

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for  
2 Senate Bill No. 43, Page 2, Section 9.236, Line 7, by inserting after all of said line and section the  
3 following:  
4

5 "135.096. 1. In order to promote personal financial responsibility for long-term health care  
6 in this state, [~~for all taxable years beginning after December 31, 1999, a resident individual may~~  
7 ~~deduct from such individual's Missouri taxable income an amount equal to fifty percent of all~~  
8 ~~nonreimbursed amounts paid by such individual for qualified long-term care insurance premiums to~~  
9 ~~the extent such amounts are not included the individual's itemized deductions.] for all taxable years  
10 beginning after December 31, [2006] 2020, a resident individual may deduct from each individual's  
11 Missouri taxable income an amount equal to one hundred percent of all nonreimbursed amounts  
12 paid by such individuals for qualified long-term care insurance premiums to the extent such  
13 amounts are not included in the individual's itemized deductions. A married individual filing a  
14 Missouri income tax return separately from his or her spouse shall be allowed to make a deduction  
15 pursuant to this section in an amount equal to the proportion of such individual's payment of all  
16 qualified long-term care insurance premiums. The director of the department of revenue shall place  
17 a line on all Missouri individual income tax returns for the deduction created by this section.~~

18 2. For purposes of this section, "qualified long-term care insurance" means any insurance  
19 policy which meets or exceeds the provisions of sections 376.1100 to 376.1118 and the rules and  
20 regulations promulgated pursuant to such sections for long-term care insurance, or any insurance  
21 policy considered an asset or resource for purposes of eligibility for long-term care benefits under  
22 MO HealthNet.

23 3. Notwithstanding any other provision of law to the contrary, two or more insurers issuing a  
24 qualified long-term care insurance policy shall not act in concert with each other and with others  
25 with respect to any matters pertaining to the making of rates or rating systems.

26 135.098. 1. As used in this section, the following terms shall mean:

27 (1) "Department", the Missouri department of revenue;

28 (2) "Qualified long-term care insurance", any insurance policy which meets or exceeds the  
29 provisions of sections 376.1100 to 376.1118 and the rules and regulations promulgated pursuant to  
30 such sections for long-term care insurance, or any insurance policy considered an asset or resource  
31 for purposes of eligibility for long-term care benefits under MO HealthNet;

32 (3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
33 withholding tax imposed under sections 143.191 to 143.265;

34 (3) "Taxpayer", an individual subject to the state income tax imposed by the provisions of  
35 chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.

36 2. For all tax years beginning on or after January 1, 2022, in addition to the deduction

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1 allowed pursuant to section 135.096, a taxpayer shall be allowed a tax credit in an amount equal to  
 2 one hundred percent of up to one thousand dollars of nonreimbursed amounts paid by such  
 3 individual for qualified long-term care insurance premiums during the tax year for which the tax  
 4 credit is claimed, and fifty percent of any nonreimbursed amounts in excess of one thousand dollars  
 5 paid by such individual for qualified long-term care insurance premiums during the tax year for  
 6 which the tax credit is claimed. If the amount of the tax credit exceeds the taxpayer's state tax  
 7 liability, the difference shall be refundable. Tax credits authorized pursuant to this section shall not  
 8 be transferred, sold, or assigned.

9 3. The tax credit allowed by this section shall be claimed by such taxpayer at the time such  
 10 taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143  
 11 after reduction for all other credits allowed thereon. The department may require any  
 12 documentation it deems necessary to implement the provisions of this section.

13 4. The department shall promulgate rules to implement the provisions of this section. Any  
 14 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority  
 15 delegated in this section shall become effective only if it complies with and is subject to all of the  
 16 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
 17 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to  
 18 review, to delay the effective date, or to disapprove and annul a rule are subsequently held  
 19 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after  
 20 August 28, 2021, shall be invalid and void."; and

21  
 22 Further amend said bill, Page 55, Section 338.730, Line 21, by inserting after all of said line and  
 23 section the following:

24  
 25 "376.1109. 1. The director may adopt regulations that include standards for full and fair  
 26 disclosure setting forth the manner, content and required disclosures for the sale of long-term care  
 27 insurance policies, terms of renewability, initial and subsequent conditions of eligibility,  
 28 nonduplication of coverage provisions, coverage of dependents, preexisting conditions, termination  
 29 of insurance, continuation or conversion, probationary periods, limitations, exceptions, reductions,  
 30 elimination periods, requirements for replacement, recurrent conditions and definitions of terms.  
 31 Regulations adopted pursuant to sections 376.1100 to 376.1130 shall be in accordance with the  
 32 provisions of chapter 536.

33 2. No long-term care insurance policy may:

34 (1) Be cancelled, nonrenewed or otherwise terminated on the grounds of the age or the  
 35 deterioration of the mental or physical health of the insured individual or certificate holder; or

36 (2) Contain a provision establishing a new waiting period in the event existing coverage is  
 37 converted to or replaced by a new or other form within the same company, except with respect to an  
 38 increase in benefits voluntarily selected by the insured individual or group policyholder; or

39 (3) Provide coverage for skilled nursing care only or provide significantly more coverage  
 40 for skilled care in a facility than for lower levels of care.

41 3. No long-term care insurance policy or certificate other than a policy or certificate  
 42 thereunder issued to a group as defined in paragraph (a) of subdivision (4) of subsection 2 of section  
 43 376.1100:

44 (1) Shall use a definition of preexisting condition which is more restrictive than the  
 45 following: "Preexisting condition" means a condition for which medical advice or treatment was  
 46 recommended by, or received from, a provider of health care services, within six months preceding  
 47 the effective date of coverage of an insured person;

48 (2) May exclude coverage for a loss or confinement which is the result of a preexisting  
 49 condition unless such loss or confinement begins within six months following the effective date of

1 coverage of an insured person.

2 4. The director may extend the limitation periods set forth in subdivisions (1) and (2) of  
3 subsection 3 of this section as to specific age group categories in specific policy forms upon findings  
4 that the extension is in the best interest of the public.

5 5. The definition of preexisting condition provided in subsection 3 of this section does not  
6 prohibit an insurer from using an application form designed to elicit the complete health history of  
7 an applicant, and, on the basis of the answers on that application, from underwriting in accordance  
8 with that insurer's established underwriting standards. Unless otherwise provided in the policy or  
9 certificate, a preexisting condition, regardless of whether it is disclosed on the application, need not  
10 be covered until the waiting period described in subdivision (2) of subsection 3 of this section  
11 expires. No long-term care insurance policy or certificate may exclude or use waivers or riders of  
12 any kind to exclude, limit or reduce coverage or benefits for specifically named or described  
13 preexisting diseases or physical conditions beyond the waiting period described in subdivision (2) of  
14 subsection 3 of this section.

15 6. No long-term care insurance policy may be delivered or issued for delivery in this state if  
16 such policy:

17 (1) Conditions eligibility for any benefits on a prior hospitalization requirement; or

18 (2) Conditions eligibility for benefits provided in an institutional care setting on the receipt  
19 of a higher level of institutional care; or

20 (3) Conditions eligibility for any benefits other than waiver of premium, post-confinement,  
21 post-acute care or recuperative benefits on a prior institutionalization requirement.

22 7. A long-term care insurance policy containing post-confinement, post-acute care or  
23 recuperative benefits shall clearly label in a separate paragraph of the policy or certificate entitled  
24 "Limitations or Conditions on Eligibility for Benefits" such limitations or conditions, including any  
25 required number of days of confinement.

26 8. A long-term care insurance policy or rider which conditions eligibility of noninstitutional  
27 benefits on the prior receipt of institutional care shall not require a prior institutional stay of more  
28 than thirty days.

29 9. No long-term care insurance policy or rider which provides benefits only following  
30 institutionalization shall condition such benefits upon admission to a facility for the same or related  
31 conditions within a period of less than thirty days after discharge from the institution.

32 10. The director may adopt regulations establishing loss ratio standards for long-term care  
33 insurance policies provided that a specific reference to long-term care insurance policies is  
34 contained in the regulation.

35 11. Long-term care insurance applicants shall have the right to return the policy or  
36 certificate within thirty days of its delivery and to have the premium refunded if, after examination  
37 of the policy or certificate, the applicant is not satisfied for any reason. Long-term care insurance  
38 policies and certificates shall have a notice prominently printed on the first page or attached thereto  
39 stating in substance that the applicant shall have the right to return the policy or certificate within  
40 thirty days of its delivery and to have the premium refunded if, after examination of the policy or  
41 certificate, other than a certificate issued pursuant to a policy issued to a group defined in paragraph  
42 (a) of subdivision (4) of subsection 2 of section 376.1100, the applicant is not satisfied for any  
43 reason. This subsection shall also apply to denials of applications and any refund must be made  
44 within thirty days of the return or denial.

45 12. (1) If a long-term care insurance policy issued, delivered, or renewed in this state on or  
46 after January 1, 2011, is cancelled for any reason, the insurer shall refund the unearned portion of  
47 any premium paid beyond the month in which the cancellation is effective. Any refund shall be  
48 returned to the policyholder within twenty days from the date the insurer receives notice of the  
49 cancellation. Long-term care insurance policies and certificates shall have a notice prominently

1 printed on the first page or attached thereto stating in substance that the applicant shall be entitled to  
2 a refund of the unearned premium if the policy is cancelled for any reason.

3 (2) The policyholder may notify the insurer of cancellation of such long-term care insurance  
4 policy at any time by sending written or electronic notification.

5 13. No long-term care insurance policy shall increase premium rates, measured annually, in  
6 excess of the amount that is actuarially justified based on credible experience, and on the rate basis  
7 in effect in this state without recognition of rates that may be in effect in other states."; and

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9 Further amend said bill by amending the title, enacting clause, and intersectional references  
10 accordingly.