

690-157.201 Standards For Approved Long-Term Care Partnership Program Policies.

(1)(a) A policy or certificate, herein referred to as policy, marketed or represented to qualify as an approved long-term care partnership program policy as provided by Section 409.9102, F.S., hereinafter referred to as a 'partnership', shall be a policy where:

1. Such form and rates are filed and approved pursuant to the provisions of Part II of this Rule Chapter and Chapter 690-149, F.A.C.,

2. The policy is intended to be a qualified long-term care insurance policy under the provisions of Section 627.9404(12), F.S.,

3. The insured individual was a resident of Florida or another state that has entered into a reciprocal agreement with Florida when coverage first became effective under the policy. If the policy is later exchanged for a different long-term care policy, the individual was a resident of Florida or another state that has entered into a reciprocal agreement with Florida when coverage under the earliest policy became effective,

4. The policy is issued with and retains inflation coverage which meets the inflation standards based on the insured's then attained age as defined in subsection (4) below,

5. The effective date of the coverage is on or after January 1, 2007, and

6. Compliance is met with the provisions of these rules.

(b) Insurance benefit payments, for purposes of asset disregard when applying for Medicaid long-term care services, are payments made for long-term care benefits and services and do not include such benefits as cash surrender values, return of premiums, premium waiver, or death benefits.

(2)(a) An insurer issuing or marketing policies that qualify as partnership policies, shall provide a disclosure notice, on the insurer's letterhead, indicating that at the time of issue of the coverage, the policy is an approved long-term care partnership policy. The disclosure notice shall also explain the benefits associated with a partnership policy, and disclose that the partnership status may be lost if the insured moves to a different state or modifies the coverage after issue, or if changes in federal or state laws occur. The insurer may use Form OIR-B2-1786 (1/2007), Partnership Status Disclosure Notice, which is hereby adopted and incorporated into this rule by reference. This notice shall be provided to the insured no later than the time of policy or certificate delivery. If the insurer uses Form OIR-B2-1786 without modification, no filing is required. If the carrier chooses to modify the language found in this disclosure notice, such notice shall be filed for approval with the Office.

(b)1. When an insurer is made aware that the policyholders or certificateholders initiate action that will result in the loss of partnership status, the insurer shall provide an explanation of how such action impacts the insured in writing. The policyholders or certificateholders shall also be advised how to retain partnership status if possible.

2. If a partnership plan subsequently loses partnership status, the insurer shall explain to the policyholders or certificateholders in writing the reason for the loss of status.

(3)(a) An insurer issuing or marketing policies that qualify as partnership policies, shall notify all of its policyholders with existing long-term care coverage issued on or after March 1, 2003, of the benefits associated with a partnership policy. The insurer shall offer all such existing policyholders the option to exchange their policy, as provided by Rule 690-157.1100, F.A.C., for a partnership policy.

(b) Any policyholder that exchanges their policy shall be provided the required disclosure as provided in subsection (2) above.

(c) The effective date of the partnership policy shall be the date of the exchanged policy.

(4) The issued policy shall meet the following inflation coverage limitations:

(a) Policies or certificates issued to an individual who has not yet attained age 61 shall contain annual compound inflation coverage.

(b) Policies or certificates issued to an individual who has attained age 61 but has not attained age 76 shall contain annual inflation coverage.

(c) For policies or certificates issued with inflation coverage, the policyholders or certificateholders must have the inflation coverage at a level based upon the insured's current age as described in paragraphs (a) and (b) above.

(5) Reporting.

(a) All insurers shall report to the Health and Human Services Secretary such information as required by Centers for Medicare & Medicaid Services (CMS), including but not limited to:

1. Notification regarding when insurance benefits provided under partnership plans have been paid and the amount of such benefits paid, and

2. Notification regarding when such policies otherwise terminate.

(b) All insurers shall provide to any insured requesting such information a copy of the Form OIR-B2-1781 (12/06), Approved Long-Term Care Partnership Program Policy Summary, which is hereby adopted and incorporated into this rule by reference. An insurer may use its own form as long as the information and content is consistent with the information contained in Form OIR-B2-1781 (12/06).

Specific Authority 624.308(1), 627.9408(1), 627.94075 FS. Law Implemented 624.307(1), 409.9102, 627.94075 FS. History—New 8-1-07.