



**Department of Business Regulation**

**Insurance Division**

1511 Pontiac Avenue, Bldg. 69-2

Cranston, Rhode Island 02920

**Insurance Bulletin Number 2018-16**

**Long Term Care Forms for compliance with  
230-RICR-20-35-1**

The following forms are designated for use in compliance with 230-RICR-20-35-1 – Long Term Care Insurance:

**APPENDIX A**

**RESCISSION REPORTING FORM FOR  
LONG-TERM CARE POLICIES  
FOR THE STATE OF RHODE ISLAND  
FOR THE REPORTING YEAR 20[ ]**

Company Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_

Due: March 1 annually

Instructions:

The purpose of this form is to report all rescissions of long-term care insurance policies or certificates. Those rescissions voluntarily effectuated by an insured are not required to be included in this report. Please furnish one form per rescission.

Policy Form #	Policy and Certificate #	Name of Insured	Date of Policy Issuance	Date/s Claim/s Submitted	Date of Rescission

Detailed reason for rescission: \_\_\_\_\_

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Signature

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Name and Title (please type)

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Date

## APPENDIX B

### Long Term Care Insurance Personal Worksheet

People buy long-term care insurance for a variety of 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 **ask** you to complete this worksheet to help you and the insurance company determine whether you should buy this policy.

#### Premium Information

Policy form Numbers \_\_\_\_\_

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

**Type of Policy:** \_\_\_\_\_

**The Company's Right to Increase Premiums:** \_\_\_\_\_

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

#### 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 in this state or any other state.] [The company has not raised its rates for this policy form or similar policy forms in this state or any other state 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.]

**Note:** A company may use the first bracketed sentence above only if it has never increased rates under any prior policy forms in this state or any other state. The issuer shall list each premium increase it has instituted on this or similar policy forms in this state or any other 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 insurer shall provide minimum and maximum percentages if the rate increase is variable by rating characteristics. The insurer may provide, in a fair manner, additional explanatory information as appropriate.

#### Questions Related to your Income

How will you pay each year's premiums?

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

[ Have you considered whether you could afford to keep this policy if the premiums were raised, for example, by 20%?]

Note: The issuer 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    \$[10-20,000]    \$[20-30,000]    \$ [30-50,000]    Over \$50,000

Note: The issuer 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.*

**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

### Questions Related to Your Savings and Investments

Not counting your home, what is the approximate value of all of your assets (savings and investments)? (check one)

Under \$20,000                       \$20,000-\$30,000                       \$30,000-\$50,000                       Over \$50,000

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.*

### Disclosure Statement

<input type="checkbox"/> The answers to the questions above describe my financial situation. <b>Or</b> <input type="checkbox"/> I choose not to complete this information. (Check one.)
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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: \_\_\_\_\_  
(Producer) (Date)

Producer's Printed Name: \_\_\_\_\_ ]

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

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

Signed: \_\_\_\_\_  
(Applicant) (Date)

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

*The company may contact you to verify your answers.*

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 C

### 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.]

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' "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. Contact your state insurance department or department on aging for more information about the senior health insurance counseling program in your state.
- 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 D**

**Long-Term Care Insurance Suitability Letter**

Dear [Applicant]:

Your recent application for long-term care insurance included a "personal worksheet," which asked questions about your finances and your reasons for buying long-term care insurance. For your protection, state law requires us to consider this information when we review your application, to avoid selling a policy to those who may not need coverage.

[Your answers indicate that long-term care insurance may not meet your financial needs. We suggest that you review the information provided along with your application, including the booklet "Shopper's Guide to Long-Term Care Insurance" and the page titled "Things You Should Know Before Buying Long-Term Care Insurance." Your state insurance department also has information about long-term care insurance and may be able to refer you to a counselor free of charge who can help you decide whether to buy this policy.]

[You chose not to provide any financial information for us to review.]

Note: Choose the paragraph that applies.

We have suspended our final review of your application. If, after careful consideration, you still believe this policy is what you want, check the appropriate box below and return this letter to us within the next 60 days. We will then continue reviewing your application and issue a policy if you meet our medical standards.

If we do not hear from you within the next 60 days, we will close your file and not issue you a policy. You should understand that you will not have any coverage until we hear back from you, approve your application and issue you a policy.

*Please check one box and return in the enclosed envelope.*

**Yes**, [although my worksheet indicates that long-term care insurance may not be a suitable purchase,] I wish to purchase this coverage. Please resume review of my application.

Note: Delete the phrase in brackets if the applicant did not answer the questions about income.

**No**. I have decided not to buy a policy at this time.

\_\_\_\_\_  
APPLICANT'S SIGNATURE

\_\_\_\_\_  
DATE

*Please return to [issuer] at [address] by [date].*

**APPENDIX E**

**Claims Denial Reporting Form  
Long-Term Care Insurance**

**For the State of \_\_\_\_\_  
For the Reporting Year of \_\_\_\_\_**

Company Name: \_\_\_\_\_ Due: June 30 annually  
Company Address: \_\_\_\_\_

Company NAIC Number: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Line of Business:     Individual                      Group

Instructions

The purpose of this form is to report all long-term care claim denials under in force long-term care insurance policies. “Denied” means a claim that is not paid for any reason other than for claims not paid for failure to meet the waiting period or because of an applicable preexisting condition.

		<b>State Data</b>	<b>Nationwide Data<sup>1</sup></b>
1	Total Number of Long-Term Care Claims Reported		
2	Total Number of Long-Term Care Claims Denied/Not Paid		
3	Number of Claims Not Paid due to Preexisting Condition Exclusion		
4	Number of Claims Not Paid due to Waiting (Elimination) Period Not Met		
5	Net Number of Long-Term Care Claims Denied for Reporting Purposes (Line 2 Minus Line 3 Minus Line 4)		
6	Percentage of Long-Term Care Claims Denied of Those Reported (Line 5 Divided By Line 1)		
7	Number of Long-Term Care Claim Denied due to:		
8	• Long-Term Care Services Not Covered under the Policy <sup>2</sup>		
9	• Provider/Facility Not Qualified under the Policy <sup>3</sup>		
10	• Benefit Eligibility Criteria Not Met <sup>4</sup>		
11	• Other		

1. The nationwide data may be viewed as a more representative and credible indicator where the data for claims reported and denied for your state are small in number.
2. Example—home health care claim filed under a nursing home only policy.
3. Example—a facility that does not meet the minimum level of care requirements or the licensing requirements as outlined in the policy.
4. Examples—a benefit trigger not met, certification by a licensed health care practitioner not provided, no plan of care.

## APPENDIX F

### 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.

**Issuers shall provide all of the following information to the applicant:**

### **Long Term Care Insurance Potential Rate Increase Disclosure Form**

1. **[Premium Rate] [Premium Rate Schedules]:** [Premium rate] [Premium rate schedules] that [is][are] applicable to you and that will be in effect until a request is made and approved for an increase [is][are] [on the application] [\$\_\_\_\_\_])

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

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 rates for this product may be increased in the future. Your rates can NOT be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders with a policy similar to yours.

**If you receive a premium rate or 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*

### \* **Contingent Nonforfeiture**

If the premium rate 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 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*

**Contingent Nonforfeiture**  
**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%

[The following contingent nonforfeiture disclosure need only be included for those limited pay policies to which Sections 26D(4) and 26D(6) of the 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 choose 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 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</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.

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 G**

Long-Term Care Insurance  
**Replacement and Lapse Reporting Form**

For the State of \_\_\_\_\_ For the Reporting Year of \_\_\_\_\_

Company Name: \_\_\_\_\_ Due: June 30 annually  
Company Address: \_\_\_\_\_ Company NAIC Number: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone Number: (\_\_\_\_) \_\_\_\_\_

**Instructions**

The purpose of this form is to report on a statewide basis information regarding long-term care insurance policy replacements and lapses. Specifically, every issuer shall maintain records for each producer on that producer's amount of long-term care insurance replacement sales as a percent of the producer's total annual sales and the amount of lapses of long-term care insurance policies sold by the producer as a percent of the producer's total annual sales. The tables below should be used to report the ten percent (10%) of the issuer's producers with the greatest percentages of replacements and lapses.

**Listing of the 10% of Producers with the Greatest Percentage of Replacements**

Producer's Name	Number of Policies Sold By This Producer	Number of Policies Replaced By This Producer	Number of Replacements As % of Number Sold By This Producer

**Listing of the 10% of Producers with the Greatest Percentage of Lapses**

Producer's Name	Number of Policies Sold By This Producer	Number of Policies Lapsed By This Producer	Number of Lapses As % of Number Sold By This Producer

**Company Totals**

Percentage of Replacement Policies Sold to Total Annual Sales \_\_\_\_%  
Percentage of Replacement Policies Sold to Policies In Force (as of the end of the preceding calendar year) \_\_\_\_%  
Percentage of Lapsed Policies to Total Annual Sales \_\_\_\_%  
Percentage of Lapsed Policies to Policies In Force (as of the end of the preceding calendar year) \_\_\_\_%

## Appendix H

### Qualified Long-term Care Insurance Partnership

#### ISSUER CERTIFICATION FORM

(Use a separate Issuer Certification Form for each policy form certified.)

#### I. GENERAL INFORMATION

- A. **Name, address, NAIC group and company number and FEIN of issuer:**
  
  
  
  
  
  
  
  
  
  
- B. **Name, address, telephone number, and email address of an employee of issuer who will be the contact person for information relating to this form:**
  
  
  
  
  
  
  
  
  
  
- C. **Policy form number certificate series number for policies or certificates covered by this Issuer Certification Form:**
  
  
  
  
  
  
  
  
  
  
- D. **Date approved in Rhode Island:**

Specimen copies of the above policy or certificate forms, including any riders and endorsements, shall be provided upon request.

#### II TAX QUALIFIED LONG-TERM CARE POLICY CERTIFICATION

**I have [personally studied] [relied on the work of others regarding] the above form, and I certify, to the best of my knowledge and belief, that it satisfies all requirements in 26 U.S.C. 7702B(b) and all other applicable federal law and regulation, and, consistent with all applicable guidance from the Internal Revenue Service, it is a tax qualified long-term care policy.**

[If certification is based on the work of others, add]

**In making this certification, I have relied on the following people, and I am attaching their statements regarding their work and their conclusions:**

[List the names of the people upon whose work this certification is based and attach a signed and dated statement from each that describes the extent of review made and the conclusions drawn.]

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and title of officer of the Issuer

\_\_\_\_\_  
Signature of officer of the Issuer

### **III PARTNERSHIP POLICY CERTIFICATION**

**I have [personally studied] [relied on the work of others regarding] the above form, and I certify, to the best of my knowledge and belief, that it satisfies all requirements in the sections of 230-RICR-20-35-1 that are Required for Partnership, except to the extent certified above regarding tax qualification, and all other state and federal law applicable to long-term care [If certification is based on the work of others, add]**

**In making this certification, I have relied on the following people, and I am attaching their statements regarding their work and their conclusions:**

[List the names of the people upon whose work this certification is based and attach a signed and dated statement from each that describes the extent of review made and the conclusions drawn.]

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and title of officer of the Issuer

\_\_\_\_\_  
Signature of officer of the Issuer

## Appendix I

### **Partnership Program Notice Important Consumer Information Regarding the Rhode Island Long-Term Care Insurance Partnership Program**

Some long-term care insurance policies [certificates] sold in Rhode Island may qualify for the Rhode Island Long-Term Care Insurance Partnership Program (the Partnership Program). The Partnership Program is a partnership between state government and private insurance companies to assist individuals in planning their long-term care needs. Insurance companies voluntarily agree to participate in the Partnership Program by offering long-term care insurance coverage that meets certain State and Federal requirements. Long-term care insurance policies [certificates] that qualify as Partnership Policies [Certificates] may protect the policyholder's [certificateholder's] assets through a feature known as "Asset Disregard" under Rhode Island 's Medicaid program.

**Asset Disregard** means that an amount of the policyholder's [certificateholder's] assets equal to the amount of long-term care insurance benefits received under a qualified Partnership Policy [Certificate] will be disregarded for the purpose of determining the insured's eligibility for Medicaid. This generally allows a person to keep assets equal to the insurance benefits received under a qualified Partnership Policy [Certificate] without affecting the person's eligibility for Medicaid. All other Medicaid eligibility criteria will apply and special rules may apply to persons whose home equity exceeds \$500,000. Asset Disregard is not available under a long-term care insurance policy [certificate] that is not a Partnership Policy [Certificate]. Therefore, you should consider if Asset Disregard is important to you, and whether a Partnership Policy meets your needs. **The purchase of a Partnership Policy does not automatically qualify you for Medicaid.**

**What are the Requirements for a Partnership Policy [Certificate]?** In order for a policy [certificate] to qualify as a Partnership Policy [Certificate], it must, among other requirements:

- be issued to an individual after {insert program effective date};
- cover an individual who was an Rhode Island resident when coverage first becomes effective under the policy;
- be a tax-qualified policy under Section 7702(B)(b) of the Internal Revenue Code of 1986;
- meet stringent consumer protection standards and
- meet the following inflation requirements:
  - For ages 60 or younger - provides compound **annual** inflation protection
  - For ages 61 to 65 -provides some level of inflation protection
  - For ages 76 and older - no purchase of inflation protection is required

If you apply and are approved for long-term care insurance coverage, [carrier name] will provide you with written documentation as to whether or not your policy [certificate] qualifies as a Partnership Policy [Certificate].

**What Could Disqualify a Policy [Certificate] as a Partnership Policy.** Certain types of changes to a Partnership Policy [Certificate] could affect whether or not such policy [certificate] continues to be a Partnership Policy [Certificate]. If you purchase a Partnership Policy [Certificate] and later decide to make any changes, you should first consult with [carrier name] to determine the effect of a proposed change. In addition, if you move to a state that does not maintain a Partnership Program or does not recognize your policy [certificate] as a Partnership Policy [Certificate], you would not receive beneficial treatment of your policy [certificate] under the Medicaid program of that state. The information contained in this disclosure is based on current Rhode Island and Federal laws. These laws may be subject to change. Any change in law could reduce or eliminate the beneficial treatment of your policy [certificate] under Rhode Island's Medicaid program.

**Additional Information.** If you have questions regarding long-term care insurance policies [certificates] please contact [carrier name.] If you have questions regarding current laws governing Medicaid eligibility, you should contact the Rhode Island Department of Human Services.

## Appendix J

### **Partnership Status Disclosure Notice Important Information Regarding Your [Policy's] [Certificate's] Long-Term Care Insurance Partnership Status**

This disclosure notice is issued in conjunction with your long-term care policy:

Some long-term care insurance policies [certificates] sold in Rhode Island qualify for the Rhode Island Long-Term Care Insurance Partnership Program. Insurance companies voluntarily agree to participate in the Partnership Program by offering long-term care insurance coverage that meets certain State and Federal requirements. Long-term care insurance policies [certificates] that qualify as Partnership Policies [Certificates] may be entitled to special treatment, and in particular an "Asset Disregard," under Rhode Island's Medicaid program.

**Asset Disregard** means that an amount of the policyholder's [certificateholder's] assets equal to the amount of long-term care insurance benefits received under a qualified Partnership Policy [Certificates] will be disregarded for the purpose of determining the insured's eligibility for Medicaid. This generally allows a person to keep assets equal to the insurance benefits received under a qualified Partnership Policy [Certificate] without affecting the person's eligibility for Medicaid. All other Medicaid eligibility criteria will apply and special rules may apply to persons whose home equity exceeds \$[500,000]. Asset Disregard is **not** available under a long-term care insurance policy [certificate] that is not a Partnership Policy [Certificate]

**Partnership Policy [Certificate] Status.** Your long-term care insurance policy [certificate] is intended to qualify as a Partnership Policy [Certificate] under the Rhode Island Long-Term Care Partnership Program as of your Policy's [Certificate's] effective date.

**What Could Disqualify Your [Policy] [Certificate] as a Partnership Policy.** If you make any changes to your [policy] [certificate], such changes could affect whether your [policy] [certificate] continues to be a Partnership Policy. ***Before you make any changes, you should consult with [insert name of carrier] to determine the effect of a proposed change.*** In addition, if you move to a State that does not maintain a Partnership Program or does not recognize your [policy] [certificate] as a Partnership Policy [Certificate], you would not receive beneficial treatment of your [policy] [certificate] under the Medicaid program of that State. The information contained in this Notice is based on current State and Federal laws. These laws may be subject to change. Any change in law could reduce or eliminate the beneficial treatment of your [policy] [certificate] under Rhode Island's Medicaid program.

**Additional Information.** If you have questions regarding your insurance policy [certificate] please contact [insert name of carrier.] If you have questions regarding

current laws governing Medicaid eligibility, you should contact the Rhode Island Department of Human Services

**LONG-TERM CARE PARTNERSHIP  
Issuer Certification Form**

Note: This Form must be completed and submitted with each long-term care policy or certificate form for which the insurer is seeking partnership qualification. A separate form must be completed for each policy form and a specimen copy of the form, including all riders and endorsements, must be attached. A long-term care policy or certificate form may not be issued in Rhode Island as a partnership policy or certificate unless and until this form has been submitted to and approved by the Division of Insurance.

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Under § 1917(b)(5)(B)(iii) of the Social Security Act (42 U.S.C. 1396p(b)(5)(B)(iii)) and in accordance with applicable Rhode Island requirements, the insurer hereby submits information relating to policy or certificate form \_\_\_\_\_ (form number) to substantiate that the form includes all required consumer protection requirements set forth in § 1917(b)(5)(A) of the Social Security Act (42 U.S.C. 1396p(b)(5)(A)) and that it includes certain specified provisions of the Long-Term Care Insurance Model Regulation and Long-Term Care Insurance Model Act promulgated by the National Association of Insurance Commissioners (adopted as of October 2000) (referred to herein as the “2000 Model Regulation” and “2000 Model Act,” respectively).

**Part I:**

Name of Insurer \_\_\_\_\_

Company NAIC# \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Company Contact Name \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_

E-Mail \_\_\_\_\_

**Part II:**

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**2000 NAIC MODEL REGULATION AND 2000 NAIC MODEL ACT**

Note to Insurer: Identify the page and/or provision within the policy or certificate form that addresses each requirement, or, if inapplicable, use the space identified to explain.

Policy/Certificate form \_\_\_\_\_ meets the following requirements of the 2000 NAIC Model Long-Term Care Regulation and/or 2000 NAIC Model Long-Term Care Act, as indicated below:

<b>NAIC Model Regulation Requirement</b>	<b>Identify Policy Page # and Provision OR use this space to explain if requirement is inapplicable</b>
Section 6A (relating to guaranteed renewal or noncancellability), other than paragraph (5) thereof, and the requirements of 6B of the 2000 Model Act relating to such section 6A.	
Section 6B (relating to prohibitions on limitations and exclusions) other than paragraph (7) thereof.	
Section 6C (relating to extension of benefits).	
Section 6D (relating to continuation or conversion of coverage).	
Section 6E (relating to discontinuance and replacement of policies).	
Section 7 (relating to unintentional lapse).	
Section 8 (relating to disclosure), other than sections 8F, 8G, 8H, and 8I thereof.	
Section 9 (relating to required disclosure of rating practices to consumer).	
Section 11 (relating to prohibitions against post-claims underwriting).	
Section 12 (relating to minimum standards).	
Section 14 (relating to application forms and replacement coverage).	
Section 15 (relating to reporting requirements).	
Section 22 (relating to filing requirements for marketing).	
Section 23 (relating to standards for marketing), including inaccurate completion of medical histories, other than paragraphs (1), (6), and (9) of section 23C.	
Section 24 (relating to suitability).	
Section 25 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).	
Section 26, relating to contingent	

nonforfeiture benefits, if the policyholder declines the offer of a nonforfeiture provision described in § 7702B(g)(4) of the Internal Revenue Code of 1986 (26 U.S.C. 7702B(g)(4)).	
Section 29 (relating to standard format outline of coverage).	
Section 30 (relating to requirement to deliver shopper's guide).	

NAIC Model Act Requirement	Identify Policy Page # and Provision OR use this space to explain if requirement is <u>inapplicable</u>
Section 6C (relating to preexisting conditions).	
Section 6D (relating to prior hospitalization).	
Section 8 (relating to contingent nonforfeiture benefits).	
Section 6F (relating to right to return).	
Section 6G (relating to outline of coverage).	
Section 6H (relating to requirements for certificates under group plans).	
Section 6J (relating to policy summary).	
Section 6K (relating to monthly reports on accelerated death benefits).	
Section 7 (relating to incontestability period).	

**Part III: INFLATION PROTECTION**

Identify the policy provision or provide form number of endorsement or amendment form (and date of approval) for inflation protection coverage in compliance with 230-RICR-20-35-1.34(B)(3).

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**Part IV: CERTIFICATION**

I hereby certify that the answers, accompanying documents, and other information set forth herein are, to the best of my knowledge and belief, true, correct, complete and the policy satisfies the requirements necessary for a qualified state long-term care insurance partnership policy in the State of Rhode Island

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and title of officer of the Insurer

\_\_\_\_\_  
Signature of officer of the Insurer