

STANDARDS FOR FORMS REQUIRED TO BE USED WITH AN INDIVIDUAL LONG-TERM CARE INSURANCE APPLICATION

- **SUITABILITY FORMS**
- **POTENTIAL RATE INCREASE DISCLOSURE FORM**
- **REPLACEMENT NOTICE**
- **HIPAA MEDICAL AUTHORIZATION**

Scope: These standards are intended to apply to the forms that are required to be used with individual long-term care applications. References to Appendices A, B, C or D in these standards shall be deemed to only require companies to comply with the requirements as they are applicable to individual long-term care insurance forms.

Mix and Match: These standards are not available to be used in combination with State Product Components as described in Section 110(b) of the Operating Procedure for the Filing and Approval of Product Filings.

Self-Certification: These standards are available to be filed using the Rule for the Self-Certification of Product Components Filed with the Interstate Insurance Product Regulation Commission. Any deviation from the standards prescribed shall require prior approval.

Drafting Note: In accordance with the Rule for the Self-Certification of Product Components Filed with the Interstate Insurance Product Regulation Commission, a filing submitted as a Self-Certified Product Filing is subject to monitoring and review for compliance with the applicable standards, including the accuracy of the information required to be included in the forms. Monitoring and review can lead to reconsideration, suspension and withdrawal of the filing and the privilege of self-certification.

As used in these standards the following definitions apply:

“Issue age rate schedules” are rate schedules where premiums are based on issue age and where premiums are not expected to change during the premium-paying period due to attained age or duration since issue. Single premium and limited pay plans (e.g., 20-pay policy) are allowed under this definition. The addition of increases in the benefit level that require additional premium, based on the issue age rate schedule applied at an insured’s current age at the time of each increase in the benefit level, are allowed under this definition.

“Modified rate schedules” are rate schedules where premiums are based on issue age and where premiums are scheduled to increase during the premium-paying period according to a specified pattern due to attained age or duration since issue as permitted by Section 2B(6) of the Rate Filing Standards for Individual Long-Term Care Insurance—Modified Rate Schedules. Limited pay policies (e.g., 20-pay policy) and noncancellable policies are allowed under this definition.

“Premium rate schedule increase” shall mean an increase to either of the above two rate schedules approved to apply to in-force policies.

“Similar policy forms” means all of the long-term care insurance policies and certificates issued by the company in the same long-term care benefit classification as the policy being considered. For purposes of determining similar policy forms, long-term care benefit classifications are defined as follows: institutional long-term care benefits only, non-institutional long-term care benefits only, or comprehensive long-term care benefits.

“Model Act” means the NAIC Long-Term Care Insurance Model Act (#640) as adopted by the NAIC on September 1, 2000, and as subsequently amended.

“Model Regulation” means the NAIC Long-Term Care Insurance Model Regulation (#641) as adopted by the NAIC on September 1, 2000, and as subsequently amended.

§ 1. FORM REQUIREMENTS

A. SUITABILITY FORMS

(1) *Long-Term Care Insurance Personal Worksheet.*

- (a) The standards for the Personal Worksheet shall be, at a minimum, those prescribed in Appendix A of these standards, and the text used shall not be less than 12-point type.
- (b) The company may request the applicant to provide additional information to comply with its suitability standards.

Explanatory comments: The Rate Increase History disclosure requirements were inadvertently included under both the Personal Worksheet and the Potential Rate Increase Disclosure forms. The NAIC Model Regulation requires the Rate Increase History only in connection with the Personal Worksheet. The PSC recommends revising the standards to reflect the model requirement.

In conjunction with this amendment, the PSC recommends that the IIPRC issue filing guidance that, while this amendment is undergoing the 60-day public comment period and the 90-day seasoning period before the amendments take effect, forms filed under self-certification must continue to certify compliance with the standards then in effect, despite the pending amendment. Forms filed for prior approval may comply with the pending amendment. The PSC seeks comments on this approach.

- (c) The Rate Increase History section of the Personal Worksheet shall accurately list information regarding each premium rate schedule increase on this policy form or similar policy forms over the past 10 years nationwide that, at a minimum, identifies:

Deleted: each premium increase the company has instituted on this or similar policy forms in any state during the last 10 years. The list shall provide the policy form, the calendar years the form was available for sale, and the calendar year and the amount (percentage) of each increase. The company shall provide minimum and maximum percentages if the rate increase is variable by rating characteristics. The company may provide, in a fair manner, additional explanatory information as appropriate. Supporting documentation for each state validating the Rate Increase History section of the Personal Worksheet shall also be included with the filing.

- (I) The policy forms for which premium rate schedule has been increased;
 - (II) The calendar years when the form was available for purchase; and
 - (III) The amount or percent of each premium rate schedule increase. The percentage may be expressed as a percentage of the premium rate prior to the increase, and may also be expressed as minimum and maximum percentages if the increase is variable by rating characteristics.
- (ii) The company may, in a fair manner, provide additional explanatory information related to the premium rate schedule increases.
 - (iii) The company may exclude from the disclosure premium rate schedule increases that only apply to blocks of business acquired from other nonaffiliated companies or long-term care policies acquired from other nonaffiliated companies when those increases occurred prior to the acquisition.
- (d) Supporting documentation for each state validating the Rate Increase History section of the Personal Worksheet shall also be included with the filing.
- (e) If an acquiring company files for a premium rate schedule increase on a long-term care policy form or forms acquired from nonaffiliated companies within a twenty-four-month period following the acquisition of the policy form or forms,
- (i) The acquiring company may exclude that premium rate schedule increase from the disclosure; and
 - (ii) The nonaffiliated selling company shall include the disclosure of that premium rate schedule increase.
- (f) If the acquiring company in Section 1A(1)(d) files for a subsequent premium rate schedule increase, even within the 24-month period, on the same policy form or forms acquired from nonaffiliated companies referenced in Section 1A(1)(d) the acquiring company shall make all disclosures required by Section 1A(1)(d), including disclosure of the earlier premium rate schedule increase referenced in Section 1A(1)(d).

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Drafting Notes:

- (1) If the company expects to provide additional information (such as a brief description of significant variations in policy provisions if the form is not the policy form applied for by the applicant or information about policy forms offered during or before the calendar years of forms with premium rate schedule increases), the Interstate Insurance Product Regulation Commission should be satisfied that the additional information is fairly presented in relation to the information about premium rate schedule increases.

Drafting Note: Standard based on Section 9, Required Disclosure of Rating Practices to Consumer, Section 24, Suitability, and Appendix B, Personal Worksheet, of the Model Regulation.

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- (2) ***Things You Should Know Before You Buy Long-Term Care Insurance.*** The standards for this disclosure shall be those prescribed in Appendix B of these standards, and the text used shall not be less than 12-point type.

Drafting Note: Standard based on Section 24, Suitability, and Appendix C, Things You Should Know Before You Buy Long-Term Care Insurance, of the Model Regulation.

B. POTENTIAL RATE INCREASE DISCLOSURE FORM

- (1) The standards for this disclosure shall be those prescribed in this subsection and Appendix C of these standards.
- (2) This disclosure is not applicable to noncancellable policies, including single premium policies.
- (3) The company shall provide a Potential Rate Increase Disclosure Form that shall contain:
 - (a) A statement that the policy may be subject to premium rate schedule increases in the future;
 - (b) An explanation of potential future premium rate schedule revisions and the applicant's option in the event of a premium rate schedule revision;
 - (c) The premium rate schedule applicable to the applicant that will be in effect until a request is made for an increase;
 - (d) A general explanation for applying premium rate schedule adjustments that shall include:
 - (i) A description of when premium rate schedule adjustments will be effective (e.g., next anniversary date, next billing date, etc.); and

- (ii) The right to a revised premium rate schedule as provided in Section 1.B(3)(c) if the premium rate schedule is changed;

Drafting Note: Standard based on Section 9, Required Disclosure of Rating Practices to Consumers, and Appendix F, Long-Term Care Insurance Potential Rate Increase Disclosure Form, of the Model Regulation.

** Remaining text omitted for the limited purpose of showing the draft amendments. **

Deleted: ¶
(e) . (i) . Information regarding each premium rate schedule increase on this policy form or similar policy forms over the past 10 years nationwide that, at a minimum, identifies:¶
¶
(I) . The policy forms for which premium rate schedule has been increased;¶
¶
(II) . The calendar years when the form was available for purchase; and ¶
¶
(III) . The amount or percent of each premium rate schedule increase. The percentage may be expressed as a percentage of the premium rate prior to the increase, and may also be expressed as minimum and maximum percentages if the increase is variable by rating characteristics. ¶
¶
(ii) . The company may, in a fair manner, provide additional explanatory information related to the premium rate schedule increases.¶
¶
(iii) . The company may exclude from the disclosure premium rate schedule increases that only apply to blocks of business acquired from other nonaffiliated companies or long-term care policies acquired from other nonaffiliated companies when those increases occurred prior to the acquisition. ¶
¶
(f) . If an acquiring company files for a premium rate schedule increase on a long-term care policy form or forms acquired from nonaffiliated companies within a twenty-four-month period following the acquisition of the policy form or forms, ¶
¶
(i) . The acquiring company may exclude that premium rate schedule increase from the disclosure; and¶
¶
(ii) . The nonaffiliated selling company shall include the disclosure of that premium rate schedule increase.¶
¶
(g) . If the acquiring company in Section 1.B(3)(f) files for a subsequent premium rate schedule increase, even within the 24-month period, on the same policy form or forms acquired from nonaffiliated companies referenced in Section 1.B(3)(f) the acquiring company shall make all disclosures required by Section 1.B(3)(f), including disclosure of the earlier premium rate schedule increase referenced in Section 1.B(3)(f).¶
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APPENDIX A

Long-Term Care Insurance Personal Worksheet

Drafting Note: References to group policies in these standards shall not apply to applications for individual long-term care insurance forms.

People buy long-term care insurance for many reasons. Some don't want to use their own assets to pay for long-term care. Some buy insurance to make sure they can choose the type of care they get. Others don't want their family to have to pay for care or don't want to go on Medicaid. But long-term care insurance may be expensive, and may not be right for everyone.

By state law, the insurance company must fill out part of the information on this worksheet and **ask** you to fill out the rest to help you and the company decide if you should buy this policy.

Premium Information for Issue Age Rate Schedules

Policy Form Numbers _____

The premium for the coverage you are considering will be [\$ _____ per month, or \$ _____ per year,] [a one-time single premium of \$ _____].

[Premium Information for Modified Rate Schedules

Policy Form Numbers _____ [If the company uses different form numbers for modified rate schedule.]

The premium for the coverage you are considering will be [\$ _____ per month, or \$ _____ per year,] for the first year. The premium for your policy is scheduled to increase every [year, __ years] until you reach age [__]. It is not scheduled to increase thereafter. A complete description of each premium you are scheduled to pay will be provided with your policy.]

Type of Policy (noncancellable/guaranteed renewable):

The Company's Right to Increase Premiums:

[The company cannot increase the premium schedule on this policy.] [The company has a right to increase the premium rate schedule on this policy form in the future, provided it raises rates for all policies in the same class.] [Companies shall use appropriate bracketed statement. Rate guarantees shall not be shown on this form.]

Drafting Note: Rate guarantees shall not be shown on this form.

Date: 1/18/11

As recommended by the Product Standards Committee

Revisions reflect proposed amendments to the adopted standards.

APPENDIX A, Continued

Rate Increase History

The company has sold long-term care insurance since [year] and has sold this policy since [year]. [The company has never raised its rates for any long-term care policy it has sold.] [The company has not raised its rates for this policy form or similar policy forms in the last 10 years.] [The company has raised its premium rates on this policy form or similar policy forms in the last 10 years. Following is a summary of the rate increases.]

Drafting Note: A company may use the first bracketed sentence above only if it has never increased rates under any prior policy forms. The company shall list each premium increase it has instituted on this or similar policy forms during the last 10 years. The list shall provide the policy form, the calendar years the form was available for sale, and the calendar year and the amount (percentage) of each increase. The company shall provide minimum and maximum percentages if the rate increase is variable by rating characteristics. The company may provide, in a fair manner, additional explanatory information as appropriate.

APPENDIX A, Continued

Questions Related to Your Income

How will you pay each year's premium?

From my Income From my Savings/Investments My Family will Pay

[Have you considered whether you could afford to keep this policy if the premium schedule you were initially shown went up, for example, by 20%?]

Drafting Note: The company is not required to use the bracketed sentence if the policy is fully paid up or is a noncancellable policy.

What is your annual income? (check one)

Under \$10,000 \$[10-19,999] \$[20-29,999] \$[30-49,999] \$50,000 or over

Drafting Note: The company may choose the numbers to put in the brackets to fit its suitability standards.

How do you expect your income to change over the next 10 years? (check one)

No change Increase Decrease

If you will be paying premiums with money received only from your own income, a rule of thumb is that you may not be able to afford this policy if the premiums will be more than 7% of your income.

Will you buy inflation protection? (check one) Yes No

If not, have you considered how you will pay for the difference between future costs and your daily benefit amount?

From my Income From my Savings/Investments My Family will Pay

The national average annual cost of care in [insert year] was [insert \$ amount], but this figure varies across the country. In ten years the national average annual cost would be about [insert \$ amount] if costs increase 5% annually.

Drafting Note: The projected cost can be based on federal estimates in a current year. In the above statement, the second figure equals 163% of the first figure.

What elimination period are you considering? Number of days _____ Approximate cost \$ _____ for that period of care.

How are you planning to pay for your care during the elimination period? (check one)

From my Income From my Savings/Investments My Family will Pay

Date: 1/18/11

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APPENDIX A, Continued

Questions Related to Your Savings and Investments

Not counting your home, about how much are all of your assets (your savings and investments) worth? (check one)

Under \$20,000 \$20,000-\$29,999 \$30,000-\$49,999 \$50,000 or over

How do you expect your assets to change over the next ten years? (check one)

Stay about the same Increase Decrease

If you are buying this policy to protect your assets and your assets are less than \$30,000, you may wish to consider other options for financing your long-term care.

APPENDIX A, Continued

Disclosure Statement

| |
|--|
| <input type="checkbox"/> The answers to the questions above describe my financial situation. Or <input type="checkbox"/> I choose not to complete this information. (Check one.) |
| <input type="checkbox"/> I acknowledge that the carrier and/or its agent (below) has reviewed this form with me including the premium, premium rate increase history and potential for premium increases in the future. [For direct mail situations, use the following: I acknowledge that I have reviewed this form including the premium, premium rate increase history and potential for premium increases in the future.] I understand the above disclosures. I understand that the rates for this policy may increase in the future. (This box must be checked). |

Signed: _____ (Applicant) _____ (Date)

I explained to the applicant the importance of completing this information.

Signed: _____ (Agent) _____ (Date)

Agent's Printed Name: _____]

[In order for us to process your application, please return this signed statement to [name of company], along with your application.]

[My agent has advised me that this policy does not seem to be suitable for me. However, I still want the company to consider my application.

Signed: _____ (Applicant) _____ (Date)]

Drafting Note: Choose the appropriate sentences depending on whether this is a direct mail or agent sale.

Date: 1/18/11

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APPENDIX A, Continued

The company may contact you to verify your answers.

Drafting Note: When the Long-Term Care Insurance Personal Worksheet is furnished to employees and their spouses under employer group policies, the text from the heading “Disclosure Statement” to the end of the page may be removed.

APPENDIX B

Things You Should Know Before You Buy Long-Term Care Insurance

- Long-Term Care Insurance**
- A long-term care insurance policy may pay most of the costs for your care in a nursing home. Many policies also pay for care at home or other community settings. Since policies can vary in coverage, you should read this policy and make sure you understand what it covers before you buy it.
 - [You should **not** buy this insurance policy unless you can afford to pay the premiums every year.] [Remember that the company can increase premiums in the future.]

Drafting Note: For single premium policies, delete this bullet; for noncancellable policies, delete the second sentence only.

- The personal worksheet includes questions designed to help you and the company determine whether this policy is suitable for your needs.
- Medicare**
- Medicare does **not** pay for most long-term care.
- Medicaid**
- Medicaid will generally pay for long-term care if you have very little income and few assets. You probably should **not** buy this policy if you are now eligible for Medicaid.
 - Many people become eligible for Medicaid after they have used up their own financial resources by paying for long-term care services.
 - When Medicaid pays your spouse's nursing home bills, you are allowed to keep your house and furniture, a living allowance, and some of your joint assets.
 - Your choice of long-term care services may be limited if you are receiving Medicaid. To learn more about Medicaid, contact your local or state Medicaid agency.
- Shopper's Guide**
- Make sure the insurance company or agent gives you a copy of a book called the National Association of Insurance Commissioners' "A Shopper's Guide to Long-Term Care Insurance." Read it carefully. If you have decided to apply for long-term care insurance, you have the right to return the policy within 30 days and get back any premium you have paid if you are dissatisfied for any reason or choose not to purchase the policy.
- Counseling**
- Free counseling and additional information about long-term care insurance are available through your state's insurance counseling program. For more information about the senior health insurance counseling program in your state, contact the state agency listed in the Directories in the above mentioned Shopper's Guide To Long-Term Care Insurance.
- Facilities**
- Some long-term care insurance contracts provide for benefit payments in certain facilities only if they are licensed or certified, such as in assisted living centers. However, not all states regulate these facilities in the same way. Also, many people move into a different state from where they purchased their long-term care insurance policy. Read the policy carefully to determine what types of facilities qualify for benefit payments, and to determine that payment for a covered service will be made if you move to a state that has a different licensing scheme for facilities than the one in which you purchased the policy.

APPENDIX C

Instructions:

This form provides information to the applicant regarding premium rate schedules, rate schedule adjustments, potential rate revisions, and policyholder options in the event of a rate increase.

The information to be displayed may vary as to whether the applicant is an individual or a group applicant.

The Company shall provide all of the following information to the applicant:

Long Term Care Insurance Potential Rate Increase Disclosure Form

1. **Premium Rate for Issue Age Rate Schedules:** Premium rate that would be applicable to you and that would be in effect until a request is made and approved for an increase is [on the application] [\$____] [contained in your policy].

[Premium Rate Schedules for Modified Rate Schedules: A premium rate schedule that increases until age [____] would be applicable to you and that would be in effect until a request is made and approved for a premium rate schedule increase. The premium rate schedule for your policy until then would be [on the application] [\$____] [contained in your policy].]

2. **The [premium] [premium rate schedule] for this policy [will be shown on the schedule page of] [will be attached to] your policy.**

Drafting Note: Other terms may be used to describe the schedule page provided they are used consistently.

3. **Rate Schedule Adjustments:**

The company will provide a description of when premium rate or rate schedule adjustments will be effective (e.g., next anniversary date, next billing date, etc.) (fill in the blank): _____.

4. **Potential Rate Revisions:**

This policy is Guaranteed Renewable. This means that the [premium rate] [premium rate schedule] for this product may be increased in the future. Other than as [shown on the schedule page of] [attached to] your policy, your [premium rate] [premium rate schedule] can NOT be increased due to your increasing age or declining health, but your [premium rate] [premium rate schedule] may go up based on the experience of all policyholders with this policy form or policies with similar benefits and underwriting.

Date: 1/18/11

As recommended by the Product Standards Committee

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APPENDIX C, Continued

If you receive a [premium rate] [premium rate schedule] increase in the future, you will be notified of the new premium amount and you will be able to exercise at least one of the following options:

- Pay the increased premium and continue your policy in force as is.
- Reduce your policy benefits to a level such that your premiums will not increase. (Subject to state law minimum standards.)
- Exercise your nonforfeiture option if purchased. (This option is available for purchase for an additional premium.)
- Exercise your contingent nonforfeiture rights.* (This option may be available if you do not purchase a separate nonforfeiture option.)

Turn the Page

APPENDIX C, Continued

*** Contingent Nonforfeiture**

If the [premium rate] [premium rate schedule] for your policy goes up in the future and you didn't buy a nonforfeiture option, you may be eligible for contingent nonforfeiture. Here's how to tell if you are eligible:

You will keep some long-term care insurance coverage, if:

- Your premium after the increase exceeds [your original premium] [the appropriate premium from your original premium rate schedule] by the percentage shown (or more) in the following table; and
- You lapse (not pay more premiums) within 120 days of the increase.

The amount of coverage (i.e., new lifetime maximum benefit amount) you will keep will equal the total amount of premiums you've paid since your policy was first issued. If you have already received benefits under the policy, so that the remaining maximum benefit amount is less than the total amount of premiums you've paid, the amount of coverage will be that remaining amount.

Except for this reduced lifetime maximum benefit amount, all other policy benefits will remain at the levels attained at the time of the lapse and will not increase thereafter.

Should you choose this Contingent Nonforfeiture option, your policy, with this reduced maximum benefit amount, will be considered "paid-up" with no further premiums due.

Example:

- You bought the policy at age 65 and paid the \$1,000 annual premium for 10 years, so you have paid a total of \$10,000 in premium.
- In the eleventh year, you receive a rate increase of 50%, or \$500 for a new annual premium of \$1,500, and you decide to lapse the policy (not pay any more premiums).
- Your "paid-up" policy benefits are \$10,000 (provided you have a least \$10,000 of benefits remaining under your policy.)

Turn the Page

APPENDIX C, Continued

| <u>Contingent Nonforfeiture</u> | |
|---|--|
| Cumulative Premium Increase over Initial Premium That qualifies for Contingent Nonforfeiture | |
| (Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.) | |
| Issue Age | Percent Increase Over Initial Premium |
| 29 and under | 200% |
| 30-34 | 190% |
| 35-39 | 170% |
| 40-44 | 150% |
| 45-49 | 130% |
| 50-54 | 110% |
| 55-59 | 90% |
| 60 | 70% |
| 61 | 66% |
| 62 | 62% |
| 63 | 58% |
| 64 | 54% |
| 65 | 50% |
| 66 | 48% |
| 67 | 46% |
| 68 | 44% |
| 69 | 42% |
| 70 | 40% |
| 71 | 38% |
| 72 | 36% |
| 73 | 34% |
| 74 | 32% |
| 75 | 30% |
| 76 | 28% |
| 77 | 26% |
| 78 | 24% |
| 79 | 22% |
| 80 | 20% |
| 81 | 19% |
| 82 | 18% |
| 83 | 17% |
| 84 | 16% |
| 85 | 15% |
| 86 | 14% |
| 87 | 13% |
| 88 | 12% |
| 89 | 11% |
| 90 and over | 10% |

APPENDIX C, Continued

[The following contingent nonforfeiture disclosure need only be included for those limited pay policies to which Sections 28D(4) and 28D(6) of the Model Regulation are applicable.]

In addition to the contingent nonforfeiture benefits described above, the following reduced “paid-up” contingent nonforfeiture benefit is an option in all policies that have a fixed or limited premium payment period, even if you selected a nonforfeiture benefit when you bought your policy. If both the reduced “paid-up” benefit AND the contingent benefit described above are triggered by the same rate increase, you can chose either of the two benefits.

You are eligible for the reduced “paid-up” contingent nonforfeiture benefit when all three conditions shown below are met:

1. The premium you are required to pay after the increase exceeds [your original premium] [the appropriate premium from your original premium rate schedule] by the same percentage or more shown in the chart below;

| <u>Triggers for a Substantial Premium Increase</u> | |
|--|--|
| <u>Issue Age</u> | <u>Percent Increase Over Initial Premium Rate Schedule</u> |
| Under 65 | 50% |
| 65-80 | 30% |
| Over 80 | 10% |

2. You stop paying your premiums within 120 days of when the premium increase took effect; AND
3. The ratio of the number of months you already paid premiums is 40% or more than the number of months you originally agreed to pay.

If you exercise this option your coverage will be converted to reduced “paid-up” status. That means there will be no additional premiums required. Your benefits will change in the following ways:

- a. The total lifetime amount of benefits your reduced paid up policy will provide can be determined by multiplying 90% of the lifetime benefit amount at the time the policy becomes paid up by the ratio of the number of months you already paid premiums to the number of months you agreed to pay them.
- b. The daily benefit amounts you purchased will also be adjusted by the same ratio.

Date: 1/18/11

As recommended by the Product Standards Committee

Revisions reflect proposed amendments to the adopted standards.

APPENDIX C, Continued

If you purchased lifetime benefits, only the daily benefit amounts you purchased will be adjusted by the applicable ratio.

Example:

- You bought the policy at age 65 with an annual premium payable for 10 years.
- In the sixth year, you receive a rate increase of 35% and you decide to stop paying premiums.
- Because you have already paid 50% of your total premium payments and that is more than the 40% ratio, your “paid-up” policy benefits are .45 (.90 times .50) times the total benefit amount that was in effect when you stopped paying your premiums. If you purchased inflation protection, it will not continue to apply to the benefits in the reduced “paid-up” policy.

** Appendix D omitted for the limited purpose of showing the proposed amendments. **

- (e) (i) Information regarding each premium rate schedule increase on this policy form or similar policy forms over the past 10 years nationwide that, at a minimum, identifies:
 - (I) The policy forms for which premium rate schedule has been increased;
 - (II) The calendar years when the form was available for purchase; and
 - (III) The amount or percent of each premium rate schedule increase. The percentage may be expressed as a percentage of the premium rate prior to the increase, and may also be expressed as minimum and maximum percentages if the increase is variable by rating characteristics.
 - (ii) The company may, in a fair manner, provide additional explanatory information related to the premium rate schedule increases.
 - (iii) The company may exclude from the disclosure premium rate schedule increases that only apply to blocks of business acquired from other nonaffiliated companies or long-term care policies acquired from other nonaffiliated companies when those increases occurred prior to the acquisition.
- (f) If an acquiring company files for a premium rate schedule increase on a long-term care policy form or forms acquired from nonaffiliated companies within a twenty-four-month period following the acquisition of the policy form or forms,
- (i) The acquiring company may exclude that premium rate schedule increase from the disclosure; and
 - (ii) The nonaffiliated selling company shall include the disclosure of that premium rate schedule increase.
- (g) If the acquiring company in Section 1.B(3)(f) files for a subsequent premium rate schedule increase, even within the 24-month period, on the same policy form or forms acquired from nonaffiliated companies referenced in Section 1.B(3)(f) the acquiring company shall make all disclosures required by Section 1.B(3)(f), including disclosure of the earlier premium rate schedule increase referenced in Section 1.B(3)(f).

Drafting Notes:

- (1) If the company expects to provide additional information (such as a brief description of significant variations in policy provisions if the form is not the policy form applied for by the applicant or information about policy forms offered during or before the calendar years of forms with premium rate schedule increases), the Interstate Insurance Product Regulation Commission should be satisfied that the additional information is fairly presented in relation to the information about premium rate schedule increases.