

(13) PRODUCT FEATURES SUCH AS LONG ELIMINATION PERIODS, HIGH DEDUCTIBLES, AND HIGH MAXIMUM LIMITS.

649.

(a) Except as provided in subsection (b) of this section, a premium under long-term health insurance may not be increased based on the age of the insured or certificate holder.

(b) [With the approval of the Commissioner] AFTER SUBMITTING AN ACTUARIAL MEMORANDUM THAT SUPPORTS THE PROPOSED PREMIUM INCREASE AND AFTER OBTAINING THE COMMISSIONER'S APPROVAL, an insurer may impose an across-the-board increase to all long-term health insurance policies or contracts the insurer issues or delivers in the State.

(c) This section does not prohibit age-banding.

649.1.

IN ADDITION TO THE PRACTICES PROHIBITED IN THIS ARTICLE, AN INSURER OR AGENT OF AN INSURER PROVIDING LONG-TERM CARE INSURANCE MAY NOT:

(1) EMPLOY ANY METHOD OF MARKETING HAVING THE EFFECT OF INDUCING OR TENDING TO INDUCE THE PURCHASE OF LONG-TERM CARE INSURANCE THROUGH UNDUE PRESSURE;

(2) MAKE USE OF ANY METHOD OF MARKETING THAT FAILS TO DISCLOSE IN A CONSPICUOUS MANNER THAT A PURPOSE OF THE METHOD OF MARKETING IS SOLICITATION OF INSURANCE AND THAT CONTACT WILL BE MADE BY AN INSURANCE AGENT OR INSURANCE COMPANY; OR

(3) KNOWINGLY MAKE ANY MISLEADING REPRESENTATION OR INCOMPLETE OR FRAUDULENT COMPARISON OF ANY INSURANCE POLICIES OR INSURERS FOR THE PURPOSE OF INDUCING ANY PERSON TO LAPSE, FORFEIT, SURRENDER, TERMINATE, RETAIN, PLEDGE, ASSIGN, BORROW ON, OR CONVERT ANY INSURANCE POLICY OR TO TAKE OUT A POLICY OF INSURANCE WITH ANOTHER INSURER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

Approved May 11, 1993.

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