

Review Requirements Checklist
INDIVIDUAL LONG-TERM CARE INSURANCE RIDER

This checklist is to be used for long-term care benefits provided by a rider attached to a life insurance or annuity policy with an accelerated death benefit.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
General Filing Requirements		
Transmittal Letter	14 VAC 5-100-40	For Paper Filings: Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14 VAC 5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters, or a combination of both.
	14 VAC 5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.
	14 VAC 5-100-40 3	Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.
	14 VAC 5-100-40 5	Description of market for which the form is intended.
	14 VAC 5-100-40 6	For Paper Filings: At least one copy of each form must be included in the filing. A duplicate copy of forms must be submitted if the company wants a "stamped" copy of forms for its records. A stamped self-addressed return envelope is required. The letter of transmittal must be addressed to: State Corporation Commission, Bureau of Insurance, P. O. Box 1157, Richmond, VA 23218.
	Administrative Letter 1983-7	Must include the name and NAIC number of the company for which the filing is made.
Forms		
Form Number	14 VAC 5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company Name & Address	14 VAC 5-100-50 2	Full and proper corporate name (including "Inc.") must prominently appear on cover sheet of all policies and other forms. Home office address of insurer must prominently appear on each policy.
Final Form	14 VAC 5-100-50 3	Form must be submitted in the final form in which it will be issued and completed in "John Doe" fashion to indicate its intended use.
Application	14 VAC 5-100-50 4	Any policy, which is to be issued with an attached application, must be filed with a copy of the application completed in "John Doe" fashion to indicate its intended use. (If application was previously approved, advise date of approval.)
Type Size	14 VAC 5-100-50 5	Individual Accident and Sickness forms must be printed with type size of at least ten-point type. All other forms must be printed with type size of at least eight-point.
Arbitration	§ 38.2-312	Contract may not deprive courts of Virginia jurisdiction in actions against insurer. Arbitration may not be binding.

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Fraud Notice	§ 38.2-316 D 1	Title 38.2 of the Insurance Code does not define "Insurance Fraud." Any notice regarding insurance fraud is in non-compliance with this section of the Code. Variations in a notice warning of consequences of making fraudulent statements are acceptable. The notice may disclose that it does not apply in Virginia or may disclose states where applicable.
DMAS Payor of Last Resort	§ 38.2-3500 A 7	Policy must contain statement regarding the status of the Department of Medical Assistance Services as the payor of last resort.
Definition of Eligible Family Members	§ 38.2-3500 C	The definition establishes that eligible dependent children may not be required to live in the household as the policyowner.
Handicapped Child Coverage	§ 38.2-3409	Upon termination due to age, coverage will be continued for: (1) persons incapable of self-sustaining employment by reason of mental retardation or physical handicap; and (2) chiefly dependent on the insured for support and maintenance. Additional premium may be charged based upon class of risks.
LTC Caution Notice	14 VAC 5-200-80 C 2	Required language in bold print .
30-day Free Look	§ 38.2-5208 A	
Notice to Buyer	14 VAC 5-200-170 A 3	Required language.
Readability Certification	14 VAC 5-110-60	Readability certification is required.
Policy Summary	§ 38.2-5207.1 & 14 VAC 5-200-150 B 4	Policy summary required. Specific information that must in the summary.
	§ 38.2-5207.2 & 14 VAC 5-200-150 B	Monthly reports required. Specific information must be contained in the report.
General Policy Provisions		
Contents of Riders	§ 38.2-305 A	Parties to rider named; subject of insurance; risks insured against; time insurance takes effect; statement of the premium.
Grace Period	§ 38.2-3503 3	The provision defines the grace period and length of the various acceptable grace periods.
	14 VAC 5-200-65 A 3	The policy must specify an additional 30 days for an unintentional lapse of coverage.
Reinstatement	§38.2-3503 4	
	14 VAC 5-200-65 B	The regulation provides for an extended reinstatement period due to cognitive impairment
Notice of Claim	§ 38.2-3503 5	
Claim Forms	§ 38.2-3503 6	
Proof of Loss	§ 38.2-3503 7	
Time Payment of Claims	§ 38.2-3503 8	The provision specifies when benefits will be paid.
Payment of Claims	§ 38.2-3503 9	The provision specifies to whom benefits will be paid

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Physical Examinations and Autopsy	§ 38.2-3503 10	
Legal Actions	§ 38.2-3503 11	
Incontestability	§ 38.2-5209	The provision contains specific incontestability language for long-term care insurance.
Age Limit	§ 38.2-3513 A	If the policy establishes an age-limit after which coverage will no longer be effective, and if the date falls within a period for which a premium is accepted by the insurer or the insurer accepts a premium after the date, the coverage provided by the policy will continue in force until the end of the period for which the premium has been accepted.
	§ 38.2-3513 B	If the age of the insured has been misstated and the policy would not have been issued according to the correct age of the insured, the policy would not have become effective or would have ceased prior to the acceptance of the premium, then the liability of the insurer shall be limited to the refund of the premium paid for the period not covered by the policy.
Prohibited Provisions		
	§ 38.2-5203	Specified provisions prohibited in a long-term care policy.
	§ 38.2-5205	Prior institutionalization may not be a requirement to receive benefits.
	14 VAC 5-200-190	Preexisting conditions and waiting periods may not be used in replacement policies.
	§ 38.2-3405 A	No policy shall contain a provision regarding subrogation of any person's right to recovery for personal injuries from a third person.
	§ 38.2-3405 B	Benefits may not be reduced due to benefits payable due to benefits provided by a liability insurance contract.
	§ 38.2-3405 C	The statute discusses exceptions to exclusions due to benefits payable under workers' compensation.
Minimum Standards for Home Health Care	14 VAC 5-200-90	The minimum standards include prohibited exclusions and restrictions regarding home health care benefits.
LTC Policy Requirements		
Duration of Benefits	§ 38.2-5200	Coverage must be provided for a minimum of 12 months.
Refund of Premium for Cancellation or Termination of Policy	§ 38.2-5202.1	Provides for the termination of the policy by the insured and for cancellation of the policy by the insurer , except when coverage is for the duration of life and premium is a single installment payment.
Preexisting Condition	§ 38.2-5204	Defines look-back period and limitation period for preexisting conditions.
	14 VAC 5-200-70 D	If policy includes limitations due to a preexisting condition, such limitations must be included labeled as "Preexisting Condition Limitations."
Definitions	14 VAC 5-200-50	Certain terms defined.
UCR Defined	14 VAC 5-200-70 C	The term must be defined If benefits are based on usual, reasonable and customary charges.

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Limitations and Exclusions	14 VAC 5-200-60 B	
Extension of Benefits	14 VAC 5-200-60 C	
Limitations or Conditions on Eligibility for Benefits	§ 38.2-5205 B 14 VAC 5-200-187	Permissible benefit triggers and requirements.
Disclosures		
	38.2-5207 1; 14 VAC 5-200-200	The statute requires that an outline of coverage be provided to the insured. The statute also specifies the information that should be included in the outline.
	§ 38.2-5207 4; 14 VAC 5-200-70 H	A tax-qualified plan must be definitively identified as such.
	14 VAC 5-200-70 I	A non-tax-qualified plan must be identified as such.
	14 VAC 5-200-75 D	Any reference to a premium increase shall disclose that notice of premium increase shall be at least 60 days prior to the increase.
Policies that Include Issue Ages of 65 or Higher	14 VAC 5-170-150 E 1	Any policy marketed to persons age 65 or older must contain a notice that discloses that the policy is not a Medicare supplement policy or certificate.
	§ 38.2-3504 11	Intoxicants and narcotics
Signed Acceptance for Riders and Amendments	14 VAC 5-200-70 B	All riders and/or endorsements that added to a policy after the date of issue that reduces, restricts, or eliminates benefits in the policy will require signed acceptance. Also, where a separate premium is charged for a rider or endorsement, the premium will be set forth in the policy, rider, or endorsement.
Disclosure of Tax Consequences	14 VAC 5-200-70 F	Receipt of accelerated benefits for long-term care services may be taxable and a tax advisor should be consulted.
Rates		
	§ 38.2-5206	
	14 VAC 5-200-150 B	The regulation specifies relevant factors in determining a reasonable premium in relation to <u>benefits for life insurance policies that accelerate benefits for long-term care</u> . It also specifies the information that should be included in the actuarial memorandum.
	14 VAC 5-200-140; 14 VAC 5-200-77	Reserve standards for long-term care provided through a <u>life policy that accelerates benefits</u> .

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**Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at:
<http://www.scc.virginia.gov/boi/laws.aspx>**

The Life and Health Division, Forms and Rates Section handles individual long-term care riders. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

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I hereby certify that I have reviewed the attached individual long-term care rider filing and determined that it is in compliance with the individual long-term care rider checklist.

Signed: _____

Name (please print): _____

Company Name: _____

Date: _____ Phone No: () _____ FAX No: () _____

E-Mail Address: _____