

# HOUSE BILL NO. 611

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE CARPENTER.

1196H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to long-term care insurance rates.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be  
2 known as section 376.1110, to read as follows:

376.1110. 1. **No insurance company licensed to transact business in this state shall  
2 deliver or issue for delivery in this state any policy or certificate of long-term care  
3 insurance, unless the classification of risks and the premium rates pertaining to such policy  
4 or certificate have been filed with and approved by the director of the department of  
5 insurance, financial institutions and professional registration.**

6 2. **Rates for long-term care insurance shall not be excessive, inadequate, or unfairly  
7 discriminatory. In no event shall the rates charged to any policyholder or certificate holder  
8 increase by more than ten percent during any annual period, unless the insurer clearly  
9 documents a material and significant change in the risk characteristics of all its in-force  
10 long-term care insurance policies or certificates. All rates for long-term care insurance  
11 shall be made in accordance with the following provisions and due consideration shall be  
12 given to:**

- 13 (1) **Past and prospective loss experience;**  
14 (2) **Past and prospective expenses;**  
15 (3) **Adequate contingency reserves; and**  
16 (4) **All other relevant factors within and without the state.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17           **3. The director shall approve or disapprove a rate filing within forty-five days after**  
18 **the filing and submission thereof. The failure of the director to take action approving or**  
19 **disapproving a submitted rate filing within the stipulated time shall be deemed an approval**  
20 **thereof until such time as the director shall notify the submitting company of his or her**  
21 **disapproval thereof. If a rate filing is disapproved, the reasons therefor shall be stated in**  
22 **writing. Any notice of disapproval shall state that a hearing shall be granted, if so**  
23 **requested.**

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