

State of Connecticut
Regulation of
Insurance Department
Concerning
Life Insurance Providing Long Term Care

Section 38a-458-1 of the Regulations of Connecticut State Agencies is amended to read as follows:

Sec. 38a-458-1. Definitions

As used in Sections 38a-458-1 to 38a-458-12, inclusive of the Regulations of Connecticut State Agencies:

(a) “Long-term care benefits” mean: [benefits payable under a life insurance policy or annuity contract:

(1) to a policyowner or certificate holder, during the lifetime of the insured upon the occurrence of confinement in a long-term care facility,]

(1) benefits as defined under sections 38a-501 and 38a-528 of the Connecticut General Statutes

(2) which reduce the death benefit otherwise payable under the life insurance policy or the account value under the annuity contract; and

(3) which are payable in periodic or lump sum payments to either a provider or the insured upon confinement.

(b) “Insurance policy” or “policy” means an insurance policy, annuity contract, or certificate or rider or endorsement thereto.

Section 38a-458-8 of the Regulations of Connecticut State Agencies is amended to read as follows:

Sec. 38a-458-8. Discrimination

Insurers shall not unfairly discriminate among insureds with respect to the eligibility for long-term care benefits. Insurers shall not apply further conditions on the payment of the long-term care benefits other than those conditions specified in the policy or rider. Carriers shall not apply preexisting condition limitations to the underlying life insurance policy, except as permitted in 38a-501-11(b) and 38a-528-4(b) of the Regulations of Connecticut State Agencies for attached long term care benefits.

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Statement of Purpose: CGS 38a-458 allows life insurance products to be sold with a rider that accelerates the death benefit for purposes of offering a long term care product. These amendments to the current regulations are being made as a result of inquiries to the Department from carriers and brokers to aid in allowing more of these products to reach the market. These updates will allow benefits to be payable in either a lump sum or in periodic payments, as well as allow for a greater number of people to access their benefits under the revised definition.