

West's Annotated Code of Maryland  
Insurance  
Title 18. Long-Term Care Insurance

MD Code, Insurance, T. 18, Refs & Annos  
Currentness

MD Code, Insurance, T. 18, Refs & Annos, MD INSURANCE T. 18, Refs & Annos  
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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-101

§ 18-101. Definitions

Effective: October 1, 2008

[Currentness](#)

**In general**

(a) In this title the following words have the meanings indicated.

**Alzheimer's disease**

(b) "Alzheimer's disease" means a progressive brain disease diagnosed as Alzheimer's disease by the licensed attending physician of the insured or certificate holder and confirmed by a second opinion of a licensed physician.

**Applicant**

(c) "Applicant" means:

- (1) for an individual policy or contract of long-term care insurance, the individual who seeks to contract for benefits; or
- (2) for a group policy of long-term care insurance, the proposed certificate holder.

**Carrier**

(d) "Carrier" means an insurer, nonprofit health service plan, health maintenance organization, or preferred provider organization.

**Certificate**

(e) "Certificate" means a certificate that is issued under a group policy of long-term care insurance if the certificate is delivered or issued for delivery in the State and covers individuals who reside in the State.

**Long-term care insurance**

(f)(1) "Long-term care insurance" means an individual or group policy, contract, certificate, or rider that:

- (i) is issued, delivered, or offered by a carrier;

(ii) is advertised, marketed, offered, or designed to provide coverage for at least 24 consecutive months for each covered individual on an expense-incurred, indemnity, prepaid, or insured basis; and

(iii) provides one or more necessary or appropriate diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services in a setting other than an acute care unit of a hospital.

(2) “Long-term care insurance” includes any product that is advertised, marketed, or offered as long-term care insurance.

(3) “Long-term care insurance” does not include:

(i) a policy, contract, certificate, or rider that is offered primarily to provide:

1. basic Medicare supplement coverage;
2. hospital confinement indemnity coverage;
3. basic hospital expense or medical surgical expense coverage;
4. disability income protection coverage;
5. accident-only coverage;
6. specified disease or specified accident coverage; or
7. skilled nursing care;

(ii) a life insurance policy that:

1. accelerates the death benefit specifically for:
  - A. one or more of the qualifying events of terminal illness;
  - B. a medical condition that requires extraordinary medical intervention; or
  - C. permanent institutional confinement;

2. provides the option of lump-sum payments for the benefits listed in item 1 of this subparagraph; or
  3. does not make benefits or eligibility for benefits conditional on receipt of long-term care; or
- (iii) a certificate that is issued under an out-of-state employer group contract.

#### **Loss ratio**

(g) “Loss ratio” means the ratio of losses incurred to premiums earned on policies that are issued, delivered, or renewed in the State.

#### **Out-of-state employer group contract**

(h) “Out-of-state employer group contract” means a group contract that:

- (1) is entered into with an employer in a state other than this State; and
- (2) is issued directly to an employer under the laws of that employer's state.

#### **Preexisting condition**

(i) “Preexisting condition” means a condition for which medical advice or treatment was recommended by or received from a provider of health care services within 6 months before the effective date of coverage of the insured or certificate holder.

#### **Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2008, c. 631, § 1, eff. Oct. 1, 2008](#); [Acts 2008, c. 632, § 1, eff. Oct. 1, 2008](#).

**Formerly** Art. 48A, § 642.

MD Code, Insurance, § 18-101, MD INSURANCE § 18-101

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-102

§ 18-102. Regulations

Currentness

The Commissioner may adopt regulations about long-term care insurance with respect to:

- (1) form and content of disclosures;
- (2) terms of renewals;
- (3) initial and subsequent conditions of eligibility;
- (4) nonduplication of coverage provisions;
- (5) preexisting conditions;
- (6) renewability of coverage;
- (7) continuation and conversion;
- (8) probationary periods, limitation of coverage provisions, and recurrent conditions;
- (9) coverage of dependents;
- (10) loss ratio standards; and
- (11) any other matter that the Commissioner determines is in the best interest of the public.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 644.

MD Code, Insurance, § 18-102, MD INSURANCE § 18-102

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-103

§ 18-103. Compliance with title required for carriers to advertise or offer long-term care insurance in State

**Currentness**

**In general**

(a) A carrier may not advertise, market, or offer a policy, contract, or certificate in the State as long-term care insurance or long-term nursing home insurance unless the policy or contract complies with this title.

**Submission of advertisements to Commissioner for review**

(b)(1) Before a carrier advertises, on television or radio or in writing, a policy or contract of long-term care insurance or long-term nursing home insurance that is offered for sale in the State, the carrier shall submit a copy of the advertisement to the Commissioner for review.

(2) The carrier shall retain each advertisement for 3 years after the date the advertisement first was used.

(3) The Commissioner may exempt a carrier or a carrier's advertising form or material from the requirements of this section if in the opinion of the Commissioner the requirements may not reasonably be applied.

**Carriers that market long-term insurance in State**

(c) A carrier that markets long-term care insurance in the State shall:

(1) establish marketing procedures to ensure that any comparison of policies by insurance producers of the carrier will be fair and accurate;

(2) establish marketing procedures to prevent the sale or issuance of excessive insurance;

(3) establish procedures for verifying compliance with this subsection;

(4) provide, to the extent possible, information on any senior citizen counseling program;

(5) display prominently on the first page of the outline of coverage and the policy the following:

“Notice to buyer: This policy may not cover all the costs associated with long-term care incurred by the buyer during the period of coverage. The buyer is advised to review carefully all policy limitations.”; and

(6) make every reasonable effort to identify whether a prospective applicant:

(i) already has long-term care insurance and, if so, the types and amounts of the long-term care insurance;

(ii) had long-term care insurance in force during the last 12 months;

(iii) is covered under the medical assistance program; or

(iv) intends to replace any existing medical or health insurance coverage with long-term care insurance.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2001, c. 731, § 9, eff. July 2, 2001](#); [Acts 2002, c. 19, § 5, eff. April 9, 2002](#).

**Formerly** Art. 48A, § 643.

MD Code, Insurance, § 18-103, MD INSURANCE § 18-103

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-104

§ 18-104. Questions in applications

**Currentness**

**Clear and unambiguous questions to ascertain health condition of applicant**

(a) Each application for long-term care insurance, except applications that are for long-term care insurance that is guaranteed issue, shall contain clear and unambiguous questions to ascertain the health condition of the applicant.

**Prescribed medications**

(b)(1) If an application for long-term care insurance asks whether the applicant has had medication prescribed by a physician, the application also shall ask the applicant to list the medication that has been prescribed.

(2) If the carrier knew or should have known that the medication listed under paragraph (1) of this subsection at the time of application was directly related to a medical condition for which coverage would otherwise be denied, the policy or certificate of long-term care insurance may not be rescinded for that condition.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 646.1.

MD Code, Insurance, § 18-104, MD INSURANCE § 18-104

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-105

§ 18-105. Applicants at least 80 years old

**Currentness**

Before issuing a policy of long-term care insurance to an applicant who is at least 80 years old, unless the policy is guaranteed issue, the carrier shall obtain:

- (1) a report of a physical examination;
- (2) an assessment of functional capacity; or
- (3) copies of medical records.

**Credits**

Added by [Acts 1997, c. 35, § 2](#), eff. Oct. 1, 1997.

**Formerly** Art. 48A, § 647.1.

MD Code, Insurance, § 18-105, MD INSURANCE § 18-105

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-106

§ 18-106. Delivery of outline of coverage and buyer's guide to applicants

Effective: June 1, 2009

[Currentness](#)

**In general**

- (a)(1) A carrier shall provide to each applicant an outline of coverage and buyer's guide.
- (2) The carrier shall deliver the outline of coverage and buyer's guide:
- (i) in the case of solicitation by the carrier or insurance producer of the carrier, before the presentation of an application or enrollment form; and
  - (ii) in the case of direct response solicitation, with the application or enrollment form.

**Contents of outline of coverage**

- (b) The outline of coverage shall include:
- (1) a description of the principal benefits and coverage provided in the policy or contract;
  - (2) a statement of the principal exclusions, reductions, and limitations in the policy or contract;
  - (3) a statement of the renewal provisions, including any reservation in the policy or contract of a right to change the schedule of premiums;
  - (4) a statement that the outline of coverage is a summary of the policy or contract issued or applied for and the policy or contract should be consulted to determine the governing contractual provisions; and
  - (5) any expected premium increases or additional premiums to pay for automatic or optional benefit increases, including a reasonable hypothetical or graphic demonstration of the potential premiums that the applicant will need to pay at age 75 for benefit increases.

**Contents of buyer's guide**

(c) The buyer's guide shall include information about buying a policy of long-term care insurance, including a reference to the right of the buyer to cancel a policy during the first 30 days after the policy is delivered.

**Graphic comparison of benefit levels of policy**

(d) A carrier shall provide an applicant with a graphic comparison, over a period of at least 20 years, of the benefit levels of a policy that increases benefits over the policy or certificate period compared to the benefit levels of a policy that does not increase benefits.

**Credits**

Added by Acts 1997, c. 35, § 2, eff. Oct. 1, 1997. Amended by Acts 1997, c. 70, § 14, eff. June 1, 2009; Acts 2001, c. 731, § 1, eff. July 2, 2001; Acts 2007, c. 28, § 1, eff. June 1, 2007; Acts 2007, c. 29, § 1, eff. June 1, 2007; Acts 2009, c. 597, § 1, eff. June 1, 2009; Acts 2009, c. 598, § 1, eff. June 1, 2009.

**Formerly** Art. 48A, § 647.

MD Code, Insurance, § 18-106, MD INSURANCE § 18-106

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-107

§ 18-107. Contents of certificates

Effective: June 1, 2009

[Currentness](#)

A certificate that is issued under group long-term care insurance shall include:

- (1) a description of the principal benefits and coverage provided in the policy or contract;
- (2) a statement of the principal exclusions, reductions, and limitations of coverage in the policy or contract;
- (3) a statement that the group master policy or contract determines the governing contractual provisions; and
- (4) a statement as to whether the policy or contract is intended to qualify as a partnership policy under the Qualified State Long-Term Care Insurance Partnership under Title 15, Subtitle 4 of the Health--General Article.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 1997, c. 70, § 14, eff. June 1, 2009](#); [Acts 2007, c. 28, § 1, eff. June 1, 2007](#); [Acts 2007, c. 29, § 1, eff. June 1, 2007](#); [Acts 2009, c. 597, § 1, eff. June 1, 2009](#); [Acts 2009, c. 598, § 1, eff. June 1, 2009](#).

**Formerly** Art. 48A, § 647.

MD Code, Insurance, § 18-107, MD INSURANCE § 18-107

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-108

§ 18-108. Summaries of long-term care benefits in life insurance policies

Currentness

**In general**

(a) If long-term care benefits are part of a life insurance policy or rider, the carrier shall provide a policy summary at the time of policy delivery.

**Contents of policy summary**

(b) The policy summary required to be delivered under subsection (a) of this section shall include:

- (1) information required to be included in an outline of coverage under § 18-106 of this title;
- (2) an explanation of how the long-term care benefits interact with other components of the life insurance policy, including deductions from death benefits;
- (3) an illustration of the amount of benefits, length of benefit, and guaranteed lifetime benefits if any, for each covered individual;
- (4) any exclusions, reductions, or limitations on benefits of long-term care; and
- (5) if applicable to the policy type:
  - (i) a disclosure of the effects of exercising other rights under the policy;
  - (ii) a disclosure of guarantees related to long-term care costs of insurance charges; and
  - (iii) current and projected maximum lifetime benefits.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, §§ 647, 647A.

MD Code, Insurance, § 18-108, MD INSURANCE § 18-108

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-109

§ 18-109. Policy limitations and exclusions

Currentness

**In general**

(a) Except as provided in subsection (b) of this section, a policy or certificate of long-term care insurance may not be delivered or issued for delivery in the State if the policy or certificate limits or excludes coverage by type of illness, treatment, medical condition, or accident.

**Limits or coverage exclusions prohibited**

(b) A policy or certificate of long-term care insurance may limit or exclude coverage of:

- (1) preexisting conditions or diseases;
- (2) mental or nervous conditions or diseases other than Alzheimer's disease;
- (3) alcohol or drug addiction;
- (4) unless otherwise provided by State or federal law, treatment provided in a government facility;
- (5) services provided by a member of the covered individual's immediate family;
- (6) services for which a charge normally is not made in the absence of insurance;
- (7) services for which benefits are available under:
  - (i) Medicare or other governmental programs except Medicaid; or
  - (ii) a State or federal workers' compensation, employer's liability, or occupational disease law; and
- (8) illness, treatment, or medical conditions arising out of:



- (i) a declared or undeclared war or act of war;
- (ii) participation in a felony, riot, or insurrection;
- (iii) service in the armed forces or auxiliary units;
- (iv) suicide, attempted suicide, or intentionally self-inflicted injury; or
- (v) aviation, if the insured is a passenger who does not pay a fare.

**Exclusions and limitations by type of provider or territory**

(c) This section does not prohibit:

- (1) exclusions and limitations by type of provider; or
- (2) limitations by territory.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 643.

MD Code, Insurance, § 18-109, MD INSURANCE § 18-109

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-110

§ 18-110. Home health care services

Currentness

**Home health care services defined**

(a)(1) In this section, “home health care services” means medical or nonmedical services provided to ill, disabled, or infirm individuals in their residences.

(2) “Home health care services” includes:

(i) homemaker services;

(ii) assistance with activities of daily living; and

(iii) respite care services.

**Limitations or exclusion of benefits**

(b) A policy or certificate of long-term care insurance that provides benefits for home health care services may not limit or exclude benefits by:

(1) requiring that the insured would need care in a nursing facility if home health care services were not provided;

(2) requiring that the insured first or simultaneously receive nursing or therapeutic services at home or in a community setting before home health care services are covered.

(3) limiting eligible services provided by registered nurses or licensed practical nurses;

(4) requiring that a nurse or therapist provide services covered by the policy or certificate of long-term care insurance that can be provided by a home health aide or other licensed or certified home care worker who acts within the scope of licensure or certification;

(5) requiring that the insured have an acute condition before home health care services are covered; or

(6) limiting benefits to services provided by Medicare-certified agencies or providers.

**Determination of maximum coverage**

(c) Coverage for home health care services may be applied to the coverage for other benefits provided in the policy or certificate of long-term care insurance when determining maximum coverage under the terms of the policy or certificate.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, §§ 642, 645.

MD Code, Insurance, § 18-110, MD INSURANCE § 18-110

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West's Annotated Code of Maryland  
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Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-111

§ 18-111. Alzheimer's disease

**Currentness**

Except for coverage excluded under a preexisting condition provision, long-term care insurance shall provide coverage for Alzheimer's disease or other senile dementia disorders without any condition, limitation, or reduction of coverage not applicable to coverage for other diseases or illnesses.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 648.

MD Code, Insurance, § 18-111, MD INSURANCE § 18-111

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Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-112

§ 18-112. Continuation of coverage or conversion of policies

Currentness

**In general**

(a) Each group policy of long-term care insurance shall provide covered individuals with a basis for continuation of coverage or conversion to an individual policy of long-term care insurance.

**Basis for continuation of coverage**

(b)(1) For purposes of this section, a group policy of long-term care insurance provides a basis for continuation of coverage if the group policy:

(i) maintains coverage under the existing group policy when the coverage would otherwise terminate; and

(ii) is subject only to the continued timely payment of premiums.

(2) A group policy that restricts benefits and services to certain providers or facilities or contains incentives to use certain providers or facilities may provide continuation benefits that are substantially equivalent to the benefits of the existing group policy.

**Basis for conversion of coverage**

(c) For purposes of this section, a group policy provides a basis for conversion of coverage if the group policy provides for issuance of a policy that provides benefits that are identical to, substantially equivalent to, or in excess of the benefits of the terminated group policy without evidence of insurability to each individual:

(1) whose coverage under the group policy would otherwise be terminated for any reason; and

(2) who has been continuously insured under the group policy for at least 6 months before the date of termination.

**Determination whether benefits substantially equivalent**

(d) In determining whether benefits are substantially equivalent under this section, the Commissioner shall consider the difference between managed care plans and other plans.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 645.1.

MD Code, Insurance, § 18-112, MD INSURANCE § 18-112

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Insurance (Refs & Annos)  
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MD Code, Insurance, § 18-113

§ 18-113. Replacement policies

**Currentness**

**In general**

(a) If a group policy of long-term care insurance is replaced by another group policy of long-term care insurance purchased by the same policyholder, the succeeding carrier shall offer coverage to each insured who was covered under the old group policy on its date of termination.

**Exclusions for preexisting conditions**

(b) Coverage under the new group policy of long-term care insurance may not result in an exclusion for preexisting conditions that would have been covered under the group policy being replaced.

**Credits**

Added by [Acts 1997, c. 35, § 2](#), eff. Oct. 1, 1997.

**Formerly** Art. 48A, § 645.1.

MD Code, Insurance, § 18-113, MD INSURANCE § 18-113

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-114

§ 18-114. Inflation protection option

Currentness

**Application of section**

(a) The requirements of this section:

- (1) apply to individual and group policies of long-term care insurance; and
- (2) do not apply to life insurance policies or riders on life insurance policies that contain accelerated long-term care benefits.

**Inflation protection feature offered at time policy offered**

(b)(1) A carrier may not offer a policy or certificate of long-term care insurance unless, at the time of purchase, the carrier also offers the applicant the option to purchase a policy or certificate with an inflation protection feature as described under paragraph (2) of this subsection.

(2) The inflation protection feature under this subsection shall provide, in addition to any other inflation protection, that benefit levels will 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.

**Option requirements**

(c) The option to purchase a policy or certificate of long-term care insurance with an inflation protection feature under this section may not be 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 of at least 5%;
- (2) a policy or certificate that guarantees the insured the right to increase benefit levels periodically without providing evidence of insurability or health status so long as the option for the previous period has not been declined; or
- (3) a policy that covers a specific percentage of actual or reasonable charges and does not include a maximum specified indemnity amount or limit.



**Amount of additional benefit**

(d) The amount of the additional benefit under subsection (c)(2) of this section may not be less than the difference between the benefit under an existing policy or certificate and that benefit compounded annually at a rate of at least 5% for the period beginning with the purchase of the existing benefit and extending until the year in which the offer is made.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2003, c. 21, § 1, eff. April 8, 2003](#).

**Formerly** Art. 48A, § 647.2.

MD Code, Insurance, § 18-114, MD INSURANCE § 18-114

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-115

§ 18-115. Reasonableness of loss ratios

Currentness

In evaluating the expected and actual loss ratios, the Commissioner shall consider:

- (1) the statistical credibility of incurred claims experience and earned premiums;
- (2) the period for which rates are computed to provide coverage;
- (3) experienced and projected trends;
- (4) the concentration of experience within early policy duration;
- (5) expected claim fluctuation;
- (6) experienced refunds, adjustments, or dividends;
- (7) renewability features;
- (8) all appropriate expense factors;
- (9) interest;
- (10) the experimental nature of the coverage;
- (11) policy reserves;
- (12) the mix of business by risk classification; and
- (13) product features, including long elimination periods, high deductibles, and high maximum limits.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2001, c. 329, § 1, eff. Oct. 1, 2001](#).

**Formerly** Art. 48A, § 647.3.

MD Code, Insurance, § 18-115, MD INSURANCE § 18-115

Current through all legislation from the 2016 Regular Session of the General Assembly

---

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West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-116

§ 18-116. Increases to premiums

**Currentness**

**Restrictions**

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

**Across-the-board premium increases**

(b) A carrier may impose an across-the-board premium increase on policies or contracts of long-term care insurance that the carrier issues or delivers in the State after the carrier:

- (1) submits to the Commissioner an actuarial memorandum that supports the proposed premium increase; and
- (2) obtains the approval of the Commissioner.

**Age-banding**

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

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2001, c. 329, § 1, eff. Oct. 1, 2001](#).

**Formerly** Art. 48A, § 649.

MD Code, Insurance, § 18-116, MD INSURANCE § 18-116

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-117

§ 18-117. Reports relating to long-term care benefits funded by acceleration of death benefits

**Currentness**

**In general**

(a) Whenever a long-term care benefit that is funded through a life insurance vehicle by the acceleration of the death benefit is in benefit payment status, the carrier shall provide a monthly report to the policyholder.

**Contents of report**

(b) A report under this section shall include:

- (1) any long-term care benefits paid out during the month;
- (2) an explanation of any changes in the policy, including changes to death benefits or cash values, that result from the payment of long-term care benefits; and
- (3) the amount of long-term care benefits that remain.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 647A.

MD Code, Insurance, § 18-117, MD INSURANCE § 18-117

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-118

§ 18-118. Cancellation, refusal to renew, or termination of policies

**Currentness**

**Nonpayment of premiums or material misrepresentation**

(a)(1) A carrier may cancel, refuse to renew, or otherwise terminate long-term care insurance only for nonpayment of premiums or material misrepresentation.

(2) A carrier may not cancel a policy of long-term care insurance under this subsection for nonpayment of premiums unless the carrier provides written notice to:

(i) the insured; and

(ii) an individual designated by the insured under subsection (b) of this section to receive notice of cancellation not later than the date on which the carrier sends a second notice of the cancellation.

**Designation of individual to receive notice of cancellation**

(b)(1) A carrier may not deliver an individual policy of long-term care insurance to an insured until the carrier has notified the insured of the option to designate in writing one individual in 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.

**Termination made without prejudice to benefits payable for institutionalization**

(c)(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.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, §§ 643, 645.

MD Code, Insurance, § 18-118, MD INSURANCE § 18-118

Current through all legislation from the 2016 Regular Session of the General Assembly

West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-119

§ 18-119. Surrender of policy

**Currentness**

**Application of section**

(a) This section does not apply to plans under [§ 125 of the Internal Revenue Code](#).

**Deadline for surrender of policy for return of premium**

(b)(1) An insured or certificate holder who is insured under a policy or contract of long-term care insurance may surrender the policy or contract within 30 days after delivery for a return of any premium paid by providing written notice of surrender to the carrier.

(2) The right of surrender may not be waived.

(3) A contract to purchase long-term care insurance shall contain the following statement:

“Notice to buyer: You may surrender the contract or policy of long-term care insurance without penalty or obligation within 30 days from the date of delivery of the policy. If you decide to surrender the contract or policy, you must provide notice of the surrender to the insurer. Any attempt to obtain a waiver of your right to surrender is unlawful. Surrender entitles you to a refund of all moneys within 30 business days after receipt of notice of surrender.”

**Surrendered policy deemed void from effective date**

(c) A policy surrendered under this section is deemed void from its effective date.

**Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#).

**Formerly** Art. 48A, § 646.

MD Code, Insurance, § 18-119, MD INSURANCE § 18-119

Current through all legislation from the 2016 Regular Session of the General Assembly



West's Annotated Code of Maryland  
Insurance (Refs & Annos)  
Title 18. Long-Term Care Insurance (Refs & Annos)

MD Code, Insurance, § 18-120

§ 18-120. Prohibited acts relating to long-term insurance sales, marketing, and genetic tests

Effective: October 1, 2008

[Currentness](#)

**Definitions**

(a)(1) In this section the following words have the meanings indicated.

(2)(i) “Genetic information” means information derived from a genetic test:

1. about chromosomes, genes, gene products, or inherited characteristics that may derive from an individual or a family member;
2. not obtained for diagnostic and therapeutic purposes; and
3. obtained at a time when the individual to whom the information relates is asymptomatic for the disease, disorder, illness, or impairment to which the information relates.

(ii) “Genetic information” does not include information:

1. relating to a disease, disorder, illness, or impairment that is or has been manifested or for which the individual is or has been symptomatic; or
2. derived from:
  - A. routine physical measurements;
  - B. chemical, blood, and urine analyses;
  - C. tests for the use of drugs;
  - D. tests for the presence of the human immunodeficiency virus; or

E. tests for the purpose of diagnosing a manifested disease, disorder, illness, or impairment.

(3) “Genetic services” means health services that are provided to obtain, assess, or interpret genetic information or the results of genetic tests.

(4)(i) “Genetic test” means an analysis of human DNA, RNA, chromosomes, proteins, or metabolites that detects genotypes, mutations, or chromosomal changes.

(ii) “Genetic test” does not include:

1. routine physical measurements;

2. chemical, blood, and urine analyses;

3. tests for the use of drugs;

4. tests for the presence of the human immunodeficiency virus; or

5. tests that are directly related to a manifested disease, disorder, illness, or impairment that could reasonably be detected by a health care professional with appropriate training and expertise in the field of medicine involved.

**Prohibited acts relating to long-term insurance sales, marketing, and genetic tests**

(b) In addition to the other practices prohibited under this article, a carrier or insurance producer of a carrier that provides long-term care insurance may not:

(1) employ a method of marketing that induces or tends to induce the purchase of long-term care insurance through undue pressure;

(2) use a 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 producer or carrier;

(3) knowingly make a misleading representation or an incomplete or fraudulent comparison of policies or carriers to induce a person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on, or convert a policy or take out a policy with another carrier;

(4) request or require a genetic test to:

(i) deny or limit the amount, extent, or kind of long-term care insurance coverage available to an individual; or

(ii) charge a different rate for the same long-term care insurance coverage; or

(5) use a genetic test, the results of a genetic test, genetic information, or a request for genetic services to:

(i) deny or limit the amount, extent, or kind of long-term care insurance coverage available to an individual; or

(ii) charge a different rate for the same long-term care insurance.

#### **Permissible uses of genetic test results**

(c) Notwithstanding subsection (b)(5) of this section, if the use is based on sound actuarial principles, the results of a genetic test or genetic information may be used to:

(1) deny or limit the amount, extent, or kind of long-term care insurance coverage made available to an individual; or

(2) charge a different rate for the same long-term care insurance.

#### **Credits**

Added by [Acts 1997, c. 35, § 2, eff. Oct. 1, 1997](#). Amended by [Acts 2001, c. 731, § 1, eff. July 2, 2001](#); [Acts 2008, c. 631, § 1, eff. Oct. 1, 2008](#); [Acts 2008, c. 632, § 1, eff. Oct. 1, 2008](#).

**Formerly** Art. 48A, § 649.1.

MD Code, Insurance, § 18-120, MD INSURANCE § 18-120

Current through all legislation from the 2016 Regular Session of the General Assembly