



DEPARTMENT OF

**Professional &
Financial Regulation**

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF PROF. AND OCC. REGULATION

Long-Term Care Insurance Rate Complaint Response & Consumer Options

Maine Bureau of Insurance

Long-Term Care Insurance Forum
May 9, 2016

Considerations when we receive a long-term care rate increase complaint:

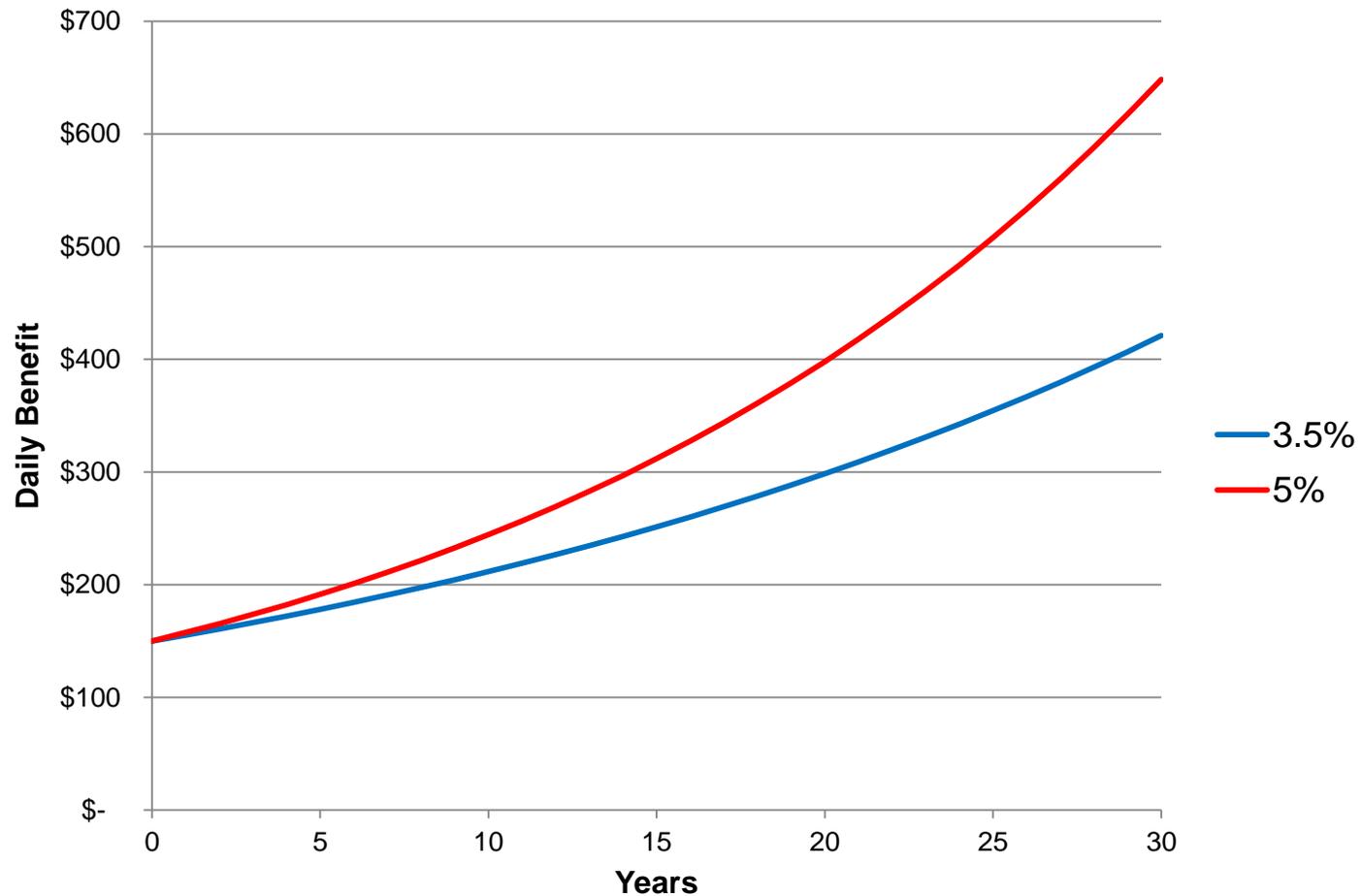
- Jurisdiction the policy falls under.
- Verify it is an approved rate increase.
- If there are any questions or inconsistencies, we can go to the company for more information and to straighten out any problems.
- Alternatives available to the policyholder.

Alternatives to a rate increase

- Reduce your inflation protection amount if available
- Reduce your daily/monthly benefit
- Reduce your total benefit period
- Increase your elimination period
- Drop an optional rider
- Nonforfeiture benefit or contingent nonforfeiture benefit

DAILY BENEFIT OVER TIME

AT DIFFERENT COMPOUND INTEREST RATES



Contingent Nonforfeiture Benefit

- Triggered by the cumulative increases and not just a one-time increase.
- By converting to paid-up status, policy benefits are significantly reduced to a limit equal to the sum of premiums paid.
- No benefits will be paid in excess of your new policy limit.
- Benefits are generally paid at the benefit levels and coverage limits in effect at the time you convert your policy to paid-up status.
- All optional benefit riders will automatically terminate.
- No future inflation adjustments will be made.
- All other applicable policy provisions, conditions, and limitations remain in effect.

Cumulative Premium Increase over Initial Premium That qualifies for Contingent Nonforfeiture

Issue Age	Percent Increase Over Initial Premium
50-54	110%
55-59	90%
60	70%
61	66%
62	62%
63	58%
64	54%
65	50%
66	48%
67	46%
68	44%
69	42%
70	40%
71	38%
72	36%
73	34%
74	32%
75	30%

Available Resources

- Your insurance agent
- Your attorney
- Area Agencies on Aging:
 - **877-353-3771**
- Long-term Care Ombudsman:
 - **800-499-0229**
- Legal Services for the Elderly:
 - **800-750-5353**
- Bureau of Insurance (if you suspect a violation):
 - **800-300-5000**