

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 611
99TH GENERAL ASSEMBLY

1196H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

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

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 twenty 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. If an insurance company implements a rate that the director has determined is**
18 **unreasonable under subsections 1 and 2 of this section, the department shall make such**
19 **determination public, in a form and manner determined by rule.**

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