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I N A S S E M B L Y

March 29, 2016

Introduced by M. of A. MAYER, BUCHWALD, GOTTFRIED, BICHOTTE, BRAUNSTEIN, SIMON, McDONOUGH, GALEF, ZEBROWSKI, BARRETT, COOK, ABINANTI -- Multi-Sponsored by -- M. of A. CROUCH, GIGLIO, THIELE -- read once and referred to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, 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

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

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