

SENATE BILL 176

C4

7lr0827

By: **Senators Manno and Smith**

Introduced and read first time: January 18, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Long-Term Care Insurance – Moratorium on Renewal Premium Rate Increases**

3 FOR the purpose of prohibiting a carrier from increasing a renewal premium rate for a
4 certain long-term care insurance policy or contract in certain years; and generally
5 relating to long-term care insurance and premium rates.

6 BY repealing and reenacting, with amendments,
7 Article – Insurance
8 Section 18–116
9 Annotated Code of Maryland
10 (2011 Replacement Volume and 2016 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That the Laws of Maryland read as follows:

Article – Insurance

14 18–116.

15 (a) Except as provided in subsection (b) of this section, a premium increase under
16 long-term care insurance may not be based on the age of the insured or certificate holder.

17 (b) **[A] SUBJECT TO SUBSECTION (D) OF THIS SECTION**, A carrier may impose
18 an across-the-board premium increase on policies or contracts of long-term care insurance
19 that the carrier issues or delivers in the State after the carrier:

20 (1) submits to the Commissioner an actuarial memorandum that supports
21 the proposed premium increase; and

22 (2) obtains the approval of the Commissioner.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) This section does not prohibit age-banding.

2 (D) IN THE YEARS 2017 THROUGH 2019, A CARRIER MAY NOT INCREASE A
3 RENEWAL PREMIUM RATE FOR A LONG-TERM CARE INSURANCE POLICY OR
4 CONTRACT ISSUED, DELIVERED, OR RENEWED IN THE STATE ON OR AFTER JUNE 1,
5 2017.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
7 1, 2017.