

STATE OF NEW YORK

2330--B

Cal. No. 346

2023-2024 Regular Sessions

IN SENATE

January 19, 2023

Introduced by Sen. MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading -- again amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the insurance law, in relation to requiring certain notices be posted and provided regarding long term care insurance policy changes

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

1 Section 1. Subparagraphs (E) and (F) of paragraph 6 of subsection (b)
2 of section 1117 of the insurance law, as amended by chapter 424 of the
3 laws of 2016, are amended and ten new subparagraphs (G), (H), (I), (J),
4 (K), (L), (M), (N), (O) and (P) are added to read as follows:

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

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

13 (G) (i) A written statement indicating that such policy or certificate
14 may be subject to future premium rate increases and that such rate
15 increases shall be subject to the approval or modification of the super-
16 intendent; and

17 (ii) A list of past premium rate increases for such policy or certifi-
18 cate over the previous ten years, or if such policy or certificate was

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

LBD01132-09-3

1 not offered over the previous ten years, past premium rate increased for
2 policies or certificates that offer similar benefits over the previous
3 ten years;

4 (H) Directions on how to obtain information about the department's
5 review of any rate filing or application, contact information for the
6 department, and information on how to contact the authorized insurer,
7 corporation, health maintenance organization or fraternal benefit socie-
8 ty for more information;

9 (I) Whether or not there is a period in which rates will not change,
10 and if so, when that time period expires;

11 (J) A description of whether or not the premium may change, and if so,
12 the circumstances under which any such premium changes could occur,
13 including whether the department must approve such changes;

14 (K) Whether the policy contains provisions providing for a refund or
15 partial refund of premium upon the cancellation of the policy, and if
16 such provisions exist, provide a description of their terms;

17 (L) A description of the options policyholders will have to mitigate
18 any premium increases;

19 (M) A description of the options policyholders will have should the
20 premiums increase, and the policyholder deems it in their best interest
21 to cancel the policy;

22 (N) A statement that the policyholder will be given at least ninety
23 days notice before any premium change takes effect;

24 (O) A statement that if the authorized insurer, corporation, health
25 maintenance organization or fraternal benefit society seeks to increase
26 the premium rate, the department will post notice of the rate filing on
27 its website prior to any determination by the department; and

28 (P) The right of the prospective insured to submit public comments on
29 any rate filing or application regarding premium rates on the depart-
30 ment's website.

31 § 2. Section 1117 of the insurance law is amended by adding five new
32 subsections (h), (i), (j), (k), and (l) to read as follows:

33 (h) The department shall post on its website information describing
34 the process that it uses in reviewing and approving premium rates for
35 policies or contracts of long term care insurance.

36 (i) Whenever an authorized insurer, corporation, health maintenance
37 organization or fraternal benefit society submits a rate filing or
38 application to the superintendent to increase or decrease premium rates
39 for any policy or certificate subject to this section, the superinten-
40 dent shall post a public notice of the rate filing or application on the
41 department's website within fourteen days. The superintendent shall
42 provide for a process for the public to provide comments on such rate
43 filing or application electronically or in writing for a period of thir-
44 ty days after such public notice is posted on the department's website.

45 (j) The superintendent, upon rendering a decision regarding approval,
46 disapproval or modification of a rate filing or application, shall issue
47 a public notice of such decision. Such written decision and notice shall
48 be made publicly available on the department's website no later than the
49 date on which the rate filing or application is approved, disapproved,
50 or modified. Such notification shall include:

51 (1) a summary of the determinations made and considerations used by
52 the department regarding the approval, disapproval or modification of
53 such rate filing or application, and

54 (2) a statement with relevant detail as to why the approval, disap-
55 proval or modification of the proposal is consistent with paragraph
56 three of subsection (f) of this section.

1 (k) Upon receipt by an authorized insurer, corporation, health mainte-
2 nance organization or fraternal benefit society covered by the
3 provisions of this section of an approval or modification decision by
4 the superintendent with respect to a rate filing application with the
5 department, such authorized insurer, corporation, health maintenance
6 organization or fraternal benefit society shall notify policyholders and
7 certificate holders of such decision no later than ninety days prior to
8 the effective date of the premium rate increase. Such notification
9 shall include:

10 (1) a description of such decision; and

11 (2) a written statement conforming to the requirements set forth in
12 subparagraph (G) of paragraph six of subsection (b) of this section.

13 (l) The provisions set forth in subparagraphs (G), (H), (I), (J), (K),
14 (L), (M), (N), (O), and (P) of paragraph six of subsection (b) of this
15 section shall not apply to policies or certificates that are exempt from
16 premium rate increases.

17 § 3. This act shall take effect on the first of January next succeed-
18 ing the date on which it shall have become a law, and shall apply to any
19 rate filing submitted on or after such date.