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2 Hear an Update on Long Term Care Insurance (LTC) Industry Trends

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3 Consider Adoption of the Report of the Long Term Care Actuarial (B) Working Group including Minutes

4 Hear an Update on Consumer Education on Reduced Benefit Options (RBOs)—

Attachment Two

5 Hear a Presentation from the NAIC Center for Insurance Policy and Research (CIPR) on the Results of the RBO and Consumer Notices Research Survey

Attachment Three

6 Discuss Any Other Matters Brought Before the Task Force

7 Adjournment

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Draft: 3/20/24

**Long Term Care Insurance (B) Task Force
Phoenix, Arizona
March 16, 2024**

The Long Term Care Insurance (B) Task Force met in Phoenix, AZ, on March 16, 2024. The following Task Force members participated: Andrew N. Meis, Chair; represented by Paul Lombardi (CT); Grace Arnold, Vice Chair; represented by Fred Andersen (MN); Lori K. Wing-Hier, represented by Sara Bailey (AK); Mark Fowler, represented

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have been developed. First, what is driving a consumer's choice to accept a rate increase or select a reduced benefit option. The second question is how the consumer's perceptions of the communication letter impact the choice the consumer makes. She said the letter was created by evaluating thirty-six letters from fifteen companies and fourteen state insurance departments. Because there are a small number of TKI policyholders, it may be

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Ionbardo said that as discussions have started, one concern is of potential discrimination. He said at this point, he does not know what all of the characteristics of the methodology will be, but it will be handled in a fair and equitable manner and that there is a way to handle these issues in a non-discriminatory way.

Mildon said they are supportive and feel an adjustment can be reached. He said the big question is going to be a policyholder age duration, or issue age or block adjustment.

Ionbardo said hearing no objection on the second objective, that Task Force members agree that this objective is important and achievable.

Ionbardo said the Working Group will move forward with having both of these matters discussed and hopefully reach consensus for consideration by this Task Force by the Fall National Meeting.

7. Discussed Timeliness of LIC Rate Reviews

Andersen said that while regulators have put a lot of effort into discussing methodologies to get more uniform rates between states, another issue is the timeliness of reviews. Slow reviews can lead to higher loss ratios and higher rate increases in the future. Some review techniques may take more time and not have as much benefit in terms of more accurate results. One goal of the single methodology is to streamline the review to be easy to calculate and transparent, so that is not the bottleneck. If a state's review takes a lot of time and has a lot of questions outside the template list of questions, he recommends consulting with fellow actuaries.

Andersen said another issue that impacts timeliness is the review of forms that is often done at the same time as actuarial reviews but performed by different staff. He recommends coordinating with forms review staff if there is a backlog of reviews. He recommends that Deputy Commissioners or appropriate management at the state insurance department inform the forms review staff about the efforts that are underway by the Working Group and this Task Force on the actuarial reviews so that they understand the importance of performing timely reviews.

Andersen said there is an ACA season from May-September where it may be difficult to get a rate review completed because many staff are focused on the ACA reviews during that time. He recommends states inform their insurers of the best window for insurers to file rate increase requests or for states to staff up during these busy times.

Andersen said there may be some instances after the actuaries have completed their review, there may be a bottleneck at a higher level, Deputy Commissioner and Commissioner. He said it is important to engage the higher level executives in the state insurance department to understand the timeliness of approvals and disapprovals.

Ionbardo said he and Andersen have been active at different forums to engage with deputy commissioners and commissioners on these LIC issues. He encourages states to talk to your commissioners about these issues. He said he and Andersen are available to states insurance departments that have questions or to have a conversation with deputy commissioners and commissioners to better explain these issues.

Ionbardo asked and emphasized the need for members of the Task Force and each state's staff to be part of the process with the Working Group and stakeholders to achieve these goals.

Ionbardo said the Northeast Zone has been meeting monthly to review rate filings presented by the states. It has had a great amount of success. States that present their rate filings and how they are doing their reviews have been extremely helpful to the entire zone and it has generated more consistent results within the zone. He said if

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Other states are interested in learning about this process, please reach out to him or other states in the Northeast Zone.

8 Discussed Other Matters

Bonnie Burns (California Health Advocates) said the consumer representatives sent a letter to the Senior Issues (B) Task Force asking the NAIC to take a leadership role in bringing together states, regulators, industry, and consumers together to discuss how states may think about financing long-term care in their states. The baby boomers are beginning to reach their eighties when care is often needed. There is an increasing number of elderly people in each state, and this presents a huge issue for states as these people are becoming a greater percentage of the population. This affects Medicaid programs and other areas of a state's economy. She said California has submitted a feasibility report to their legislature. Washington was first to introduce legislation and other states are mimicking Washington's approach.

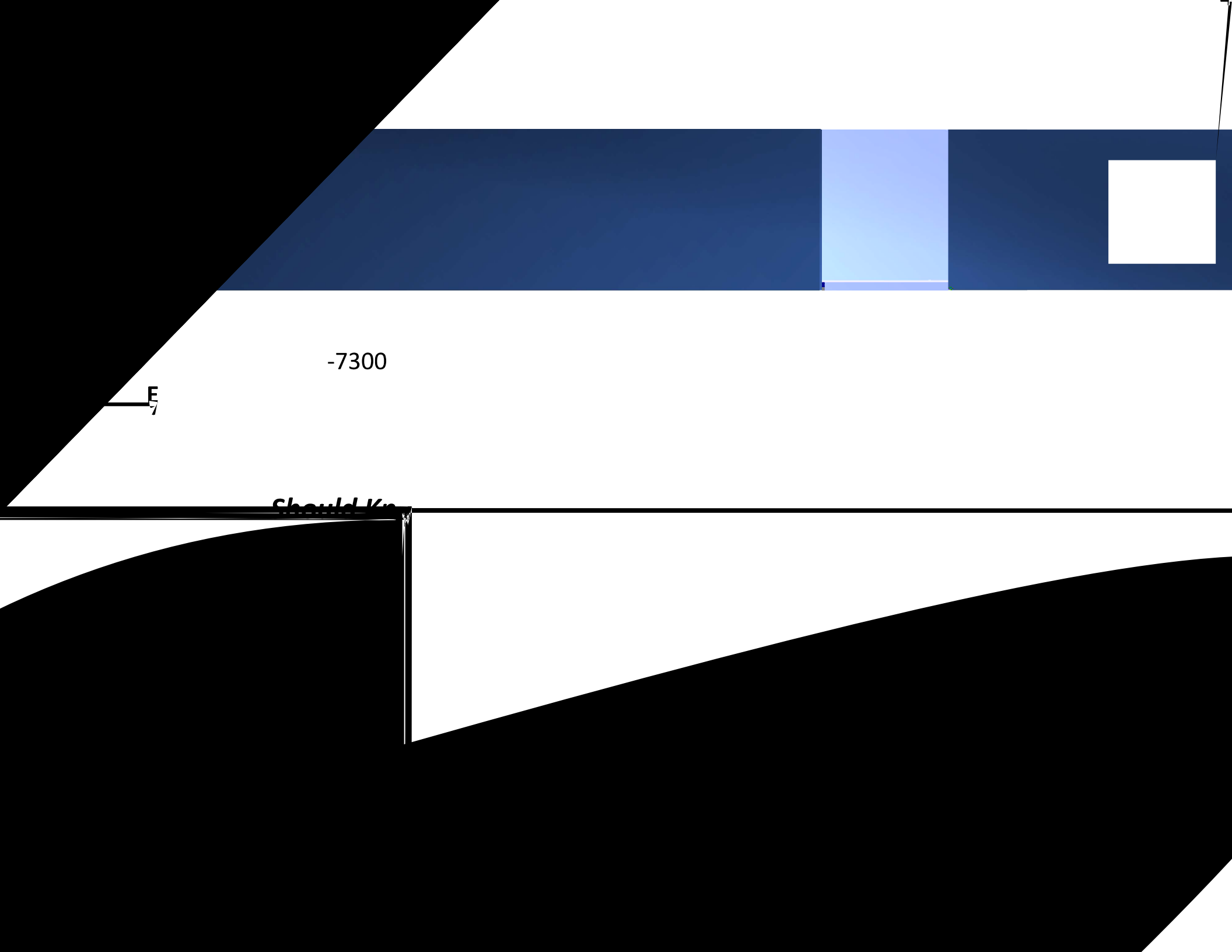
Having no further business, the Long-Term Care Insurance (B) Task Force adjourned.

SharePoint/NAIC Support Staff/Hb/Member Meetings/BCMIE/TKTIE/2024 Spring/NAIC TKTIE/TKIIF081624/Minutes.docx

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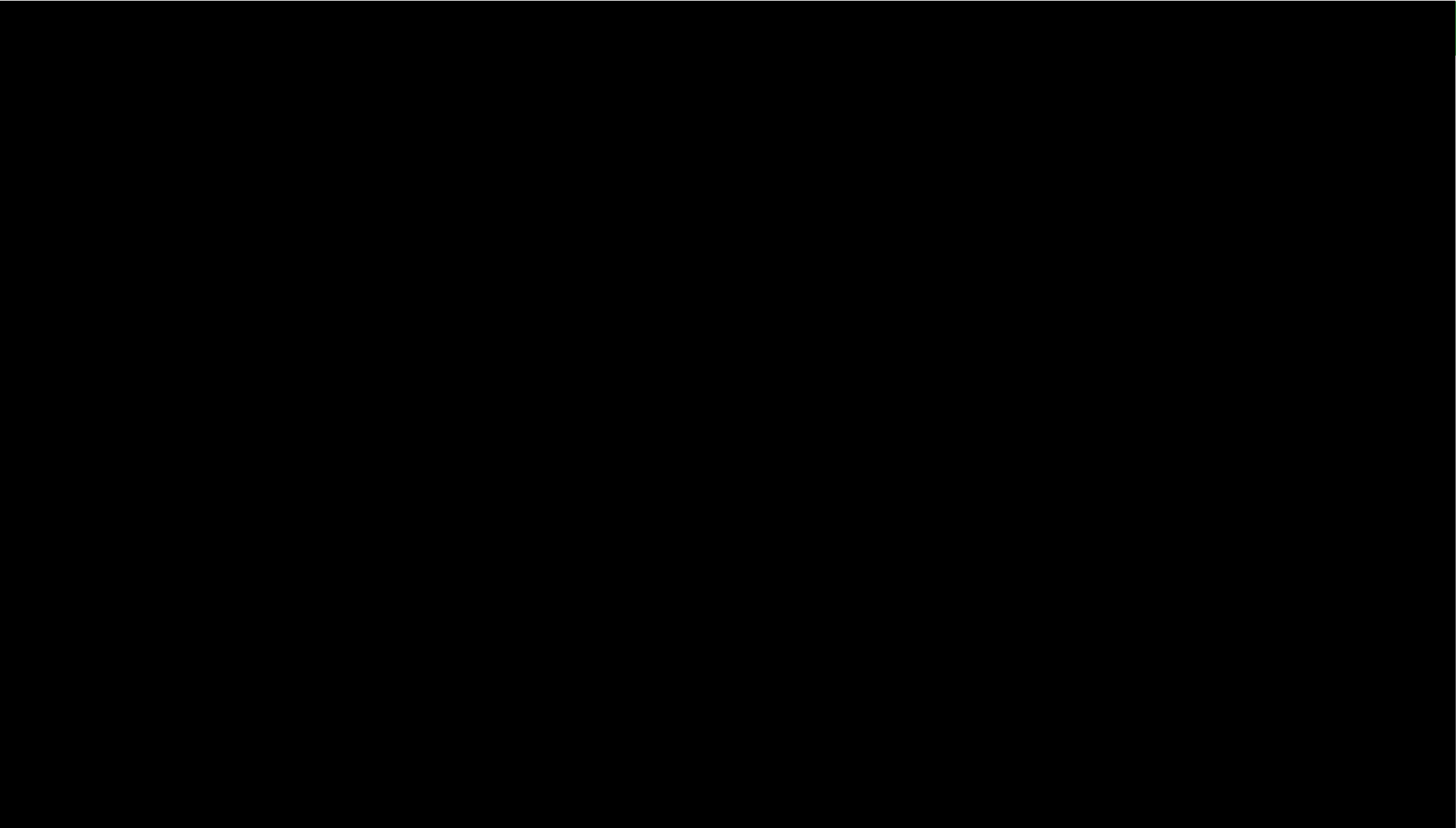
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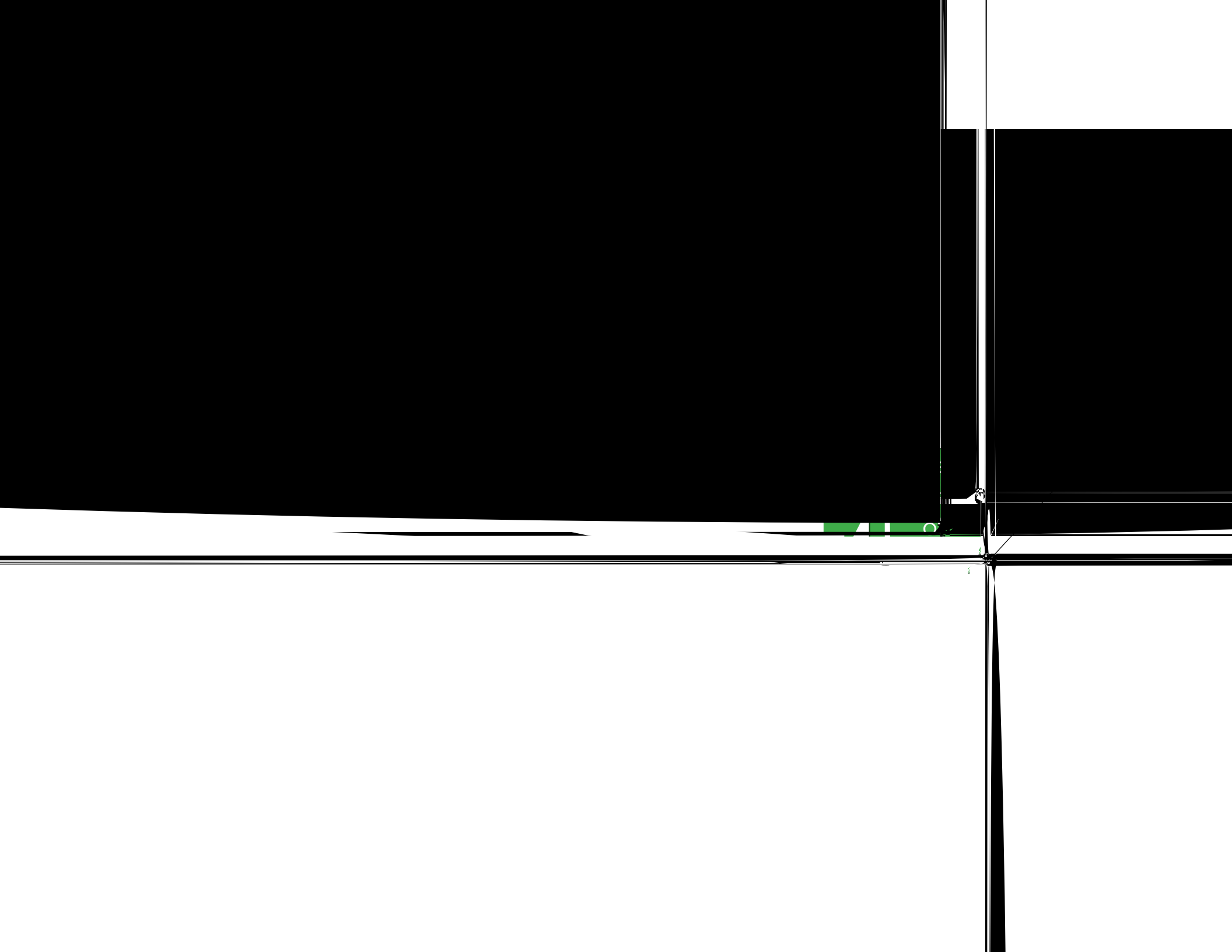
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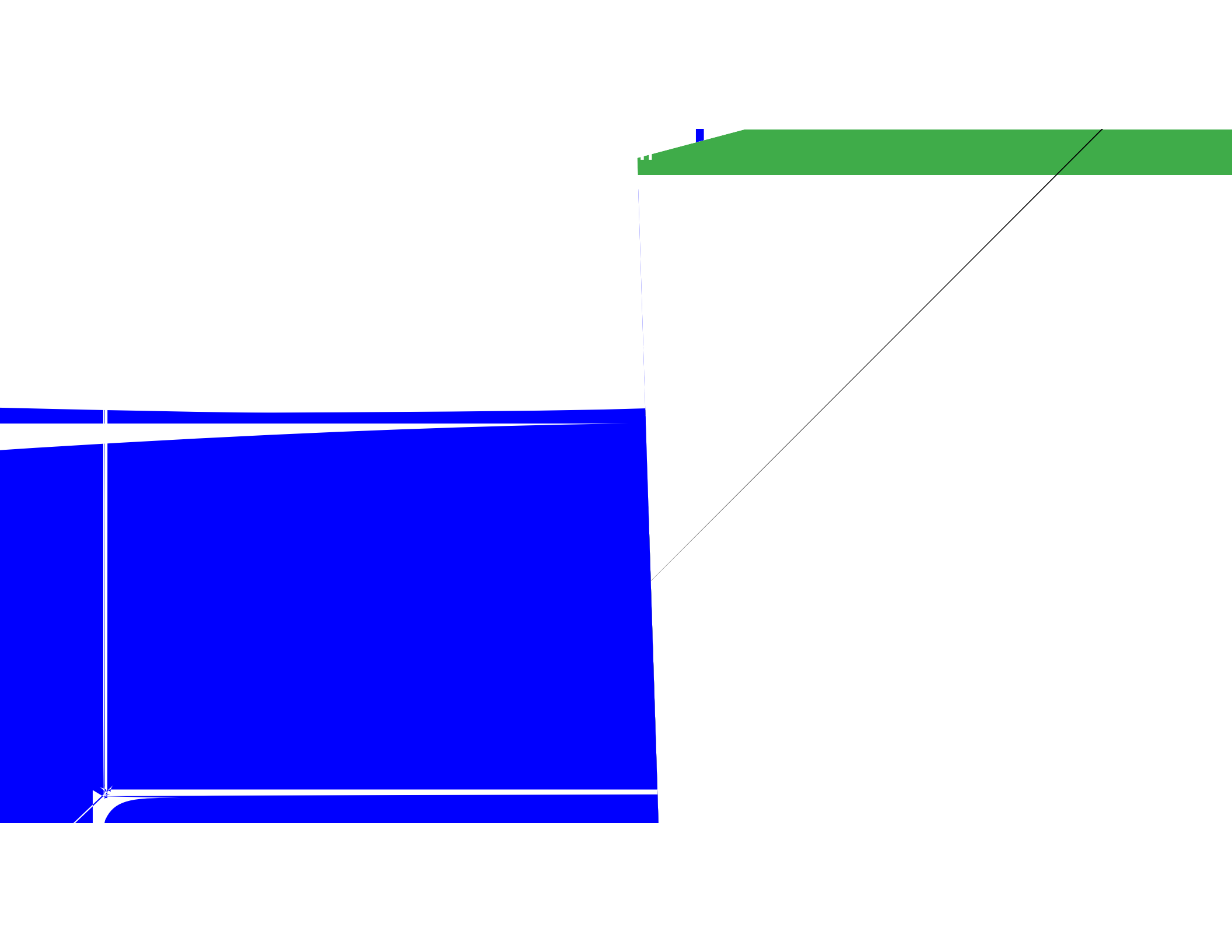


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