

House File 355 - Introduced

HOUSE FILE _____
BY UPMEYER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act establishing standardized requirements and a consumer
2 guide for long-term care insurance policies and providing an
3 applicability date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1378YH 83
6 av/nh/14

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1 1 Section 1. Section 514G.105, Code 2009, is amended by
1 2 adding the following new subsections:
1 3 NEW SUBSECTION. 5A. STANDARD PROVISIONS.
1 4 a. The commissioner shall adopt rules establishing
1 5 standard provisions for terms and benefits required to be
1 6 included in a long-term care insurance policy advertised,
1 7 marketed, offered, delivered, or issued for delivery in this
1 8 state. The rules shall establish a standard format for such
1 9 long-term care insurance policies to facilitate ease of
1 10 comparison of the various policies by consumers.
1 11 b. The commissioner shall review each policy of long-term
1 12 care insurance prior to the policy being advertised, marketed,
1 13 offered, delivered, or issued for delivery in this state to
1 14 ensure that the policy complies with the requirements of this
1 15 subsection and rules adopted pursuant to this subsection.
1 16 NEW SUBSECTION. 7A. CONSUMER GUIDE.
1 17 a. A consumer guide, as prescribed by the commissioner by
1 18 rule, shall be delivered to a prospective applicant for
1 19 long-term care insurance at the time of the initial
1 20 solicitation for coverage.
1 21 (1) In the case of producer solicitations, a producer
1 22 shall deliver the consumer guide to a prospective applicant
1 23 prior to the presentation of an application or enrollment
1 24 form.
1 25 (2) In the case of direct response solicitations, the
1 26 consumer guide shall be presented in conjunction with any
1 27 application or enrollment form.
1 28 (3) In the case of a policy issued to a group as described
1 29 in section 514G.103, subsection 9, paragraph "a", a consumer
1 30 guide is not required to be delivered to the applicant,
1 31 provided that the information described in paragraph "b" of
1 32 this subsection is contained in other enrollment materials
1 33 provided. Upon request such other enrollment materials shall
1 34 be made available to the commissioner.
1 35 b. The consumer guide shall include a description of the
2 1 standard terms, benefits, and format required for a long-term
2 2 care insurance policy in this state. The commissioner of
2 3 insurance may by reference adopt or permit the use of the
2 4 long-term care insurance consumer guide developed by the
2 5 national association of insurance commissioners, the blue
2 6 cross and blue shield association, or the health insurance
2 7 association of America, provided that the consumer guide that
2 8 is adopted or permitted to be used by reference meets all of
2 9 the requirements of this subsection.
2 10 Sec. 2. APPLICABILITY. This Act applies to long-term care
2 11 insurance policies advertised, marketed, offered, delivered,
2 12 or issued for delivery in this state on or after July 1, 2009.

EXPLANATION

2 14 This bill requires the commissioner of insurance to adopt
2 15 rules establishing standard provisions for terms and benefits
2 16 required to be included in a long-term care insurance policy
2 17 advertised, marketed, offered, delivered, or issued for
2 18 delivery in this state. The rules must establish a standard
2 19 format for such policies so that consumers can easily compare

2 20 the various policies offered. The commissioner is required to
2 21 review each policy of long-term care insurance to ensure that
2 22 the policy complies with these requirements.

2 23 The bill also requires the commissioner to adopt rules
2 24 concerning a consumer guide to be delivered to prospective
2 25 applicants for long-term care insurance at the time of
2 26 solicitation, application, or enrollment. The guide must
2 27 include a description of the required standard terms,
2 28 benefits, and format in long-term care insurance policies in
2 29 this state. The commissioner may by reference adopt or permit
2 30 the use of a consumer guide developed by the national
2 31 association of insurance commissioners, the blue cross and
2 32 blue shield association, or the health insurance association
2 33 of America, so long as the guide meets all the requirements of
2 34 the bill.

2 35 The bill is applicable to long-term care insurance policies
3 1 advertised, marketed, offered, delivered, or issued for
3 2 delivery in this state on or after July 1, 2009.

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