

LONG-TERM CARE PARTNERSHIP POLICIES

Earlier this year Congress passed the Deficit Reduction Act of 2005 containing a provision (Section 6021) that amends Section 1917(b) of the Social Security Act to provide Qualified State Long-Term Care Insurance Partnership Programs.

The Division of Insurance is coordinating with the Nevada Division of Health Care Financing and Policy to implement a Qualified State Long-Term Care Insurance Partnership Program. In order to facilitate the program, the Division will require the following items, in addition to existing filing requirements, prior to approving a qualified partnership policy or certificate:

- The product name prominently displayed and includes the word “Partnership.”
- The issue date clearly displayed on the first page of the policy and certificate.
- A statement from an officer of the company certifying that the policy meets the definition of “qualified long-term care insurance” in section 7702B(b) of the Internal Revenue Code.
- A statement from an officer of the company certifying regular reports will be made to the Secretary of Health and Human Services that include notification regarding when benefits provided under the policy have been paid and the payment amount, notification of when the policy otherwise terminates, and such other information as the Secretary of Health and Human Services determines as appropriate to the administration of such partnerships.
- A statement from an officer of the company certifying that the policy includes inflation protection, when issued, as follows:
 - ✦ For issue ages under 61, compound inflation protection
 - ✦ For issue ages 61 through 76, some type of inflation protection
 - ✦ For issue ages over 71, an option of some type of inflation protection
- A statement from an officer of the company certifying that the partnership policy will only be marketed by agents who have received training and have demonstrated evidence

- of an understanding of the partnership policies and their relationship to public and private coverage of long-term care.
- A list of agents approved to market the partnership policies for the company.

The policy must meet the specific requirements of the NAIC Long-Term Care Model Regulation and Model Act as required by Sec. 6021 of the Deficit Reduction Act of 2005.

The outline of coverage required by NAC 687B.075 for all long-term care insurance must state whether or not a policy is a qualified partnership policy. Insurance products marketed using the term “partnership” must be approved as a qualified long-term care partnership plan by the Division. Any violation of these provisions constitutes an unfair trade practice under NRS 686A.030.

Misrepresentation of requirements to qualify for Medicaid benefits when marketing a qualified long-term care partnership policy or certificate is in violation of NRS 686A.030.

Partnership policies and certificates must be filed and approved by the Division prior to marketing.

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Commissioner of Insurance