

7065--B

I N   S E N A T E

March 22, 2016

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Introduced by Sen. KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to requiring long term care insurance carriers who propose to raise long term care insurance premiums to obtain prior approval of the superintendent of financial services

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Paragraph 3 of subsection (f) of section 1117 of the insurance law, as added by chapter 245 of the laws of 1986, is amended to  
2     read as follows:

3     (3) the premium rates for the long term care plan are reasonably  
4     related to the benefits provided, and are self-supporting, AS DETERMINED  
5     BY THE SUPERINTENDENT PURSUANT TO SUBSECTION (H) OF THIS SECTION; and

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

8     (H) AN INSURER DESIRING TO INCREASE OR DECREASE PREMIUMS FOR ANY POLICY  
9     SUBJECT TO THIS SECTION SHALL SUBMIT A RATE FILING OR APPLICATION TO  
10    THE SUPERINTENDENT. AN INSURER SHALL SEND WRITTEN NOTICE OF THE  
11    PROPOSED RATE ADJUSTMENT, INCLUDING THE SPECIFIC CHANGE REQUESTED, TO  
12    EACH POLICY HOLDER AND CERTIFICATE HOLDER AFFECTED BY THE ADJUSTMENT ON  
13    OR BEFORE THE DATE THE RATE FILING OR APPLICATION IS SUBMITTED TO THE  
14    SUPERINTENDENT. THE NOTICE SHALL PROMINENTLY INCLUDE MAILING AND WEBSITE  
15    ADDRESSES FOR BOTH THE DEPARTMENT OF FINANCIAL SERVICES AND THE INSURER  
16    THROUGH WHICH A PERSON MAY, WITHIN THIRTY DAYS FROM THE DATE THE RATE  
17    FILING OR APPLICATION IS SUBMITTED TO THE SUPERINTENDENT, CONTACT THE  
18    DEPARTMENT OF FINANCIAL SERVICES OR INSURER TO RECEIVE ADDITIONAL INFORMATION  
19    OR TO SUBMIT WRITTEN COMMENTS TO THE DEPARTMENT OF FINANCIAL  
20    SERVICES ON THE RATE FILING OR APPLICATION. THE SUPERINTENDENT SHALL  
21    ESTABLISH A PROCESS TO POST ON SUCH DEPARTMENT'S WEBSITE, IN A TIMELY  
22    MANNER, ALL RELEVANT WRITTEN COMMENTS RECEIVED PERTAINING TO RATE  
23

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

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1 FILINGS OR APPLICATIONS. THE INSURER SHALL PROVIDE A COPY OF THE NOTICE  
2 TO THE SUPERINTENDENT WITH THE RATE FILING OR APPLICATION. THE SUPER-  
3 INTENDENT SHALL IMMEDIATELY CAUSE THE NOTICE TO BE POSTED ON THE DEPART-  
4 MENT OF FINANCIAL SERVICES' WEBSITE. THE SUPERINTENDENT SHALL DETERMINE  
5 WHETHER THE FILING OR APPLICATION SHALL BECOME EFFECTIVE AS FILED, SHALL  
6 BECOME EFFECTIVE AS MODIFIED, OR SHALL BE DISAPPROVED. THE SUPERINTEN-  
7 DENT MAY MODIFY OR DISAPPROVE THE RATE FILING OR APPLICATION IF THE  
8 SUPERINTENDENT FINDS THAT THE PREMIUMS ARE UNREASONABLE, EXCESSIVE,  
9 INADEQUATE, OR UNFAIRLY DISCRIMINATORY, AND MAY CONSIDER THE FINANCIAL  
10 CONDITION OF THE INSURER WHEN APPROVING, MODIFYING OR DISAPPROVING ANY  
11 PREMIUM ADJUSTMENT. THE DETERMINATION OF THE SUPERINTENDENT SHALL BE  
12 SUPPORTED BY SOUND ACTUARIAL ASSUMPTIONS AND METHODS, AND SHALL BE  
13 RENDERED IN WRITING BETWEEN THIRTY AND SIXTY DAYS FROM THE DATE THE RATE  
14 FILING OR APPLICATION IS SUBMITTED TO THE SUPERINTENDENT. SHOULD THE  
15 SUPERINTENDENT REQUIRE ADDITIONAL INFORMATION FROM THE INSURER IN ORDER  
16 TO MAKE A DETERMINATION, THE SUPERINTENDENT SHALL REQUIRE THE INSURER TO  
17 FURNISH SUCH INFORMATION, AND IN SUCH EVENT, THE SIXTY DAYS SHALL BE  
18 TOLLED AND SHALL RESUME AS OF THE DATE THE INSURER FURNISHES THE INFOR-  
19 MATION TO THE SUPERINTENDENT. IF THE SUPERINTENDENT REQUESTS ADDITIONAL  
20 INFORMATION LESS THAN TEN DAYS FROM THE EXPIRATION OF THE SIXTY DAYS  
21 (EXCLUSIVE OF TOLLING), THE SUPERINTENDENT MAY EXTEND THE SIXTY DAY  
22 PERIOD AN ADDITIONAL TWENTY DAYS TO MAKE A DETERMINATION. THE APPLICA-  
23 TION OR RATE FILING WILL BE DEEMED APPROVED IF A DETERMINATION IS NOT  
24 RENDERED WITHIN THE TIME ALLOTTED UNDER THIS SECTION. AN INSURER SHALL  
25 NOT IMPLEMENT A RATE ADJUSTMENT UNLESS THE INSURER PROVIDES AT LEAST  
26 SIXTY DAYS ADVANCE WRITTEN NOTICE OF THE PREMIUM RATE ADJUSTMENT  
27 APPROVED BY THE SUPERINTENDENT TO EACH POLICY HOLDER AND CERTIFICATE  
28 HOLDER AFFECTED BY THE RATE ADJUSTMENT.

29 S 3. This act shall take effect immediately.