Long-Term Care Information Data Call Fiscal Questions

The NAIC released a Fiscal Impact Statement (Fiscal) on January 13, 2020, for a two-week comment period which ended on January 28, 2020. This Fiscal requests funding to conduct a Long-Term Care Information Data Call which will be administered by a third-party consultant during the first half of 2020. This data call will gather information on the existence and degree of cross-state subsidization of different approaches when considering rate increases in each state.

There were two informal comments received during the comment period. Both comments were related to contents of the data call. As additional information, the data elements that will be requested by the data call are as follows:

- Accumulated Value of Past Premiums at the Original Rate Level;
- Accumulated Value of Past Premiums at the Actual Rate Level;
- Accumulated Value of Past Incurred Claims;
- Present Value of Future Premiums at the Original Rate Level;
- Present Value of Future Premiums at the Actual Rate Level;
- Present Value of Future Expected Incurred Claims; and
- Lifetime Nationwide Premium Restated to the State’s Actual Rate Level.

In addition to this information, there will be some qualitative information requested by the consultant from the 19 insurers participating in this call. The consultant will review and offer improvements to the contents of the draft data call and related instructions as developed by the regulators. Once finalized, the data call will be conducted by the consultant who will accumulate, analyze and describe to the NAIC Members the current level of rate inequity among states’ policyholders.

The NAIC appreciates the opportunity to publish the proposed fiscal prior to approval and respond to questions raised by interested parties.