

FIRST REGULAR SESSION

HOUSE BILL NO. 611

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE CARPENTER.

1196H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to long-term care insurance rates.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be
2 known as section 376.1110, to read as follows:

3 **376.1110. 1. No insurance company licensed to transact business in this state shall**
4 **deliver or issue for delivery in this state any policy or certificate of long-term care**
5 **insurance, unless the classification of risks and the premium rates pertaining to such policy**
6 **or certificate have been filed with and approved by the director of the department of**
7 **insurance, financial institutions and professional registration.**

8 **2. Rates for long-term care insurance shall not be excessive, inadequate, or unfairly**
9 **discriminatory. In no event shall the rates charged to any policyholder or certificate holder**
10 **increase by more than ten percent during any annual period, unless the insurer clearly**
11 **documents a material and significant change in the risk characteristics of all its in-force**
12 **long-term care insurance policies or certificates. All rates for long-term care insurance**
13 **shall be made in accordance with the following provisions and due consideration shall be**
14 **given to:**

- 15 **(1) Past and prospective loss experience;**
- 16 **(2) Past and prospective expenses;**
- (3) Adequate contingency reserves; and**
- (4) All other relevant factors within and without the state.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **3. The director shall approve or disapprove a rate filing within forty-five days after**
18 **the filing and submission thereof. The failure of the director to take action approving or**
19 **disapproving a submitted rate filing within the stipulated time shall be deemed an approval**
20 **thereof until such time as the director shall notify the submitting company of his or her**
21 **disapproval thereof. If a rate filing is disapproved, the reasons therefor shall be stated in**
22 **writing. Any notice of disapproval shall state that a hearing shall be granted, if so**
23 **requested.**

✓