

I am writing to testify on behalf of approximately 100,000 seniors, including my 88 year old parents, who bought LTC1 insurance. Many proud and independent seniors, like my parents, bought LTC insurance, to provide for their future LTC needs. My parents bought Brighthouse LTC1 policies, promoted by the State of Connecticut Partnership Program. They bought these policies in good faith, believing they were “gold stamped “ by the State of CT. After paying premiums since 1998, their rates began to increase in 2017. Brighthouse policy holders have incurred an 18% increase in 2017, 37% in 2019 and 50% increases in November 2020 with no end in sight to annual, unsustainable increases. Premiums have more than doubled. My parents paid \$5,140, for two policies, from 1998-2017. Now, yearly rates for the two policies are \$11,556, not including the most recent overlapping rate increases. Insurance companies claim insolvency as the reason for the rate increases. These claims have not been substantiated. If the claims are true, why isn't the federal government involved to bail out the insurance industry like the 2008 bailouts of financial institutions. Why would senior citizens be expected to bail out the insurance industry? It's ludicrous! In my opinion these rate increases are obvious, blatant, relentless efforts by the insurance industry to unload unprofitable LTC business. These rate increases have forced numerous seniors to reduce their coverage or relinquish their policies. For every senior that relinquishes their policies and requires LTC in the future, the State will be responsible to pay in the form of nursing home Medicaid payments .

This situation has caused my frail parents extreme stress and anxiety in their golden years. They don't know if they will be able to afford premiums on their fixed income. They are afraid they won't be able to afford the care they counted on. They don't want to be a burden on others. They purchased policies with premium rates they calculated they could afford to pay in retirement. Just as my parents are close to using their policies, they are being made to endure financial hardship and uncertainty about their future. This is cruel. Recently many seniors required help getting signed up for covid vaccines. My parents did. This is why large numbers of seniors are unable to advocate for themselves. That is why I am writing to advocate for those who are unable to, due to mental and physical infirmities and inability to use technology to testify. The DOI told me they get daily complaints from seniors regarding the skyrocketing rate increases. Seniors need legislation to protect them.

I feel SB 1046 does not do enough to control rate increases. Seniors have been asked to pay overlapping, skyrocketing rate increases even during a pandemic. It needs to stop. My parents policy has doubled with no end in sight to the annual increases. I would propose annual increases of no more than the cost of living. This would seem appropriate in light of the recent, high increases seniors have already sustained. President Biden recently said government is there to help people. He said his covid relief bill needed to go “big” to address unprecedented hardships. If CT legislators could do better with lowering the allowable rate increases it would be the right thing to do. Now is the time to go big. Maybe the State could subsidize seniors premiums.

This situation reminds me of the crumbling concrete tragedy I lived through. The insurance companies were not held accountable to pay for homeowners costs to replace their foundations. The State of CT bonded money to pay homeowners, along with a \$12 charge on everyone's home owners insurance policies. So the taxpayers are footing homeowners crumbling concrete costs. Connecticut taxpayers will foot the bill, for LTC , for every senior that relinquishes their policies , due to unaffordable, unsustainable rate increases. The insurance lobby is strong in CT. Connecticut is the insurance capital. I believe this is part of the reason these LTC rate increases have been allowed to victimize senior citizens. Last year no LTC reform bill was passed to help seniors. I support SB1046. If possible I would request stronger language to lower allowable rate increases to no more than the 2-3% cost of living increase. A 3 year moratorium on increases would be welcome. These measures are necessary to help CT seniors keep their LTC policies, many policies which were promoted through the Connecticut Partnership Program and purchased in good faith by Connecticut senior citizens.

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