ADDITION TO THE INSURED WHO WILL RECEIVE NOTICE OF CANCELLATION OF THE POLICY FOR NONPAYMENT OF PREMIUMS UNDER SUBSECTION (A) OF THIS SECTION.

(2) THE INSURED MAY CHANGE THE WRITTEN DESIGNATION UNDER THIS SUBSECTION AT ANY TIME.

(3) THE WRITTEN DESIGNATION SHALL BE ON A FORM PROVIDED BY THE CARRIER THAT STATES THAT THE INSURED MAY:

(I) DESIGNATE ONE INDIVIDUAL FOR RECEIPT OF NOTICE OF CANCELLATION; AND

(II) CHANGE THE WRITTEN DESIGNATION AT ANY TIME.

(C) EFFECT OF TERMINATION OF POLICY.

(1) TERMINATION OF A POLICY OR CERTIFICATE OF LONG-TERM CARE INSURANCE SHALL BE WITHOUT PREJUDICE TO ANY BENEFITS PAYABLE FOR INSTITUTIONALIZATION IF THE INSTITUTIONALIZATION BEGAN WHILE THE POLICY OR CERTIFICATE OF LONG-TERM CARE INSURANCE WAS IN EFFECT AND CONTINUES WITHOUT INTERRUPTION AFTER TERMINATION.

(2) AN EXTENSION OF BENEFITS BEYOND THE PERIOD THE POLICY OF LONG-TERM CARE INSURANCE WAS IN EFFECT MAY BE:

(I) LIMITED TO THE DURATION OF THE BENEFIT PERIOD, IF ANY, OR TO PAYMENT OF THE MAXIMUM BENEFITS; AND

(II) SUBJECT TO ANY POLICY WAITING PERIOD AND ALL OTHER APPLICABLE PROVISIONS OF THE POLICY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 643(d) and (f) and 645(a).

In the introductory language of subsection (a)(2) of this section, the reference to a policy "of long-term care insurance" is added for clarity.

In subsection (b)(1) and (3)(i) of this section, the references to one "individual" to be designated by the insured is substituted for the former references to one "person" to conform to the terminology used in subsection (a)(2)(ii) of this section.

Defined terms: "Carrier" § 18-101
"Certificate" § 18-101
"Long-term care insurance" § 18-101
"Policy" § 1-101
"Premium" § 1-101

18-119. SURRENDER OF POLICY.

(A) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO PLANS UNDER § 125 OF THE INTERNAL REVENUE CODE.