

Review Requirements Checklist  
INDIVIDUAL LONG-TERM CARE RIDER (FORM, RATES)

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
<b>General Filing Requirements</b>		
Transmittal Letter	14VAC5-100-40	<b>For Paper Filings:</b> Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14VAC5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters, or a combination of both.
	14VAC5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.
	14VAC5-100-40 3	Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.
	14VAC5-100-40 5	Description of market for which the form is intended.
	14VAC5-100-40 6	<b>For Paper Filings:</b> 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.
Variable Language		All variable information must be bracketed and explained in detail. A Statement of Variability (SOV) should be provided in all cases where variable information is presented. The SOV should be detailed and specific. It should identify each variable field appearing in the forms and describe specifically how that field will vary from the text as presented. For any variable numerical information, please express the minimum and maximum values. Any variable language must be defined sufficiently so that compliance with statutory or regulatory requirements can be determined. The SOV should be provided under Supporting Documentation.
<b>Additional SERFF Filing Requirements</b>	<b>Administrative Letter 2012-03</b>	<b>Additional SERFF filing requirements must be met as specified below for life and health forms and rate filings.</b>
<b>General Information – Filing Description</b>		(i) Description of each form by name, title, edition date, other; and intended use.
		(ii) Identification of changes in benefits and premiums (previously approved or filed forms). [Place changed contract provisions (red-lined or highlighted) in Supporting Documentation].

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		(iii) Identification of SERFF or state tracking number for the previously approved or filed form for which the new form revises, replaces, or is intended to be used.
		(iv) A statement as to whether any other regulatory body has withdrawn approval of the form because the form contains one or more provisions that were deemed to be misleading, deceptive or contrary to public policy.
<b>HELP TIP:</b>		If a form or rate filing is submitted as new in Virginia, but was previously disapproved or withdrawn in Virginia, please provide details such as the state tracking information, form number, and the date that the form or rate filing was disapproved or withdrawn, if available.
<b>Forms</b>		
Form Number	14VAC5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company Name & Address	14VAC5-100-50 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	14VAC5-100-50 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	14VAC5-100-50 4	Any form, 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	14VAC5-100-50 5 14VAC5-110-50 C	Individual Accident and Sickness forms must be printed with type size of at least 10-point type.
Flesch Score	14VAC5-110-50 D	Flesch score reading of 40 or more.
Readability	14VAC5-110-60	Readability certification is required. Must disclose the score, number of words, sentences, and syllables for each form.
Contents of Policies	§ 38.2-305 A	Each policy/contract shall specify the: (1) The names of parties to the contract, (2) The subject of the insurance, (3) The risk insured against, (4) The time the insurance takes effect, and the period during which the insurance is to continue, (5) A statement of premium, (6) Conditions pertaining to the insurance.
Important Notice	§ 38.2-305 B	Each new or renewal policy/contract/certificate/evidence of coverage shall be accompanied by an important notice as stated in the statute.
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 Code of Virginia does not define "Insurance Fraud". Any fraud notice that includes the term "insurance fraud" is not in compliance with this section of the Code. In Virginia, a fraud notice relating to life insurance, annuities, accident and sickness, health maintenance organizations, health services plans, credit accident and sickness and credit life insurance should not include references to imprisonment or fines. Variations in a notice warning of consequences of making fraudulent statements will be considered.
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 intellectual disability or physical handicap; and (2) Chiefly dependent on the insured for support and maintenance.  Additional premium may be charged based upon class of risks.
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.
Policy Summary	§ 38.2-5207.1	Policy summary required. Specific information that must in the summary – life insurance only.
Monthly Report	§ 38.2-5207.2	Monthly reports required. Specific information must be contained in the report – life insurance only.
30-day Free Look	§ 38.2-5208	
Incontestability	§ 38.2-5209	
Nonforfeiture Benefit Offer	§ 38.2-5210 14VAC5-200-185	Does not apply to accelerated benefits under life insurance.
Disclosure of Tax Consequences	14VAC5-200-70 F	Receipt of accelerated benefits for long-term care services may be taxable and a tax advisor should be consulted.
LTC Caution Notice	14VAC5-200-80 C 2	Required language <b>in bold print</b> .
Notice to Buyer	14VAC5-200-170 A 3	Required language.
<b>General Policy Provisions</b>		
Grace Period	§ 38.2-3503 A 3	The provision defines the grace period and length of the various acceptable grace periods.
Reinstatement	§ 38.2-3503 A 4	
Unintentional Lapse	14VAC5-200-65 A 3	The policy must specify an additional 30 days for an unintentional lapse of coverage.
	14VAC5-200-65 B	The regulation provides for an extended reinstatement period due to cognitive impairment.

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<b><i>Prohibited Provisions</i></b>		
Subrogation	§ 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.
Liability Insurance	§ 38.2-3405 B	Benefits may not be reduced due to benefits payable due to benefits provided by a liability insurance contract.
Workers' Compensation	§ 38.2-3405 D	The statute discusses exceptions to exclusions due to benefits payable under workers' compensation.
	§ 38.2-5203	Specified provisions prohibited in a long-term care policy.
	§ 38.2-5205 A	Prior institutionalization may not be a requirement to receive benefits.
Minimum Standards for Home Health Care	14VAC5-200-90	The minimum standards include prohibited exclusions and restrictions regarding home health care benefits.
	14VAC5-200-190	Preexisting conditions and waiting periods may not be used in replacement policies.
<b><i>LTC Policy Requirements</i></b>		
Duration of Benefits	§ 38.2-5200	Coverage must be provided for a minimum of 12 months.
Definitions	§ 38.2-5200 14VAC5-200-50	Certain terms defined.
Refund of Premium for Cancellation or Termination of Policy	§ 38.2-5202.1	Provides for the termination of the policy by the <b>insured</b> and for cancellation of the policy by the <b>insurer</b> , 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.
Limitations or Conditions on Eligibility for Benefits	§ 38.2-5205 B 14VAC5-200-187	Permissible benefit triggers and requirements.
Limitations and Exclusions	14VAC5-200-60 B	
Extension of Benefits	14VAC5-200-60 C	
UCR Defined	14VAC5-200-70 C	The term must be defined If benefits are based on usual, reasonable and customary charges.
	14VAC5-200-70 D	If policy includes limitations due to a preexisting condition, such limitations must be included labeled as "Preexisting Condition Limitations."
LTC Personal Worksheet	14VAC5-200-175 C 2	Must be in no less than 12-point type and include the information and in the format as shown in Form B.
Right to Reduce Coverage and Lower Premiums	14VAC5-200-183	The policy shall include a provision that allows the certificateholder to reduce coverage and lower the premium.
Inflation Protection	14VAC5-200-183 A 3	In the event the reduction in coverage involves the reduction or elimination of the inflation protection provision, the insurer shall allow the policyholder to continue the benefit amount in effect at the time of the reduction.

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<b>Disclosures</b>		
	§ 38.2-3504 11	Intoxicants and narcotics.
	38.2-5207 1; 14VAC5-200-200	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.
Applies to policies where premiums can be revised	14VAC5-200-70 A 2	The policy shall include a clear and prominent statement in bold type and in all capital letters that the premium rates may be increased.
	§ 38.2-5207 4; 14VAC5-200-70 H	A tax-qualified plan must be definitively identified as such.
Signed Acceptance for Riders and Amendments	14VAC5-200-70 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	14VAC5-200-70 F	Receipt of accelerated benefits for long-term care services may be taxable and a tax advisor should be consulted.
	14VAC5-200-70 I	A non-tax-qualified plan must be identified as such.
	14VAC5-200-75 D	Any reference to a premium increase shall disclose that notice of premium increase shall be at least 75 days prior to implementation of premium rate schedule.
Policies that Include Issue Ages of 65 or Higher	14VAC5-170-150 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.
<b>Rates</b>		
New Rates	14VAC5-130-60 A & B	Filing and Actuarial Memorandum for new rates include the required information.
Revised Rates	14VAC5-130-70 A & B	Filing and Actuarial Memorandum for revised rates include the required information.

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

The Forms and Rates Section of the Life and Health Division reviews individual long-term care riders (Form, Rates). 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 (Form, Rates) filing and determined that it is in compliance with the individual long-term care rider (Form, Rates) checklist.

Signed: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Company Name: \_\_\_\_\_

Date: \_\_\_\_\_ Phone No: ( ) \_\_\_\_\_ FAX No: ( ) \_\_\_\_\_

E-Mail Address: \_\_\_\_\_