SENATE BILL 176

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)

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

Article – Insurance

18–116.

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

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

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

(2) obtains the approval of the Commissioner.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(c) This section does not prohibit age–banding.

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

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