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**HOUSE BILL NO. 1013**

Offered January 12, 2022

Prefiled January 12, 2022

A *BILL to amend the Code of Virginia by adding a section numbered 38.2-5206.1, relating to long-term care insurance; rate increases; notice requirements.*

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Committee Referral Pending

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**Be it enacted by the General Assembly of Virginia:****1. That the Code of Virginia is amended by adding a section numbered 38.2-5206.1 as follows:****§ 38.2-5206.1. Rate increases; notice requirements.**

A. Within 60 days of filing for a rate increase with the Commission, an insurer offering long-term care insurance policies in the Commonwealth shall notify each covered individual and each applicant in writing upon that the insurer has filed for a rate increase. Such notice shall include the following:

1. The reasoning for which the insurer is requesting a rate increase;

2. Directions on how to obtain information about the Commission's review of the rate case via the Commission's website;

3. Contact information for the Commission;

4. Directions on how to submit comments to the Commission, including all available options via phone, website, and mail; and

5. Information on how to contact the insurer for more information.

B. At least 90 days before the effective date of any applicable rate increase, an insurer subject to the provisions of this chapter shall notify each covered individual and each applicant in writing of the rate increase. Such notice shall include the following:

1. Information related to why the covered individual or applicant will incur a rate increase;

2. The total change to the covered individual or applicant's plan, including any total increase in premium and any changes in benefits. For phased-in increases, the notice shall include information about phase-in dates and corresponding premium amounts; and

3. Information on how to contact the insurer for more information or to learn about plan options.

C. The notices required by this subsections A and B shall use an easy-to-read font and plain language, present options fairly, and include appropriate referrals to external resources, definitions, disclosures, and visualization tools. Such notices shall include directions on how to access information on the Commission's website and how to contact the insurance company to discuss changes in the policy.

D. In reviewing requests to increase long-term care insurance rates, the Commission shall consider how the rate increase will impact policyholders and whether the rate increase is in the public interest.

E. No rate increase granted by the Commission pursuant to this section shall be used to (i) pay for losses previously incurred by an insurance company or its shareholders or (ii) pay shareholder dividends.

INTRODUCED

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