DATE: August 8, 2016

TO: IIPRC Product Standards Committee (PSC)

FROM: Industry Advisory Committee

SUBJECT: IIPRC 5 Year Review For Phase 6:

IIPRC 5 Year Review Report/Recommendations Distributed August 2016

Industry Proposed Revisions To Misstatement of Age Provision

The companies wish to withdraw their previous proposal.

Industry Proposal To Allow A Non-Duplication of Benefits Provision

The companies continue to strongly believe that the availability of a Non-Duplication of Benefits provision is an important issue that they will continue to advocate for after August 25th when substantive comments are requested.”

Rate Requirements For Dollar For Dollar Long-Term Care Benefits

We have several concerns with the PSC proposed draft whereby the Kentucky proposed changes needed for the rate filings for the dollar-for-dollar products were extracted from a separate set of proposed standards and included in the existing LTC Issue Age Rate Schedules standards.

1. The Kentucky proposed draft was easy to read because it specifically addressed only the dollar-for-dollar rate filing standards. The PSC’s Issue Age combination proposal is confusing and hard to navigate for those companies only looking for the rate filing requirements for the dollar-for-dollar products.

2. The Kentucky proposal included additional separate dollar-for-dollar rate filing standards for both the Issue Age and Modified rate filing standards. Since the PSC only distributed an Issue Age combination draft, we are seeking confirmation of whether or not there is an intent to also produce a Modified combination draft to accommodate the dollar-for-dollar rate filings. While it may be argued that not many dollar-for-dollar products would be filed on a Modified basis, we believe that if the IIPRC has adopted LTC rate filing standards for both Issue Age and Modified LTC products, that there should also be Issue Age and Modified rate filing standards for the dollar-for-dollar products. As stated in item 1 above, our preference would be to have a separate Modified rate filing standard addressing only dollar-for-dollar products.

3. The PSC Issue Age draft includes Modified references on page 20, §6A(1)(b) and §6B(1)(c).

4. On page 6, in the beginning of item §2B(3)(d), it should say “For other than dollar-for-dollar long-term care insurance,”. While there is a reference back to the minimum composite margin
included in §2B(1)(d) which clearly states it does not apply to the dollar-for-dollar rate filings, this appears two pages earlier in the draft.

5. On page 13, the entire section C should include at the end of its title “FOR OTHER THAN DOLLAR-FOR DOLLAR LONG-TERM CARE INSURANCE”, as reflected in the Kentucky draft. It is not enough to only say this for items (2) and (3).

Submitted by the Industry Advisory Committee:

Hugh Barrett, Mass Mutual Life
Jason Berkowitz, IRI
Tanya Gonzales, Great West Life
Angela Hanson, Northwestern Mutual
Steve Kline, NAIFA
Amanda Matthiesen, AHIP
Joseph Muratore, New York Life
Rod Perkins, ACLI