

111TH CONGRESS
1ST SESSION

H. R. 4078

To require the Secretary of Health and Human Services to develop a national model disclosure form to assist consumers in purchasing long-term care insurance.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 2009

Mr. PERRIELLO introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To require the Secretary of Health and Human Services to develop a national model disclosure form to assist consumers in purchasing long-term care insurance.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Long-Term Care In-
5 surance Disclosure Act of 2009”.

6 **SEC. 2. DEVELOPMENT OF MODEL DISCLOSURE FORM FOR**
7 **LONG-TERM CARE INSURANCE.**

8 (a) IN GENERAL.—The Secretary of Health and
9 Human Services shall, in consultation with the National

1 Association of Insurance Commissioners and not later
2 than 180 days after the date of the enactment of this Act,
3 develop a national model disclosure form for marketing
4 long-term care insurance policies.

5 (b) REQUIREMENTS.—In developing the model disclo-
6 sure form under subsection (a), the Secretary of Health
7 and Human Services shall ensure that at least each of the
8 following requirements are met:

9 (1) The model disclosure form shall be not
10 more than one single-sided page in length.

11 (2) The model disclosure form shall use stand-
12 ard, plain language for purposes of explaining the
13 services and benefits covered under the long-term
14 care insurance policy involved and restrictions on the
15 services and benefits.

16 (3) The model disclosure form shall use stand-
17 ard, consistent definitions for coverage of the various
18 types of services and benefits provided under long-
19 term care insurance policies in such a manner as to
20 ensure that issuers do not use different terms to de-
21 scribe the same services or benefit.

22 (4) The model disclosure form shall have a
23 standard, consistent format with respect to font,
24 color, and type size to enable consumers to more
25 easily compare policies.

1 (5) The model disclosure form shall provide for
2 a standard, consistent disclosure of key provisions,
3 such as monthly premiums, the maximum daily or
4 monthly benefit, and the extent to which benefit
5 amounts will be adjusted for inflation in the future.

6 (6) The model disclosure form shall provide for
7 such other minimum standards as the Secretary de-
8 termines appropriate.

9 **SEC. 3. REQUIRED USE OF MODEL DISCLOSURE FORM IN**
10 **MARKETING LONG-TERM CARE INSURANCE**
11 **POLICIES.**

12 (a) APPLICATION TO TAX-QUALIFIED AND MEDICAID
13 PARTNERSHIP POLICIES.—Not later than 1 year after the
14 date on which the Secretary of Health and Human Serv-
15 ices issues the proposed model disclosure form under sec-
16 tion 2—

17 (1) the Secretary of the Treasury shall promul-
18 gate a regulation requiring, not later than 1 year
19 after the date on which the regulation is final, any
20 issuer of a qualified long-term care insurance con-
21 tract (as defined in section 7702B(b) of the Internal
22 Revenue Code of 1986) to use the proposed model
23 disclosure form for marketing such contracts; and

24 (2) the Secretary of Health and Human Serv-
25 ices shall promulgate a regulation requiring, not

1 later than 1 year after the date on which the regula-
2 tion is final, any issuer of a qualified long-term care
3 insurance contract that covers an insured who is a
4 resident of a State with a qualified State long-term
5 care insurance partnership under clause (iii) of sec-
6 tion 1917(b)(1)(C) of the Social Security Act (42
7 U.S.C. 1396p(b)(1)(C)) or a long-term care insur-
8 ance policy offered in connection with a State plan
9 amendment described in clause (iv) of such section
10 to use the proposed model disclosure form for mar-
11 keting such contracts.

12 **SEC. 4. DEFINITIONS.**

13 For purposes of this Act:

14 (1) LONG-TERM CARE INSURANCE POLICY.—

15 The term “long-term care insurance policy”
16 means—

17 (A) a qualified long-term care insurance
18 contract (as defined in section 7702B(b) of the
19 Internal Revenue Code of 1986); and

20 (B) a qualified long-term care insurance
21 contract that covers an insured who is a resi-
22 dent of a State with a qualified State long-term
23 care insurance partnership under clause (iii) of
24 section 1917(b)(1)(C) of the Social Security Act
25 (42 U.S.C. 1396p(b)(1)(C)) or a long-term care

1 insurance policy offered in connection with a
2 State plan amendment described in clause (iv)
3 of such section.

4 (2) STATE.—The term “State” means each of
5 the 50 States, the District of Columbia, the Com-
6 monwealth of Puerto Rico, the United States Virgin
7 Islands, Guam, the Commonwealth of the Northern
8 Mariana Islands, and American Samoa.

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