

OFFICE OF FISCAL ANALYSIS

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SB-1046

AN ACT CONCERNING LONG-TERM CARE INSURANCE. AMENDMENT

LCO No.: 8322

File Copy No.: 371

Senate Calendar No.: 238

OFA Fiscal Note

Eliminates Cost In Bill

The amendment removes provisions from the underlying bill that allow the Attorney General, at the Insurance Commissioner's recommendation, to take legal action to secure compensation for insureds if an insurer submits a long-term care (LTC) insurance rate filing with factual misstatements or omissions that cause the LTC policy to be underpriced by 50% or more. This change eliminates the potential cost to the Office of the Attorney General for hiring a Legal Investigator at a cost of \$55,087 in FY 22 and \$113,478 in FY 23, including both salary and fringe benefits.

The amendment also requires that insurers filing a rate filing to increase LTC insurance premiums by 20 percent or more notify policyholders of that action by the date of the filing. This pertains to private entities and has no fiscal impact on the state or municipalities.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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