

S T A T E O F M I N N E S O T A
D E P A R T M E N T O F C O M M E R C E

B u l l e t i n 2 0 0 7 - 5
I s s u e d t h i s 2 9 ^{t h} d a y o f A u g u s t , 2 0 0 7

TO: All Insurers Writing Long Term Care Insurance in Minnesota

SUBJECT: Certification of Long-Term Care Insurance Policies as Compliant with the Consumer Protection Requirements of the Long-Term Care Insurance Partnership Program

Pursuant to Section 1917 of the Social Security Act and Minnesota Statutes chapter 62S and section 256B.0571, the State of Minnesota is implementing a Long-Term Care Partnership Program. Under this program, a person who received benefits under a qualified Partnership Policy may be entitled to have assets equivalent to those benefits disregarded when determining eligibility for Minnesota Medical Assistance. As provided under section 1917(b)(5)(B)(iii) of the Social Security Act, the Commissioner of Commerce may certify that long-term care insurance policies (including certificates issued under a group insurance contract) meet certain consumer protection requirements necessary for a policy to be Partnership Qualified.

The consumer protection requirements necessary to certify a policy as Partnership-compliant are set forth in Section 1917(b)(5)(A) of the Social Security Act (42 U.S.C. 1396p(b)(5)(A)) and principally include certain specified provisions of the Long-Term Care Insurance Model Regulation and Long-Term Care Insurance Model Act promulgated by the National Association of Insurance Commissioners (NAIC), as adopted October, 2000. These NAIC model consumer protection provisions were adopted by Minnesota within Minnesota Statutes chapter 62S, effective July 1, 2006.

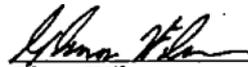
Any long-term care insurance policy (including a certificate issued under a group contract) previously approved by the Department of Commerce can be certified as meeting the required consumer protection standards by use of the attached form.

Once this form is filed, insurers may market these policies as "Partnership Qualified" provided the policies contain the Minnesota inflation protection requirement.*

The Department may audit insurers to assure compliance with this certification process.

If an insurer intends to use new policy or certificate forms for the sale of a Partnership policy, then this certification form should be attached when submitting documents as part of the Department's standard filing and approval process.

To certify that long-term care forms meet Partnership requirements insurers must have an officer with the authority to bind the insurer complete the attached certification form. By submitting the attached form, insurers are certifying that the information is complete and accurate. Any inaccuracies may result in a withdrawal of any certification, retroactive correction of the policy to conform to the information provided in the certification, disapproval of the policy for use in Minnesota, and/or administrative sanctions against the insurer on whose behalf the form is submitted. Therefore, it is essential that insurers carefully review the information set forth in this form for accuracy.


Glenn Wilson
COMMISSIONER

**Bulletin regarding inflation protection requirements will be issued at a later date.*



Minnesota Insurers' Form for Certifying Long-Term Care Policies as Partnership Compliant

Under Section 1917(b)(5)(B)(iii) of the Social Security Act (42 U.S.C. 1396p(b)(5)(B)(iii)), the Insurance Commissioner of a state implementing a Long Term Care Partnership Program may certify that long-term care insurance policies (including certificates issued under a group insurance contract) covered under the Long Term Care Partnership Program meet certain consumer protection requirements, and policies so certified are deemed to satisfy such requirements. These consumer protection requirements are set forth in Section 1917(b)(5)(A) the Social Security Act (42 U.S.C. 1396p(b)(5)(A)) and principally include certain specified provisions of the Long-Term Care Insurance Model Regulation and Long-Term Care Insurance Model Act promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000) (referred to herein as the "2000 NAIC Model Regulation" and "2000 NAIC Model Act", respectively).

In order to provide the Minnesota Insurance Commissioner with information necessary to provide a certification for policies, this Certification Form requests information and a certification from issuers of long-term care insurance policies with respect to policy forms that may be covered under the Minnesota Long Term Care Partnership Program.

This form must be completed and submitted with each long-term care policy or certificate form previously approved by the Department of Commerce for which the insurer is seeking Partnership qualification. A separate form must be completed for each policy or certificate form and a specimen copy of the form, including all riders and endorsements must be attached. A long-term care policy or certificate form may not be issued in Minnesota as a Partnership policy or certificate unless and until this form has been submitted to the Minnesota Department of Commerce.

I. General Information

| | | | |
|---|------|------------------|----------|
| Name of Insurer | | Telephone Number | |
| Address | City | State | Zip Code |
| B. Name of an Employee of Issuer Who Will be the Contact Person for Information Relating to this Form | | Telephone Number | |
| Address | City | State | Zip Code |
| Email Address (if available) | | | |

C. Policy Form Number(s) (or other identifying information such as certificate series) and date of Minnesota approval for policies covered by this Certification Form:

| Policy Information | Date |
|--------------------|------|
| | |
| | |
| | |
| | |

II. Applicable provisions of the NAIC 2000 Model Regulation and 2000 Model Act and Minnesota Statutes chapter 62S

Please answer each of the following questions below with respect to the policy forms identified in section I.C. above. For purposes of answering the questions below, any provision of the 2000 NAIC Model Regulation and 2000 NAIC Model Act or Minnesota Statutes listed below shall be treated as including any other provisions of the 2000 NAIC Long Term Care Model Regulation or Model Act and Minnesota Statutes necessary to implement the provision.

In order for a policy to qualify as a Minnesota Long Term Care Partnership policy, the answers to all questions below should be "yes" (or "N/A" where all requirements with respect to a provision above are not applicable). If answers differ between policy forms (e.g., a requirement would be answered "Yes" for one form and "N/A" for another), you should use separate Certification Forms for such policies.

- (1) Do each of the policies identified in section I.C. above (including certificates issued under a group insurance contract) comply with the following requirements of the 2000 Model Regulation and Minnesota's Long-Term Care Insurance statutes?

| | | Yes | No | N/A |
|----|--|-----|----|-----|
| A. | Section 6A (relating to guaranteed renewal or non-cancellability), other than paragraph (5) thereof, and the requirements of section 6B of the 2000 Model Act relating to such Section 6A; (Minn. Stat. §62S.14). | | | |
| B. | Section 6B (relating to prohibitions on limitations and exclusions) other than paragraph (7) thereof; (Minn. Stat. §62S.15). | | | |
| C. | Section 6C (relating to extension of benefits); (Minn. Stat. §62S.16.) | | | |
| D. | Section 6D (relating to continuation or conversion of coverage); (Minn. Stat. §62S.17). | | | |
| E. | Section 6E (relating to discontinuance and replacement of policies); (Minn. Stat. §62S.18). | | | |
| F. | Section 7 (relating to unintentional lapse); (Minn. Stat. §62S.19). | | | |
| G. | Section 8 (relating to disclosure), other than sections 8F, 8G, 8H, and 8I thereof; (Minn. Stat. §62S.20). | | | |
| H. | Section 9 (relating to required disclosure of rating practices to consumer); (Minn. Stat. §62S.081). | | | |
| I. | Section 11 (relating to prohibitions against post-claims underwriting); (Minn. Stat. §62S.21). | | | |
| J. | Section 12 (relating to minimum standards); (Minn. Stat. §62S.22). | | | |
| K. | Section 14 (relating to application forms and replacement coverage); (Minn. Stat. §62S.24). | | | |
| L. | Section 15 (relating to reporting requirements); (Minn. Stat. §62S.25). | | | |
| M. | Section 22 (relating to filing requirements for marketing); (Minn. Stat. §62S.28). | | | |
| N. | Section 23 (relating to standards for marketing), including inaccurate completion of medical histories, other than paragraphs (1), (6), and (9) of Section 23C; (Minn. Stat. §62S.29). | | | |
| O. | Section 24 (relating to suitability); (Minn. Stat. §62S.30). | | | |
| P. | Section 25 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates); (Minn. Stat. §62S.18). | | | |
| Q. | The provisions of Section 26 relating to contingent non-forfeiture benefits, if the policyholder declines the offer of a non-forfeiture provision described in Section 7702B(g)(4) of the Internal Revenue Code of 1986 (26 U.S.C. 7702B(g)(4)); (Minn. Stat. §62S.266). | | | |
| R. | Section 29 (relating to standard format outline of coverage); (Minn. Stat. §62S.08). | | | |
| S. | Section 30 (relating to requirement to deliver shopper's guide); (Minn. Stat. §62S.31). | | | |

(2) Are the following requirements of the 2000 NAIC Model Act met with respect to all policies (including certificates issued under a group insurance contract) intended to be covered under the Partnership Program that are issued on each of the policy forms identified in section I.0 above?

| | | Yes | No | N/A |
|----|---|-----|----|-----|
| A. | Section 6C (relating to preexisting conditions); (Minn. Stat. §62S.05). | | | |
| B. | Section 6D (relating to prior hospitalization; Minn. Stat. §62S.06). | | | |
| C. | The provisions of section 8 relating to contingent non-forfeiture benefits; (Minn. Stat. §62S.266). | | | |
| D. | Section 6F (relating to right to return); (Minn. Stat. §62S.07). | | | |
| E. | Section 6G (relating to outline of coverage); (Minn. Stat. §62S.08). | | | |
| F. | Section 6I1 (relating to requirements for certificates under group plans); (Minn. Stat. §62S.09). | | | |
| G. | Section 6J (relating to policy summary); (Minn. Stat. §62S.I0). | | | |
| H. | Section 6K (relating to monthly reports on accelerated death benefits); (Minn. Stat. §62S.11). | | | |
| I. | Section 7 (relating to incontestability period); (Minn. Stat. §62S.13). | | | |

Certification

I hereby certify that the answers, accompanying documents, and other information, set forth herein are to the best of my knowledge and beliefs true, correct, and complete and that the policies identified in this form meet all of the consumer protection requirements pertaining to qualified Minnesota Long-Term Care Partnership Policies. I understand that false, inaccurate or incomplete information on this form or accompanying documents may result in a withdrawal of any certification, retroactive correction of the policy to conform to the information provided in the certification, disapproval of the policy for use in Minnesota and/or administrative sanctions against the Insurer.

Signature Date

Insurer contact:

| | | | |
|--|------------------|------------|--|
| Name of Certifying Officer | | Title | |
| Name of Company Contact (if other than Certifying Officer) | Telephone Number | Fax Number | |
| Address | | | |
| Email Address (if available) | | | |

Minnesota consumer contact:

As part of the certification process, the Partnership administrators would like to obtain a toll-free phone number and Website address for Minnesota consumers so it can be included program's website (www.mnltcpartnership.org)

Toll Free Minnesota Consumer Minnesota Consumer Website