



# STATE OF INDIANA

MITCHELL E. DANIELS, JR., Governor

# IDOI

## INDIANA DEPARTMENT OF INSURANCE

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CAROL CUTTER, Commissioner

September 15, 2010

Ms. Karen Schutter  
IIPRC Executive Director  
444 North Capitol Street, NW  
Hall of the States, Suite 701  
Washington, D.C. 20001-1509

Re: Notice of Indiana's Election to Opt Out  
Long Term Care Interstate Compact Uniform Standards

Dear Ms. Schutter:

The Indiana Department of Insurance (IDOI) formally elects to opt out of the Long Term Care Interstate Compact Uniform Standards (LTC Uniform Standards). This letter serves as IDOI's notice of election to opt out pursuant to §103 of Interstate Insurance Product (IIPRC) Operating Procedure. In accordance with Article VII, Sections 4 through 6 and Article V Section 2.b.ii of the Model Compact, the IDOI has initiated the regulation procedure to perfect the opt out option. *(See also IC 27-8-31-8).*

The LTC Uniform Standards do not provide sufficient protections to the citizens of Indiana. Indiana is one of four "grandfathered" Partnership states and is exempt from the Partnership requirements under the Deficit Reduction Act of 2005 (DRA). Grandfathered Partnership policies are subject to different standards and more enriched benefits than DRA (non-grandfathered) Partnership policies. For example, an Indiana Partnership policy offers a choice of either total asset Medicaid protection or dollar for dollar. Also, all age brackets of consumers are protected with required inflation of either 5% compound or consumer price index (CPI) with an Indiana Partnership policy.

Because Indiana requires comparability between Partnership and traditional (non-Partnership) long term care policies for rate review and policy benefits, IDOI believes that consumers are more protected when all LTC policy premiums are reviewed by IDOI pursuant to one review methodology.

ACCREDITED BY THE  
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

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Since Indiana requires that all Partnership policies be filed with IDOI, to the extent companies would submit rate and form filings for multiple policy types, unnecessary administrative time and expense would be incurred by duplicate filings and/or review. We fear additional expense would eventually impact premium costs for LTC policies.

This process was undertaken with considerable discussion and in no manner serves to make any statement to the efficacy of the IIPRC's Uniform Standards.

Sincerely,

A handwritten signature in cursive script that reads "Stephen W. Robertson". The signature is written in dark ink and is positioned above the printed name.

Stephen W. Robertson,  
Acting Commissioner and Executive Director