | If policy is terminated during nursing home confinement, benefits shall continue until discharge, expiration of benefit period, or payment of maximum benefits, whichever comes first. <i>K.A.R. 40-4-37c</i> |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). <i>K.S.A. 40-2228b to K.S.A. 40-2228e</i> Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirement | Rating practices disclosure required for policy issued on or after 6 months from the effective date of the rule. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>K.A.R. 40-4-37s</i> Each insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days before making a LTC insurance form available for sale. <i>K.A.R. 40-4-37q</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>K.A.R. 40-4-37L</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>K.A.R. 40-4-37E; 40-4-37n</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>K.A.R. 40-4-37O; 40-4-37j</i> |

KANSAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KANSAS (cont.) |
|---|---|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>K.A.R. 40-4-37i</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>K.A.R. 40-4-37i</i> |
| Agents Licensing Requirements | Licensed agent shall participate in 4 hours of initial training courses certified by the commissioner as LTC policy training and participate in at least 1 hour biennium thereafter. <i>K.A.R. 40-4-37v</i> |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60% for individual policies and at least 65% for group policies. <i>K.A.R. 40-4-37k</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 1/01/03, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>K.A.R. 40-4-37t</i> The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | Every insurer, health care service plan, or other entity providing LTC insurance or benefits in the state shall provide a copy of any LTC insurance advertisement intended for use in the state whether through written, radio, or television medium to the commissioner for review and approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>K.A.R. 40-4-37p</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>K.A.R. 40-4-37p</i> |

KANSAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KANSAS (cont.) |
|--|---|
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting, transferring from bed to chair, and mobility. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for 3 activities of daily living; or the presence of cognitive impairment. <i>K.A.R. 40-4-37d</i> |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition Limit | No long-term care insurance policy or certificate may exclude or use waivers or riders of any kind to exclude, limit or reduce coverage or benefits for specifically named or described preexisting diseases or physical conditions beyond the waiting period of the policy or certificate. <i>K.A.R. 40-4-37h</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. The insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/01/03. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>K.A.R. 40-4-37u</i> |
| Standard Format for Outline of Coverage | Includes benefits; coverage; terms under which policy or certificate may be continued or discontinued; graphic comparison of benefit levels; terms under which policy may be returned; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits. <i>K.A.R. 40-4-37j</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>K.A.R. 40-4-37j</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KENTUCKY (11/21) |
|--|---|
| Cite | 806 KAR 17:081 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>KAR 17:081 § 3</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>KAR 17:081 § 4</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>KAR 17:081 § 5</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>KAR 17:081 § 4</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 6 months from the effective date of the rule. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>KAR 17:081 § 5</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>KAR 17:081 § 6</i> An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner not less than 60 days prior to making a LTC insurance form available for sale. <i>KAR 17:081 § 7</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>KAR 17:081 § 8</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>KAR 17:081 § 9</i> |

KENTUCKY (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KENTUCKY (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>KAR 17:081 § 10</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>KAR 17:081 § 11</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>KAR 17:081 § 12</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>KAR 17:081 § 13</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>KAR 17:081 § 15</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>KAR 17:081 § 16</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued in Kentucky beginning 1/15/03. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>KAR 17:081 § 17</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to offering group LTC insurance issued in another state to a resident of Kentucky, an insurer shall file with the commissioner evidence that the group policy has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to requirements in Kentucky. <i>KAR 17:081 § 18</i> |

KENTUCKY (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KENTUCKY (cont.) |
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| Filing Requirement for Advertising | An insurer providing LTC insurance or benefits in Kentucky shall provide a copy of a LTC insurance advertisement intended for use in Kentucky whether through written, radio, or television medium to the commissioner for review, and shall retain a copy of the advertisement for at least 5 years from the date it was first used. <i>KAR 17:081 § 19</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice of State Health Insurance Assistance Program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>KAR 17:081 § 20</i> An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 12 months from the effective date of the regulation, with exceptions. <i>KAR 17:081 §§ 2(1); 26</i> |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC insurance contract shall pay for a qualified LTC service received by a chronically ill individual if the service is provided in accordance with a plan of care prescribed by a licensed health care practitioner. A qualified LTC insurance contract shall condition the payment of benefits on a certified determination of the insured's inability to perform activities of daily living for an expected period of at least 90 days due to: (a) a loss of functional capacity; or (b) severe cognitive impairment. <i>KAR 17:081 § 27</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>KAR 17:081 § 21</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>KAR 17:081 § 22</i> |

KENTUCKY (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | KENTUCKY (cont.) |
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| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after the effective date, with exceptions. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>KAR 17:081 § 25</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; and contact information for Senior Health Insurance Program. <i>KAR 17:081 § 28</i> |
| Permitted Compensation | Replacement policies may provide commission no greater than 200% of renewal compensation payable by replacing insurer. <i>KAR 17:081 § 31</i> |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>KAR 17:081 § 30</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>KAR 17:081 § 29</i> |
| Miscellaneous | Illustrations used in the sale of a life insurance policy that funds long-term care benefits must meet standards in illustrations regulation. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | LOUISIANA (1/24) |
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| Cite | La. Admin Code. tit. 37, pt. XIII, §§ 1901 to 1961 (Reg. 46) |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>LAC 37:XIII.1909</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>LAC 37:XIII.1909</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>LAC 37:XIII.1909</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>LAC 37:XIII.1911</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 8/05, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>LAC 37:XIII.1913</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>LAC 37:XIII.1915</i> An insurer will provide a copy of the disclosure documents and an actuarial certification to the commissioner 45 days prior to making a LTC insurance form available for sale. <i>LAC 37:XIII.1917</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>LAC 37:XIII.1921</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>LAC 37:XIII.1923</i> |

LOUISIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | LOUISIANA (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>LAC 37:XIII.1919</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>LAC 37:XIII.1925</i> Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>LAC 37:XIII.1927</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>LAC 37:XIII.1929</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>LAC 37:XIII.1933</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>LAC 37:XIII.1935</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 8/05, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>LAC 37:XIII.1937</i> The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. |
| Filing Requirement for Out-of-State Group Policy | Prior to a LTC insurer or other similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group meets the requirements of R.S. 22:1734(4)(d); and such insurers shall file for approval any group policy or certificate to be offered to residents of this state, regardless of from where it was issued or delivered. <i>LAC 37:XIII.1939</i> |

LOUISIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | LOUISIANA (cont.) |
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| Filing Requirement for Advertising | Any entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement, whether through written, radio, or television medium, to the commissioner for review or approval. In addition, all advertisements shall be retained by the entity for at least 3 years from the date the advertisement was first used. <i>LAC 37:XIII.1943</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>LAC 37:XIII.1945</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>LAC 37:XIII.1957</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/99. |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>LAC 37:XIII.1959</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>LAC 37:XIII.1947</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to pre-existing conditions and probationary periods in the new long-term care policy for similar benefits, to the extent that similar exclusions have been satisfied under the original policy. <i>LAC 37:XIII.1949</i> |

LOUISIANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | LOUISIANA (cont.) |
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| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/99. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>LAC 37:XIII.1955</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; and contact information for state senior health insurance counseling program. <i>LAC 37:XIII.1963</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>LAC 37:XIII.1967</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>LAC 37:XIII.1965</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MAINE (1/24) |
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| Cite | Code Me. R. 02-031 Ch. 425 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>Ch 425 § 6</i> Defines these terms, as well as “level premium.” |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>Ch 425 § 6</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>Ch 425 § 6</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>Ch 425 § 7</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and free look provision. <i>Ch 425 § 8</i> Rating practices disclosure required for policy issued on or after 10/04, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 90 days before the effective date of the increase. <i>Ch 425 § 9</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the superintendent at least 30 days before making a LTC insurance form available for sale. <i>Ch 425 § 10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. <i>Ch 425 § 11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>Ch 425 § 12</i> |

MAINE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MAINE (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>Ch 425 § 13</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>Ch 425 § 14</i> Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30 the number of lapsed policies as of the end of the preceding calendar year and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>Ch 425 § 16</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>Ch 425 § 17</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>Ch 425 § 19</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 58%. <i>Ch 425 § 20</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Section applies to policies issued on or after 10/04, with exceptions. The insurer shall notify the superintendent of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the superintendent updated projections annually for the next 3 years. The superintendent shall review projected lapse rates and may determine significant adverse lapsation. The superintendent may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>Ch 425 § 20</i> |
| Filing Requirement for Out-of-State Group Policy | No provision |

MAINE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MAINE (cont.) |
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| Filing Requirement for Advertising | Every entity providing LTC insurance in this state shall file with the superintendent for prior approval a copy of any LTC insurance advertisement intended for use in this state, whether through written, radio, television, internet or other medium. If the advertisement has not been affirmatively approved or disapproved within 30 days after filing, it will be deemed approved. <i>Ch 425 § 21</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include high pressure tactics and cold lead advertising, in addition to other statutory prohibitions. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>Ch 425 § 22</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 4/05. <i>Ch 425 §§ 5; 27</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>Ch 425 § 28</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>Ch 425 § 23</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>Ch 425 § 15</i> |

MAINE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MAINE (cont.) |
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| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>Ch 425 § 26</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>Ch 425 § 29; App. F</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | NAIC's shopper's guide required. <i>Ch 425 § 30</i> |
| Miscellaneous | Encourages innovative policy designs, contains tax incentives; requires reporting of multiple policies. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MARYLAND (1/24) |
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| Cite | MD Ins. Admin. 31.14.01.01 to 31.14.01.32; 31.14.02.01 to 31.14.02.14 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” are the only acceptable renewal provisions. <i>COMAR 31.14.01.04</i> |
| Provision for Continuation and Conversion | Application for converted policy and first premium due no later than 31 days after termination. Describes how premium for converted policy shall be calculated. <i>COMAR 31.14.01.04</i> Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>COMAR 31.14.01.04</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>COMAR 31.14.01.07</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>COMAR 31.14.01.05</i> Rating practices disclosure required for policy issued on or after 10/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>COMAR 31.14.02.03</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner at least 60 days before making a LTC insurance form available for sale. <i>COMAR 31.14.02.04</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Insurer shall maintain record of all policy or certificate rescissions. <i>COMAR 31.14.01.09</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>COMAR 31.14.01.11</i> Coverage shall be a dollar amount equal to at least 50% of daily benefit or lifetime limit, depending on the policy. |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>COMAR 31.14.01.12</i> |

MARYLAND (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MARYLAND (cont.) |
|---|--|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy was issued, whichever is earlier. <i>COMAR 31.14.01.06; 31.14.01.22</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and, for qualified LTC contracts, the number of claims denied for each class of business expressed as a percentage of claims denied. <i>COMAR 31.14.01.24</i> |
| Agents Licensing Requirements | Training requirements. <i>COMAR 31.14.01.34</i> |
| Reserve Standards for Accelerated Life Products | Applies to long-term care benefits that are provided through the acceleration of benefits under group or individual life insurance policies or riders to group or individual life insurance policies. An insurer may determine the reserves based on single decrement. <i>COMAR 31.14.02.10</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>COMAR 31.14.02.05</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 10/02, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>COMAR 31.14.02.06</i> |
| Filing Requirement for Out-of-State Group Policy | Group long-term care insurance coverage may not be offered to a resident of this state under a group policy issued in another jurisdiction unless the coverage complies with the statutes and regulations pertaining to group long-term care insurance issued in this state. <i>COMAR 31.14.01.14</i> |
| Filing Requirement for Advertising | An insurer soliciting LTC insurance in the state shall provide the commissioner with a copy of any LTC insurance advertisement at least 30 days before its intended use in the state. <i>COMAR 31.14.01.15</i> |

MARYLAND (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MARYLAND (cont.) |
|--|---|
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>COMAR 31.14.01.16</i></p> <p>An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 4/03. <i>COMAR 31.14.01.26</i></p> |
| Benefit Triggers for Qualified LTC Contracts | <p>Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>COMAR 31.14.01.27</i></p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. Provision includes disclosure form and procedure to follow if applicant does not meet suitability standards. <i>COMAR 31.14.01.25</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a long-term care insurance policy or certificate replaces other long-term care coverage, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy or certificate for similar benefits to the extent that corresponding time periods have been satisfied under the original policy. <i>COMAR 31.14.01.10</i></p> |
| Implementation of Nonforfeiture Benefit | <p>Nonforfeiture benefit shall be effective if policy has been in effect for at least 3 years. Contingent benefit upon lapse covers the first 3 years and is an alternative to nonforfeiture benefit thereafter. <i>COMAR 31.14.01.13</i></p> <p>The nonforfeiture benefit value is dependent on the period of time for which the policy was in effect.</p> |

MARYLAND (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MARYLAND (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; and contact information for senior health insurance assistance program. <i>COMAR 31.14.01.21</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>COMAR 31.14.01.28</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>COMAR 31.14.01.19</i> |
| Miscellaneous | May coordinate benefits with other LTC coverage. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MASSACHUSETTS (1/24) |
|---|--|
| Cite | 211 CMR 65.01 to 65.102 |
| Individual Policies are Guaranteed Renewable | All individual policies shall be guaranteed renewable or noncancellable. <i>211 CMR 65.05</i> |
| Provision for Continuation and Conversion | Benefits shall continue until the earliest of the following: discharge from nursing home; maximum lifetime benefit period has expired; or maximum lifetime benefit amount has been exhausted. <i>211 CMR 65.05</i> |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid. Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>211 CMR 65.10</i> |
| Disclosure of Rating Practices and Filing Requirements | Carriers shall file all individual policy forms, including applications, disclosure statements and replacement forms, and associated rates. Application form requirements. <i>211 CMR 65.07</i> Must disclose renewability, riders and endorsements, tax consequences, suitability standards, policy provisions in general, and policy illustrations. <i>211 CMR 65.09</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>211 CMR 65.11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year's coverage available for nursing home benefits under the policy. <i>211 CMR 65.05</i> |
| Offer of Inflation Protection | Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>211 CMR 65.06</i> |
| Requirement for Application Forms and Replacement Notices | No provision |
| Reporting of Lapse Rates | No provision |
| Agents Licensing Requirements | Agent training provision. <i>211 CMR 65.08</i> |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | Loss ratio of 60% for individual policies, 80% for group. <i>211 CMR 42.06</i> |

MASSACHUSETTS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MASSACHUSETTS (cont.) |
|--|--|
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | No provision |
| Standards for Marketing | Prohibited acts include twisting, high pressure tactics, and cold lead advertising. Insurers shall disclose group policyholder or carrier in marketing materials. <i>211 CMR 65.08</i> |
| Benefit Triggers | References federal standards. <i>211 CMR 65.05</i> |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition Limit | Pre-existing condition limitations may not apply for more than a 6-month period from the effective date of the policy. <i>211 CMR 65.05</i> |
| Implementation of Nonforfeiture Benefit | Offer to purchase nonforfeiture benefit shall be available to every applicant without additional underwriting. Carrier must require the applicant to specifically reject the option. <i>211 CMR 65.06</i> |
| Standard Format for Outline of Coverage | Includes summary; purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; nonforfeiture benefit; Alzheimer's disease and other brain disorders; and premium. <i>211 CMR 65.101</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | No provision |
| Miscellaneous | May not exclude mental and nervous conditions. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MICHIGAN (1/24) |
|---|--|
| Cite | Mich. Comp. Laws §§ 500.3901 to 500.3955 (statutes) |
| Individual Policies are Guaranteed Renewable | Each individual policy shall contain a guaranteed renewable provision. § 500.3907 |
| Provision for Continuation and Conversion | Group LTC certificate shall contain conversion provision permitting individual to obtain similar coverage. § 500.3907 |
| Provision for Discontinuance and Replacement | Replacement policy shall not contain exclusion for preexisting conditions that would have been covered under previous policy. § 500.3917 |
| Unintentional Lapse Provision | An individual long-term care policy or certificate shall not lapse or be terminated for nonpayment of premium unless the insurer, at least 30 days (60 days if the premium is paid through a pension plan) before the effective date of the lapse or termination, has given notice to the insured. § 500.3906 |
| Disclosure of Rating Practices and Filing Requirement | An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder's option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. § 500.3925 |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. § 500.3921 |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. § 500.3913 |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. § 500.3909 |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. § 500.3939 Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date policy is issued, whichever is earlier. |

MICHIGAN (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MICHIGAN (cont.) |
|--|---|
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>§ 500.3942a</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>§ 500.3930</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>§ 500.3927</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | The premiums charged to an insured for long-term care insurance shall not increase due to either of the following: (a) the increasing age of the insured at ages beyond 65 or (b) the duration the insured has been covered under the policy. <i>§ 500.3929</i> |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | Every insurer providing LTC insurance coverage in this state shall file with the commissioner for review a copy of any written, radio, or television advertisement at least 45 days before the date the insurer desires to use the advertising. <i>§ 500.3941</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage. <i>§ 500.3942</i> |
| Benefit Triggers | No provision |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. <i>§ 500.3941a</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | A preexisting condition limitation period in a LTC insurance policy, other than a group LTC certificate, shall not exceed 6 months after the effective date of coverage. <i>§ 500.3911</i> |

MICHIGAN (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MICHIGAN (cont.) |
|---|---|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/02. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. § 500.3910a |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. § 500.3933 |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. § 500.3945 |
| Shopper’s Guide | Requires delivery of a shopper’s guide in the format developed by the NAIC or a guide developed or approved by the commissioner. § 500.3937 |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MINNESOTA (1/24) |
|--|---|
| Cite | Minn. Stat. §§ 62S.01 to 62S.34 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>§ 62S.14</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>§ 62S.17</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>§ 62S.18</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>§ 62S.19</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>§ 62S.20</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>§ 62S.081</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>§ 62S.21</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>§ 62S.22</i> |

MINNESOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MINNESOTA (cont.) |
|---|--|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. § 62S.23 |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. § 62S.24 Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. § 62S.25 |
| Agents Licensing Requirements | The commissioner shall approve producer training requirements in accordance with the NAIC Long-Term Care Insurance Model Act provisions. § 62S.315 |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. § 62S.251 Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. § 62S.26 Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Section applies to policies issued on or after 1/02, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. § 62S.265 |

MINNESOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MINNESOTA (cont.) |
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| Filing Requirement for Out-of-State Group Policy | Before an insurer or similar organization offers group LTC insurance to a resident of this state, it must file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. § 62S.27 |
| Filing Requirement for Advertising | An insurer or other entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio, or television medium to the commissioner for review or approval. All advertisements must be retained by the insurer or other entity for at least 3 years from the date the advertisement was first used. § 62S.28 |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. § 62S.29 An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. § 62S.267 |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. § 62S.268 |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. § 62S.30 |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |

MINNESOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MINNESOTA (cont.) |
|---|---|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. § 62S.266 |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which the company may change premiums; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. § 62S.08 |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. § 62S.33 |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. § 62S.31 |
| Miscellaneous | Covers qualified plans under HIPAA. §§ 62A.46 to 62A.56; Reg. 2745.0010 to 2745.0050 covers non-qualified plans. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSISSIPPI (1/24) |
|---|---|
| Cite | 19 Miss. Admin. Code Pt. 3, R. 8.01 to 8.19 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Defines these terms. <i>Rule 8.07</i> No such policy shall contain renewal provisions less favorable than “guaranteed renewable.” |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>Rule 8.07</i> |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | No provision |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility. <i>Rule 8.08</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>Rule 8.09</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>Rule 8.10</i> |
| Offer of Inflation Protection | Optional inflation protection increases benefit levels. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>Rule 8.11</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>Rule 8.12</i> |
| Reporting of Lapse Rates | No provision |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>Rule 8.14</i> |

MISSISSIPPI (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSISSIPPI (cont.) |
|--|--|
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>Rule 8.15</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>Rule 8.16</i> |
| Filing Requirement for Advertising | No provision |
| Standards for Marketing | No provision |
| Benefit Triggers | No provision |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition | No provision |
| Implementation of Nonforfeiture Benefit | No provision |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>Rule 8.17</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of NAIC's shopper's guide. <i>Rule 8.18</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSOURI (1/24) |
|--|--|
| Cite | Mo. Code Regs. tit. 20, § 400-4.100 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>20 CSR 400-4.100 § 4</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>20 CSR 400-4.100 § 4</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>20 CSR 400-4.100 § 4</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>20 CSR 400-4.100 § 5</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 6 months from the effective date of the rule, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>20 CSR 400-4.100 § 6</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>20 CSR 400-4.100 § 7</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director 30 days prior to making an LTC insurance form available for sale. <i>20 CSR 400-4.100 § 8</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>20 CSR 400-4.100 § 9</i> |

MISSOURI (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSOURI (cont.) |
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| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year's coverage available for nursing home benefits under the policy. <i>20 CSR 400-4.100 § 10</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>20 CSR 400-4.100 § 11</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>20 CSR 400-4.100 § 12</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>20 CSR 400-4.100 § 13</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>20 CSR 400-4.100 § 14; 20 CSR 400-4.120</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>20 CSR 400-4.100 § 16</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>20 CSR 400-4.100 § 17</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |

MISSOURI (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSOURI (cont.) |
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| Premium Rate Increases | Section applies to policies issued on or after 6 months from the effective date, with exceptions. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>20 CSR 400-4.100 § 18</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the director evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>20 CSR 400-4.100 § 19</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the director for review by the director. In addition, all advertisements shall be retained by the insurer, health care service plan, or other entity for at least 3 years from the date the advertisement was first used. <i>20 CSR 400-4.100 § 20</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>20 CSR 400-4.100 § 21</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>20 CSR 400-4.100 § 27</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after one year from the effective date of the rule. |

MISSOURI (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MISSOURI (cont.) |
|--|--|
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>20 CSR 400-4.100 § 28</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant’s goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>20 CSR 400-4.100 § 22</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | Prohibition against preexisting conditions and probationary periods in replacement policies or certificates. If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>20 CSR 400-4.100 § 23</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after the effective date of this rule, with exceptions. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>20 CSR 400-4.100 § 24</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; additional features; and contact information for senior health insurance assistance program. <i>20 CSR 400-4.100 § 29</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper’s Guide | Requires delivery of a shopper’s guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>20 CSR 400-4.100 § 30</i> |
| Miscellaneous | Professional standards of producers. <i>20 CSR 700-1.145; 700-1.152</i> |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MONTANA (1/24) |
|--|---|
| Cite | Mont. Admin. R. 6.6.3101 to 6.6.3129; 6.6.5601 to 6.6.5604; MCA 33-22-1128 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” are defined. These terms require further explanatory language when used. No such policy shall use language less favorable than “guaranteed renewable.” <i>ARM 6.6.3104</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>ARM 6.6.3104</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>ARM 6.6.3104</i> . No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>ARM 6.6.3104a</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>ARM 6.6.3105</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>ARM 6.6.3121</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director 30 days prior to making a LTC insurance form available for sale. <i>ARM 6.6.3122</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>ARM 6.6.3106</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>ARM 6.6.3107</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>ARM 6.6.3108</i> |

MONTANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MONTANA (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>ARM 6.6.3109</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>ARM 6.6.3109a</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. Producer must pass test on LTC insurance and maintain appropriate licenses. <i>ARM 6.6.3109b; MCA 33-22-1128</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>ARM 6.6.3111</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>ARM 6.6.3112</i> . Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>ARM 6.6.3124</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an issuer offering long-term care insurance to a resident of Montana, the issuer shall file with the commissioner the policy or certificate for approval by this state. <i>ARM 6.6.3113</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in Montana shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained by the entity for at least 3 years from the date the advertisement was first used. <i>ARM 6.6.3113a</i> |

MONTANA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | MONTANA (cont.) |
|--|---|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>ARM 6.6.3117</i> |
| Benefit Triggers | No provision |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>ARM 6.6.3118</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy replaces another long-term care policy, the replacing issuer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>ARM 6.6.3126</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>ARM 6.6.3119</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>ARM 6.6.3114</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>ARM 6.6.3115</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEBRASKA (1/24) |
|---|--|
| Cite | Neb. Admin. R. & Regs. tit. 210, Ch. 46; Bulletin CB-76 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>210 NE ADC § 46-006</i> Defines these terms. Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. <i>210 NE ADC § 46-006</i> Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>210 NE ADC § 46-006</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). <i>210 NE ADC § 46-007</i> Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, delivery receipt, refund, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>210 NE ADC § 46-008</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>210 NE ADC § 46-009</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>210 NE ADC § 46-010</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>210 NE ADC § 46-011</i> |

NEBRASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEBRASKA (cont.) |
|---|--|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>210 NE ADC § 46-012</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>210 NE ADC § 46-013</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. Producer must pass test on LTC insurance and maintain appropriate licenses. <i>210 NE ADC § 46-014</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>210 NE ADC § 46-016</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>210 NE ADC § 46-017</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state, it shall file with the director evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>210 NE ADC § 46-018</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the director for review or approval. In addition, all advertisements shall be retained by the entity for at least 3 years from the date the advertisement was first used. <i>210 NE ADC § 46-019</i> |

NEBRASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEBRASKA (cont.) |
|--|--|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; establish auditable procedures for verifying compliance; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>210 NE ADC § 46-020</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>210 NE ADC § 46-024</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for at least 3 activities of daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 12 months from the adoption of the regulation. |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>210 NE ADC § 46-025</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. <i>210 NE ADC § 46-021</i> Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>210 NE ADC § 46-022</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>210 NE ADC § 46-023</i> |

NEBRASKA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEBRASKA (cont.) |
|---|--|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. <i>210 NE ADC § 46-026</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>210 NE ADC § 46-028</i> |
| Shopper’s Guide | Requires delivery of a shopper’s guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>210 NE ADC § 46-027</i> |
| Miscellaneous | Refund requirement |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEVADA (1/24) |
|---|---|
| Cite | Nev. Admin. Code Ch. 687B, §§ 005 to 140 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. <i>NAC 687B.085</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>NAC 687B.012; 687B.019; 687B.095; 687B.122</i> |
| Provision for Discontinuance and Replacement | No exclusion for preexisting conditions that would have been covered under previous policy. <i>NAC 687B.127</i> |
| Unintentional Lapse Provision | Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>NAC 687B.066</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and tax consequences. <i>NAC 687B.100</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>NAC 687B.067</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>NAC 687B.117</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>NAC 687B.076</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>NAC 687B.125</i> Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>NAC 687B.127</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>NAC 687B.052</i> |

NEVADA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEVADA (cont.) |
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| Agents Licensing Requirements | A person may not sell, solicit, or negotiate long-term care insurance unless the person is licensed as a producer for health insurance. <i>NAC 687B.051</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>NAC 687B.119</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>NAC 687B.121</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | The premium charged to an insured must not increase because of the increasing age of the insured beyond 65 years of age or the duration the insured has been covered under the policy. <i>NAC 687B.108</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>NAC 687B.055</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained by the entity for at least 3 years from the date the advertisement was first used. <i>NAC 687B.0775</i> |
| Standards for Marketing | Prohibited acts include high pressure tactics and cold lead advertising. <i>NAC 687B.079</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for at least 3 activities of daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 12 months from the adoption of the regulation. <i>NAC 687B.083</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>NAC 687B.084</i> |

NEVADA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEVADA (cont.) |
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| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. <i>NAC 687B.056</i> Agents shall use suitability standards in marketing LTC insurance. |
| Replacement Policies Must Not Have a Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>NAC 687B.127</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>NAC 687B.0686</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>NAC 687B.075</i> |
| Permitted Compensation | Compensation paid for the replacement of a long-term care insurance contract or certificate must be made in accordance with the renewal schedule of the replacing insurer unless the long-term care insurance contract or certificate cannot be renewed by the original insurer. <i>NAC 687B.053</i> |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>NAC 687B.113</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW HAMPSHIRE (1/24) |
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| Cite | N.H. Code Admin. R. Ins 3601.01 to 3601.30 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>NH ADC Ins. 3601.05</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>NH ADC Ins. 3601.05</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>NH ADC Ins. 3601.05</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>NH ADC Ins. 3601.06</i> |
| Disclosure of Rating Practices Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after the effective date of the rule, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. <i>NH ADC Ins. 3601.07</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>NH ADC Ins. 3601.08</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director 30 days prior to making a LTC insurance form available for sale. <i>NH ADC Ins. 3601.09</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>NH ADC Ins. 3601.10</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>NH ADC Ins. 3601.11</i> |

NEW HAMPSHIRE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW HAMPSHIRE (cont.) |
|---|--|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>NH ADC Ins. 3601.12</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>NH ADC Ins. 3601.13</i> Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>NH ADC Ins. 3601.014</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>NH ADC Ins. 3601.15</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>NH ADC Ins. 3601.17</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>NH ADC Ins. 3601.18</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to all requests for premium rate schedule increases. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>NH ADC Ins. 3601.19</i> |

NEW HAMPSHIRE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW HAMPSHIRE (cont.) |
|--|--|
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group long-term care insurance to a resident of this state pursuant to RSA 415-D, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>NH ADC Ins. 3601.20</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>NH ADC Ins. 3601.21</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>NH ADC Ins. 3601.22</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. <i>NH ADC Ins. 3601.28</i> Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after the effective date of the rule, with exceptions. |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall condition the payment of benefits on a determination of the insured's inability to perform activities of daily living for an expected period of at least 90 days due to a loss of functional capacity or to severe cognitive impairment. <i>NH ADC Ins. 3601.29</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its producers in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Producers shall use suitability standards in marketing LTC insurance. <i>NH ADC Ins. 3601.23</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a long-term care insurance policy or certificate replaces another long-term care policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new long-term care policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>NH ADC Ins. 3601.24</i> |

NEW HAMPSHIRE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW HAMPSHIRE (cont.) |
|---|---|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>NH ADC Ins. 3601.27</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>NH ADC Ins. 3601.32</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>NH ADC Ins. 3601.34</i> |
| Shopper's Guide | Requires delivery of NAIC's shopper's guide or one approved by commissioner. <i>NH ADC Ins. 3601.33</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW JERSEY (1/24) |
|---|---|
| Cite | N.J.A.C. 11:4-34.1 to 11:4-34.32 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” are the only acceptable renewal provisions. <i>N.J.A.C. 11:4-34.4</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>N.J.A.C. 11:4-34.4</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>N.J.A.C. 11:4-34.4</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. <i>N.J.A.C. 11:4-34.5</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and definition of disability. <i>N.J.A.C. 11:4-34.6</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>N.J.A.C. 11:4-34.7</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director at least 60 days prior to making a LTC insurance form available for sale. <i>N.J.A.C. 11:4-34.8</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>N.J.A.C. 11:4-34.9</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>N.J.A.C. 11:4-34.10</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>N.J.A.C. 11:4-34.11</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>N.J.A.C. 11:4-34.12</i> |

NEW JERSEY (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW JERSEY (cont.) |
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| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>N.J.A.C. 11:4-34.13</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>N.J.A.C. 11:4-34.14</i> Training requirements. <i>N.J.A.C. 11:4-34.29</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>N.J.A.C. 11:4-34.16</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. <i>N.J.A.C. 11:4-34.17</i> Guaranteed renewable 55%, noncancellable 50%. <i>N.J.A.C. 11:4-18.5</i> |
| Premium Rate Increases | The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>N.J.A.C. 11:4-34.18</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to a carrier offering or placing in force group long-term care insurance coverage to or on a resident of this state under a group policy issued in another state pursuant to N.J.S.A. 17B:27E-5b, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this state. <i>N.J.A.C. 11:4-34.19</i> |
| Filing Requirement for Advertising | No provision |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>N.J.A.C. 11:4-34.21</i> An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |

NEW JERSEY (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW JERSEY (cont.) |
|--|--|
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>N.J.A.C. 11:4-34.25</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>N.J.A.C. 11:4-34.26</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant’s goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>N.J.A.C. 11:4-34.22</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing carrier shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy or certificate for similar benefits to the extent that similar exclusions have been satisfied under the original policy or certificate. This waiver must be in the form of an endorsement to the replacement policy or certificate. <i>N.J.A.C. 11:4-34.23</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>N.J.A.C. 11:4-34.24</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. <i>N.J.A.C. 11:4-34.27</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer or agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>N.J.A.C. 11:4-34.32</i> |
| Shopper’s Guide | Requires delivery of NAIC’s shopper’s guide or one approved by commissioner. <i>N.J.A.C. 11:4-34.28</i> |
| Miscellaneous | Spousal discount permitted. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW MEXICO (1/24) |
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| Cite | NM Admin. Code r. 13.10.15.1 to 13.10.15.53 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>NM ADC 13.10.15.9</i> Defines these terms, as well as “level premium.” |
| Provision for Continuation and Conversion | Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>NM ADC 13.10.15.12 to 13.10.15.14</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>NM ADC 13.10.15.15</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>NM ADC 13.10.15.17</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and tax consequences. <i>NM ADC 13.10.15.19</i> Rating practices disclosure required for policy issued on or after 1/04, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 60 days before the effective date of the increase. <i>NM ADC 13.10.15.20</i> An insurer shall provide a copy of the disclosure documents, an actuarial certification, and the form and rate filing required by law to the superintendent. <i>NM ADC 13.10.15.21</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>NM ADC 13.10.15.22</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>NM ADC 13.10.15.23</i> |

NEW MEXICO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW MEXICO (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>NM ADC 13.10.15.24</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>NM ADC 13.10.15.25</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>NM ADC 13.10.15.28</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance; agent must pass test and maintain appropriate licenses. <i>NM ADC 13.10.15.29</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>NM ADC 13.10.15.31</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 65%. Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. <i>NM ADC 13.10.15.32</i> Exemptions from loss ratio requirements. <i>NM ADC 13.10.15.35</i> |

NEW MEXICO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW MEXICO (cont.) |
|--|--|
| Premium Rate Increases | <p>Section applies to policies issued on or after 1/04, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the superintendent updated projections annually for the next 3 years. The superintendent shall review projected lapse rates and may determine significant adverse lapsation. The superintendent may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>NM ADC 13.10.15.33</i></p> <p>The initial premium charged an insured covered by a long-term care policy shall not increase during the initial 3 years in which the policy is in force. The premium charged to an insured shall not increase due to the increasing age of the insured at ages beyond 65 or the duration the insured has been covered under the policy. <i>NM ADC 13.10.15.16</i></p> |
| Filing Requirement for Out-of-State Group Policy | An insurer shall not deliver or issue for delivery a policy or certificate to a resident of this state unless the policy form or certificate form has been filed with and approved by the superintendent in accordance with filing requirements and procedures. <i>NM ADC 13.10.15.34</i> |
| Filing Requirement for Advertising | Every issuer shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the superintendent for review or approval. In addition, all advertisements shall be retained by the insurer for at least 3 years from the date the advertisement was first used. <i>NM ADC 13.10.15.36</i> |
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>NM ADC 13.10.15.37; 13.10.15.38</i></p> <p>An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/1/1999. <i>NM ADC 13.10.15.44</i></p> |
| Benefit Triggers for Qualified LTC Contracts | No provision |

NEW MEXICO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW MEXICO (cont.) |
|--|--|
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>NM ADC 13.10.15.40</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>NM ADC 13.10.15.42</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>NM ADC 13.10.15.43</i> |
| Standard Format for Outline of Coverage | Includes type of policy; purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>NM ADC 13.10.15.46</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>NM ADC 13.10.15.48</i> |
| Shopper's Guide | Requires delivery of NAIC's shopper's guide or one developed or approved by superintendent. <i>NM ADC 13.10.15.47</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW YORK (1/24) |
|---|---|
| Cite | 11 NYCRR 52.1 to 52.95 |
| Individual Policies are Guaranteed Renewable | Must be guaranteed renewable. <i>11 NY ADC 52.25</i> |
| Provision for Continuation and Conversion | Lists circumstances that give rise to right to elect conversion. In place of conversion, continuation may be elected within 45 days. <i>11 NY ADC 52.25</i> |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | No provision |
| Disclosure of Rating Practice and Filing Requirement | No provision |
| Prohibits Post-Claims Underwriting | Medications listed on application indicating underlying condition cannot be used to deny coverage if, at the time of application, the insurer should have known the medication was directly related to a medical condition for which coverage would be denied. <i>11 NY ADC 52.25</i> Applications shall contain clear and unambiguous questions to ascertain health of applicant. Insurer shall maintain record of all policy or certificate rescissions. |
| Standards for Home Health Care | Lists prohibited limits or exclusions. <i>11 NY ADC 52.25</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>11 NY ADC 52.25</i> |
| Requirement for Application Forms and Replacement Notices | No provision |
| Reporting of Lapse Rates | No provision |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | 60% loss ratio ages 64 and below, 65% loss ratio ages 65 and above for all policies. <i>11 NY ADC 52.45</i> |

NEW YORK (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NEW YORK (cont.) |
|--|--|
| Premium Rate Increases | No provision |
| Filing Requirement of Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | No provision |
| Standards for Marketing | No provision |
| Benefit Triggers | No provision |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |
| Implementation of Nonforfeiture Benefit | Policy must provide optional nonforfeiture benefit with specified percentages. <i>11 NY ADC 52.25</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; premium; and additional features. <i>11 NY ADC 52.65</i> |
| Permitted Compensation | First year and renewal commissions subject to approval, renewal commissions must be even for reasonable number of years. <i>11 NY ADC 52.25</i> |
| Penalties | No provision |
| Shopper's Guide | No provision |
| Miscellaneous | State has a partnership program for those who purchase an LTC policy and exhaust its benefits. Provides for special Medicaid treatment under Ins. Reg. 144. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH CAROLINA (1/24) |
|--|--|
| Cite | N.C. Admin. Code tit. 11, r. 12.1002 to 12.1029; 12.0555 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>11 NC ADC 12.1004</i> Defines these terms, as well as “level premium.” |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>11 NC ADC 12.1005</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | If a policy replaces another policy, the replacing insurer shall waive any time periods applicable to pre-existing conditions and probationary periods in the new policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>11 NC ADC 12.1019</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>11 NC ADC 12.1022</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, premium rate changes, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>11 NC ADC 12.1006</i> Rating practices disclosure required for policy issued on or after 2/1/03, with exceptions. An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>11 NC ADC 12.1027</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>11 NC ADC 12.1007</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Benefits will be offered in an amount not less than \$25 per day. <i>11 NC ADC 12.1008</i> |

NORTH CAROLINA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH CAROLINA (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>11 NC ADC 12.1009</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>11 NC ADC 12.1010</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>11 NC ADC 12.1021</i> |
| Agents Licensing Requirements | License for Medicare Supplement and Long-Term Care in licensing statute. <i>NC ST 58-33-30</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>11 NC ADC 12.1012</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60% for individual policies and 75% for group policies. <i>11 NC ADC 12.1013</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 2/1/03. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>11 NC ADC 12.1028</i> The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. |
| Filing Requirement for Out-of-State Group Policy | Before an insurer offers a group policy to a resident of North Carolina, it shall file with the commissioner evidence that the group policy has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those of North Carolina. <i>11 NC ADC 12.1014</i> |

NORTH CAROLINA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH CAROLINA (cont.) |
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| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use, whether through written, radio or television medium, to the commissioner for approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>11 NC ADC 12.1017</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice of state's Senior Health Insurance Information Program (SHIIP). <i>11 NC ADC 12.1018</i> Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. A policy may condition payment of benefits on insured's ability to perform activities of daily living and on cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>11 NC ADC 12.1003</i> |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. <i>11 NC ADC 12.1025</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 8/03. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>11 NC ADC 12.1026</i> |

NORTH CAROLINA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH CAROLINA (cont.) |
|---|--|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; additional features; and contact information for Senior Health Insurance Information Program (SHIIP). <i>11 NC ADC 12.1015</i> |
| Permitted Compensation | Compensation shall not be greater than the renewal compensation payable by the replacing insurer on renewal policies if an existing policy is replaced unless benefits of new policy are clearly and substantially greater. <i>11 NC ADC 12.1016</i> |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of NAIC shopper's guide. <i>11 NC ADC 12.1020</i> |
| Miscellaneous | Coordination of benefits permitted between true group LTC policies only. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH DAKOTA (1/24) |
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| Cite | N.D. Admin. Code §§ 45-06-05.1-01 to 45-06-05.1-29 (Applies to policies issued prior to 3/1/04: ND ADC 45-06-05.1 (2004)) |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>ND ADC 45-06-05.1-04</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>ND ADC 45-06-05.1-04</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>ND ADC 45-06-05.1-04</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>ND ADC 45-06-05.1-05</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 9/04, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>ND ADC 45-06-05.1-06</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>ND ADC 45-06-05.1-07</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 60 days prior to making a LTC insurance form available for sale. <i>NC ADC 45-06-05.1-08</i> For policies issued after 3/1/20, an actuarial memorandum from a member of the Academy of Actuaries must be included. <i>ND ADC 45-06-05.1-08.1</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>ND ADC 45-06-05.1-09</i> |

NORTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH DAKOTA (cont.) |
|---|---|
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>ND ADC 45-06-05.1-10</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>ND ADC 45-06-05.1-11</i> Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>ND ADC 45-06-05.1-12</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>ND ADC 45-06-05.1-13</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>ND ADC 45-06-05.1-14</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>ND ADC 45-06-05.1-16</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. <i>ND ADC 45-06-05.1-17</i> |
| Premium Rate Increases | Section applies to policies issued on or after 9/04. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>ND ADC 45-06-05.1-18</i> |

NORTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH DAKOTA (cont.) |
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| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>ND ADC 45-06-05.1-19</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio, or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>ND ADC 45-06-05.1-20</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>ND ADC 45-06-05.1-21</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>ND ADC 45-06-05.1-25</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after the effective date, with exceptions. |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>ND ADC 45-06-05.1-26</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>ND ADC 45-06-05.1-22</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>ND ADC 45-06-05.1-23</i> |

NORTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | NORTH DAKOTA (cont.) |
|---|--|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>ND ADC 45-06-05.1-24</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>ND ADC 45-06-05.1-27</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>ND ADC 45-06-05.1-29</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>ND ADC 45-06-05.1-28</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OHIO (1/24) |
|---|--|
| Cite | Ohio Admin. Code §3901-4-01 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>OH ADC 3901-4-01(F)(1)</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>OH ADC 3901-4-01(F)(4)</i> Application for converted policy and first premium due no later than 30 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>OH ADC 3901-4-01(F)(5)</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. <i>OH ADC 3901-4-01(G)</i> Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. |
| Disclosure Rating Practices and Initial Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 180 days from the effective date of the rule. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>OH ADC 3901-4-01(H)</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revision; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>OH ADC 3901-4-01(I)</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. <i>OH ADC 3901-4-01(J)</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>OH ADC 3901-4-01(K)</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>OH ADC 3901-4-01(L)</i> |

OHIO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OHIO (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>OH ADC 3901-4-01(M)</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>OH ADC 3901-4-01(N)</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>OH ADC 3901-4-01(O)</i> |
| Agents Licensing Requirement | A producer is not authorized to sell, solicit or negotiate with respect to long-term care insurance except as authorized by Chapter 3905 of the Revised Code. <i>OH ADC 3901-4-01(P)</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>OH ADC 3901-4-01(R)</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>OH ADC 3901-4-01(S)</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 180 days from the effective date, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>OH ADC 3901-4-01(T)</i> |

OHIO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OHIO (cont.) |
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| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the superintendent for review or approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>OH ADC 3901-4-01(U)</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>OH ADC 3901-4-01(V)</i> An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 365 days from the effective date. <i>OH ADC 3901-4-01(BB)</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>OH ADC 3901-4-01(CC)</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>OH ADC 3901-4-01(W)</i> |

OHIO (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OHIO (cont.) |
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| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>OH ADC 3901-4-01(X)</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after the effective date, with exceptions. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>OH ADC 3901-4-01(AA)</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>OH ADC 3901-4-01(DD); 3923.44(I)</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>OH ADC 3901-4-01(FF)</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>OH ADC 3901-4-01(EE)</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OKLAHOMA (1/24) |
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| Cite | Okla. Admin. Code §§ 365:10-5-40 to 365:10-5-50.1 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. <i>OAC 365:10-5-43</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>OAC 365:10-5-43</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>OAC 365:10-5-43</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>OAC 365:10-5-43.1</i> |
| Disclosure of Rating Practices and Initial Filing Requirements | Must disclose renewability, riders and endorsements, premium rate change, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 11/01, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 60 days before the effective date of the increase. <i>OAC 365:10-5-44; 365:10-5-44.4</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 60 days prior to making a LTC insurance form available for sale. <i>OAC 365:10-5-44.5</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 75 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>OAC 365:10-5-44.1</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>OAC 365:10-5-44.2</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>OAC 365:10-5-44.3</i> |

OKLAHOMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OKLAHOMA (cont.) |
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| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>OAC 365:10-5-45</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>OAC 365:10-5-45.1</i> |
| Agents Licensing Requirements | Requires agents to demonstrate knowledge by passing a state test and maintaining appropriate licenses. <i>OAC 365:10-5-45.2</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>OAC 365:10-5-46</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. <i>OAC 365:10-5-47</i> |
| Premium Rate Increases | Section applies to policies issued on or after 11/01. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>OAC 365:10-5-47.1</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group or individual LTC insurance to a resident of this state, it shall receive prior approval by the commissioner. <i>OAC 365:10-5-48</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>OAC 365:10-5-48.1</i> |

OKLAHOMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OKLAHOMA (cont.) |
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| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>OAC 365:10-5-48.2</i></p> <p>Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>OAC 365:10-5-48.7</i></p> <p>Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after the effective date, with exceptions.</p> |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>OAC 365:10-5-48.5</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>OAC 365:10-5-48.4</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 7/96. <i>OAC 365:10-5-48.6</i></p> <p>The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse.</p> |
| Standard Format for Outline of Coverage | <p>Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>OAC 365:10-5-50; 365:10, Appendix AA</i></p> |

OKLAHOMA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OKLAHOMA (cont.) |
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| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>OAC 365:10-5-50.1</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OREGON (1/24) |
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| Cite | Or. Admin. r. 836-052-0500 to 836-052-0786; O.R.S. § 743.658 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>OR 836-052-0526</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>OR 836-052-0526</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>OR 836-052-0526</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>O.R.S. § 743.658</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 03/06, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>OR 836-052-0546; 836-052-0556</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the director for prior approval before making a LTC insurance form available for sale. <i>OR 836-052-0566</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>OR 836-052-0576</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>OR 836-052-0586</i> |

OREGON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OREGON (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>OAR 836-052-0616</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>OAR 836-052-0626</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>OAR 836-052-0636</i> |
| Agents Licensing Requirements | Training requirement. <i>OAR 836-052-0639</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy and rider provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>OAR 836-052-0656</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>OAR 836-052-0666</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 3/06, with exceptions. The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>OAR 836-052-0676</i> |

OREGON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OREGON (cont.) |
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| Filing Requirement for Out-of-State Group Policy | Each insurer providing group LTC insurance benefits to a resident of this state under an exempt master group policy pursuant to ORS 731.486 issued outside of this state shall file, for informational purposes, a copy of the policy form filed for approval with the state of domicile of the insurer and any rider or certificate used in this state in accordance with the filing requirements and procedures applicable to group entities filing in this state. <i>OAR 836-052-0686</i> |
| Filing Requirement for Advertising | At the request of the director, every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state, whether through the written, radio or television medium, for review or approval by the director. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. Each advertisement shall comply with all applicable laws and rules of this state. <i>OAR 836-052-0696</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>OAR 836-052-0706</i> Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | A long-term care insurance policy shall condition the payment of benefits on a determination of the insured's ability to perform activities of daily living and on cognitive impairment. Eligibility for the payment of benefits shall not be more restrictive than requiring either a deficiency in the ability to perform not more than 3 of the activities of daily living or the presence of cognitive impairment. Activities of daily living shall include at least the following: bathing, continence, dressing, eating, toileting, and transferring. <i>OAR 836-052-0756</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>OAR 836-052-0766</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |

OREGON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | OREGON (cont.) |
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| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>OAR 836-052-0726</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy replaces another LTC insurance policy, the replacing insurer shall waive any time periods applicable to preexisting conditions, waiting periods and probationary periods in the new LTC insurance policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>OAR 836-052-0736</i> |
| Implementation of Nonforfeiture Benefit | A long-term care policy, certificate or rider offered with nonforfeiture benefits must have coverage elements, eligibility, benefit triggers and benefit length that are the same as coverage to be issued without nonforfeiture benefits. The offer must be in writing if the nonforfeiture benefit is not otherwise described in the Outline of Coverage or other materials given to the prospective policyholder. <i>OAR 836-052-0746</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>OAR 836-052-0776</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Producer must deliver guide approved by director. <i>OAR 836-052-0786</i> |
| Miscellaneous | Rules for rate filings with actuarial memorandum; experience records; disclosure statement required, including disclosure of tax consequences of long-term care benefits funded through life insurance. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | PENNSYLVANIA (1/24) |
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| Cite | 31 Pa. Code §§ 89a.101 to 89a.129 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>§ 89a.105</i> Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>§ 89a.105</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>§ 89a.105</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>§ 89a.106</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, benefit triggers, and whether policy intends to be qualified LTC insurance contract. Rating practices disclosure required for policy issued on or after 9/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>§§ 89a.107 & 89a.108</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner prior to making a LTC insurance form available for sale. <i>§ 89a.109</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>§ 89a.110</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>§ 89a.111</i> |

PENNSYLVANIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | PENNSYLVANIA (cont.) |
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| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>§ 89a.112</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>§ 89a.113</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>§ 89a.114</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>§ 89a.115</i> |
| Reserve Standards for Accelerated Life Products | References reserve standards in Ch. 84a and sections 301.1 and 311.1. <i>§ 89a.116</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>§ 89a.117</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Section applies to policies issued on or after 9/02, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>§ 89a.118</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this commonwealth, it shall file with the commissioner evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory long-term care insurance requirements substantially similar to those adopted in this commonwealth. <i>§ 89a.119</i> |
| Filing Requirement for Advertising | No provision |

PENNSYLVANIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | PENNSYLVANIA (cont.) |
|--|---|
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>§ 89a.120</i></p> <p>Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 3/02, with exceptions. <i>§ 89a.124</i></p> |
| Benefit Triggers for Qualified LTC Contracts | <p>Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>§ 89a.125</i></p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>§ 89a.121</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>§ 89a.122</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 3/03. <i>§ 89a.123</i></p> <p>The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse.</p> |

PENNSYLVANIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | PENNSYLVANIA (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>§ 89a.126</i> |
| Permitted Compensation | First year commission cannot be greater than 50% of first year premium. Commission for 5 subsequent renewal years cannot be greater than 10% of renewal premium. Compensation shall not be greater than the renewal compensation payable by the replacing insurer on renewal policies if an existing policy is replaced. <i>§ 89a.129</i> |
| Penalties | Refers to penalties in statute. <i>§ 89a.128</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>§ 89a.127</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | PUERTO RICO (1/24) |
|--|--------------------|
| Cite | No provision |
| Individual Policies are Guaranteed Renewable | |
| Provision for Continuation and Conversion | |
| Provision for Discontinuance and Replacement | |
| Unintentional Lapse Provision | |
| Disclosure of Rating Practices and Filing Requirements | |
| Prohibits Post-Claims Underwriting | |
| Standards for Home Health Care | |
| Offer of Inflation Protection | |
| Requirement for Application Forms and Replacement Notices | |
| Reporting of Lapse Rates | |
| Agents Licensing Requirements | |
| Reserve Standards for Accelerated Life Products | |
| Loss Ratios | |
| Premium Rate Increases | |
| Filing Requirement for Out-of-State Group Policy | |
| Filing Requirement for Advertising | |
| Standards for Marketing | |
| Benefit Triggers | |
| Benefit Triggers for Qualified LTC Contracts | |
| Suitability for Purchase | |
| Replacement Policies Must Not Have Preexisting Condition Limit | |
| Implementation of Nonforfeiture Benefit | |
| Standard Format for Outline of Coverage | |
| Permitted Compensation | |
| Penalties | |
| Shopper's Guide | |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | RHODE ISLAND (1/24) |
|---|---|
| Cite | 230-RICR-20-35-1.1 to 230-RICR-20-35-1.34; §§ 27-34.2-1 to 27-34.2-22; Gen.Laws 1956, § 27-34.2-12 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>230-RICR-20-35-1.6</i> Defines these terms. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>230-RICR-20-35-1.6</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>230-RICR-20-35-1.6</i> |
| Unintentional Lapse Provision | References statute. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>230-RICR- 20-35-1.7; Gen.Laws 1956, § 27-34.2-12</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, and benefit triggers. <i>230-RICR-20-35-1.8</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>230-RICR-20-35-1.9</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 60 days prior to making a LTC insurance form available for sale. <i>230-RICR-20-35-1.10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>230-RICR-20-35-1.11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>230-RICR-20-35-1.12</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>230-RICR-20-35-1.13</i> |

RHODE ISLAND (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | RHODE ISLAND (cont.) |
|---|--|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>230-RICR-20-35-1.14</i> Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>230-RICR-20-35-1.15</i> |
| Agents Licensing Requirements | A producer is not authorized to sell, solicit, or negotiate with respect to long-term care insurance except as authorized by statute. <i>230-RICR-20-35-1.16</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>230-RICR-20-35-1.18</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>230-RICR-20-35-1.19</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine excess lapsation. The director may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>230-RICR-20-35-1.20</i> |
| Filing Requirement for Out-of-Group Policy | Prior to an issuer offering group LTC insurance to a resident of this state, it shall file with the director a copy of the certificate and the outline of coverage, along with evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>230-RICR-20-35-1.21</i> |
| Filing Requirement for Advertising | Every issuer providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the director for review or approval. In addition, all advertisements shall be retained by the issuer for at least 3 years from the date the advertisement was first used. <i>230-RICR-20-35-1.22</i> |

RHODE ISLAND (cont.)

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LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | RHODE ISLAND (cont.) |
|--|--|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>230-RICR-20-35-1.23</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. <i>230-RICR-20-35-1.29</i> Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>230-RICR-20-35-1.30</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>230-RICR-20-35-1.24</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing issuer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>230-RICR-20-35-1.25</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>230-RICR-20-35-1.28</i> |

RHODE ISLAND (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | RHODE ISLAND (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. <i>230-RICR-20-35-1.31</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper’s Guide | Provision in statute, also in <i>230-RICR-20-35-1.33</i> Requires delivery of a shopper’s guide in the format developed by the NAIC or a guide developed or approved by the director. |
| Miscellaneous | Partnership program |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH CAROLINA (1/24) |
|---|--|
| Cite | S.C. Code of Regulations R. 69-44 § 1 to 34 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. A policy issued to an individual shall not contain renewal provisions other than “guaranteed renewable” or “noncancellable.” <i>69-44 § 6</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage, conversion of coverage and converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>69-44 § 6</i> |
| Provision for Discontinuance and Replacement | The succeeding insurer shall offer coverage to all persons covered under the previous group policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>69-44 § 6</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>69-44 § 7</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, and limitations or conditions on eligibility. <i>69-44 § 8</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>69-44 § 9</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. <i>69-44 § 10</i> |
| Prohibits Post-Claims Underwriting | Shall contain clear and unambiguous questions designated to ascertain the health condition of the applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>69-44 § 11</i> |
| Standards for Home Health Care | Provides for home care; statute includes option to pay nursing home benefit for home care. <i>69-44 § 12</i> |
| Offer of Inflation Protection | Inflation protection must be offered as an optional benefit. <i>69-44 § 13</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>69-44 § 14</i> |

SOUTH CAROLINA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH CAROLINA (cont.) |
|--|--|
| Reporting of Lapse Rates | Every insurer shall report annually by June 30 the 10% of its agents with the greatest percentages of lapses and replacements. Every insurer shall report annually by June 30 the number of replacement policies sold as a percent of its total annual sales and as a percent of its total number of policies in force as of the preceding calendar year. <i>69-44 § 15</i> |
| Agents Licensing Requirements | Not authorized to sell, solicit, or negotiate with respect to LTC insurance except as authorized by S.C. Code § 38-43-10. <i>69-44 § 16</i> |
| Reserve Standards for Accelerated Life Products | Should be based on the multiple decrement models utilizing all relevant decrements except for voluntary termination rate. Single decrement approximations are acceptable if the calculation produces essentially similar reserves, if the reserve is clearly more conservative, or if the reserve is immaterial. <i>69-44 § 18</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>69-44 § 19</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Applies to any policy issued on or after July 1, 2010. An insurer shall provide notice of a pending premium rate schedule increase, including an exceptional increase, to the director at least 30 days prior to the notice to the policyholders. <i>69-44 § 20</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer offering group LTC insurance to a resident of this state, it shall file with the director evidence that the group policy has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>69-44 § 21</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance in this state shall file a copy of any LTC insurance advertisement intended for use in this state whether through written, radio, or television medium to the director for review and approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first use. <i>69-44 § 22</i> |
| Standards for Marketing | Any marketing activities, including any comparison of policies, by its agents or other producers will be fair and accurate; and excessive insurance is not sold or issued. Prohibits twisting, high pressure tactics, cold lead advertising, and misrepresentation. <i>69-44 § 23</i> |
| Benefit Triggers | A LTC insurance policy shall condition the payment of benefits on a determination of the insured's ability to perform activities or daily living and on cognitive impairment. Eligibility for the payment of benefits shall not be more restrictive than requiring either a deficiency in the ability to perform not more than 3 of the activities of daily living or the presence of cognitive impairment. Activities of daily living shall include at least the following: bathing, continence, dressing, eating, toileting, and transferring. <i>69-44 § 29</i> |

SOUTH CAROLINA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH CAROLINA (cont.) |
|--|---|
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>69-44 § 30</i> |
| Suitability for Purchase | Every insurer shall develop and use suitability standards to determine whether the purchase or replacement of LTC insurance is appropriate for the needs of the application; train its agents in the use of its suitability standards; and maintain a copy of its suitability standards and make them available for inspection upon request by the director. <i>69-44 § 24</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>69-44 § 25</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. The offer shall be in writing if the nonforfeiture benefit is not otherwise described in the Outline of Coverage or other materials given to the prospective policyholder. <i>69-44 § 28</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. <i>69-44 § 31</i> |
| Permitted Compensation | No provision |
| Penalties | In addition to any other penalties provide by the laws of this state any insurer and any agent found to have violated any requirement of this state relating to the regulation of LTC insurance or the marketing of such insurance shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved in the violation or up to \$10,000, whichever is greater. <i>69-44 § 33</i> |
| Shopper’s Guide | Requires delivery of a shopper’s guide in the format developed by the NAIC or a guide developed or approved by the director. <i>69-44 § 32</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH DAKOTA (1/24) |
|---|---|
| Cite | S.D. Admin. R. 20:06:21:01 to 20:06:21:92 |
| Individual Policies are Guaranteed Renewable | Yes, by statute SDCL § 58-17B-3 |
| Provision for Continuation and Conversion | Defines “continuation of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. <i>20:06:21:13</i> Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>20:06:21:18</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). <i>20:06:21:20; 20:06:21:21</i> Notice must precede actual lapse or termination by 30 days. |
| Disclosure of Rating Practices and Initial Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and tax consequences. Rating practices disclosure required for policy issued on or after 11/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>20:06:21:23; 20:06:21:38</i> An insurer will provide a statement that the policy may be subject to rate increases; an explanation of potential future premium rate revisions, and the policyholder’s option in the event of a premium rate revisions; the premium rate applicable to the applicant that will be in effect until a request is made for an increase; and a general explanation for applying premium rate adjustments. <i>20:06:21:60</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 30 days prior to making a LTC insurance form available for sale. <i>20:06:21:61</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>20:06:21:40 to 20:06:21:45</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>20:06:21:46</i> |

SOUTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH DAKOTA (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Exceptions are listed. <i>20:06:21:06 to 20:06:21:06.5</i> Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>20:06:21:29</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>20:06:21:52</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. <i>20:06:21:62</i> Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>20:06:21:05</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | The insurer shall notify the director of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>20:06:21:63 to 20:06:21:70; 20:06:21:19</i> The insurer shall file for approval by the director updated projections annually for the next 3 years. The director shall review projected lapse rates and may determine significant adverse lapsation. |
| Filing Requirement for Out-of-State Group Policy | No provision |

SOUTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH DAKOTA (cont.) |
|--|--|
| Filing Requirement for Advertising | Any entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state, whether through written, radio, or television medium, to the director for review within 30 days of its use. In addition, all advertisements shall be retained for at least 5 years from the date the advertisement was first used. The director may exempt from the requirements in this section any advertising form or material if, in the director's opinion, any requirement may not be reasonably applied. <i>20:06:21:30</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>20:06:21:31 to 20:06:21:33</i> Prohibited acts include twisting, high pressure tactics, and cold lead advertising. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>20:06:21:55</i> Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. <i>20:06:21:56</i> Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. <i>20:06:21:53.01; 20:06:21:53.03</i> Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |

SOUTH DAKOTA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | SOUTH DAKOTA (cont.) |
|---|---|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>20:06:21:57 to 20:06:21:58</i> |
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>20:06:21:28; Ch. 20:06:21, App. A</i> |
| Permitted Compensation | Compensation shall not be greater than the renewal compensation payable by the replacing insurer on renewal policies if an existing policy is replaced unless benefits of new policy are clearly and substantially greater. <i>20:06:21:71</i> |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the director. <i>20:06:21:54</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TENNESSEE (1/24) |
|--|---|
| Cite | Tenn. Comp. R. & Regs. 0780-01-61-.01 to 0780-01-61-.31 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language. Defines these terms. No renewal provision shall be less favorable than “guaranteed renewable.” <i>0780-01-61-.06</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>0780-01-61-.06</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>0780-01-61-.06</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>0780-01-61-.07</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>0780-01-61-.08</i> Rating practices disclosure required for policy issued on or after 6 months from the effective date of the rule, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>0780-01-61-.09</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner at least 30 days prior to making a LTC insurance form available for sale. <i>0780-01-61-.10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>0780-01-61-.11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>0780-01-61-.12</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>0780-01-61-.13</i> |

TENNESSEE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TENNESSEE (cont.) |
|---|--|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>0780-01-61-.14</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>0780-01-61-.15</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>0780-01-61-.16</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>0780-01-61-.18</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>0780-01-61-.19</i> Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. |
| Premium Rate Increases | Section applies to policies issued on or after 6 months from the effective date of this rule. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>0780-01-61-.20</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>0780-01-61-.21</i> |
| Filing Requirement for Advertising | Every entity providing LTC insurance or benefits in this state shall provide a copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>0780-01-61-.22</i> |

TENNESSEE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TENNESSEE (cont.) |
|--|---|
| Standards for Marketing | <p>Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. <i>0780-01-61-.23</i></p> <p>Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. An association group shall disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected.</p> |
| Benefit Triggers | <p>Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>0780-01-61-.27</i></p> <p>Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 12 months from the effective date.</p> |
| Benefit Triggers for Qualified LTC Contracts | <p>Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>0780-01-61-.28</i></p> <p>Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period.</p> |
| Suitability for Purchase | <p>The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>0780-01-61-.24</i></p> |
| Replacement Policies Must Not Have Preexisting Condition Limit | <p>If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>0780-01-61-.25</i></p> |
| Implementation of Nonforfeiture Benefit | <p>A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 12 months from the effective date. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>0780-01-61-.26</i></p> |

TENNESSEE (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TENNESSEE (cont.) |
|---|--|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>0780-01-61-.29; 0780-01-61, Appendix H</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>0780-01-61-.30</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TEXAS (1/24) |
|---|--|
| Cite | 28 TAC §§ 3.3801 to 3.849 |
| Individual Policies are Guaranteed Renewable | Defines “guaranteed renewable,” “noncancellability” and “level premium.” Renewal provisions shall not be less favorable than guaranteed renewable or noncancellable. <i>28 TAC §§ 3.3807; 3.3822</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>28 TAC § 3.3828</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>28 TAC § 3.3828</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>28 TAC § 3.3841</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, nonforfeiture benefit, claim denial process, benefit triggers and whether policy intends to be qualified LTC insurance contract. <i>28 TAC § 3.3829</i> Rating practices disclosure required for policy issued on or after 7/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>28 TAC § 3.3823</i> Additional requirements for applicants age 80 or older. |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>28 TAC § 3.3815</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>28 TAC § 3.3820</i> |

TEXAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TEXAS (cont.) |
|---|---|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>28 TAC § 3.3830</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>28 TAC § 3.3837</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | No provision |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. <i>28 TAC § 3.3831</i> |
| Premium Rate Increases | Section applies to policies issued on or after 7/02, with exceptions. The insurer shall notify the department of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>28 TAC §§ 3.3829; 3.3831</i> The insurer shall file for approval by the department updated projections annually for the next 3 years. The department shall review projected lapse rates and may determine significant adverse lapsation. The department may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | Shall submit a copy of the advertisement to the commissioner no later than 60 days prior to its first use. Every advertisement shall be retained by the insuring entity. <i>28 TAC § 3.3838</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>28 TAC § 3.3839</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>28 TAC § 3.3818</i> Eligibility commences upon inability to perform 2 activities of daily living or cognitive impairment. |

TEXAS (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | TEXAS (cont.) |
|--|--|
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | No provision |
| Replacement Policies Must Not Have Preexisting Condition Limit | Any LTC insurance policy or certificate which replaces another LTC policy or certificate shall contain provisions that waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy or certificate for similar benefits to the extent that such time periods have been satisfied under the policy being replaced. <i>28 TAC § 3.3824</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 7/02. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>28 TAC § 3.3844</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; nonforfeiture benefit; inflation protection; consumer help line; premium; denial of application. <i>28 TAC § 3.3832</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requirement to deliver NAIC's shopper's guide until department develops its own guide. <i>28 TAC § 3.3840</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | UTAH (1/24) |
|---|--|
| Cite | Utah Admin. Code R590-148 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>UT ADC R590-148-6</i> Defines these terms. Qualified LTC contract shall be guaranteed renewable. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>UT ADC R590-148-10</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>UT ADC R590-148-6</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>UT ADC R590-148-11</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>UT ADC R590-148-6</i> Rating practices disclosure required for policy issued on or after 7/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>UT ADC R590-148-19</i> An insurer shall file a copy of the disclosure documents and an actuarial certification to the commissioner prior to making a LTC insurance form available for sale. <i>UT ADC R590-148-21</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>UT ADC R590-148-12</i> Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>UT ADC R590-148-25</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>UT ADC R590-148-7</i> |

UTAH (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | UTAH (cont.) |
|---|--|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>UT ADC R590-148-13</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>UT ADC R590-148-12</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies; and the number of claims denied for each class of business expressed as a percentage of claims denied. <i>UT ADC R590-148-25</i> |
| Agent Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>UT ADC R590-148-26</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>UT ADC R590-148-23</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. <i>UT ADC R590-148-22</i> |
| Premium Rate Increases | Section applies to policies issued on or after 1/03, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>UT ADC R590-148-24</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>UT ADC R590-148-20</i> |
| Filing Requirement for Advertising | No provision |

UTAH (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | UTAH (cont.) |
|--|---|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, cold lead advertising and misrepresentation. <i>UT ADC R590-148-18</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for not more than 3 activities of daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after 1/03, with exceptions. <i>UT ADC R590-148-8</i> |
| Benefit Triggers for Qualified LTC Contracts | A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>UT ADC R590-148-5; R590-148-9</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>UT ADC R590-148-17</i> |
| Replacement Policies Must Not Have a Preexisting Condition Limit | No provision |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>UT ADC R590-148-14</i> |

UTAH (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | UTAH (cont.) |
|---|---|
| Standard Format for Outline of Coverage | Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>UT ADC R590-148-15; R590-148 Table IV</i> |
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>UT ADC R590-148-28</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>UT ADC R590-148-16</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VERMONT (1/24) |
|---|--|
| Cite | Vt. Admin. Code 4-5-16:1 to 14-5-16:38 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. <i>4-5-16:6</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>4-5-16:6</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>4-5-16:6</i> |
| Unintentional Lapse Provision | No individual LTC policy or certificate shall lapse or be terminated for nonpayment of premium unless the insurer, at least 30 days (60 days if payment is coming from a pension plan) before the effective date of the lapse or termination, has given notice to the insured. <i>4-5-16:7</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, and limitations or conditions on eligibility. <i>4-5-16:8</i> Rating practices disclosure required for policy issued on or after 7/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>4-5-16:9</i> Insurer shall file premium rates for approval by the commissioner prior to implementation. Insurer shall provide a copy of the disclosure documents and an actuarial certification. <i>4-5-16:10</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>4-5-16:11</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>4-5-16:12</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>4-5-16:13</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>4-5-16:14</i> |

VERMONT (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VERMONT (cont.) |
|--|---|
| Reporting of Lapse Rates | Every insurer shall report annually by June 30 the top 10% of its producers with the greatest percentages of lapses and replacements. Every insurer shall also report annually by June 30 the number of lapsed policies as a percent of its total annual sales and as a percent of its total number of policies in force as of the end of the preceding calendar year. <i>4-5-16:15</i> |
| Agent Licensing Requirements | An individual may not sell, solicit or negotiate long-term care insurance unless the individual is licensed as an insurance agent or producer for accident and health or sickness or life and has completed the 8-hour training requirement. <i>4-5-16:16; 4-5-16:34</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>4-5-16:18</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>4-5-16:19</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Applies to LTC policies issued after 7/1/10. An insurer shall request approval of a premium rate schedule increase at least 60 days prior to the anticipated notice to the policyholders. <i>4-5-16:20</i> |
| Filing Requirement for Out-of-State Group Policy | Pursuant to 8 V.S.A. § 4062, insurers shall file all forms and rates for approval by the commissioner prior to use of the form or rate. No form or rate shall be approved if it contains any provision which is unjust, unfair, inequitable, misleading, or contrary to the law of this state. <i>4-5-16:21</i> |
| Filing Requirement for Advertising | Any LTC insurance advertisement intended for use in Vermont whether through written, radio, television, internet, electronic, or other medium to the commissioner for review and approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>4-5-16:22</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>4-5-16:23</i> |
| Benefit Triggers | A LTC insurance policy shall condition the payment of benefits on a determination of the insured's ability to perform activities of daily living or on cognitive impairment. Eligibility for the payment of benefits shall not be more restrictive than requiring either a deficiency in the ability to perform not more than 2 of the activities of daily living or the presence of cognitive impairment. Activities of daily living shall include the following: bathing, continence, dressing, eating, toileting, and transferring. <i>4-5-16:29</i> |

VERMONT (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VERMONT (cont.) |
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| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>4-5-16:30</i> |
| Suitability for Purchase | Insurer shall make reasonable effort to ensure the appropriateness of a purchase. <i>4-5-16:24</i> |
| Replacement Policies Must Not Have a Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions, elimination periods and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions and elimination periods have been satisfied under the original policy or certificate. <i>4-5-16:25</i> |
| Implementation of Nonforfeiture Benefit | Nonforfeiture benefits offered shall have coverage elements, eligibility, benefit triggers and benefit length that is the same as coverage to be issued without nonforfeiture benefits. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid, including the premiums paid prior to any changes in benefits. <i>4-5-16:28</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer’s disease and other brain disorders; premium; and additional features. <i>4-5-16:32</i> |
| Permitted Compensation | No provision |
| Penalties | In addition to any other remedy or sanction provided by law, after notice and opportunity for hearing the commissioner may assess an administrative penalty in an amount not to exceed \$10,000 for each violation against any person who violates any provision of 8 V.S.A. Chapter 154 or this regulation. <i>4-5-16:36</i> |
| Shopper’s Guide | Requires delivery of a shopper’s approved by the commissioner. <i>4-5-16:33</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VIRGIN ISLANDS (1/24) |
|--|-----------------------|
| Cite | No provision |
| Individual Policies are Guaranteed Renewable | |
| Provision for Continuation and Conversion | |
| Provision for Discontinuance and Replacement | |
| Unintentional Lapse Provision | |
| Disclosure of Rating Practices and Filing Requirements | |
| Prohibits Post-Claims Underwriting | |
| Standards for Home Health Care | |
| Offer of Inflation Protection | |
| Requirement for Application Forms and Replacement Notices | |
| Reporting of Lapse Rates | |
| Agents Licensing Requirements | |
| Reserve Standards for Accelerated Life Products | |
| Loss Ratios | |
| Premium Rate Increases | |
| Filing Requirement for Out-of-State Group Policy | |
| Filing Requirement for Advertising | |
| Standards for Marketing | |
| Benefit Triggers | |
| Benefit Triggers for Qualified LTC Contracts | |
| Suitability for Purchase | |
| Replacement Policies Must Not Have Preexisting Condition Limit | |
| Implementation of Nonforfeiture Benefit | |
| Standard Format for Outline of Coverage | |
| Permitted Compensation | |
| Penalties | |
| Shopper's Guide | |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VIRGINIA (1/24) |
|---|---|
| Cite | 14 VAC 5-200-10 to 5-200-210; Admin. Letter 1990-23 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. <i>14 VAC 5-200-60</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. <i>14 VAC 5-200-60</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>14 VAC 5-200-60</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>14 VAC 5-200-65</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, and benefit triggers. <i>14 VAC 5-200-70</i> Rating practices disclosure required for policy issued on or after 8/02, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 75 days before the effective date of the increase. <i>14 VAC 5-200-75</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commission and receive approval of the form prior to making a LTC insurance form available for sale. <i>14 VAC 5-200-77</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>14 VAC 5-200-80</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>14 VAC 5-200-90</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>14 VAC 5-200-100</i> |

VIRGINIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VIRGINIA (cont.) |
|---|---|
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>14 VAC 5-200-110</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>14 VAC 5-200-120</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>14 VAC 5-200-140</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. Details reasonable benefits for a life insurance policy that funds LTC benefits entirely by accelerating death benefit. <i>14 VAC 5-200-150</i> |
| Premium Rate Increases | Section applies to policies issued on or after 10/03, with exceptions. The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. <i>14 VAC 5-200-153</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer offering group LTC insurance to a resident of this commonwealth, it shall file with the commission evidence that the group policy or certificate thereunder has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this commonwealth. <i>14 VAC 5-200-155</i> |
| Filing Requirement for Advertising | A copy of any LTC insurance advertisement intended for use in this commonwealth whether through written, radio or television or other electronic medium to the commission for review or approval. In addition, all advertisements shall be retained by the insurer for at least 3 years from the date the advertisement was first used. <i>14 VAC 5-200-160</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has an insurance counseling assistance program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>14 VAC 5-200-170</i> |

VIRGINIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | VIRGINIA (cont.) |
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| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>14 VAC 5-200-187</i> |
| Benefit Triggers for Qualified LTC Contracts | No provision |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant's goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>14 VAC 5-200-175</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>14 VAC 5-200-190</i> |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 12/01, with exceptions. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>14 VAC 5-200-185</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>14 VAC 5-200-200</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>14 VAC 5-200-201</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WASHINGTON (1/24) |
|---|---|
| Cite | Wash. Admin. Code 284-54-010 to 284-54-900; 284-83-005 to 284-83-350 |
| Individual Policies are Guaranteed Renewable | No insurer shall refuse to renew any LTC contract or coverage. <i>R284-54-100</i> The terms “guaranteed renewable” and “noncancellable” must not be used in any individual long-term care insurance policy or certificate without further explanatory language. Defines these terms, as well as “level premium.” Qualified LTC contract shall be guaranteed renewable. <i>WA ADC 284-83-020</i> |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory conditions that would have been covered under previous policy. <i>WA ADC 284-83-020</i> |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. No exclusion for preexisting conditions that would have been covered under previous policy. <i>WA ADC 284-83-020</i> |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>WA ADC 284-54-253; 284-83-025</i> |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, tax consequences, benefit triggers, and whether policy intends to be qualified LTC insurance contract. <i>WA ADC 284-83-030</i> Rating practices disclosure required for policy issued on or after 1/09, with exceptions. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 45 days before the effective date of the increase. <i>WA ADC 284-83-035</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commission and receive approval of the form prior making a LTC insurance form available for sale. <i>WA ADC 284-83-040</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certification rescissions. <i>WA ADC 284-83-045</i> |

WASHINGTON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WASHINGTON (cont.) |
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| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year's coverage available for nursing home benefits under the policy. <i>WA ADC 284-54-150; 284-83-050</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>WA ADC 284-54-270; 284-83-055</i> Inflation protection shall be included unless insurer obtains a rejection as part of the application. |
| Requirement for Application Forms and Replacement Notices | No provision |
| Reporting of Lapse Rates | Every issuer must report annually by June 30 the 10% of its insurance producers with the highest percentages of lapses and replacements. Every issuer must also report annually by June 30 the number of lapsed policies as a percent of its total annual sales and as a percent of its total number of policies in force as of the end of the preceding calendar year. <i>WA ADC 284-83-070</i> |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | Reserves for policies and riders subject to this subsection should be based on the multiple decrement models utilizing all relevant decrements except for voluntary termination rates. Single decrement approximations are acceptable if the calculation produces essentially similar reserves, if the reserve is clearly more conservative, or if the reserve is immaterial. <i>WA ADC 284-83-080</i> |
| Loss Ratios | For contract forms, benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Loss ratios for other kinds of coverage may be approved by the commissioner. <i>WA ADC 284-54-600 to 284-54-680</i> Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>WA ADC 284-83-230</i> |
| Premium Rate Increases | The issuer must provide notice of a pending premium rate schedule increase, including an exceptional increase, to the commissioner at least 30 days prior to giving the notice to the policyholders. <i>WA ADC 284-83-090</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to offering group LTC insurance to a resident of this state, the issuer or similar organization must file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those of this state. <i>WA ADC 284-83-095</i> |

WASHINGTON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WASHINGTON (cont.) |
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| Filing Requirement for Advertising | A copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium for review by the commissioner. In addition, a copy of all advertisements must be retained by the issuer for at least 3 years after the date the advertisement was first used. <i>WA ADC 284-83-100</i> |
| Standards for Marketing | Subject to requirements in 284-50-010 through 284-50-230. <i>WA ADC 284-54-700</i> . Prohibits particular unfair or deceptive acts in the conduct of the advertising, sale, and marketing. <i>WA ADC 284-54-800</i> Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts included twisting, high pressure tactics, cold lead advertising, and misrepresentation. An association group must disclose in any solicitation the specific nature and amount of compensation and a description of the process by which policies are selected. <i>WA ADC 284-83-105</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Provisions of this rule apply to an LTC policy issued on or after 1/96, with exceptions. <i>WA ADC 284-54-040</i> Must condition the payment of benefits on a determination of the insured's ability to perform activities of daily living or on cognitive impairment of the insured. Eligibility for the payment of benefits must not be more restrictive than requiring either a deficiency in the ability to perform not more than 3 of the activities of daily living or the presence of cognitive impairment. <i>WA ADC 284-83-135</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>WA ADC 284-83-140</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals and needs with respect to LTC; values, benefits, and costs of policies. Agents shall use suitability standards in marketing LTC insurance. <i>WA ADC 284-83-110</i> |

WASHINGTON (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WASHINGTON (cont.) |
|--|--|
| Replacement Policies Must Not Have a Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing issuer must waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>WA ADC 284-54-200; 284-83-115</i> |
| Implementation of Nonforfeiture Benefit | A policy or certificate offered with nonforfeiture benefits must have coverage elements, eligibility, benefit triggers and benefit length that are the same as coverage issued by the issuer without nonforfeiture benefits. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>WA ADC 284-83-130</i> |
| Standard Format for Outline of Coverage | Disclosure form not based on NAIC format. <i>WA ADC 284-54-300; 284-54-350</i> Includes purpose; federal tax consequences; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>WA ADC 284-83-145</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>WA ADC 284-83-150</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WEST VIRGINIA (1/24) |
|--|---|
| Cite | 114 CSR 32-1 to 32-33 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. <i>WV ADC 114-32-4</i> Defines these terms. |
| Provision for Continuation and Conversion | Defines “continuation of coverage,” “conversion of coverage” and “converted policy.” <i>WV ADC 114-32-4</i> Application for converted policy and first premium due no later than 31 days after termination. Lists exceptions for mandatory continuation of coverage or issuance of converted policy. |
| Provision for Discontinuance and Replacement | Replacement policy shall cover all persons covered under previous policy. <i>WV ADC 114-32-4</i> No exclusion for preexisting conditions that would have been covered under previous policy. |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>WV ADC 114-32-5</i> |
| Disclosure of Rating Practices and Filing Requirements | Must disclose right to return, renewability, riders and endorsements, payment of benefits, limitations or conditions on eligibility, and tax consequences. <i>WV ADC 114-32-6</i> Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 60 days before the effective date of the increase. <i>WV ADC 114-32-9</i> An insurer shall provide a copy of the disclosure documents and an actuarial certification to the commissioner 60 days prior to making the LTC application form available for sale. <i>WV ADC 114-32-8</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. <i>WV ADC 114-32-9</i> Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. Coverage shall be a dollar amount equal to at least ½ of one year’s coverage available for nursing home benefits under the policy. <i>WV ADC 114-32-10</i> |

WEST VIRGINIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WEST VIRGINIA (cont.) |
|---|---|
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. Inflation protection shall be included unless insurer obtains a rejection as part of the application. <i>WV ADC 114-32-11</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. Replacing insurer shall notify, in writing, the existing insurer of proposed replacement within 5 working days of receipt of application or the date the policy is issued, whichever is earlier. <i>WV ADC 114-32-12</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>WV ADC 114-32-13</i> |
| Agents Licensing Requirements | Provides authorization to sell, solicit or negotiate with respect to long-term care insurance. <i>WV ADC 114-32-14</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>WV ADC 114-32-16</i> |
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. <i>WV ADC 114-32-17</i> Lists relevant factors in evaluating expected loss ratio. |
| Premium Rate Increases | Applies to any long-term care policy or certificate issued in this state on or after 10/09. An insurer shall provide notice of a pending premium rate schedule increase, including an exceptional increase, to the commissioner at least 60 days prior to the notice to the policyholders. <i>WV ADC 114-32-18</i> |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>WV ADC 114-32-19</i> |
| Filing Requirement for Advertising | A copy of any LTC insurance advertisement intended for use in this state whether through written, radio or television medium to the commissioner for review or approval. In addition, all advertisements shall be retained by the insurer, health care service plan or other entity for at least 3 years from the date the advertisement was first used. <i>WV ADC 114-32-20</i> |

WEST VIRGINIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WEST VIRGINIA (cont.) |
|--|---|
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; notice to buyer is prominently displayed; make reasonable effort to identify applicant's existing insurance coverage; provide written notice if state has a senior insurance counseling program. Prohibited acts include twisting, high pressure tactics, and cold lead advertising. <i>WV ADC 114-32-21</i> |
| Benefit Triggers | A LTC insurance policy shall condition the payment of benefits on a determination of the insured's ability to perform activities of daily living and on cognitive impairment. Eligibility for the payment of benefits shall not be more restrictive than requiring either a deficiency in the ability to perform not more than 3 of the activities of daily living or the presence of cognitive impairment. Activities of daily living shall include at least the following: bathing, continence, dressing, eating, toileting, and transferring. <i>WV ADC 114-32-27</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines "qualified LTC services," "chronically ill individual," "licensed health care practitioner," and "maintenance or personal care services." A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured's inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. <i>WV ADC 114-32-28</i> |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals and needs with respect to LTC; values, benefits, and costs of policies. Agents shall use suitability standards in marketing LTC insurance. <i>WV ADC 114-32-22</i> |
| Replacement Policy Must Not Have Preexisting Condition Limit | If a LTC insurance policy or certificate replaces another LTC policy or certificate, the replacing insurer shall waive any time periods applicable to preexisting conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy. <i>WV ADC 114-32-23</i> |
| Implementation of Nonforfeiture Benefit | A policy or certificate offered with nonforfeiture benefits shall have coverage elements, eligibility, benefit triggers and benefit length that are the same as coverage to be issued without nonforfeiture benefits. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid, including the premiums paid prior to any changes in benefits. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>WV ADC 114-32-26</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which the company may change premiums; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>WV ADC 114-32-31</i> |

WEST VIRGINIA (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WEST VIRGINIA (cont.) |
|------------------------|---|
| Permitted Compensation | No provision |
| Penalties | Any insurer and agent found to have violated a requirement shall be subject to a fine of up to 3 times the amount of any commissions paid for each policy involved or up to \$10,000, whichever is greater. <i>WV ADC 114-32-33</i> |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>WV ADC 114-32-32</i> |
| Miscellaneous | |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WISCONSIN (1/24) |
|---|--|
| Cite | WIS. ADMIN. CODE INS. §§ 3.455; 3.46 |
| Individual Policies are Guaranteed Renewable | Yes; <i>INS. § 3.455(7)</i> |
| Provision for Continuation and Conversion | Right to continue as provided by statute. <i>INS. §. 3.455(7)</i> |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | At least one person, in addition to the applicant, shall receive notice of lapse or termination. Notice will not be given until 30 days after premium is due and unpaid (or 60 days if premium is paid through payroll or pension deduction). Notice must precede actual lapse or termination by 30 days. Reinstatement of coverage is required if lapse results from cognitive impairment or loss of functional capacity. Reinstatement must be requested within 5 months of termination. <i>INS. § 3.46(15)</i> |
| Disclosure of Rating Practices and Filing Requirement | Rating practices disclosure required. Requirements include explanation of potential future premium rate revisions and information regarding previous increases for that policy. Exclusions are listed. An insurer shall provide notice of upcoming increase at least 60 days before the effective date of the increase. <i>INS. § 3.46(9)</i> An insurer shall file a copy of the disclosure documents and an actuarial certification with the commissioner at least 30 days before making a LTC insurance policy available for sale. <i>INS. § 3.455(10)</i> |
| Prohibits Post-Claims Underwriting | Additional requirements for applicants age 75 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>INS. § 3.46(10)</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>INS. § 3.46(4)</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. <i>INS. § 3.46(11)</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. <i>INS. § 3.46(14)</i> |
| Reporting of Lapse Rates | Insurer shall report annually by June 30: the 10% of its agents with the greatest percentages of lapses and replacements; and the number of lapsed or replacement policies sold as a percent of total annual sales and as a percent of total number of policies. <i>INS. § 3.46(21)</i> |

WISCONSIN (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WISCONSIN (cont.) |
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| Agents Licensing Requirements | No insurance intermediary may sell, solicit, or negotiate long-term care insurance in this state unless the intermediary is duly licensed and appointed by an insurer and has completed the initial training and ongoing training every 24 months. <i>INS. § 3.46(26)</i> |
| Reserve Standards for Accelerated Life Products | Reserves shall be based on the multiple decrement models, utilizing all relevant decrements except for voluntary termination rates. Due regard shall be given to applicable policy provisions, marketing methods, administrative procedures, and all other considerations which have an impact on projected claim costs. <i>INS. § 3.455(8)</i> |
| Loss Ratios | Until 1/02, at least 65% for individual policies and group mail order, 75% for the group, actuarial certification of loss ratio required. <i>INS. § 3.455(5)</i> |
| Premium Rate Increases | The insurer shall notify the commissioner of a proposed premium rate schedule increase. Requirements applying to the notice are listed. Requirements applying to the increase are listed. <i>INS. § 3.455(9)</i> The insurer shall file for approval by the commissioner updated projections annually for the next 3 years. The commissioner shall review projected lapse rates and may determine significant adverse lapsation. The commissioner may also place prohibitions based on a history or pattern of filing inadequate initial premium rates. |
| Filing Requirement for Out-of-State Group Policy | No provision |
| Filing Requirement for Advertising | A copy of any LTC insurance advertisement whether through written, radio or television medium to the commissioner. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>INS. § 3.46(22)</i> |
| Standards for Marketing | Comparison of policies will be fair and accurate; excessive insurance is not sold or issued; make reasonable effort to identify applicant's existing insurance coverage. No person may knowingly misrepresent or coerce in an attempt to market or sell. <i>INS. § 3.46(23)</i> |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. <i>INS. § 3.46(17)</i> . Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for not more than 3 activities of daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. |
| Benefit Triggers for Qualified LTC Contracts | No provision |

WISCONSIN (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WISCONSIN (cont.) |
|--|---|
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay; the applicant's goals or needs with respect to LTC; values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>INS. § 3.46(16)</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 1/02, with exceptions. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>INS. § 3.46(19)</i> |
| Standard Format for Outline of Coverage | Prescribed format not based on NAIC model. <i>INS. § 3.46(8)</i> |
| Permitted Compensation | An insurer may provide compensation to an intermediary, and an intermediary may accept compensation for the sale of a long-term care policy or certificate only if the compensation provided in the 2nd year or period and subsequent years is the same and is provided for at least 5 renewal years. <i>INS. § 3.46(13)</i> |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of the current edition of the guide to long-term care. <i>INS. § 3.46(9)</i> |
| Miscellaneous | Only a policy covering substantial care in an institutional and community-based setting may use the term "long-term care" insurance. Must cover at least \$60 a day. |

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WYOMING (1/24) |
|---|--|
| Cite | Wyoming Rules and Regulations INS GEN Ch. Ch. 37, §§ 1 to 23 |
| Individual Policies are Guaranteed Renewable | Terms “guaranteed renewable” and “noncancellable” require further explanatory language and are the only acceptable renewal provisions. Defines these terms. Renewal provision shall not be less favorable than “guaranteed renewable.” <i>WY ADC INS GEN Ch. 37, § 6</i> |
| Provision for Continuation and Conversion | No provision |
| Provision for Discontinuance and Replacement | No provision |
| Unintentional Lapse Provision | No provision |
| Disclosure of Rating Practices and Filing Requirement | Must disclose renewability, riders and endorsements, payment of benefits, and limitations or conditions on eligibility. <i>WY ADC INS GEN Ch. 37, § 7</i> |
| Prohibits Post-Claims Underwriting | Applications shall contain clear and unambiguous questions to ascertain health of applicant. Additional requirements for applicants age 80 or older. Insurer shall maintain record of all policy or certificate rescissions. <i>WY ADC INS GEN Ch. 37, § 8</i> |
| Standards for Home Health Care | Lists prohibited limitations or exclusions. <i>WY ADC INS GEN Ch. 37, § 9</i> |
| Offer of Inflation Protection | Inflation protection feature must be no less favorable than one of the following: increasing benefit levels (compounded annually at a rate not less than 5%); guaranteeing right to increase without providing evidence of insurability; covering specified percentage of actual or reasonable charges. Insurers shall provide a graphic comparison of benefit levels over at least 20 years and disclose expected premium increases. <i>WY ADC INS GEN Ch. 37, § 10</i> |
| Requirement for Application Forms and Replacement Notices | Application forms shall elicit whether applicant has another LTC policy in force and whether present policy is intended to replace it. Replacing insurer shall provide notice to applicant regarding replacement. <i>WY ADC INS GEN Ch. 37, § 11</i> |
| Reporting of Lapse Rates | No provision |
| Agents Licensing Requirements | No provision |
| Reserve Standards for Accelerated Life Products | No provision |

WYOMING (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WYOMING (cont.) |
|--|---|
| Loss Ratios | Benefits are reasonable in relation to premiums provided that the expected loss ratio is at least 60%. Lists relevant factors in evaluating expected loss ratio. <i>WY ADC INS GEN Ch. 37, § 13</i> |
| Premium Rate Increases | No provision |
| Filing Requirement for Out-of-State Group Policy | Prior to an insurer or similar organization offering group LTC insurance to a resident of this state, it shall file with the commissioner evidence that the group policy or certificate has been approved by a state having statutory or regulatory LTC insurance requirements substantially similar to those adopted in this state. <i>WY ADC INS GEN Ch. 37, § 14</i> |
| Filing Requirement for Advertising | A copy of any LTC insurance advertisement intended for use in this state, whether through written, radio, television or Internet medium to the commissioner for review and approval. In addition, all advertisements shall be retained for at least 3 years from the date the advertisement was first used. <i>WY ADC INS GEN Ch. 37, § 15</i> |
| Standards for Marketing | No provision |
| Benefit Triggers | Activities of daily living shall include at least all of the following: bathing, continence, dressing, eating, toileting and transferring. Determination of a deficiency shall not be more restrictive than either: requiring the hands-on assistance of another person for daily living; or requiring supervision or verbal cueing by another person in order to protect an insured with cognitive impairment. Assessments of daily living and cognitive impairment shall be performed by licensed or certified professionals. Provisions of this rule apply to an LTC policy issued on or after the effective date. <i>WY ADC INS GEN Ch. 37, § 17</i> |
| Benefit Triggers for Qualified LTC Contracts | Defines “qualified LTC services,” “chronically ill individual,” “licensed health care practitioner,” and “maintenance or personal care services.” A qualified LTC contract shall pay only for LTC services received by a chronically ill individual. Payments shall be conditioned on the insured’s inability to perform activities of daily living for an expected period of at least 90 days. Certifications regarding daily living and cognitive impairment shall be performed by licensed or certified professionals. <i>WY ADC INS GEN Ch. 37, § 18</i> Once performed, the certification may not be rescinded, and additional certifications may not be performed until after the expiration of the 90-day period. |
| Suitability for Purchase | The issuer shall develop and use suitability standards and train its agents in their use. Relevant factors include ability to pay, the applicant’s goals or needs with respect to LTC, values, benefits, and costs of policies. A personal worksheet shall be used to obtain this information. Agents shall use suitability standards in marketing LTC insurance. <i>WY ADC INS GEN Ch. 37, § 21</i> |
| Replacement Policies Must Not Have Preexisting Condition Limit | No provision |

WYOMING (cont.)

LONG-TERM CARE INSURANCE REGULATION PROVISIONS

| | WYOMING (cont.) |
|---|--|
| Implementation of Nonforfeiture Benefit | A policy offered with nonforfeiture benefits shall have the same coverage elements as a policy issued without nonforfeiture benefits. If the offer is rejected, the insurer shall provide the contingent benefit on lapse. Provisions of rule apply to any LTC policy issued on or after 12 months from the adoption of the provision. The standard nonforfeiture credit will be equal to 100% of the sum of all premiums paid. The minimum nonforfeiture credit shall not be less than 30 times the daily nursing home benefit at the time of lapse. <i>WY ADC INS GEN Ch. 37, § 16</i> |
| Standard Format for Outline of Coverage | Includes purpose; terms under which policy or certificate may be continued or discontinued; terms under which policy may be returned; declaration that it is not Medicare supplement coverage; LTC coverage; benefits provided; limitations and exclusions; declaration that policy may not cover all expenses associated with LTC needs; relationship of cost of care and benefits; Alzheimer's disease and other brain disorders; premium; and additional features. <i>WY ADC INS GEN Ch. 37, § 19</i> |
| Permitted Compensation | No provision |
| Penalties | No provision |
| Shopper's Guide | Requires delivery of a shopper's guide in the format developed by the NAIC or a guide developed or approved by the commissioner. <i>WY ADC INS GEN Ch. 37, § 20</i> |
| Miscellaneous | |

This chart does not constitute a formal legal opinion by the NAIC staff on the provisions of state law and should not be relied upon as such. Every effort has been made to provide correct and accurate summaries to assist the reader in targeting useful information. For further details, the statutes and regulations cited should be consulted. The NAIC attempts to provide current information; however, readers should consult state law for additional adoptions.