

**SENATE AMENDMENT NO. \_\_\_\_\_**

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend SCS/House Bill No. 604, Page 1, Section A, Line 6,

2 by inserting after all of said line the following:

3 "135.096. 1. In order to promote personal financial  
 4 responsibility for long-term health care in this state, [for  
 5 all taxable years beginning after December 31, 1999, a  
 6 resident individual may deduct from such individual's  
 7 Missouri taxable income an amount equal to fifty percent of  
 8 all nonreimbursed amounts paid by such individual for  
 9 qualified long-term care insurance premiums to the extent  
 10 such amounts are not included the individual's itemized  
 11 deductions.] for all taxable years beginning after December  
 12 31, [2006] 2020, a resident individual may deduct from each  
 13 individual's Missouri taxable income an amount equal to one  
 14 hundred percent of all nonreimbursed amounts paid by such  
 15 individuals for qualified long-term care insurance premiums  
 16 to the extent such amounts are not included in the  
 17 individual's itemized deductions. A married individual  
 18 filing a Missouri income tax return separately from his or  
 19 her spouse shall be allowed to make a deduction pursuant to  
 20 this section in an amount equal to the proportion of such  
 21 individual's payment of all qualified long-term care  
 22 insurance premiums. The director of the department of  
 23 revenue shall place a line on all Missouri individual income  
 24 tax returns for the deduction created by this section.

25 2. For purposes of this section, "qualified long-term  
 26 care insurance" means any insurance policy which meets or

27 exceeds the provisions of sections 376.1100 to 376.1118 and  
28 the rules and regulations promulgated pursuant to such  
29 sections for long-term care insurance, or any insurance  
30 policy considered an asset or resource for purposes of  
31 eligibility for long-term care benefits under MO HealthNet.

32 3. Notwithstanding any other provision of law to the  
33 contrary, two or more insurers issuing a qualified long-term  
34 care insurance policy shall not act in concert with each  
35 other and with others with respect to any matters pertaining  
36 to the making of rates or rating systems."; and

37 Further amend said bill, page 39, section 375.246, line  
38 915, by inserting after all of said line the following:

39 "376.1109. 1. The director may adopt regulations that  
40 include standards for full and fair disclosure setting forth  
41 the manner, content and required disclosures for the sale of  
42 long-term care insurance policies, terms of renewability,  
43 initial and subsequent conditions of eligibility,  
44 nonduplication of coverage provisions, coverage of  
45 dependents, preexisting conditions, termination of  
46 insurance, continuation or conversion, probationary periods,  
47 limitations, exceptions, reductions, elimination periods,  
48 requirements for replacement, recurrent conditions and  
49 definitions of terms. Regulations adopted pursuant to  
50 sections 376.1100 to 376.1130 shall be in accordance with  
51 the provisions of chapter 536.

52 2. No long-term care insurance policy may:

53 (1) Be cancelled, nonrenewed or otherwise terminated  
54 on the grounds of the age or the deterioration of the mental  
55 or physical health of the insured individual or certificate  
56 holder; or

57 (2) Contain a provision establishing a new waiting  
58 period in the event existing coverage is converted to or  
59 replaced by a new or other form within the same company,

60 except with respect to an increase in benefits voluntarily  
61 selected by the insured individual or group policyholder; or

62 (3) Provide coverage for skilled nursing care only or  
63 provide significantly more coverage for skilled care in a  
64 facility than for lower levels of care.

65 3. No long-term care insurance policy or certificate  
66 other than a policy or certificate thereunder issued to a  
67 group as defined in paragraph (a) of subdivision (4) of  
68 subsection 2 of section 376.1100:

69 (1) Shall use a definition of preexisting condition  
70 which is more restrictive than the following: "Preexisting  
71 condition" means a condition for which medical advice or  
72 treatment was recommended by, or received from, a provider  
73 of health care services, within six months preceding the  
74 effective date of coverage of an insured person;

75 (2) May exclude coverage for a loss or confinement  
76 which is the result of a preexisting condition unless such  
77 loss or confinement begins within six months following the  
78 effective date of coverage of an insured person.

79 4. The director may extend the limitation periods set  
80 forth in subdivisions (1) and (2) of subsection 3 of this  
81 section as to specific age group categories in specific  
82 policy forms upon findings that the extension is in the best  
83 interest of the public.

84 5. The definition of preexisting condition provided in  
85 subsection 3 of this section does not prohibit an insurer  
86 from using an application form designed to elicit the  
87 complete health history of an applicant, and, on the basis  
88 of the answers on that application, from underwriting in  
89 accordance with that insurer's established underwriting  
90 standards. Unless otherwise provided in the policy or  
91 certificate, a preexisting condition, regardless of whether  
92 it is disclosed on the application, need not be covered

93 until the waiting period described in subdivision (2) of  
94 subsection 3 of this section expires. No long-term care  
95 insurance policy or certificate may exclude or use waivers  
96 or riders of any kind to exclude, limit or reduce coverage  
97 or benefits for specifically named or described preexisting  
98 diseases or physical conditions beyond the waiting period  
99 described in subdivision (2) of subsection 3 of this section.

100 6. No long-term care insurance policy may be delivered  
101 or issued for delivery in this state if such policy:

102 (1) Conditions eligibility for any benefits on a prior  
103 hospitalization requirement; or

104 (2) Conditions eligibility for benefits provided in an  
105 institutional care setting on the receipt of a higher level  
106 of institutional care; or

107 (3) Conditions eligibility for any benefits other than  
108 waiver of premium, post-confinement, post-acute care or  
109 recuperative benefits on a prior institutionalization  
110 requirement.

111 7. A long-term care insurance policy containing post-  
112 confinement, post-acute care or recuperative benefits shall  
113 clearly label in a separate paragraph of the policy or  
114 certificate entitled "Limitations or Conditions on  
115 Eligibility for Benefits" such limitations or conditions,  
116 including any required number of days of confinement.

117 8. A long-term care insurance policy or rider which  
118 conditions eligibility of noninstitutional benefits on the  
119 prior receipt of institutional care shall not require a  
120 prior institutional stay of more than thirty days.

121 9. No long-term care insurance policy or rider which  
122 provides benefits only following institutionalization shall  
123 condition such benefits upon admission to a facility for the  
124 same or related conditions within a period of less than  
125 thirty days after discharge from the institution.

126           10. The director may adopt regulations establishing  
127 loss ratio standards for long-term care insurance policies  
128 provided that a specific reference to long-term care  
129 insurance policies is contained in the regulation.

130           11. Long-term care insurance applicants shall have the  
131 right to return the policy or certificate within thirty days  
132 of its delivery and to have the premium refunded if, after  
133 examination of the policy or certificate, the applicant is  
134 not satisfied for any reason. Long-term care insurance  
135 policies and certificates shall have a notice prominently  
136 printed on the first page or attached thereto stating in  
137 substance that the applicant shall have the right to return  
138 the policy or certificate within thirty days of its delivery  
139 and to have the premium refunded if, after examination of  
140 the policy or certificate, other than a certificate issued  
141 pursuant to a policy issued to a group defined in paragraph  
142 (a) of subdivision (4) of subsection 2 of section 376.1100,  
143 the applicant is not satisfied for any reason. This  
144 subsection shall also apply to denials of applications and  
145 any refund must be made within thirty days of the return or  
146 denial.

147           12. (1) If a long-term care insurance policy issued,  
148 delivered, or renewed in this state on or after January 1,  
149 2011, is cancelled for any reason, the insurer shall refund  
150 the unearned portion of any premium paid beyond the month in  
151 which the cancellation is effective. Any refund shall be  
152 returned to the policyholder within twenty days from the  
153 date the insurer receives notice of the cancellation. Long-  
154 term care insurance policies and certificates shall have a  
155 notice prominently printed on the first page or attached  
156 thereto stating in substance that the applicant shall be  
157 entitled to a refund of the unearned premium if the policy  
158 is cancelled for any reason.

159           (2) The policyholder may notify the insurer of  
160 cancellation of such long-term care insurance policy at any  
161 time by sending written or electronic notification.

162           13. No long-term care insurance policy shall increase  
163 premium rates, measured annually, in excess of the amount  
164 that is actuarially justified based on credible experience,  
165 and on the rate basis in effect in this state without  
166 recognition of rates that may be in effect in other  
167 states."; and

168           Further amend the title and enacting clause accordingly.