

Agenda Item 2. Receive Public Comments on the Report and Recommendation of the IIPRC Office and PSC Final Recommendations for the Uniform Standards Currently Subject to Five-Year Review (Phase 6 Long-Term Care Insurance).

Mary Mealer, Chair of the Product Standards Committee (PSC) noted that prior to the call, the IIPRC Office distributed an updated copy of the Report and Recommendation of the IIPRC Office and PSC Final Recommendations for Phase 6 of the Five-Year Review, Long-Term Care Insurance. She noted that there were two outstanding items that the PSC was still finalizing – the Model Regulation/Bulletin Change Item #4 requesting a provision to allow companies to file rate schedule increases that are less than actuarially justified and that may be phased-in over a specified period of time, and Substantive Change Item #3 requesting rate standards for dollar-for-dollar long-term care insurance products. She stated that the latter was a separate agenda item and noted that written comments about the report were received from the Industry Advisory Committee (IAC).

Miriam Krol, representing the IAC stated that in reference to Substantive Change Item #1, Misstatement of Age, the IAC wished to withdraw their previous proposal. In reference to Substantive Change Item #2, Non-duplication of Benefits, the IAC continues to believe that the availability of a Non-Duplication of Benefits provision is an important issue that they will continue to advocate for during the formal rulemaking process.

Fred Nepple, representing the Consumer Advisory Committee (CAC) stated that the CAC supports the PSC recommendations for no changes to the Misstatement of Age provision and not to add a limitation or exclusion for Non-duplication of Benefits.

There were no further comments on this agenda item.

Agenda Item 3. Receive Public Comments on Proposed Draft of Revisions to Rate Filing Standards for Individual Long-Term Care Insurance to Include Requirements for Dollar-for-Dollar Benefits.

Ms. Mealer stated that the Committee received written comments on this agenda item from the Kentucky Department of Insurance and from the IAC. She noted that the comments from Kentucky came in shortly before the call and would be posted to the IIPRC Docket later in the day. Lorne Schinbein, Actuarial Resources Corp. of Georgia, on behalf of the Kentucky Department of Insurance, provided three suggested revisions. The first was to add a sentence to the Scope section of the Issue Age Rate standard clarifying that for the purposes of the standard, all dollar-for-dollar long-term care insurance rates are considered to be Issue Age Rate Schedules. Next he suggested that §4C.(4) of the Issue Age Rate standard be limited to other than dollar-for-dollar long-term care insurance; noting that they believe only items (1) and (5) in this section apply to dollar-for-dollar products. Finally he stated that it may provide some clarification to add a sentence to the Scope of the Modified Rate Standards directing the reader to the Issue Age Rate Standards for dollar-for-dollar long-term care insurance rate standards.

Miriam Krol, representing the IAC stated that based on Kentucky's comments, the IAC was withdrawing all of their written comments except for item 4 in their letter. The IAC suggested

that §2B.(3)(d) apply only to other than dollar-for-dollar long-term care insurance, since it references back to the minimum composite margin included in §2B(1)(d) which does not apply to the dollar-for-dollar rate filings.

There were no further comments on this agenda item.

Agenda Item 4. Any other matters.

The Chair noted that the PSC will consider the comments received and will finalize its recommendations to the Management Committee. The Committee anticipates presenting these recommendations at the in person meeting of the Management Committee and Commission on August 25th. She reminded interested regulators and other interested parties that they can follow the PSC progress by viewing the Call Summaries which are found under the About the IIPRC section of the IIPRC's website.