



Advocacy 

NAIC Long Term Care Reduced Benefit Options

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The NAIC Long Term Care Reduced Benefit Options Subgroup met on August 23 to continue revisions to the reduced benefit option checklist used by regulators when approving long-term care reduced-benefit-option consumer notifications. The group spent most of their time debating the number of reduced-benefit options that should be allowed in the consumer notification. ACLI commented that a specific number seems arbitrary and certain companies and policies will have different considerations. A consumer representative spoke about the nature rather than the number of options and how hard it is for consumers to pick the best option for them. Several regulators commented that fewer options are better for consumers and suggested limiting them to three. In the end, the subgroup decided to modify the question to say, “Are the number of options presented reasonable (but no more than 5-7 options)?”

The subgroup continued to discuss additional questions regarding the disclosure of future rate increases as well as the history of the increases.

The subgroup did not finish the checklist revisions and plans to hold another 60-minute call soon.

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