

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB 1013

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Tran

3. Committee: Commerce and Energy

4. Title: Long-term care insurance; rate increases; notice requirements.

5. Summary: Requires an insurer of long-term care insurance policies to notify its customers and applicants in writing of the insurer's filing for a rate increase with the State Corporation Commission within 60 days of making such filing. Under the bill, if the Commission has approved a rate increase, an insurer of long-term care insurance policies must notify its customers and applicants in writing of the rate increase at least 90 days before the effective date of the rate increase. The bill includes several requirements for each of these notices, requires the Commission to consider the public interest in approving any such rate increase, and prohibits using a rate increase to pay for losses incurred by an insurance company or its shareholders or to pay shareholder dividends.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None for the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: Yes. See Item 11.

11. Other Comments: The State Corporation Commission Bureau of Insurance has worked with the patron of House Bill 1013 on some possible amendments to the bill. The Commission's long-term care regulation would need to be amended to address the provisions of the bill.

Date: 1/26/22/V. Tompkins