☞ **07hr_JCR-AR_Misc_pt31b**

☞ Details: Emergency Rule by Office of the Commissioner of Insurance.

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS

2007-08
(session year)

Joint
(Assembly, Senate or Joint)

Committee for Review of Administrative Rules...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
  (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (August 2012)

[In bold type larger than the maximum type required to be used for the other provisions of the outline of coverage, state whether or not the company has a right to change the premium, and if a right exists, describe clearly and concisely each circumstance under which the premium may change.]

6. TERMS UNDER WHICH THE POLICY OR CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED.

   (a) [Provide a brief description of the right to return–"free look" provision of the policy.]

   (b) [Include a statement that the policy either does or does not contain provisions providing for a refund or partial refund of premium upon the death of an insured or surrender of the policy or certificate. If the policy contains such provisions, include a description of them.]

7. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE. If you are eligible for Medicare, review the Medicare Supplement Buyer's Guide available from the insurance company.

   (a) [For agents] Neither [insert company name] nor its agents represent Medicare, the federal government or any state government.

   (b) [For direct response] [insert company name] is not representing Medicare, the federal government or any state government.

8. LONG-TERM CARE COVERAGE. Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community or in the home.

   This policy provides coverage in the form of a fixed dollar indemnity benefit for covered long-term care expenses, subject to policy [limitations] [waiting periods] and [coinsurance] requirements. [Modify this paragraph if the policy is not an indemnity policy.]

9. BENEFITS PROVIDED BY THIS POLICY.

   (a) [Covered services, related deductibles, waiting periods, elimination periods and benefit maximums.]

   (b) [Institutional benefits, by skill level.]

   (c) [Non-institutional benefits, by skill level.]

   (d) Eligibility for Payment of Benefits

      [Activities of daily living and cognitive impairment shall be used to measure an insured's need for long-term care and shall be defined and described as part of the outline of coverage.]

   [Any additional benefit triggers shall also be explained. If these triggers differ for different benefits, explanation of the triggers shall accompany each benefit description. If an attending physician or other specified person shall certify a certain level of functional dependency in order to be eligible for benefits, this too shall be specified.]

10. LIMITATIONS AND EXCLUSIONS.

    [Describe:

    (a) Preexisting conditions;

(b) Non-eligible facilities and providers;

(c) Non-eligible levels of care (e.g., unlicensed providers, care or treatment provided by a family member, etc.);

(d) Exclusions and exceptions;

(e) Limitations.]

[This section should provide a brief specific description of any policy provisions which limit, exclude, restrict, reduce, delay, or in any other manner operate to qualify payment of the benefits described in Number 9 above.]

THIS POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG-TERM CARE NEEDS.

11. RELATIONSHIP OF COST OF CARE AND BENEFITS. Because the costs of long-term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. [As applicable, indicate the following:

(a) That the benefit level will not increase over time;

(b) Any automatic benefit adjustment provisions;

(c) Whether the insured will be guaranteed the option to buy additional benefits and the basis upon which benefits will be increased over time if not by a specified amount or percentage;

(d) If there is such a guarantee, include whether additional underwriting or health screening will be required, the frequency and amounts of the upgrade options, and any significant restrictions or limitations;

(e) And finally, describe whether there will be any additional premium charge imposed, and how that is to be calculated.]

12. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.

[State that the policy provides coverage for insureds clinically diagnosed as having Alzheimer's disease or related degenerative and dementing illnesses. Specifically describe each benefit screen or other policy provision that provides preconditions to the availability of policy benefits for such an insured.]

13. PREMIUM.

[(a) State the total annual premium for the policy;

(b) If the premium varies with an applicant's choice among benefit options, indicate the portion of annual premium that corresponds to each benefit option.]

14. ADDITIONAL FEATURES.

[(a) Indicate if medical underwriting is used;

(b) Describe other important features.]

15. CONTACT THE WISCONSIN SENIOR HEALTH INSURANCE INFORMATION PROGRAM OR YOUR COUNTY BENEFIT SPECIALIST IF YOU HAVE GENERAL QUESTIONS REGARDING LONG-TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE

SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE POLICY OR CERTIFICATE.

Ins 3.46 APPENDIX 2
Long-Term Care Insurance
Personal Worksheet

People buy long-term care insurance for a variety of reasons. These reasons include avoiding spending assets for long-term care, to make sure there are choices regarding the type of care received, to protect family members from having to pay for care, or to decrease the chances of going on Medicaid. However, long-term care insurance can be expensive and is not appropriate for everyone. State law requires the insurance company to ask you to complete this worksheet to help you and the insurance company determine whether you should buy this policy.

PREMIUM

Policy Form Number(s) ____________________

The premium for the coverage you are considering will be [$________ per month, or $__________ per year,] [a one-time single premium of $________.]

Type of Policy (noncancellable/guaranteed renewable): ______________________________

[The company cannot raise your rates on this policy.] [The company has a right to increase premiums on this policy form in the future, provided it raises rates for all policies in the same class in this state.] [Insurers shall use appropriate bracketed statement. Rate guarantees may not be shown on this form.]

Note: The insurer shall use the bracketed sentence or sentence applicable to the product offered. If a company includes a statement regarding not having raised rates, it shall disclose the company's rate increases under prior policies providing essentially similar coverage.

RATE INCREASE HISTORY

The company has sold long-term care insurance since [year] and has sold this policy since [year]. [The company has never raised its rates for any long-term care policy it has sold in this state or any other state.] [The company has not raised its rates for this policy form or similar policy forms in this state or any other state in the last 10 years.] [The company has raised its premium rates on this policy form or similar policy forms in the last 10 years. Following is a summary of the rate increase(s).]

QUESTIONS RELATED TO YOUR INCOME

_ Income _ Savings _ Family members

[Have you considered whether you could afford to keep this policy if the premiums were raised, for example, by 20%?]

Note: The insurer shall use the bracketed sentence unless the policy is fully paid up or is a noncancellable policy.

What is your annual income? (check one)

_ Under $10,000 _ $10,000-20,000 _ $20,000-30,000 _ $30,000-50,000 _ Over $50,000

Note: The insurer may choose the numbers to put in the brackets to fit its suitability standards.

How do you expect your income to change over the next 10 years? (check one)

_ No change _ Increase _ Decrease

If you will be paying premiums with money received only from your own income, a rule of thumb is that you may not be able to afford this policy if the premiums will be more than 7% of your income.

Will you buy inflation protection? (check one) ☐Yes ☐No

If not, have you considered how you will pay for the difference between future costs and your daily benefit amount?

☐From my Income ☐From my Savings \ Investments ☐My Family will Pay

The national average annual cost of care in [insert year] was [insert $ amount], but this figure varies across the country. In ten years the national average annual cost would be about [insert $ amount] if costs increase 5% annually.

What elimination period are you considering? Number of days _______Approximate cost $__________ for that period of care.

How are you planning to pay for your care during the elimination period? (check one)

☐From my Income ☐From my Savings \ Investments ☐My Family will Pay

QUESTIONS RELATED TO YOUR SAVINGS AND INVESTMENTS

Not counting your home, what is the approximate value of all of your assets (savings and investments)? (check one)

_ Under $20,000 _ $20,000-$30,000 _ $30,000-$50,000 _ Over $50,000

How do you expect your assets to change over the next ten years? (check one)

_ Stay about the same _ Increase _ Decrease

If you are buying this policy to protect your assets and your assets are less than $30,000, you may wish to consider other options for financing your long-term care.

DISCLOSURE STATEMENT

___The answers to the questions above describe my financial situation.

or

___I choose not to complete this information.

(Check one.)

___I acknowledge that the carrier or its agent (below) has reviewed this form with me including the premium, premium rate increase history and potential for premium increases in the future. [For direct mail situations, use the following: I acknowledge that I have reviewed this form including the premium, premium rate increase history and potential for premium increases in the future.] I understand the above disclosures. I understand that the rates for this policy may increase in the future. (This box shall be checked).

Signed:____

(Applicant)(Date)

[I explained to the applicant the importance of completing this information.)

Signed:__________________________ ______________

(Agent)(Date)

Agent's Printed Name:__________________________]

Note: In order for us to process your application, please return this signed statement to [name of company], along with your application.

[My agent has advised me that this policy does not appear to be suitable for me. However, I still want the company to consider my application.]

Signed:__________________________ ______________]

(Applicant)(Date)

Ins 3.46 APPENDIX 3

Things you Should know Before you Buy Long-Term Care Insurance

Long-Term Care Insurance	▪ A long-term care insurance policy may pay most of the costs for your care in a nursing home. Many policies also pay for care at home or other community settings. Since policies can vary in coverage, you should read this policy and make sure you understand what it covers before you buy it.
	▪ [You should not buy this insurance policy unless you can afford to pay the premiums every year.] [Remember that the company can increase premiums in the future.]

[Note: For single premium policies, delete the above bullet; for noncancellable policies, delete the second sentence only.]

	▪ The personal worksheet includes questions designed to help you and the company determine whether this policy is suitable for your needs.
Medicare	▪ Medicare does not pay for most long-term care.
Medicaid	▪ Medicaid will generally pay for long-term care if you have very little income and few assets. You probably should not buy this policy if you are now eligible for Medicaid.
	▪ Many people become eligible for Medicaid after they have used up their own financial resources by paying for long-term care services.
	▪ When Medicaid pays your spouse's nursing home bills, you are allowed to keep your house and furniture, a living allowance, and some of your joint assets.
	▪ Your choice of long-term care services may be limited if you are receiving Medicaid. To learn more about Medicaid, contact your local or state Medicaid agency.
Shopper's Guide	▪ Make sure the insurance company or agent gives you a copy of a booklet called the "Guide to Long-Term Care." Read it carefully. If you have decided to apply for long-term care insurance, you have the right to return the policy within 30 days and get back any premium you have paid if you are dissatisfied for any reason or choose not to purchase the policy.
Counseling	▪ Free counseling and additional information about long-term care insurance are available through your state's insurance counseling program. Contact your state department on aging for more information about the senior health insurance counseling program in your state.
Facilities	▪ Some long-term care insurance contracts provide for benefit payments in certain facilities only if they are licensed or certified, such as in assisted living centers. However, not all states regulate these facilities in the same way. Also, many people move to a different state from where they purchased their long-term care insurance policy. Read the policy carefully to determine what types of facilities qualify for benefit payments, and to determine that payment for a covered service will be made if you move to a state that has a different

licensing scheme for facilities than the one in which you purchased the policy.

Long-Term Care Insurance Suitability Letter

Dear [Applicant]:

Your recent application for [long-term care insurance] [insurance for care in a nursing home] [insurance for care at home or other community setting] included a "personal worksheet," which asked questions about your finances and your reasons for buying this coverage. For your protection, state law requires us to consider this information when we review your application, to avoid selling a policy to those who may not need coverage.

[Your answers indicate that insurance coverage you applied for may not meet your financial needs. We suggest that you review the information provided along with your application, including the booklet "Guide to Long-Term Care" and the page titled "Things You Should Know Before Buying Long-Term Care Insurance." The Wisconsin Office of the Commissioner of Insurance also has information about long-term care insurance and may be able to refer you to a county Benefit specialist or a Senior Health Insurance Information specialist free of charge who can help you decide whether to buy this policy.]

[You chose not to provide any financial information for us to review.]

Note: Choose the paragraph and bracketed sentences in that paragraph that apply.

We have suspended our final review of your application. If, after careful consideration, you still believe this policy is what you want, check the appropriate box below and return this letter to us within the next 60 days. We will then continue reviewing your application and issue a policy if you meet our medical standards.

If we do not hear from you within the next 60 days, we will close your file and not issue you a policy. You should understand that you will not have any coverage until we hear back from you, approve your application, and issue you a policy.

Please check one box and return in the enclosed envelope.

☐ Yes, [although my worksheet indicates that nursing home only or home health care insurance only insurance may not be a suitable purchase,] I wish to purchase this coverage. Please resume review of my application.

Note: Delete the phrase in brackets if the applicant did not answer the questions about income.

☐ No, I have decided not to buy a policy at this time.

______________________________ ________________

(Applicant's Signature)(Date)

Please return to [insurer] at [address] by [date].

Ins 3.46 APPENDIX 5

Long-Term Care Insurance

Potential Rate Increase Disclosure Form

Instructions:

This form provides information to the applicant regarding premium rate schedules, rate schedule adjustments, potential rate revisions, and policyholder options in the event of a rate increase.

Insurers shall provide all of the following information to the applicant:

1. [Premium Rate] [Premium Rate Schedules]: [Premium rate] [Premium rate schedules] that [is][are] applicable to you and that will be in effect until a request is made and [filed] for an increase [is][are] [on the application][$______])

2. The [premium] [premium rate schedule] for this policy [will be shown on the schedule page of] [will be attached to] your policy.

3. Rate Schedule Adjustments:

The company will provide a description of when premium rate or rate schedule adjustments will be effective (e.g., next anniversary date, next billing date, etc.) (fill in the blank): ____________________.

4. Potential Rate Revisions:

This policy is Guaranteed Renewable. This means that the rates for this policy may be increased in the future. Your rates can NOT be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders with a policy similar to yours.

If you receive a premium rate or premium rate schedule increase in the future, you will be notified of the new premium amount and you will be able to exercise at least one of the following options:

• Pay the increased premium and continue your policy in force as is.

• Reduce your policy benefits to a level such that your premiums will not increase. (Subject to state law minimum standards.)

• Exercise your nonforfeiture option if purchased. (This option is available for purchase for an additional premium.)

• Exercise your contingent nonforfeiture rights.* (This option may be available if you do not purchase a separate nonforfeiture option.)

*Contingent Nonforfeiture

If the premium rate for your policy goes up in the future and you didn't buy a nonforfeiture option, you may be eligible for contingent nonforfeiture. Here's how to tell if you are eligible:

You will keep some long-term care insurance coverage, if:

Your premium after the increase exceeds your original premium by the percentage shown (or more) in the following table and

You lapse (not pay more premiums) within 120 days of the increase.

The amount of coverage (i.e., new lifetime maximum benefit amount) you will keep will equal the total amount of premiums you've paid since your policy was first issued. If you have already received benefits under the policy, so that the remaining maximum benefit amount is less than the total amount of premiums you've paid, the amount of coverage will be that remaining amount.

Except for this reduced lifetime maximum benefit amount, all other policy benefits will remain at the levels attained at the time of the lapse and will not increase thereafter.

Should you choose this Contingent Nonforfeiture option your policy with this reduced maximum benefit amount will be considered paid up with no further premiums due.

Example:

You bought the policy at age 65 and paid the $1,000 annual premium for 10 years, so you have paid a total of $10,000 in premium.

In the eleventh year, you receive a rate increase of 50%, or $500 for a new annual premium of $1,500, and you decide to lapse the policy (not pay any more premiums).

Your paid-up policy benefits are $10,000 (provided you have at least $10,000 of benefits remaining under your policy.)

Contingent Nonforfeiture
Cumulative Premium Increase over Initial Premium
That qualifies for Contingent Nonforfeiture

(Percentage increase is cumulative from date of original issue. It does NOT represent a one-time increase.)

Issue Age	**Percent Increase Over Initial Premium**
29 and under	200%
30-34	190%
35-39	170%
40-44	150%
45-49	130%
50-54	110%
55-59	90%
60	70%
61	66%
62	62%
63	58%
64	54%
65	50%
66	48%
67	46%
68	44%
69	42%

70	40%
71	38%
72	36%
73	34%
74	32%
75	30%
76	28%
77	26%
78	24%
79	22%
80	20%
81	19%
82	18%
83	17%
84	16%
85	15%
86	14%
87	13%
88	12%
89	11%
90 and over	10%

[The following contingent nonforfeiture disclosure need only be included for those limited pay policies to which sub. (19) (j) is applicable.]

In addition to the contingent nonforfeiture benefits described above, the following reduced "paid-up" contingent nonforfeiture benefit is an option in all policies that have a fixed or limited premium payment period, even if you selected a nonforfeiture benefit when you bought your policy. If both the reduced "paid up" benefit AND the contingent benefit described above are triggered by the same rate increase, you can choose either of the two benefits.

You are eligible for the reduced "paid up" contingent nonforfeiture benefit when all three conditions shown below are met:

1. The premium you are required to pay after the increase exceeds your original premium by the same percentage or more shown in the chart below;

Triggers for a Substantial Premium Increase

Issue Age	Percent Increase Over Initial Premium
Under 65	50%
65-80	30%
Over 80	10%

2. You stop paying your premiums within 120 days of when the premium increase took effect; AND
3. The ratio of the number of months you already paid premiums is 40% or more than the number of months you originally agreed to pay.

If you exercise this option, your coverage will be converted to reduced "paid-up" status. That means there will be no additional premiums required. Your benefits will change in the following ways:

a. The total lifetime amount of benefits your reduced paid up policy will provide can be determined by multiplying 90% of the lifetime benefit amount at the time the policy becomes paid up by the ratio of the number of months you already paid premiums to the number of months you agreed to pay them.

b. The daily benefit amounts you purchased will also be adjusted by the same ratio.

If you purchased lifetime benefits, only the daily benefit amounts you purchased will be adjusted by the applicable ratio.

Example:

- You bought the policy at age 65 with an annual premium payable for 10 years.
- In the sixth year, you receive a rate increase of 35% and you decide to stop paying premiums.
- Because you have already paid 50% of your total premium payments and that is more than the 40% ratio, your "paid-up" policy benefits are .45 (.90 times .50) times the total benefit amount that was in effect when you stopped paying your premiums. If you purchased inflation protection, it will not continue to apply to the benefits in the reduced "paid-up" policy.

SECTION 20. Ins 3.46 Appendices (6) to (10) are created to read:

Ins 3.46 APPENDIX 6
NOTICE TO APPLICANT REGARDING REPLACEMENT OF INDIVIDUAL ACCIDENT AND SICKNESS OR LONG-TERM CARE INSURANCE
[Insurance company's name and address]

SAVE THIS NOTICE! IT MAY BE IMPORTANT TO YOU IN THE FUTURE.

According to [your application] [information you have furnished], you intend to lapse or otherwise terminate existing accident and sickness or long-term care insurance and replace it with an individual long-term care insurance policy to be issued by [company name] Insurance Company. Your new policy provides thirty (30) days within which you may decide, without cost, whether you desire to keep the policy. For your own information and protection, you should be aware of and seriously consider certain factors that may affect the insurance protection available to you under the new policy.

You should review this new coverage carefully, comparing it with all accident and sickness or long-term care insurance coverage you now have, and terminate your present policy only if, after due consideration, you find that purchase of this long-term care coverage is a wise decision.

STATEMENT TO APPLICANT BY AGENT [BROKER OR OTHER REPRESENTATIVE]:

(Use additional sheets, as necessary.)

I have reviewed your current medical or health insurance coverage. I believe the replacement of insurance involved in this transaction materially improves your position. My conclusion has taken into account the following considerations, which I call to your attention:

1. Health conditions that you may presently have (preexisting conditions), may not be immediately or fully covered under the new policy. This could result in denial or delay in payment of benefits under the new policy, whereas a similar claim might have been payable under your present policy.

2. State law provides that your replacement policy or certificate may not contain new preexisting conditions or probationary periods. The insurer will waive any time periods applicable to preexisting conditions or probationary periods in the new policy (or coverage) for similar benefits to the extent such time was spent (depleted) under the original policy.

3. If you are replacing existing long-term care insurance coverage, you may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interest to make sure you understand all the relevant factors involved in replacing your present coverage.

4. If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical health history. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed and before your sign it, reread it carefully to be certain that all information has been properly recorded.

____

(Signature of Agent, Broker or Other Representative)

[Typed Name and Address of Agent or Broker]

The above "Notice to Applicant" was delivered to me on:

________________________ ____________________

(Applicant's Signature) (Date)

Ins 3.46 APPENDIX 7
NOTICE TO APPLICANT REGARDING REPLACEMENT OF ACCIDENT AND SICKNESS OR LONG-TERM CARE INSURANCE

[Insurance company's name and address]

SAVE THIS NOTICE! IT MAY BE IMPORTANT TO YOU IN THE FUTURE.

According to [your application] [information you have furnished], you intend to lapse or otherwise terminate existing accident and sickness or long-term care insurance and replace it with the long-term care insurance policy delivered herewith issued by [company name] Insurance Company. Your new policy provides thirty (30) days within which you may decide, without cost, whether you desire to keep the policy. For your own information and protection, you should be aware of and seriously consider certain factors that may affect the insurance protection available to you under the new policy.

You should review this new coverage carefully, comparing it with all accident and sickness or long-term care insurance coverage you now have, and terminate your present policy only if, after due consideration, you find that purchase of this long-term care coverage is a wise decision.

1. Health conditions that you may presently have (preexisting conditions), may not be immediately or fully covered under the new policy. This could result in denial or delay in payment of benefits under the new policy, whereas a similar claim might have been payable under your present policy.

2. State law provides that your replacement policy or certificate may not contain new preexisting conditions or probationary periods. Your insurer will waive any time periods applicable to preexisting conditions or probationary periods in the new policy (or coverage) for similar benefits to the extent such time was spent (depleted) under the original policy.

3. If you are replacing existing long-term care insurance coverage, you may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interest to make sure you understand all the relevant factors involved in replacing your present coverage.

4. [To be included only if the application is attached to the policy.] If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, read the copy of the application attached to your new policy and be sure that all questions are answered fully and correctly. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to [company name and address] within thirty (30) days if any information is not correct and complete, or if any past medical history has been left out of the application.

[Company Name]

Ins 3.46 APPENDIX 8
RESCISSION REPORTING FORM FOR LONG-TERM CARE POLICIES

FOR THE STATE OF ______________
FOR THE REPORTING YEAR [ ]
Company Name: ______________
Address: ______________
____
Phone Number: ______________

Due: March 1 annually

Instructions:

The purpose of this form is to report all rescissions of long-term care insurance policies or certificates. Those rescissions voluntarily effectuated by an insured are not required to be included in this report. Please furnish one form per rescission.

Policy Form #	Policy and Certificate #	Name of Insured	Date of Policy Issuance	Date/s Claim/s Submitted	Date of Rescission

Detailed reason for rescission:
____
____
____
____
____

____
Signature

____
Name and Title (please type)

____
Date

INS 3.46 Appendix 9
Claims Denial Reporting Form
Long-Term Care Insurance

For the State of ______________________
For the Reporting Year of ______________
Company Name: ____________________________________
Due: June 30 annually
Company Address:
____
____
Company NAIC Number: ____________________________________
Contact Person: ________________________ Phone Number: ____________________
Line of Business: Individual Group

Instructions

The purpose of this form is to report all long-term care claim denials under in force long-term care insurance policies. "Denied" means a claim that is not paid for any reason other than for claims not paid for failure to meet the waiting period or because of an applicable preexisting condition.

		State Data	Nationwide Data[1]
1	Total Number of Long-Term Care Claims Reported		
2	Total Number of Long-Term Care Claims Denied/Not Paid		
3	Number of Claims Not Paid due to Preexisting Condition Exclusion		
4	Number of Claims Not Paid due to Waiting (Elimination) Period Not Met		
5	Net Number of Long-Term Care Claims Denied for Reporting Purposes (Line 2 Minus Line 3 Minus Line 4)		
6	Percentage of Long-Term Care Claims Denied of Those Reported (Line 5 Divided By Line 1)		
7	Number of Long-Term Care Claim Denied due to:		
8	• Long-Term Care Services Not Covered under the Policy[2]		
9	• Provider/Facility Not Qualified under the Policy[3]		
10	• Benefit Eligibility Criteria Not Met[4]		
11	• Other		

1. The nationwide data may be viewed as a more representative and credible indicator where the data for claims reported and denied for your state are small in number.
2. Example—home health care claim filed under a nursing home only policy.
3. Example—a facility that does not meet the minimum level of care requirements or the licensing requirements as outlined in the policy.
4. Examples—a benefit trigger not met, certification by a licensed health care practitioner not provided, no plan of care.

INS 3.46 Appendix 10

Long-Term Care Insurance Replacement and Lapse Reporting Form

For the State of ____________________
For the Reporting Year of _____________
Company Name: _________________________
Due: June 30 annually
Company Address: _________________________
Company NAIC Number: __________
Contact Person: _________________________
Phone Number: (____)__________

Instructions:

The purpose of this form is to report on a statewide basis information regarding long-term care insurance policy replacements and lapses. Specifically, every insurer shall maintain records for each agent on that agent's amount of long-term care insurance replacement sales as a percent of the agent's total annual sales and the amount of lapses of long-term care insurance policies sold by the agent as a percent of the agent's total annual sales. The tables below should be used to report the ten percent (10%) of the insurer's agents with the greatest percentages of replacements and lapses.

Listing of the 10% of Agents with the Greatest Percentage of Replacements

Agent's Name	Number of Policies Sold By This Agent	Number of Policies Replaced By This Agent	Number of Replacements As % of Number Sold By This Agent

Listing of the 10% of Agents with the Greatest Percentage of Lapses

Agent's Name	Number of Policies Sold By This Agent	Number of Policies Lapsed By This Agent	Number of Lapses As % of Number Sold By This Agent

<u>Company Totals</u>
Percentage of Replacement Policies Sold to Total Annual Sales ____%
Percentage of Replacement Policies Sold to Policies In Force (as of the end of the preceding calendar year) ____%
Percentage of Lapsed Policies to Total Annual Sales _____%
Percentage of Lapsed Policies to Policies In Force (as of the end of the preceding calendar year) ____%

SECTION 21. Ins 3.465 is created to read:

INS 3.465 WISCONSIN LONG-TERM CARE PARTNERSHIP PROGRAM. **(1)** GENERAL APPLICABILITY. The provisions within s. Ins 3.46 regarding insurance transactions for long-term care and life insurance policies with long-term care provisions apply to insurance transactions described within this section.

(2) DEFINITIONS. The definitions contained in ss. Ins 3.455 and 3.46 also apply in this section. In addition, the following definitions apply in this section:

(a) "Automatic exchange" means the issuance of a notice from an insurer informing an existing insured that the policy the insured purchased prior to January 1, 2009, from the insurer has been approved by the commissioner as a policy that meets the requirements of the state's partnership program and, as such, the policy will be treated from the date of the notice as a qualifying partnership policy.

(b) "Consumer price index" means the consumer price index for all urban consumers, U.S. city average, all items, as determined by the Bureau of Labor Statistics of the United States Department of Labor.

(c) "Qualified long-term care insurance contract" or "federally tax-qualified long-term care insurance contract" means an individual or group insurance long-term care, nursing home or home health care contract that meets the requirements of s. 7702B(b) of the Internal Revenue Code of 1986, as amended, or the portion of a life insurance contract that provides long-term care insurance coverage by rider or as part of the contract and that satisfies the requirements of sections 7702B(b) and (c) of the Internal Revenue Code of 1986, as amended.

(d) "Qualifying partnership policy exchange" means the exchange of an existing long-term care insurance plan with an identical policy that on or after January 1, 2009 is certified by the insurer to meet the federal requirements established for the state's partnership program or the exchange of an existing long-term care insurance policy with an identical policy except for the addition of a benefit or rider that, on or after January 1, 2009, is certified by the insurer to meet the federal requirements established for the state's partnership program.

(e) "Secretary" means the U. S. Secretary of the Department of Health and Human Services.

(3) QUALIFYING PARTNERSHIP POLICIES. (a) This section applies to an insurer offering a long-term care policy that is intended to qualify an insured under the state's partnership program and that is in compliance with the requirements of 42 U.S.C 1396p (b).

(b) In order for a long-term care policy to qualify as a qualifying partnership policy, the policy shall comply with the requirements set forth in s. 49.45 (31), Stats., and the all of the following:

1. Be filed with and approved by the commissioner prior to use and contain the certification referenced in sub. (5) (a), and comply with s. 631.28, Stats.

2. Meet the requirements of a tax-qualified long-term care insurance contract as defined in Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

3. Meet all applicable requirements of this section and ss. Ins 3.455 and 3.46.

4. Be accompanied by a clear disclosure that the policy is intended to be a qualifying partnership policy. The disclosure shall be in the format contained in Appendix 1.

5. Provide inflation protection provisions in compliance with sub. (5).

6. Not base underwriting criteria upon whether or not the policy is a qualifying partnership policy.

(4) FORM REQUIREMENTS FOR QUALIFYING PARTNERSHIP POLICIES. An insurer that offers a long-term care insurance policy that is intended to qualify an insured under the state's partnership program shall comply with all of the following:

(a) File the policy, outline of coverage, premium rates, and actuarial memorandum to the commissioner in accordance with s. 631.20, Stats., and s. Ins 3.455, and include the qualifying partnership policy certification form.

Note: The qualifying partnership policy certification form (OCI No. 26-113) can be obtained from the Office of the Commissioner of Insurance at no cost from the OCI website www.oci.wi.gov or by writing to the State of Wisconsin Office of the Commissioner of Insurance 125 S. Webster, Madison, WI 53703.

(b) Submit the qualifying partnership policy certification form to the commissioner, prior to use, for approval if an insurer intends to use a previously approved policy to qualify as a qualifying partnership policy.

(c) File the endorsement or rider and submit the qualifying partnership policy certification form to the commissioner, prior to use, for approval if the insurer intends to amend a previously approved policy with an endorsement or rider, as needed, to qualify the policy as a qualifying partnership policy.

(d) Certification shall be in the format specified by the commissioner and identified as OCI No. 26-113, and comply with the following:

1. The certification shall be made and signed by an officer of the insurer having the authority to bind the insurer and shall include full contact information for the certifying officer.

2. The certification for pars. (b) and (c) shall identify the policy by the original form number and approval date.

(5) INFLATION PROTECTION REQUIREMENTS. An insurer offering a long-term care insurance policy that is intended to qualify an insured under the state partnership program shall comply with the following inflation protection provisions.

(a) For a person who is less than 61 years of age as of the date of purchase of the policy, the policy shall provide compound annual inflation protection that complies with one of the following:

1. Provide and maintain a level premium that contains automatic annual compounded inflation increases at a rate that is at least 3%.

2. Provide and maintain a level premium that contains automatic annual compounded inflation increases at a rate based on changes in the consumer price index.

3. Provide for annual compounded inflation increases at a rate that is at least 3% and meet all of the following requirements:

a. Each benefit increase occurs automatically, unless the insured specifically rejects an increase.

b. The increases shall be provided until the insured has at least attained age 76 and each increase up to and including the increase that takes effect at age 76 may not be rejected by the insured in order to retain qualifying partnership policy status.

c. Increases may end when the insured has attained age 76, rejected an offer of inflation increase, or becomes eligible for benefits on or after age 76.

d. The additional premium for each increase under this feature may be based on the premium rates that apply to the insured's attained age at the time of the increase.

e. Rejection of an increase may not limit the coverage under the policy, except for the asset disregard feature of a qualified partnership policy, and from the insured receiving future premium increases as contemplated in s. Ins 3.455.

(b) For a person who is at least 61 years of age but less than 76 years of age as of the date of purchase of the policy, the policy shall provide inflation protection that meets the requirements of par. (5) (a) or an inflation protection feature that provides at least 3% annual simple inflation protection.

(c) For a person who is at least 76 years of age as of the date of purchase of the policy, the policy may provide inflation protection with terms no less restrictive than those identified in pars. (a) and (b), but inflation protection is not required.

(6) DISCLOSURE WHEN SOLICITING. In addition to the requirements of s. Ins 3.46, an insurer issuing or marketing a policy that is intended to qualify an insured for the state's partnership program~~,~~ shall explain at the time of solicitation the benefits associated with a qualifying partnership policy and comply with all of the following:

(a) 1. An insurer or its intermediary shall provide to each prospective applicant all of the following:

a. Qualifying partnership policy notices in the format contained in Appendix 1 and 2.

b. The Guide to Long-term Care booklet.

c. The Wisconsin Long-term Care Programs guide.

2. No insurer or intermediary shall be responsible for providing applicants the revised guides until 90 days after the insurer or intermediary has been given notice that the revised guides are available.

(b) For a qualifying partnership policy issued to a group when an outline of coverage is not delivered, the insurer or intermediary shall deliver copies of the qualifying partnership policy disclosure notice, The Guide to Long-term Care booklet, and The Wisconsin Long-term Care Programs guide.

(c) For a life insurance policy that offers long-term care insurance as a provision in the policy or in a rider that is intended to qualify an insured under the state's partnership program, the insurer or intermediary at the time of solicitation shall deliver the disclosure notice (Appendix 1), the Guide to Long-term Care booklet, and the Wisconsin Long-term Care Programs guide.

(7) OTHER DISCLOSURES. (a) When an insurer is made aware that the insured or certificateholder initiated a policy change request or declined a benefit increase that will result in the loss of the status as a qualifying partnership policy, the insurer shall provide, in writing, an explanation of how such action impacts the insured. The insurer shall also advise the insured or certificateholder of how to retain the policy as a qualified partnership policy, if requested.

(b) If a qualifying partnership policy no longer meets the requirements of the state's partnership program, the insurer shall explain, in writing, to the policyholder or certificateholder the reason for the loss of status.

(c) The insurer shall provide a completed qualifying partnership policy summary document in the format of OCI No: 26-114, when requested by the insured or the insured's authorized representative.

(8) EXCHANGE OF LONG-TERM CARE INSURANCE POLICY TO A QUALIFYING PARTNERSHIP POLICY. (a) RESTRICTIONS ON EXCHANGE. 1. Insurers offering long-term care policies that are intended to qualify an insured under the state's partnership program are subject to s. Ins 3.455 (9m).

2. Insurers issuing an automatic exchange shall comply with all of the following:

a. Only a policy that requires no modifications or additions is eligible for an automatic exchange.

b. The new policy may not be underwritten.

c. The rate used in determining the premium charged for the new policy shall be determined using the original issue age and risk class of the insured that was used to determine the rate of the existing policy and may not contemplate that the new policy is a qualified partnership policy.

d. Insurers issuing automatic exchanges shall provide insureds, at the time of notice of the automatic exchange, a copy of Appendix 1, the Guide to Long-Term Care booklet and the Wisconsin Long-Term Care Programs guide. After issuance of the notice for automatic exchange, if the insured does not decline the offer, the insurer shall provide the insured a copy of Appendix 2.

e. Insurers issuing an automatic exchange shall offer to the insured, at the time of notice of the automatic exchange, the option to decline the automatic exchange and retain the existing policy if the insured responds within a period of time not less than 120 days.

3. An insurer offering an exchange as to a qualifying partnership policy with an actuarial value of benefits exceeding the actuarial value of benefits of the existing policy shall be subject to all of the following:

a. The insurer shall treat the exchange as a replacement and comply with s. Ins 3.46, including suitability.

b. The insurer shall apply its new business long-term care underwriting guidelines to the increased benefits only.

c. The premium charged for the new policy shall be determined using the method in par. (a) (3) for existing benefits and the rate for the additional benefits using the then current age and risk class of the insured for the additional benefits only.

4. An insurer shall maintain documentation of the actuarial value analysis determination and shall provide the analysis to the commissioner upon request.

(b) OFFER OF EXCHANGE. An insurer that submits and receives approval to offer a long-term care insurance policy that is intended to be a qualifying partnership policy in this state may, subject to the following requirements, offer an exchange:

1. Within one year from the date the insurer begins to advertise, market, offer, sell, or issue policies that are intended to be qualifying partnership policies, on a one-time basis in writing, offer to all existing policyholders or certificateholders that were issued long-term care coverage by the insurer with an issue date before February 9, 2006, the option to exchange their existing long-term care policy for a qualifying partnership policy.

2. The offer shall be made on a nondiscriminatory basis without regard to the age or health status of the insured.

3. The offer shall remain open for a minimum of 120 days from the date of the mailing by the insurer.

4. The effective date of the partnership plan policy shall be the date of the exchanged policy.

5. In the event of an exchange, the insured may not lose any rights that have accrued under the original policy including, but not limited to, rights established because of the lapse of time related to pre-existing condition exclusions, elimination periods, or incontestability clauses.

6. The written offer to exchange shall include the disclosure form contained in Appendix 2 and also shall include the Guide to Long-Term Care booklet and the Wisconsin Long-Term Care Programs guide. The insurer shall file with the commissioner, prior to use and for informational purposes, the exchange letter to be used in the exchange offer.

(c) EXCHANGED POLICY REQUIREMENTS. 1. The new policy offered in an exchange or automatic exchange shall be of a form that is offered for sale by the insurer in the general market at the time of exchange.

2. A policy received in an exchange on or after January 1, 2009, is treated as newly issued and thus is eligible for partnership program status. For purposes of applying the

Medicaid rules relating to the state partnership program, the addition of a rider, endorsement, or change in schedule page for a policy may be treated as giving rise to an exchange.

(d) EXCEPTIONS AND EXEMPTIONS. 1. Insurers offering group long-term care policies are exempt from pars. (4) – (6) and (7) (a)-(c), if they comply with all of the following:

a. The policy is issued to a local, municipal, county, or state public employee group;

b. The group coverage was negotiated as part of a collective bargaining agreement;

c. The group coverage is provided to all eligible employees on a guaranteed issue basis;

d. The policy provides insureds with at least 5% compound annualized inflation protection;

e. The policy meets the requirements of par. (2) and (3);

f. No later than one year from the date the insurer begins to advertise, market, offer, sell, or issue policies that are intended to be qualifying partnership policies, the insurer shall provide notice that the policy meets the requirements of a qualifying partnership plan and shall provide the insureds with Appendix 1, the Guide to Long-Term Care booklet and the Wisconsin Long-Term Care Programs guide. The insurer shall file with the commissioner, prior to use and for informational purposes, the exchange letter to be used in the exchange offer.

g. To accomplish an automatic exchange the insurer shall apply the exchange to all group members.

h. The effective date of the qualifying partnership policy shall be the date of the exchanged policy.

i. In the event of an exchange, the insured and its certificateholders may not lose any rights that have accrued under the original policy including, but not limited to, rights established because of the lapse of time related to pre-existing condition exclusions, elimination periods, or incontestability clauses.

2. Notwithstanding par. (b), an insurer is not required to offer an exchange to an individual who is eligible for benefits or within an elimination period or who is, or who has been in, claim status on or after January 1, 2009, or who would not be eligible to apply for coverage due to issue age limitations under the new policy. The insurer may require that policyholders or certificateholders meet all eligibility requirements, including plan design, underwriting, if applicable, and payment of the required premium.

Partnership Policy Status Disclosure Notice

Important Notice Regarding Your Policy's Long-Term Care Insurance Partnership Plan Status

(Please keep this Notice with Your Policy or Certificate)

The Wisconsin Long-Term Care Insurance Partnership Program (Wisconsin Partnership Program) is a partnership between the State of Wisconsin and private insurers of long-term care insurance policies [certificates]. The Wisconsin Partnership Program became effective on January 1, 2009. This Notice explains the Medicaid asset protection that you may receive being insured under a Partnership Policy [Certificate].

Notice of Partnership Plan Policy Status. Your long-term care insurance policy [certificate] is intended to qualify as a Qualifying Partnership Policy [Certificate] under the Wisconsin Long-Term Care Insurance Partnership Program as of your policy's [certificate's] effective date.

You should also be aware that insurers are required to provide personally identifying information, including your name, to the federal government to be entered into a federal data base to which state Medicaid departments will have access.

Medicaid Asset Protection Provided by the State Medicaid Program. Long-term care insurance is one tool that helps individuals prepare for future long-term care needs. **The purchase of a Qualifying Partnership Policy [certificate] does not automatically qualify you for Medicaid.**

In particular, such policies [certificates] may permit individuals to protect assets from spend-down requirements under Wisconsin's Medicaid program if assistance under this program is ever needed and you otherwise qualify for Medicaid.

Specifically, the asset eligibility and recovery provisions of the Wisconsin Medicaid program are applied by disregarding the amount of assets equal to the amount of insurance benefits you have received from your Qualifying Partnership Policy [Certificate]. The disregarded assets are also exempt from estate recovery. For example, if you receive $200,000 of insurance benefits from your Qualifying Partnership Policy [Certificate], you generally would be able to retain $200,000 of assets above and beyond the amount of assets normally permitted for Medicaid eligibility.

Other Medicaid eligibility requirements apart from permissible assets shall be met, including special rules that may apply if the equity in your home exceeds [$750,000]. In addition, you shall meet the Medicaid program's income requirements and may be required to contribute some of your income to the costs of your care once you become eligible for Medicaid. Medicaid eligibility requirements may vary by county and may change over time. Medicaid eligibility requirements may also be different from state to state.

Additional Consumer Protections. In addition to providing Medicaid asset protection, your Partnership Policy [Certificate] has other important features. Under the rules governing Wisconsin's Long-Term Care Insurance Partnership Program, your Qualifying Partnership Policy [Certificate] shall be a tax-qualified long-term care insurance contract under Federal tax law, and as such the insurance benefits you receive from the policy generally will not be subject to income tax. (Please note that a policy or certificate can be a qualified long-term care insurance contract under Federal and State income tax law, with the same income tax treatment, even if it is not a Qualifying Partnership Policy [Certificate].) In addition, if you were under age 76 when you purchased your Qualifying Partnership Policy [Certificate], it shall provide inflation protection to help protect against potential future increases in the cost of long-term care. (For older purchasers, only an offer of inflation protection is required.)

What Could Disqualify Your Policy as a Partnership Policy [Certificate]. If you make any changes to your policy or certificate, such changes could affect whether your policy [certificate] continues to be a Qualifying Partnership Policy [Certificate]. Before you make any changes, you should consult with the [carrier's name] to determine the effect of a proposed change. In addition, if you move to a state that does not maintain a Partnership Program or does not recognize your policy as a Qualifying Partnership Policy [Certificate], you would not receive Medicaid asset protection in that state. However, the coverage contained in your policy would **not** be affected. Also, changes in Federal or State law could modify, reduce or eliminate the Medicaid asset protection available with respect to your Qualifying Partnership Policy [Certificate] after you have purchased the policy.

Additional information. If you would like further information about the Medicaid asset protection provided by your Qualifying Partnership Policy [Certificate] or the Wisconsin's Long-Term Care Insurance Partnership Program, please contact State of Wisconsin Member Services at 1-800-362-3002.

Partnership Program Notice

Important Consumer Information Regarding the Wisconsin Long-Term Care Insurance Partnership Program

Some long-term care insurance policies [certificates] sold in Wisconsin may qualify for the Wisconsin Long-Term Care Insurance Partnership Program (the Partnership Program). The Partnership Program is a partnership between state government and private insurance companies to assist individuals in planning their long-term care needs. Insurance companies voluntarily agree to participate in the Partnership Program by offering long-term care insurance coverage that meets certain State and Federal requirements. Long-term care insurance policies [certificates] that qualify as Qualifying Partnership Policies [Certificates] may protect the policyholder's [certificateholder's] assets through a feature known as "Asset Disregard" under Wisconsin's Medicaid program.

Asset Disregard means that amount of the policyholder's [certificateholder's] assets equal to the amount of long-term care insurance benefits received under a Qualifying Partnership Policy [Certificate] will be disregarded for the purpose of determining the insured's eligibility for Medicaid. This generally allows a person to keep assets equal to the insurance benefits received under a Qualifying Partnership Policy [Certificate] without affecting the person's eligibility for Medicaid. The disregarded assets are also exempt from estate recovery. All other Medicaid eligibility criteria will apply and special rules may apply to persons whose home equity exceeds $750,000. Asset Disregard is available under a Qualifying Partnership Policy [Certificate]. Therefore, you should consider if Asset Disregard is important to you, and whether a Qualifying Partnership Policy meets your needs. The purchase of a Qualifying Partnership Policy does not automatically qualify you for Medicaid.

What are the Requirements for a Partnership Policy [Certificate]? In order for a policy [certificate] to qualify as a Qualifying Partnership Policy [Certificate], it shall, among other requirements:

- Have an effective date on or after January 1, 2009;
- Be issued to an individual who was a Wisconsin resident when coverage first becomes effective under the policy;
- Be a tax-qualified policy under s. 7702(B)(b) of the Internal Revenue Code of 1986, as amended;
- Meet certain consumer protection standards; and,
- Meet the following inflation requirements:
  - For persons age 60 or younger – provide compound annual inflation protection of at least 3%.
  - For persons age 61-75 – provide annual inflation protection of at least 3% not compounded.
  - For persons age 76 and older – there are no requirements for purchasing inflation protection.

If you apply and are approved for long-term care insurance coverage, [carrier name] will provide you with written documentation as to whether or not your policy [certificate] is a Qualifying Partnership Policy.

You should also be aware that insurers are required to provide personally identifying information, including your name, to the federal government to be entered into a federal data base to which state Medicaid departments will have access.

What Could Disqualify a Policy [Certificate] from Continuing to be a Qualifying Partnership Policy? Certain types of changes to a Qualifying Partnership Policy [Certificate] could affect whether or not such policy [certificate]continues to be a Qualifying Partnership Policy [Certificate]. If you purchase a Qualifying Partnership Policy [Certificate] and later decide to make a change, you should first consult with [carrier name] to determine the effect of the proposed changes. In addition, if you move to a state that does not maintain a Partnership Program or does not recognize your policy [certificate] as a Qualifying Partnership Policy [Certificate], you would not receive treatment of you policy [certificate] under the Medicaid program of that state. However, the coverage under your policy will **not** be affected. The information contained in this disclosure is based upon current Wisconsin and Federal laws. These laws may be subject to change. Any change in law could modify, reduce or eliminate the treatment of your policy [certificate] under Wisconsin's Medicaid program.

Additional Information: If you have questions regarding long-term care insurance policies [certificates] please contact [carrier name]. If you have questions regarding current laws governing Wisconsin Medicaid eligibility, you should contact State of Wisconsin Member Services at 1-800-362-3002.

SECTION 22. Ins 3.55 (3) (cg) and (cm) are amended to read:

Ins 3.55 (3) (cg) "Life insurance-long-term-care coverage" has the meaning provided under s. Ins 3.46 (3) ~~(d)~~ (j).

(cm) "Long-term care policy" has the meaning provided under s. Ins 3.46 (3) ~~(e)~~(k).

SECTION 23. These sections may be enforced under ss. 601.41, 601.64, 601.65, Stats., or ch. 645, Stats., or any other enforcement provision of chs. 600 to 646, Stats.

SECTION 24. These sections first apply to policies or certificates issued on or after January 1, 2009 or on the first renewal date on or after January 1, 2009, but no later than January 1, 2010 for collectively bargained policies or certificates.

SECTION 25. These emergency rule changes will take effect on the date after publication, June 3, 2008, as provided in s. 227.24 (1) (c), Stats.

Dated at Madison, Wisconsin, this 28 day of May, 2008.

Sean Dilweg
Commissioner of Insurance

Office of the Commissioner of Insurance
Private Sector Fiscal Analysis

for Section Ins 3.455, 3.46, and 3.465 relating to long-term care plans including the plans qualifying for the Wisconsin long-term care insurance partnership program and affecting small business

This rule change will have no significant effect on the private sector regulated by OCI.

Division of Executive Budget and Finance
DOA-2047 (R10/2000)

Wisconsin Department of Administration

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

[X] ORIGINAL [ ] UPDATED
[ ] CORRECTED [ ] SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number **INS 3455er**

Subject
long-term care plans including the plans qualifying for the Wisconsin long-term care insurance partnership program and affecting small business

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
None

Annualized Costs:	Annualized Fiscal Impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	$ 0	$ -0
(FTE Position Changes)	(0 FTE)	(-0 FTE)
State Operations - Other Costs	0	-0
Local Assistance	0	-0
Aids to Individuals or Organizations	0	-0
TOTAL State Costs by Category	$ 0	$ -0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	$ 0	$ -0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
C. State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	$ 0	$ -0
GPR Earned	0	-0
FED	0	-0
PRO/PRS	0	-0
SEG/SEG-S	0	-0
TOTAL State Revenues	$ 0 None	$ -0 None

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	$ None 0	$ None 0
NET CHANGE IN REVENUES	$ None 0	$ None 0

Prepared by: Julie E. Walsh	Telephone No. (608) 264-8101	Agency Insurance
Authorized Signature:	Telephone No.	Date (mm/dd/ccyy) 05/28/2008

Division of Executive Budget and Finance
DOA-2048 (R10/2000)

Wisconsin Department of Administration

FISCAL ESTIMATE

☒ ORIGINAL ☐ UPDATED
☐ CORRECTED ☐ SUPPLEMENTAL

LRB Number	Amendment No. if Applicable
Bill Number	Administrative Rule Number **INS 3455er**

Subject

long-term care plans including the plans qualifying for the Wisconsin long-term care insurance partnership program and affecting small business

Fiscal Effect

State: ☒ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

☐ Increase Existing Appropriation ☐ Increase Existing Revenues
☐ Decrease Existing Appropriation ☐ Decrease Existing Revenues
☐ Create New Appropriation

☐ Increase Costs - May be possible to Absorb Within Agency's Budget ☐ Yes ☐ No

☐ Decrease Costs

Local: ☒ No local government costs

1. ☐ Increase Costs
   ☐ Permissive ☐ Mandatory
2. ☐ Decrease Costs
   ☐ Permissive ☐ Mandatory
3. ☐ Increase Revenues
   ☐ Permissive ☐ Mandatory
4. ☐ Decrease Revenues
   ☐ Permissive ☐ Mandatory
5. Types of Local Governmental Units Affected:
   ☐ Towns ☐ Villages ☐ Cities
   ☐ Counties ☐ Others _____
   ☐ School Districts ☐ WTCS Districts

Fund Sources Affected

☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S

Affected Chapter 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Long-Range Fiscal Implications

None

Prepared by:	Telephone No.	Agency
Julie E. Walsh	(608) 264-8101	Insurance
Authorized Signature:	Telephone No.	Date (mm/dd/ccyy)
		05/28/2008