

Long-Term Care Rate Request Data, 2010-2023

By: Alex Reger, Principal Analyst
September 27, 2023 | 2023-R-0226

Issue

Provide data from long-term care (LTC) insurer rate filings since 2010.

Long-Term Care Insurer Rate Filings

By law, an insurer cannot use or change premium rates for an LTC insurance policy without filing the rates with the insurance commissioner (CGS §§ 38a-501(b) & 38a-528(b)). These rate filings must demonstrate that anticipated claims in relation to premiums, combined with actual experience, will meet the minimum loss ratio requirement. The law limits the Connecticut Insurance Department's (CID) authority to review rates to three factors: whether the rates are excessive, inadequate, or unfairly discriminatory (CGS §§ 38a-481 & 38a-513 and related regulations). This includes the authority to disapprove a rate filing if the loss ratio requirement will not be met over the lifetime of the policy form.

CID maintains LTC rate filing data [online](#) from 2010 to the present. According to this data, 41 companies have filed 393 rate requests for individual or group LTC policies over that period. CID approved the requested rate increase 86 times, approved a smaller than requested increase 197 times, and rejected the request (i.e., approved no increase) 88 times. The remaining requests were either withdrawn by the insurer, incomplete, or remain under consideration by the department.

Tables 1 and 2 below show the number of requests approved, approved at a lower rate, and rejected by year for individual and group filings.

Table 1: Results of Individual Long-Term Care Rate Filings Submitted to the Connecticut Insurance Department, 2010-2023

Year	Requested Rate Increases	Approved as Requested	Approved Less Than Requested	Rejected
2010	2	2	0	0
2011	15	5	3	7
2012	16	0	8	8
2013	32	2	13	16
2014	22	3	9	10
2015	37	5	16	16
2016	27	5	19	3
2017	36	9	24	2
2018	29	13	15	1
2019	29	14	14	1
2020	28	5	22	0
2021	25	7	13	5
2022	16	4	7	1
2023	12	1	0	0
Total	326	75	163	70

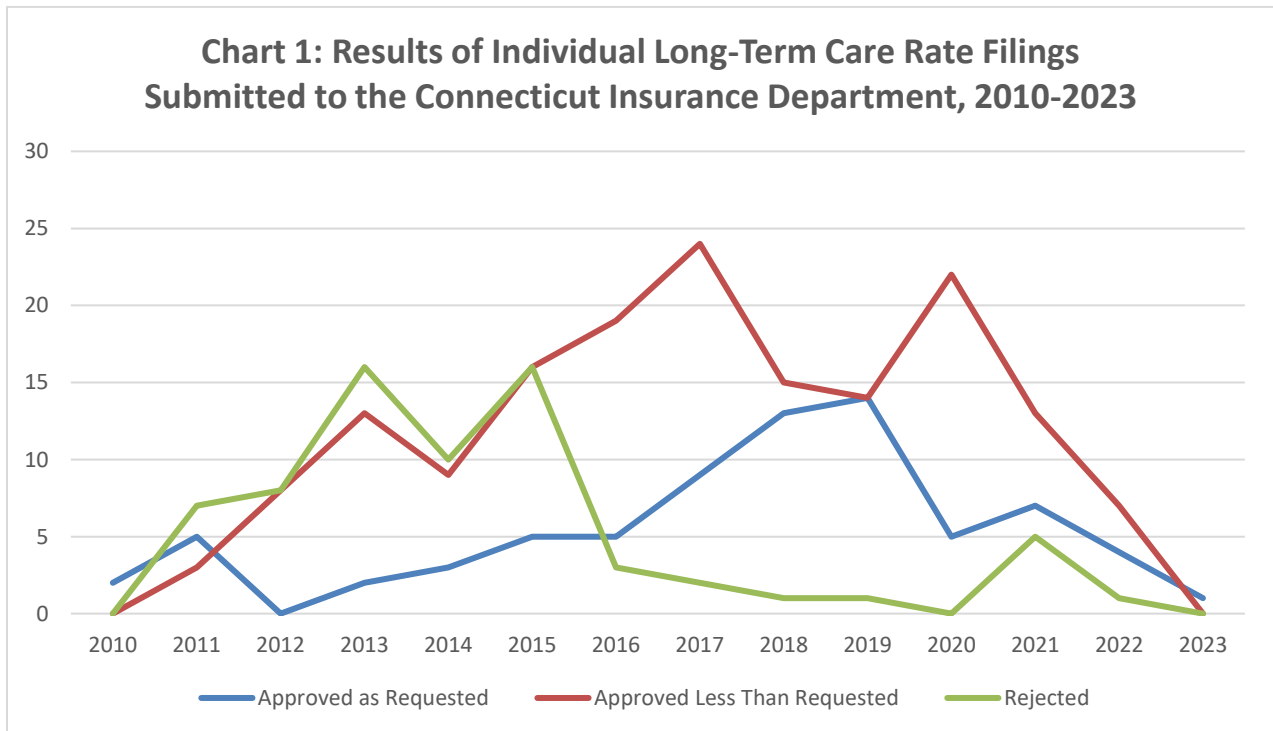
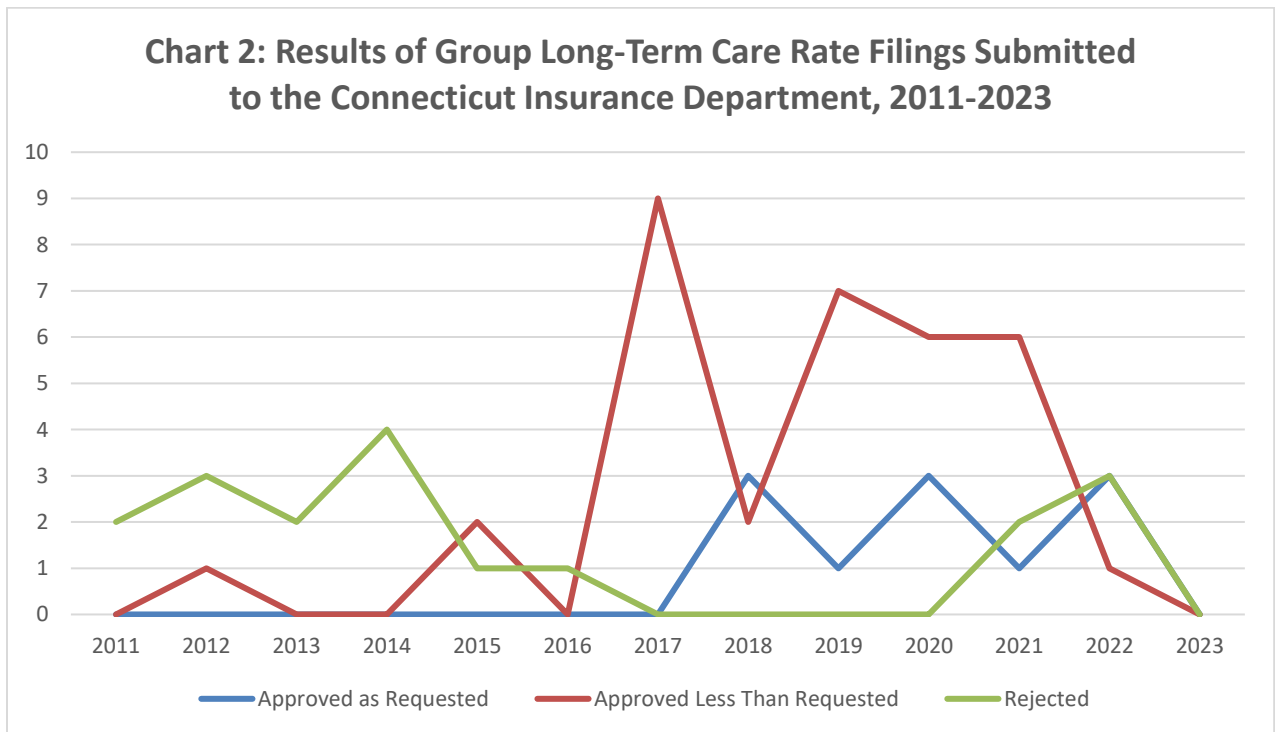


Table 2: Results of Group Long-Term Care Rate Filings Submitted to the Connecticut Insurance Department, 2011-2023

Year	Requested Rate Increases	Approved as Requested	Approved Less Than Requested	Rejected
2011	3	0	0	2
2012	4	0	1	3
2013	2	0	0	2
2014	4	0	0	4
2015	3	0	2	1
2016	1	0	0	1
2017	9	0	9	0
2018	5	3	2	0
2019	8	1	7	0
2020	9	3	6	0
2021	9	1	6	2
2022	8	3	1	3
2023	2	0	0	-
Total	67	11	34	18

Chart 2: Results of Group Long-Term Care Rate Filings Submitted to the Connecticut Insurance Department, 2011-2023



Background — Minimum Rate Requirements

By law, an LTC insurer must maintain a minimum loss ratio of 60% for individual LTC policies and 65% for group LTC policies (CGS §§ 38a-501(b) & 38a-528(b)). This means that for every dollar of premium collected, the insurer has to spend at least 60 or 65 cents on claim payments, respectively.

Additionally, insurers must notify policyholders of any approved premium increase and offer them the opportunity to reduce benefits instead. Premium rate increases of 20% or more must be spread out over a period of at least three years. Insurers are also prohibited from filing an additional rate increase during this time. More information on the long-term care rate filing process is available in OLR Report [2021-R-0186](#), “Long-Term Care Insurance” and OLR Report [2022-R-0251](#), “Connecticut’s Health Insurance Rate Review Process” (LTC insurance is regulated as a type of health insurance, see [CGS 38a-469\(7\)](#)).

AR:kl