NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

INSURER INSTRUCTIONS FOR REQUESTING A

LONG-TERM CARE INSURANCE (LTCI) MULTISTATE RATE REVIEW

The MSA Review as outlined in the Long-Term Care Insurance (LTCI) Multistate Rate Review Framework (LTCI MSA Framework) will utilize the Interstate Insurance Product Regulation Commission's (Compact) multistate review platform within the NAIC's SERFF application and its format for in force LTCI rate increase proposals. Therefore, a state may participate in the Multistate actuarial (MSA) Review without being a member of the Compact. *Please note that although the administrative services of Compact staff and SERFF's Compact filing platform are utilized in the MSA Review, MSA rate proposals are reviewed, and MSA Advisory Reports are prepared by the MSA Team. MSA rate proposals are not Compact filings, and Compact staff will not have any role in determining the substantive content of the MSA Advisory Reports.*

Documents referenced below are available on the NAIC's MSA webpage under the "Industry" Tab.

Pre-Filing Communication

Insurers interested in utilizing the MSA Review should begin by submitting a Pre-Filing Communication Form describing the premium rate change proposal and addressing any questions or issues prior to making a rate submission.

Scope and Eligibility of a Rate Proposals for MSA Review

Per the LTCI MSA Framework, the following outlines the preferred eligibility criteria for requesting an MSA Review of a rate proposal.

- Must be an in force LTCI product (individual or group).
- Must be seeking a rate increase in at least 20 states and must affect at least 5,000 policyholders nationwide.
- Includes any stand-alone LTCI product approved by states, not by the Compact.
- For Compact-approved products meeting certain criteria, the Compact office will provide the first-level advisory review subject to the input and quality review of the MSA.

It is recognized that rate proposals vary from insurer to insurer. The above criteria are general guidelines. The MSA Team has the authority to weigh the benefits of the MSA Review for state insurance departments and the insurer against available MSA Team resources when considering the eligibility of rate proposals and the timeline for completion. Based on these considerations, the MSA Team, at its discretion, may elect to perform an MSA Review on a rate proposal that does not satisfy the above eligibility criteria.

The MSA Team reserves the right to deny a proposal that does not meet eligibility criteria. An insurer will be notified if the proposal for an MSA Review is denied.

An insurer may ask questions for more information about a potential rate proposal through communication to supporting NAIC and Compact staff and the MSA Team through the Pre-Filing Communication Form available on the NAIC's MSA web page. Supporting NAIC and Compact staff will

work with the insurer to complete the necessary steps to assess eligibility, discuss any technical or other issues, and answer questions.

Requesting a MSA Review

1. The insurer will work with NAIC and Compact support staff and the MSA Team to make a seamless rate increase proposal through SERFF.
    a. Refer to the Best Practices Checklist for additional guidance
    b. Refer to SERFF instructions for creating a filing.
2. The MSA Team's review of objections and insurer responses are completed through SERFF.

Required Information when Submitting a Premium Rate Proposal

1. The insurer should refer to MSA Insurer Information Checklist for required and supplementary rate proposal detail necessary for the rate proposal.
    a. Note that to clarify what is meant by Distribution of Business, please include tables with the number of policyholders by issues age band, amount of inflation protection and benefit period length.
2. The insurer shall include in the rate proposal a list of all states for which the product associated with the rate increase proposal where the product was sold or continues to be sold.
3. The Statement of Intent (SOI) is only expected to include the most recent prior rate action. Separate instructions are available for completing this information in SERFF.
4. Include a signed MSA Participating Insurer Certification.

Communication between the Insurer, MSA Team and Support Staff

The MSA Team will meet periodically to discuss the review and determine any needed correspondence with the insurer. Objections and communications with insurers will be conducted through SERFF, like any state-specific filing or Compact filing, to maintain a record of the key review items. Other supplemental communication between the insurer and the MSA Team or supporting NAIC and Compact staff, may occur, such as conference calls or emails, as appropriate. Refer to the LTCI MSA Framework for further information about general timelines and communication:

As the MSA Team completes its review:

1. The insurer will receive initial communication of a completed review. A final MSA Advisory Report with recommendations will be drafted and communicated to state insurance departments within the next month, which may serve as a signal for a potential ideal time for the insurer to prepare to submit the state-specific filings to each state.
2. The insurer will receive sufficient information regarding the MSA Team's recommendation to allow the insurer an opportunity to review the recommendation and in the event that the MSA Team recommendation differs from the proposal submitted by the insurer, the insurer will be given the opportunity to interact with the MSA Team in order to ask questions and understand the MSA Team's reasoning.
3. The insurer will receive the MSA Advisory Report once it is finalized.

Confidentiality of the Rate Proposal

Per the LTCI MSA Framework, members of the MSA Team and state insurance departments affirm and represent that they will provide any in force LTCI premium rate proposal, as discussed herein with the same protection from disclosure, if any, as provided by the confidentiality provisions contained within their state's laws and regulations.