STATE OF NEW YORK

4327

2021-2022 Regular Sessions

IN SENATE

February 3, 2021

Introduced by Sen. MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to notices to increase premium rates for long-term care insurance

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subparagraphs (E) and (F) of paragraph 6 of subsection (b) of section 1117 of the insurance law, as amended by chapter 424 of the laws of 2016, are amended and a new subparagraph (G) is added to read as follows:

(E) A graphic demonstration of the maximum daily nursing home benefit level provided by the policy or certificate, and the impact that the selection of any inflation protection options would have on such maximum daily nursing home benefit level; [~~and~~]

(F) The right of the prospective insured, upon attaining the age of sixty-five years, to designate a third party who will receive a copy of any notices of nonpayment of premiums due or notice of cancellation for nonpayment of premiums that is sent to the prospective insured.

For the purpose of this paragraph, "home care services" shall have the same meaning as defined in subdivision one of section thirty-six hundred two of the public health law. The prospective insured, or his or her representative, shall acknowledge that the required disclosure has been made by signing the disclosure statement prior to or contemporaneously with the effective date of the policy or certificate.

Failure to provide information required by subparagraph (D) of this paragraph shall not be construed as a violation of this section if such information has not been made available by the department of health[~~.~~]**; and**

(G) A written statement as to the anticipated good faith increases of premium rates for such policy or certificate over the next ten years. Such statement shall include a graphic demonstration illustrating past

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets [~~-~~] is old law to be omitted.

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premium rate increases for such policy or certificate over the previous ten years, or if such policy or certificate was not offered over the previous ten years, past premium rate increases for similar policies or certificates over the previous ten years.

§ 2. Section 1117 of the insurance law is amended by adding a new subsection (h) to read as follows:

(h) When an authorized insurer, corporation, health maintenance organization or fraternal benefit society covered by the provisions of this section submits a rate filing application with the department, such insurer shall notify policyholders of such proposed rate increase. Such notification shall include:

(1) a written statement and graphic demonstration conforming to the requirements set forth in subparagraph (G) of paragraph six of subsection (b) of this section; and

(2) aggregated and anonymized data showing actions taken by past or current policyholders, segmented by age group, in response to proposed rate increases for similar policies or certificates. Such data regarding such actions shall include but not be limited to the following actions taken by such past or current policyholders:

(A) letting a policy lapse;

(B) decreasing policy benefits; and

(C) accepting the proposed rate increases.

§ 3. This act shall take effect immediately.