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Subject: Comments on Additional Standards for Guaranteed Living Benefits
Date: Wednesday, April 06, 2016 4:46:42 PM

Please accept these follow-up comments regarding **ADDITIONAL STANDARDS FOR GUARANTEED LIVING BENEFITS**. The Pennsylvania Department believes that a written presentation will improve clarity regarding possible alternatives to the proposed revisions advanced by the Industry Advisory Committee in a comment memo dated April 4, 2016.

With regard to the second paragraph of the scope section, we would suggest a slightly different approach to better fit the context of a scope statement and as an alternative to inserting language beneath item 8 in the definition of Qualifying Event. The alternative language is as follows below.

~~Products subject to these standards shall not be~~ If the product is described as long-term care insurance or as providing long-term care benefits, ~~if the benefit is contingent on the covered person's receipt of long-term care services or supports, these standards shall not apply and such benefit product~~ will be subject to the Interstate Insurance Product Regulation Commission standards for individual long-term care insurance.

With consideration of the comments from Utah dated February 5, 2016, and the silence of the Industry Advisory Committee in its March 3, 2016 response as regards the first Qualifying Event, the PA Department believes it is appropriate to eliminate the first Qualifying Event. As an alternative, it may be reasonable to introduce revisions based on the triggers in the Group DI standards and allow items (vi) and (vii) from the list of additional Disability benefit triggers in place of the first Qualifying Event. If a brief clarification on "triggers" is felt to be necessary, we offer the following suggestion which is loosely patterned after a clarification in the Group DI standards.

The contract shall state that benefits will not be conditioned on the value or extent of any long-term care services received;

We look forward to discussing public comments on the upcoming conference call.

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