

(2) AN ILLUSTRATION OF THE AMOUNT OF BENEFITS, THE LENGTH OF THE BENEFIT, AND THE GUARANTEED LIFETIME BENEFITS FOR EACH COVERED PERSON; AND

(3) ANY EXCLUSION, REDUCTION, AND LIMITATION ON BENEFITS OF LONG-TERM CARE.

647.1.

BEFORE ISSUING A LONG-TERM CARE INSURANCE POLICY TO AN APPLICANT WHO IS 80 YEARS OF AGE OR OLDER, IF THE POLICY IS NOT GUARANTEED ISSUE THE INSURER SHALL OBTAIN:

- (1) A REPORT OF A PHYSICAL EXAMINATION;
- (2) AN ASSESSMENT OF FUNCTIONAL CAPACITY; OR
- (3) COPIES OF MEDICAL RECORDS.

647.2.

~~ON OR BEFORE JULY 1 OF EACH YEAR, AN INSURER ISSUING A LONG TERM CARE INSURANCE POLICY IN THE STATE SHALL FILE WITH THE COMMISSIONER A REPORT ON THE LAPSE RATES, REPLACEMENT RATES, AND RESCISSION RATES FOR POLICIES BY AGENT.~~

~~647.3.~~

(A) THE REQUIREMENTS OF THIS SECTION:

(1) APPLY TO INDIVIDUAL AND GROUP LONG-TERM CARE INSURANCE;  
AND

(2) DO NOT APPLY TO LIFE INSURANCE POLICIES OR RIDERS ON LIFE INSURANCE POLICIES CONTAINING ACCELERATED LONG-TERM CARE BENEFITS.

(B) AN INSURER MAY NOT OFFER A LONG-TERM CARE INSURANCE POLICY OR CERTIFICATE UNLESS, AT THE TIME OF PURCHASE, THE INSURER ALSO OFFERS THE APPLICANT THE OPTION TO PURCHASE A POLICY OR CERTIFICATE THAT PROVIDES, IN ADDITION TO ANY OTHER INFLATION PROTECTION, FOR BENEFIT LEVELS TO INCREASE WITH BENEFIT MAXIMUMS OR REASONABLE DURATIONS THAT ARE MEANINGFUL TO ACCOUNT FOR REASONABLY ANTICIPATED INCREASES IN THE COSTS OF LONG-TERM CARE SERVICES COVERED BY THE POLICY OR CERTIFICATE.

(C) THE OPTION TO PURCHASE A POLICY WITH AN INFLATION PROTECTION FEATURE UNDER THIS SECTION SHALL BE NO LESS FAVORABLE THAN:

(1) A POLICY OR CERTIFICATE THAT INCREASES BENEFIT LEVELS ANNUALLY IN A MANNER SO THAT THE INCREASES ARE COMPOUNDED ANNUALLY AT A RATE NOT LESS THAN 5 PERCENT;