

**Agenda Item 2. Continue review of Clarification Items in the IIPRC Office Report and Recommendation to the Product Standards Committee for the Uniform Standards currently subject to 5-Year Review (Phase 6 Long-Term Care Insurance)**

**(a) Clarification Item 2 - Definition Of Long-Term Care**

The Product Standards Committee (PSC) reviewed revisions suggested by Pennsylvania which were noted to be more in line with the recently revised Guaranteed Living Benefit uniform standards scope language, and agreed to recommend the following revisions to the definition of long-term care in the Core Standards:

*With regard to life insurance*, this term shall not include life insurance policies that accelerate the death benefit specifically for one or more of the qualifying events of terminal illness, chronic illness, medical conditions requiring extraordinary medical intervention or permanent institutional confinement, and that provide the option of a lump-sum payment for those benefits and where neither the benefits nor the eligibility for the benefits is conditioned upon the receipt of long-term care.

*With regard to annuities*, this term shall not include (a) annuity contracts that include a waiver of surrender charges for an annuitant who needs long-term care services, provided that the waiver is unrelated to the amount of charges incurred for the long-term care services, there is no separate premium for the waiver, and the annuity contract or waiver of surrender charges benefit is not advertised, marketed offered or designed as coverage for long-term care services; and (b) a guaranteed living benefit (GLB) with a guaranteed withdrawal increase for qualifying events permitted under the applicable IIPRC annuity standard. ~~of medical condition that is reasonably expected to result in a drastically limited life span; inability to perform two or more activities of daily living; cognitive impairment; and where neither the benefits nor the eligibility for the benefits is conditioned upon the receipt of long-term care services.~~

**(b) Clarification Item 3 - Rate Schedule Increase Filings**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(c) Clarification item 4 – Premium Variances and Administrative Expenses**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(d) Clarification Item 5 - Actuarial Memorandum Content**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(e) Clarification Item 6 - Annual Submission Requirements – Period of Sales**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(f) Clarification Item 7 - Shopper's Guide to Long-Term Care Insurance**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(g) Clarification Item 8 - Similar Policy Forms – Definition**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(h) Clarification Item 9 - Outline of Coverage – Definition of Policy and Rider**

The PSC agreed with the IIPRC Office recommendations in the draft report.

**(i) Clarification Item 10 - Outline of Coverage – Use of the Term Form**

The PSC noted that the language in the Appendix comes directly from format prescribed in Section 33 of the NAIC Long-term Care Insurance Model Regulation #641. The references are variable items, and the reference to group and contracts are included because the Model provisions apply to more than the uniform standards. Noting that the use of the Model language has not resulted in any confusion by filers, and observing that the addition of a new definition just to this Appendix could cause confusion, the PSC is not recommending any changes as a result of this request.

**Agenda Item 3. Hear an update on the Actuarial Working Group recommendations for the referred Model Regulation/Bulletin Change Items.**

IIPRC staff advised the PSC that the Actuarial Working Group (AWG) has finalized its recommendations for the referred Model Regulation/Bulletin Change Items and the updated recommendations would be distributed shortly for the PSC review. Members were asked to review these items once received to be prepared to discuss final recommendations on the next PSC call.

**Agenda Item 4. Any other matters.**

The Chair noted that the AWG is currently reviewing the Kentucky request to add some rate standards for dollar-for-dollar benefits. She stated that in order to try to meet the goal of having recommendations to the Management Committee for the August 25<sup>th</sup> in person meeting, the PSC will schedule a member call for August 2<sup>nd</sup> and have a Public Call on Thursday August 11th at 2:00 PM ET, 1:00 PM CT. Following the Public Call, the PSC will have a member call on Tuesday August 16<sup>th</sup>.