

SECOND REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 979
95TH GENERAL ASSEMBLY

Reported from the Committee on Small Business, Insurance and Industry, March 18, 2010, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 979, adopted March 23, 2010.

Taken up for Perfection March 23, 2010. Bill declared Perfected and Ordered Printed.

TERRY L. SPIELER, Secretary.

5161S.02P

AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to the approval or disapproval of long-term care insurance rates by the director of the department of insurance, financial institutions and professional registration.

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
2 section, to be known as section 376.1110, to read as follows:

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

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

- 15 (1) Past and prospective loss experience;**
16 (2) Past and prospective expenses;
17 (3) Adequate contingency reserves; and

18 **(4) All other relevant factors within and without the state.**

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

Unofficial ✓

Bill

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