



The Senior Issues Task Force
National Association of Insurance Commissioners
c/o David Torian
Sent Via Email
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Re: Proposed Limited Long-Term Care NAIC Model Act and Regulations

Dear Task Force Members

Thank you for this opportunity to comment regarding the above Model Act and Regulations as drafted by the Short Duration Long-Term Care Policies (B) Subgroup. Over the past several months, you have been extremely open to comments by regulators, industry and consumer groups. The acknowledgement that this type of product is needed in the current market is welcome news and provides one more option for consumers.

Our company would like to make the following comments concerning the Model Law and Regulations. I list them in order of the section in the documents and not in order of importance. I am happy to respond to any questions or thoughts you may have in regard to our comments.

Model Act Comments

1. Title of the Model. We would suggest a different name for this model. The current title is confusing at best and inaccurate at worst. For example, many long-term care policies only pay for five (5) years of coverage. I'm not sure for some folks that would be considered "long." Would it be better to have a title of "short-term assistance" or "limited care assistance?" In some manner, the title should reflect that the benefits provided are for a limited period of time.
2. Section 9-Producer Training. We recognize this is an "optional" section of the Model. However, we are concerned that it is tied to long-term care insurance. Training should not include the Long Term Care Partnership Program which is clearly distinct and different from a short term care product.

Model Regulation Comments

1. Section 5, paragraph E. Policy Definition-Cognitive impairment. We believe there is a typo in the definition of "Cognitive Impairment." It should read in part "a person's short or long-term memory" and not "a person's limited long or long-term memory."
2. Section 14-Requirements for application Forms and Replacement of Coverage. This appears to be a cumbersome notification process. Since this is a limited assistance

- policy would there still be the concerns about replacements? We are not convinced that issues for a limited policy correlate with a long-term care insurance policy.
3. Section 15-Reporting Requirements. We understand that such a report on lapses and replacements occurs for long-term care insurance policies. But, we question the need for such a formal report for a limited-term policy. We would suggest instead that carriers be required to maintain an internal report of lapses and replacements that would be available upon request by a state.
 4. Section 27-Nonforfeiture Benefit Requirement. We have no objections as long as it is an option. Given the nature of this policy and its length of coverage (less than 365 days) such a nonforfeiture benefit maybe cumbersome to administer.
 5. Section 32-Penalties. We question the need for additional penalties. Is there some issue of concern by regulators for this limited policy that would call for additional fines?
 6. Appendix B-Replacement and Lapse Reporting Form. Please see #3 above. We would suggest that carriers be required to maintain the information on lapses and replacements so that upon request it can be provided to the regulator. But, we don't see the need for this policy form to have a mandatory annual filing to regulators.

Once again, we are happy to discuss any of the above comments in greater detail at your convenience. Thank you for allowing us to be a part of this process. We are excited about the future of this product.

Sincerely,



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