

Article - Insurance

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§18–101.

(a) In this title the following words have the meanings indicated.

(b) “Alzheimer’s disease” means a progressive brain disease diagnosed as Alzheimer’s disease by the licensed attending physician of the insured or certificate holder and confirmed by a second opinion of a licensed physician.

(c) “Applicant” means:

(1) for an individual policy or contract of long-term care insurance, the individual who seeks to contract for benefits; or

(2) for a group policy of long-term care insurance, the proposed certificate holder.

(d) “Carrier” means an insurer, nonprofit health service plan, health maintenance organization, or preferred provider organization.

(e) “Certificate” means a certificate that is issued under a group policy of long-term care insurance if the certificate is delivered or issued for delivery in the State and covers individuals who reside in the State.

(f) (1) “Long-term care insurance” means an individual or group policy, contract, certificate, or rider that:

(i) is issued, delivered, or offered by a carrier;

(ii) is advertised, marketed, offered, or designed to provide coverage for at least 24 consecutive months for each covered individual on an expense-incurred, indemnity, prepaid, or insured basis; and

(iii) provides one or more necessary or appropriate diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services in a setting other than an acute care unit of a hospital.

(2) “Long-term care insurance” includes any product that is advertised, marketed, or offered as long-term care insurance.

(3) “Long-term care insurance” does not include:

(i) a policy, contract, certificate, or rider that is offered primarily to provide:

1. basic Medicare supplement coverage;

- 2. hospital confinement indemnity coverage;
- 3. basic hospital expense or medical surgical expense coverage;
- 4. disability income protection coverage;
- 5. accident-only coverage;
- 6. specified disease or specified accident coverage; or
- 7. skilled nursing care;

(ii) a life insurance policy that:

- 1. accelerates the death benefit specifically for:
 - A. one or more of the qualifying events of terminal illness;
 - B. a medical condition that requires extraordinary medical intervention; or
 - C. permanent institutional confinement;

2. provides the option of lump-sum payments for the benefits listed in item 1 of this subparagraph; or

3. does not make benefits or eligibility for benefits conditional on receipt of long-term care; or

(iii) a certificate that is issued under an out-of-state employer group contract.

(g) “Loss ratio” means the ratio of losses incurred to premiums earned on policies that are issued, delivered, or renewed in the State.

(h) “Out-of-state employer group contract” means a group contract that:

- (1) is entered into with an employer in a state other than this State; and
- (2) is issued directly to an employer under the laws of that employer’s state.

(i) “Preexisting condition” means a condition for which medical advice or treatment was recommended by or received from a provider of health care services within 6 months before the effective date of coverage of the insured or certificate holder.

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