S T A T E O F N E W Y O R K

7065--B

I N S E N A T E

March 22, 2016

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:

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 read as follows:

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

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

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

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

LBD14483-06-6

FILINGS OR APPLICATIONS. THE INSURER SHALL PROVIDE A COPY OF THE NOTICE TO THE SUPERINTENDENT WITH THE RATE FILING OR APPLICATION. THE SUPERINTENDENT SHALL IMMEDIATELY CAUSE THE NOTICE TO BE POSTED ON THE DEPARTMENT OF FINANCIAL SERVICES' WEBSITE. THE SUPERINTENDENT SHALL DETERMINE WHETHER THE FILING OR APPLICATION SHALL BECOME EFFECTIVE AS FILED, SHALL BECOME EFFECTIVE AS MODIFIED, OR SHALL BE DISAPPROVED. THE SUPERINTENDENT MAY MODIFY OR DISAPPROVE THE RATE FILING OR APPLICATION IF THE SUPERINTENDENT FINDS THAT THE PREMIUMS ARE UNREASONABLE, EXCESSIVE, INADEQUATE, OR UNFAIRLY DISCRIMINATORY, AND MAY CONSIDER THE FINANCIAL CONDITION OF THE INSURER WHEN APPROVING, MODIFYING OR DISAPPROVING ANY PREMIUM ADJUSTMENT. THE DETERMINATION OF THE SUPERINTENDENT SHALL BE SUPPORTED BY SOUND ACTUARIAL ASSUMPTIONS AND METHODS, AND SHALL BE RENDERED IN WRITING BETWEEN THIRTY AND SIXTY DAYS FROM THE DATE THE RATE FILING OR APPLICATION IS SUBMITTED TO THE SUPERINTENDENT. SHOULD THE SUPERINTENDENT REQUIRE ADDITIONAL INFORMATION FROM THE INSURER IN ORDER TO MAKE A DETERMINATION, THE SUPERINTENDENT SHALL REQUIRE THE INSURER TO FURNISH SUCH INFORMATION, AND IN SUCH EVENT, THE SIXTY DAYS SHALL BE TOLLED AND SHALL RESUME AS OF THE DATE THE INSURER FURNISHES THE INFORMATION TO THE SUPERINTENDENT. IF THE SUPERINTENDENT REQUESTS ADDITIONAL INFORMATION LESS THAN TEN DAYS FROM THE EXPIRATION OF THE SIXTY DAYS (EXCLUSIVE OF TOLLING), THE SUPERINTENDENT MAY EXTEND THE SIXTY DAY PERIOD AN ADDITIONAL TWENTY DAYS TO MAKE A DETERMINATION. THE APPLICATION OR RATE FILING WILL BE DEEMED APPROVED IF A DETERMINATION IS NOT RENDERED WITHIN THE TIME ALLOTTED UNDER THIS SECTION. AN INSURER SHALL NOT IMPLEMENT A RATE ADJUSTMENT UNLESS THE INSURER PROVIDES AT LEAST SIXTY DAYS ADVANCE WRITTEN NOTICE OF THE PREMIUM RATE ADJUSTMENT APPROVED BY THE SUPERINTENDENT TO EACH POLICY HOLDER AND CERTIFICATE HOLDER AFFECTED BY THE RATE ADJUSTMENT.

S 3. This act shall take effect immediately.