

1 A bill to be entitled
 2 An act relating to long-term care insurance; amending
 3 s. 627.9404, F.S.; defining the term "guaranteed
 4 renewable" for purposes of the Long-Term Care
 5 Insurance Act; amending s. 627.9407, F.S.; providing
 6 that continuation or renewal of a guaranteed renewable
 7 long-term care insurance policy does not result in the
 8 making of a new policy or contract or incorporate
 9 certain statutory or regulatory changes into the
 10 policy or contract; amending ss. 627.9403 and
 11 641.2018, F.S.; conforming cross-references; providing
 12 editorial changes; providing an effective date.

13
 14 Be It Enacted by the Legislature of the State of Florida:

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 16 Section 1. Subsections (6) through (12) of section
 17 627.9404, Florida Statutes, are renumbered as subsections (7)
 18 through (13), respectively, and a new subsection (6) is added to
 19 that section to read:

20 627.9404 Definitions.—For the purposes of this part:
 21 (6) "Guaranteed renewable" means that the insured has the
 22 right to continue the policy or contract in force by the timely
 23 payment of premiums and the insurer has no unilateral right to
 24 make any change in any provision of the policy or contract while
 25 the insurance or contract is in force and cannot decline to
 26 renew, except that rates may be revised by the insurer on a
 27 class basis.

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28 Section 2. Subsection (3) of section 627.9407, Florida
29 Statutes, is amended to read:

30 627.9407 Disclosure, advertising, and performance
31 standards for long-term care insurance.—

32 (3) RESTRICTIONS.—

33 (a) A long-term care insurance policy may not:

34 1.(a) Be canceled, nonrenewed, or otherwise terminated on
35 the grounds of the age or the deterioration of the mental or
36 physical health of the insured individual or certificateholder;
37 however, the office may authorize nonrenewal for an insurer on a
38 statewide basis on terms and conditions determined to be
39 necessary by the office to protect the interests of the
40 insureds, if the insurer demonstrates that renewal will
41 jeopardize the insurer's solvency or that substantial and
42 unexpected loss experience cannot reasonably be mitigated or
43 remedied.

44 2.(b) Contain a provision establishing a new waiting
45 period in the event existing coverage is converted to or
46 replaced by a new or other form within the same insurer or any
47 affiliated insurer, except with respect to an increase in
48 benefits voluntarily selected by the insured individual or group
49 policyholder.

50 3.(c) Restrict its coverage to care only in a nursing home
51 licensed pursuant to part II of chapter 400 or provide
52 significantly more coverage for such care than coverage for
53 lower levels of care. The commission shall adopt rules defining
54 what constitutes significantly more coverage in nursing homes
55 licensed pursuant to part II of chapter 400 than for lower

56 levels of care.

57 4.~~(d)~~ Contain an elimination period in excess of 180 days.
 58 As used in this paragraph, the term "elimination period" means
 59 the number of days at the beginning of a period of confinement
 60 for which no benefits are payable.

61 (b) The continuation or renewal of a guaranteed renewable
 62 long-term care insurance policy by the timely payment of
 63 required premiums does not constitute the making or issuance of
 64 a new policy of insurance or contract for any purpose and does
 65 not have the effect of incorporating into the policy or contract
 66 statutory or regulatory changes that were enacted or adopted
 67 after the original issuance date of the guaranteed renewable
 68 policy.

69 Section 3. Section 627.9403, Florida Statutes, is amended
 70 to read:

71 627.9403 Scope. ~~The provisions of This part applies shall~~
 72 ~~apply~~ to long-term care insurance policies delivered or issued
 73 for delivery in this state, and to policies delivered or issued
 74 for delivery outside this state to the extent provided in s.
 75 627.9406, by an insurer, a fraternal benefit society as defined
 76 in s. 632.601, a health maintenance organization as defined in
 77 s. 641.19, a prepaid health clinic as defined in s. 641.402, or
 78 a multiple-employer welfare arrangement as defined in s.
 79 624.437. A policy that ~~which~~ is advertised, marketed, or offered
 80 as a long-term care policy and as a Medicare supplement policy
 81 must ~~shall~~ meet the requirements of this part and the
 82 requirements of ss. 627.671-627.675 and, to the extent of a
 83 conflict, is ~~be~~ subject to the requirement that is more

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84 favorable to the policyholder or certificateholder. ~~The~~
 85 ~~provisions of~~ This part does ~~shall~~ not apply to a continuing
 86 care contract issued pursuant to chapter 651 or ~~and shall not~~
 87 ~~apply~~ to guaranteed renewable policies issued prior to October
 88 1, 1988. Any limited benefit policy that limits coverage to care
 89 in a nursing home or to one or more lower levels of care
 90 required or authorized to be provided by this part or by
 91 commission rule is a type of long-term care insurance policy
 92 that must meet all requirements of this part that apply to long-
 93 term care insurance policies, except ss. 627.9407(3)(a)3.
 94 ~~627.9407(3)(e),~~ (9), (10)(f), and (12) and 627.94073(2).

95 Section 4. Subsection (3) of section 641.2018, Florida
 96 Statutes, is amended to read:

97 641.2018 Limited coverage for home health care
 98 authorized.—

99 (3) Any contract that limits coverage to home health care
 100 benefits as provided in this section must also meet all of the
 101 requirements of ss. 627.9403-627.9408 of the Long-Term Care
 102 Insurance Act, except s. 627.9407(3)(a)3. ~~627.9407(3)(e)~~ and
 103 (9).

104 Section 5. This act shall take effect July 1, 2012.