

21.3 **ARTICLE 3**

21.4 **LIMITED LONG-TERM CARE INSURANCE**

21.5 Section 1. **[62A.481] LIMITED LONG-TERM CARE INSURANCE.**

21.6 Subdivision 1. **Short title.** This section may be known and cited as the "Limited
21.7 Long-Term Care Insurance Act."

21.8 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
21.9 meanings given.

21.10 (b) "Applicant" means:

21.11 (1) in the case of an individual limited long-term care insurance policy, the person who
21.12 seeks to contract for benefits; or

21.13 (2) in the case of a group limited long-term care insurance policy, the proposed certificate
21.14 holder.

21.15 (c) "Certificate" means a certificate issued under a group limited long-term care insurance
21.16 policy that has been delivered or issued for delivery in Minnesota.

21.17 (d) "Commissioner" means the commissioner of commerce.

21.18 (e) "Elimination period" means the length of time between meeting the eligibility for
21.19 benefit payment and receiving benefit payments from an insurer.

21.20 (f) "Group limited long-term care insurance" means a limited long-term care insurance
21.21 policy that is delivered or issued for delivery in Minnesota and issued to:

21.22 (1) one or more employers or labor organizations, a trust or the trustees of a fund
21.23 established by one or more employers, labor organizations, or a combination of employers
21.24 and labor organizations for: (i) employees, former employees, or a combination of employees
21.25 or former employees; or (ii) members, former members, or a combination of members or
21.26 former members of the labor organizations;

21.27 (2) a professional, trade, or occupational association for the association's members,
21.28 former members, retired members, or a combination of members, former members, or retired
21.29 members, if the association:

22.1 (i) is composed of individuals, all of whom are or were actively engaged in the same
22.2 profession, trade, or occupation; and

22.3 (ii) has been maintained in good faith for purposes other than obtaining insurance;

22.4 (3) an association, a trust, or the trustees of a fund established, created, or maintained
22.5 for the benefit of members of one or more associations. Prior to advertising, marketing, or
22.6 offering the policy within Minnesota, the association or associations, or the insurer of the

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23.24 meanings given.

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23.26 (1) in the case of an individual limited long-term care insurance policy, the person who
23.27 seeks to contract for benefits; or

23.28 (2) in the case of a group limited long-term care insurance policy, the proposed certificate
23.29 holder.

23.30 (c) "Certificate" means a certificate issued under a group limited long-term care insurance
23.31 policy that has been delivered or issued for delivery in Minnesota.

24.1 (d) "Commissioner" means the commissioner of commerce.

24.2 (e) "Elimination period" means the length of time between meeting the eligibility for
24.3 benefit payment and receiving benefit payments from an insurer.

24.4 (f) "Group limited long-term care insurance" means a limited long-term care insurance
24.5 policy that is delivered or issued for delivery in Minnesota and issued to:

24.6 (1) one or more employers or labor organizations, a trust or the trustees of a fund
24.7 established by one or more employers, labor organizations, or a combination of employers
24.8 and labor organizations for: (i) employees, former employees, or a combination of employees
24.9 or former employees; or (ii) members, former members, or a combination of members or
24.10 former members of the labor organizations;

24.11 (2) a professional, trade, or occupational association for the association's members,
24.12 former members, retired members, or a combination of members, former members, or retired
24.13 members, if the association:

24.14 (i) is composed of individuals, all of whom are or were actively engaged in the same
24.15 profession, trade, or occupation; and

24.16 (ii) has been maintained in good faith for purposes other than obtaining insurance;

24.17 (3) an association, a trust, or the trustees of a fund established, created, or maintained
24.18 for the benefit of members of one or more associations. Prior to advertising, marketing, or
24.19 offering the policy within Minnesota, the association or associations, or the insurer of the

22.7 association or associations, must file evidence with the commissioner that the association
22.8 or associations have at the outset:

22.9 (i) a minimum of 100 persons;

22.10 (ii) been organized and maintained in good faith for purposes other than obtaining
22.11 insurance;

22.12 (iii) been in active existence for at least one year; and

22.13 (iv) a constitution and bylaws that provide:

22.14 (A) the association or associations hold regular meetings not less than annually to further
22.15 purposes of the members;

22.16 (B) except for credit unions, the association or associations collect dues or solicit
22.17 contributions from members; and

22.18 (C) the members have voting privileges and representation on the governing board and
22.19 committees.

22.20 Thirty days after the filing, the association or associations are deemed to satisfy the
22.21 organizational requirements unless the commissioner makes a finding that the association
22.22 or associations do not satisfy the organizational requirements; or

22.23 (4) a group other than a group described in clauses (1) to (3), subject to the commissioner
22.24 finding that:

22.25 (i) issuing the policy is not contrary to the public interest;

22.26 (ii) issuing the policy results in acquisition or administrative economies; and

22.27 (iii) the policy's benefits are reasonable in relation to the premiums charged.

22.28 (g) "Limited long-term care insurance" means an insurance policy or rider:

22.29 (1) issued by: (i) an insurer; (ii) a fraternal benefit society; (iii) a nonprofit health, hospital,
22.30 or medical service corporation; (iv) a prepaid health plan; (v) a health maintenance
23.1 organization; or (vi) a similar organization, to the extent the organization is authorized to
23.2 issue life or health insurance;

23.3 (2) advertised, marketed, offered, or designed to provide coverage for less than 12
23.4 consecutive months for each covered person on an expense-incurred, indemnity, prepaid,
23.5 or other basis; and

23.6 (3) for one or more necessary or medically necessary diagnostic, preventive, therapeutic,
23.7 rehabilitative, maintenance, or personal care service provided in a setting other than a
23.8 hospital's acute care unit.

23.9 Limited long-term care insurance includes a policy or rider that provides for payment of
23.10 benefits based upon cognitive impairment or the loss of functional capacity. Limited

24.20 association or associations, must file evidence with the commissioner that the association
24.21 or associations have at the outset:

24.22 (i) a minimum of 100 persons;

24.23 (ii) been organized and maintained in good faith for purposes other than obtaining
24.24 insurance;

24.25 (iii) been in active existence for at least one year; and

24.26 (iv) a constitution and bylaws that provide:

24.27 (A) the association or associations hold regular meetings not less than annually to further
24.28 purposes of the members;

24.29 (B) except for credit unions, the association or associations collect dues or solicit
24.30 contributions from members; and

25.1 (C) the members have voting privileges and representation on the governing board and
25.2 committees.

25.3 Thirty days after the filing, the association or associations are deemed to satisfy the
25.4 organizational requirements unless the commissioner makes a finding that the association
25.5 or associations do not satisfy the organizational requirements; or

25.6 (4) a group other than a group described in clauses (1) to (3), subject to the commissioner
25.7 finding that:

25.8 (i) issuing the policy is not contrary to the public interest;

25.9 (ii) issuing the policy results in acquisition or administrative economies; and

25.10 (iii) the policy's benefits are reasonable in relation to the premiums charged.

25.11 (g) "Limited long-term care insurance" means an insurance policy or rider:

25.12 (1) issued by: (i) an insurer; (ii) a fraternal benefit society; (iii) a nonprofit health, hospital,
25.13 or medical service corporation; (iv) a prepaid health plan; (v) a health maintenance
25.14 organization; or (vi) a similar organization, to the extent the organization is authorized to
25.15 issue life or health insurance;

25.16 (2) advertised, marketed, offered, or designed to provide coverage for less than 12
25.17 consecutive months for each covered person on an expense-incurred, indemnity, prepaid,
25.18 or other basis; and

25.19 (3) for one or more necessary or medically necessary diagnostic, preventive, therapeutic,
25.20 rehabilitative, maintenance, or personal care service provided in a setting other than a
25.21 hospital's acute care unit.

25.22 Limited long-term care insurance includes a policy or rider that provides for payment of
25.23 benefits based upon cognitive impairment or the loss of functional capacity. Limited

23.11 long-term care insurance does not include an insurance policy that is offered primarily to
23.12 provide basic Medicare supplement coverage, basic hospital expense coverage, basic
23.13 medical-surgical expense coverage, hospital confinement indemnity coverage, major medical
23.14 expense coverage, disability income or related asset-protection coverage, accident-only
23.15 coverage, specified disease or specified accident coverage, or limited benefit health coverage.

23.16 (h) "Policy" means a policy, contract, subscriber agreement, rider, or endorsement
23.17 delivered or issued for delivery in Minnesota by an insurer; fraternal benefit society; nonprofit
23.18 health, hospital, or medical service corporation; prepaid health plan; health maintenance
23.19 organization; or any similar organization.

23.20 (i) "Waiting period" means the time an insured individual must wait before some or all
23.21 of the insured individual's coverage becomes effective.

23.22 Subd. 3. **Scope.** (a) This section applies to policies delivered or issued for delivery in
23.23 Minnesota on or after January 1, 2026. This section does not supersede an obligation that
23.24 an entity subject to this section has to comply with other applicable insurance laws to the
23.25 extent the other insurance laws do not conflict with this section, except that laws and
23.26 regulations designed and intended to apply to Medicare supplement insurance policies must
23.27 not be applied to limited long-term care insurance.

23.28 (b) Notwithstanding any other provision of this section, a product, policy, certificate, or
23.29 rider advertised, marketed, or offered as limited long-term care insurance is subject to this
23.30 section.

23.31 Subd. 4. **Group limited long-term care insurance; extra-territorial jurisdiction.** Group
23.32 limited long-term care insurance coverage must not be offered to a Minnesota resident under
23.33 a group policy issued in another state to a group described in subdivision 2, paragraph (f),
24.1 clause (4), unless Minnesota or another state having statutory and regulatory limited
24.2 long-term care insurance requirements substantially similar to those adopted in Minnesota
24.3 makes a determination that the statutory and regulatory limited long-term care insurance
24.4 requirements have been met.

24.5 Subd. 5. **Limited long-term care insurance; disclosure and performance**
24.6 **standards.** (a) A limited long-term care insurance policy must not:

24.7 (1) cancel, not renew, or otherwise terminate on the basis of the insured individual's or
24.8 certificate holder's age, gender, or deterioration of mental or physical health;

24.9 (2) contain a provision that establishes a new waiting period in the event existing coverage
24.10 is converted to or replaced by a new or other form of coverage within the same company,
24.11 except with respect to an increase in benefits voluntarily selected by the insured individual
24.12 or group policyholder; or

24.13 (3) provide coverage for only skilled nursing care or provide significantly more coverage
24.14 for skilled nursing care in a facility than coverage provided for lower levels of care.

25.24 long-term care insurance does not include an insurance policy that is offered primarily to
25.25 provide basic Medicare supplement coverage, basic hospital expense coverage, basic
25.26 medical-surgical expense coverage, hospital confinement indemnity coverage, major medical
25.27 expense coverage, disability income or related asset-protection coverage, accident-only
25.28 coverage, specified disease or specified accident coverage, or limited benefit health coverage.

25.29 (h) "Policy" means a policy, contract, subscriber agreement, rider, or endorsement
25.30 delivered or issued for delivery in Minnesota by an insurer; fraternal benefit society; nonprofit
25.31 health, hospital, or medical service corporation; prepaid health plan; health maintenance
25.32 organization; or any similar organization.

26.1 (i) "Waiting period" means the time an insured individual must wait before some or all
26.2 of the insured individual's coverage becomes effective.

26.3 Subd. 3. **Scope.** (a) This section applies to policies delivered or issued for delivery in
26.4 Minnesota on or after January 1, 2026. This section does not supersede an obligation that
26.5 an entity subject to this section has to comply with other applicable insurance laws to the
26.6 extent the other insurance laws do not conflict with this section, except that laws and
26.7 regulations designed and intended to apply to Medicare supplement insurance policies must
26.8 not be applied to limited long-term care insurance.

26.9 (b) Notwithstanding any other provision of this section, a product, policy, certificate, or
26.10 rider advertised, marketed, or offered as limited long-term care insurance is subject to this
26.11 section.

26.12 Subd. 4. **Group limited long-term care insurance; extra-territorial jurisdiction.** Group
26.13 limited long-term care insurance coverage must not be offered to a Minnesota resident under
26.14 a group policy issued in another state to a group described in subdivision 2, paragraph (f),
26.15 clause (4), unless Minnesota or another state having statutory and regulatory limited
26.16 long-term care insurance requirements substantially similar to those adopted in Minnesota
26.17 makes a determination that the statutory and regulatory limited long-term care insurance
26.18 requirements have been met.

26.19 Subd. 5. **Limited long-term care insurance; disclosure and performance**
26.20 **standards.** (a) A limited long-term care insurance policy must not:

26.21 (1) cancel, not renew, or otherwise terminate on the basis of the insured individual's or
26.22 certificate holder's age, gender, or deterioration of mental or physical health;

26.23 (2) contain a provision that establishes a new waiting period in the event existing coverage
26.24 is converted to or replaced by a new or other form of coverage within the same company,
26.25 except with respect to an increase in benefits voluntarily selected by the insured individual
26.26 or group policyholder; or

26.27 (3) provide coverage for only skilled nursing care or provide significantly more coverage
26.28 for skilled nursing care in a facility than coverage provided for lower levels of care.

24.15 (b) A limited long-term care insurance policy or certificate issued to a group identified
24.16 in subdivision 2, paragraph (f), clauses (2) to (4), is prohibited from: (1) using a definition
24.17 for preexisting condition that is more restrictive than or excludes a condition for which
24.18 medical advice or treatment was recommended by or received from a health care services
24.19 provider within the six months preceding the date an insured individual's coverage is
24.20 effective; and (2) excluding coverage for a loss or confinement that is the result of a
24.21 preexisting condition unless the loss or confinement begins within six months of the date
24.22 an insured individual's coverage is effective. The commissioner may extend the limitation
24.23 periods established in clauses (1) and (2) with respect to specific age group categories in
24.24 specific policy forms upon a finding that the extension is in the public interest. The definition
24.25 of preexisting condition required under clause (1) does not prohibit an insurer from using
24.26 an application form designed to elicit the complete health history of an applicant and, on
24.27 the basis of the applicant's answers on the application, from underwriting in accordance
24.28 with that insurer's established underwriting standards. Unless otherwise provided in the
24.29 policy or certificate, an insurer is not required to cover a preexisting condition, regardless
24.30 of whether the preexisting condition is disclosed on the application, until the waiting period
24.31 under clause (2) expires. A limited long-term care insurance policy or certificate is prohibited
24.32 from excluding or using waivers or riders of any kind to exclude, limit, or reduce coverage
24.33 or benefits for specifically named or described preexisting diseases or physical conditions
24.34 beyond the waiting period established in clause (2).

25.1 (c) A limited long-term care insurance policy must not be delivered or issued for delivery
25.2 in Minnesota if the policy conditions eligibility: (1) for any benefits, on a prior hospitalization
25.3 requirement; (2) for benefits provided in an institutional care setting, on the receipt of a
25.4 higher level of institutional care; or (3) for any benefits other than waiver of premium,
25.5 post-confinement, post-acute care, or recuperative benefits, on a prior institutionalization
25.6 requirement. A limited long-term care insurance policy, certificate, or rider is prohibited
25.7 from conditioning eligibility for noninstitutional benefits on the prior or continuing receipt
25.8 of skilled care services.

25.9 (d) The commissioner may adopt administrative rules that establish loss ratio standards
25.10 for limited long-term care insurance policies if a specific reference to limited long-term
25.11 care insurance policies is contained in the administrative rule.

25.12 (e) A limited long-term care insurance applicant has the right to: (1) return the policy,
25.13 certificate, or rider to the company or the company's agent or insurance producer within 30
25.14 days of the date the policy, certificate, or rider is received; and (2) have the premium refunded
25.15 if, after examination of the policy, certificate, or rider, the applicant is not satisfied with the
25.16 policy, certificate, or rider for any reason.

25.17 (f) A limited long-term care insurance policy, certificate, or rider must have a notice
25.18 prominently printed on the first page or attached to the policy, certificate, or rider that
25.19 includes specific instructions for a limited long-term care insurance applicant to return a

26.29 (b) A limited long-term care insurance policy or certificate issued to a group identified
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26.31 for preexisting condition that is more restrictive than or excludes a condition for which
26.32 medical advice or treatment was recommended by or received from a health care services
26.33 provider within the six months preceding the date an insured individual's coverage is
27.1 effective; and (2) excluding coverage for a loss or confinement that is the result of a
27.2 preexisting condition unless the loss or confinement begins within six months of the date
27.3 an insured individual's coverage is effective. The commissioner may extend the limitation
27.4 periods established in clauses (1) and (2) with respect to specific age group categories in
27.5 specific policy forms upon a finding that the extension is in the public interest. The definition
27.6 of preexisting condition required under clause (1) does not prohibit an insurer from using
27.7 an application form designed to elicit the complete health history of an applicant and, on
27.8 the basis of the applicant's answers on the application, from underwriting in accordance
27.9 with that insurer's established underwriting standards. Unless otherwise provided in the
27.10 policy or certificate, an insurer is not required to cover a preexisting condition, regardless
27.11 of whether the preexisting condition is disclosed on the application, until the waiting period
27.12 under clause (2) expires. A limited long-term care insurance policy or certificate is prohibited
27.13 from excluding or using waivers or riders of any kind to exclude, limit, or reduce coverage
27.14 or benefits for specifically named or described preexisting diseases or physical conditions
27.15 beyond the waiting period established in clause (2).

27.16 (c) A limited long-term care insurance policy must not be delivered or issued for delivery
27.17 in Minnesota if the policy conditions eligibility: (1) for any benefits, on a prior hospitalization
27.18 requirement; (2) for benefits provided in an institutional care setting, on the receipt of a
27.19 higher level of institutional care; or (3) for any benefits other than waiver of premium,
27.20 post-confinement, post-acute care, or recuperative benefits, on a prior institutionalization
27.21 requirement. A limited long-term care insurance policy, certificate, or rider is prohibited
27.22 from conditioning eligibility for noninstitutional benefits on the prior or continuing receipt
27.23 of skilled care services.

27.24 (d) A limited long-term care insurance applicant has the right to: (1) return the policy,
27.25 certificate, or rider to the company or the company's agent or insurance producer within 30
27.26 days of the date the policy, certificate, or rider is received; and (2) have the premium refunded
27.27 if, after examination of the policy, certificate, or rider, the applicant is not satisfied with the
27.28 policy, certificate, or rider for any reason.

27.29 (e) A limited long-term care insurance policy, certificate, or rider must have a notice
27.30 prominently printed on the first page or attached to the policy, certificate, or rider that
27.31 includes specific instructions for a limited long-term care insurance applicant to return a

25.20 policy, certificate, or rider under paragraph (e). The following statement or a substantially
25.21 similar statement must be included with the instructions:

25.22 "You have 30 days from the date you receive this policy, certificate, or rider to review
25.23 and return it to the company if you decide not to keep it. You do not have to tell the company
25.24 why you are returning it. If you decide to not keep the policy, certificate, or rider, simply
25.25 return it to the company at the company's administrative office, or you may return it to the
25.26 agent or insurance producer that you bought it from. You must return the policy, certificate,
25.27 or rider within 30 days of the date you first received it. The company must refund the full
25.28 amount of any premium paid within 30 days of the date the company receives the returned
25.29 policy, certificate, or rider. The premium refund is sent directly to the person who paid it.
25.30 A returned policy, certificate, or rider is void, as if it never was issued."

25.31 This paragraph does not apply to certificates issued pursuant to a policy issued to a group
25.32 defined in subdivision 2, paragraph (f), clause (1).

25.33 (g) A coverage outline must be delivered to a prospective applicant for limited long-term
25.34 care insurance at the time an initial solicitation is made, using a means that prominently
26.1 directs the recipient's attention to the coverage outline and the coverage outline's purpose.
26.2 The commissioner must prescribe: (1) a standard format, including style, arrangement, and
26.3 overall appearance; and (2) the content that must be contained on a coverage outline. With
26.4 respect to an agent solicitation, the agent must deliver the coverage outline before presenting
26.5 an application or enrollment form. With respect to a direct response solicitation, the coverage
26.6 outline must be provided in conjunction with an application or enrollment form. Delivery
26.7 of a coverage outline is not required for a policy issued to a group defined in subdivision
26.8 2, paragraph (f), clause (1), if the information described in paragraph (h) is contained in
26.9 other materials relating to enrollment. A copy of the other materials must be made available
26.10 to the commissioner upon request.

26.11 (h) The coverage outline provided under paragraph (g) must include:

26.12 (1) a description of the principal benefits and coverage provided in the policy;

26.13 (2) a description of the eligibility triggers for benefits and how the eligibility triggers
26.14 are met;

26.15 (3) a statement identifying the principal exclusions, reductions, and limitations contained
26.16 in the policy;

26.17 (4) a statement describing the terms under which the policy, certificate, or both may be
26.18 continued in force or discontinued, including any reservation in the policy of a right to
26.19 change premium. A continuation or conversion provision for group coverage must be
26.20 specifically described;

27.32 policy, certificate, or rider under paragraph (d). The following statement or a substantially
27.33 similar statement must be included with the instructions:

27.34 "You have 30 days from the date you receive this policy, certificate, or rider to review
27.35 and return it to the company if you decide not to keep it. You do not have to tell the company
28.1 why you are returning it. If you decide to not keep the policy, certificate, or rider, simply
28.2 return it to the company at the company's administrative office, or you may return it to the
28.3 agent or insurance producer that you bought it from. You must return the policy, certificate,
28.4 or rider within 30 days of the date you first received it. The company must refund the full
28.5 amount of any premium paid within 30 days of the date the company receives the returned
28.6 policy, certificate, or rider. The premium refund is sent directly to the person who paid it.
28.7 A returned policy, certificate, or rider is void, as if it never was issued."

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28.9 defined in subdivision 2, paragraph (f), clause (1).

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28.11 care insurance at the time an initial solicitation is made, using a means that prominently
28.12 directs the recipient's attention to the coverage outline and the coverage outline's purpose.
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28.14 overall appearance; and (2) the content that must be contained on a coverage outline. With
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28.17 outline must be provided in conjunction with an application or enrollment form. Delivery
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28.19 2, paragraph (f), clause (1), if the information described in paragraph (g) is contained in
28.20 other materials relating to enrollment. A copy of the other materials must be made available
28.21 to the commissioner upon request.

28.22 (g) The coverage outline provided under paragraph (f) must include:

28.23 (1) a description of the principal benefits and coverage provided in the policy;

28.24 (2) a description of the eligibility triggers for benefits and how the eligibility triggers
28.25 are met;

28.26 (3) a statement identifying the principal exclusions, reductions, and limitations contained
28.27 in the policy;

28.28 (4) a statement describing the terms under which the policy, certificate, or both may be
28.29 continued in force or discontinued, including any reservation in the policy of a right to
28.30 change premium. A continuation or conversion provision for group coverage must be
28.31 specifically described;

26.21 (5) a statement indicating that coverage outline is a summary only and not an insurance
26.22 contract, and that the policy or group master policy contains the governing contractual
26.23 provisions;

26.24 (6) a description of the terms under which the policy or certificate may be returned and
26.25 premium refunded;

26.26 (7) a brief description of the relationship between cost of care and benefits; and

26.27 (8) a statement that discloses to the policyholder or certificate holder that the policy is
26.28 not long-term care insurance.

26.29 (i) A certificate issued pursuant to a group limited long-term care insurance policy that
26.30 is delivered or issued for delivery in Minnesota must include:

26.31 (1) a description of the principal benefits and coverage provided in the policy;

27.1 (2) a statement identifying the principal exclusions, reductions, and limitations contained
27.2 in the policy; and

27.3 (3) a statement indicating that the group master policy determines governing contractual
27.4 provisions.

27.5 (j) If an application for a limited long-term care insurance contract or certificate is
27.6 approved, the issuer must deliver the contract or certificate of insurance to the applicant no
27.7 later than 30 days after the date the application is approved.

27.8 (k) If a claim under a limited long-term care insurance contract is denied, the issuer
27.9 must, within 60 days of the date the policyholder, certificate holder, or a representative of
27.10 the policyholder or certificate holder submits a written request:

27.11 (1) provide a written explanation detailing the reasons for the denial; and

27.12 (2) make available all information directly related to the denial.

27.13 (l) A disclosure, statement, or written information and explanation required in this section,
27.14 whether in print or electronic form, must accommodate the communication needs of
27.15 individuals with disabilities and persons with limited English proficiency, as required by
27.16 law.

27.17 Subd. 6. **Incontestability period.** (a) An insurer may (1) rescind a limited long-term
27.18 care insurance policy or certificate, or (2) deny an otherwise valid limited long-term care
27.19 insurance claim, for a policy or certificate that has been in force for less than six months
27.20 upon a showing of misrepresentation that is material to the coverage acceptance.

27.21 (b) An insurer may (1) rescind a limited long-term care insurance policy or certificate,
27.22 or (2) deny an otherwise valid limited long-term care insurance claim, for a policy or
27.23 certificate that has been in force for at least six months but less than two years upon a

29.1 (5) a statement indicating that coverage outline is a summary only and not an insurance
29.2 contract, and that the policy or group master policy contains the governing contractual
29.3 provisions;

29.4 (6) a description of the terms under which the policy or certificate may be returned and
29.5 premium refunded;

29.6 (7) a brief description of the relationship between cost of care and benefits; and

29.7 (8) a statement that discloses to the policyholder or certificate holder that the policy is
29.8 not long-term care insurance.

29.9 (h) A certificate issued pursuant to a group limited long-term care insurance policy that
29.10 is delivered or issued for delivery in Minnesota must include:

29.11 (1) a description of the principal benefits and coverage provided in the policy;

29.12 (2) a statement identifying the principal exclusions, reductions, and limitations contained
29.13 in the policy; and

29.14 (3) a statement indicating that the group master policy determines governing contractual
29.15 provisions.

29.16 (i) If an application for a limited long-term care insurance contract or certificate is
29.17 approved, the issuer must deliver the contract or certificate of insurance to the applicant no
29.18 later than 30 days after the date the application is approved.

29.19 (j) If a claim under a limited long-term care insurance contract is denied, the issuer must,
29.20 within 60 days of the date the policyholder, certificate holder, or a representative of the
29.21 policyholder or certificate holder submits a written request:

29.22 (1) provide a written explanation detailing the reasons for the denial; and

29.23 (2) make available all information directly related to the denial.

29.24 (k) A disclosure, statement, or written information and explanation required in this
29.25 section, whether in print or electronic form, must accommodate the communication needs
29.26 of individuals with disabilities and persons with limited English proficiency, as required by
29.27 law.

29.28 Subd. 6. **Incontestability period.** (a) An insurer may (1) rescind a limited long-term
29.29 care insurance policy or certificate, or (2) deny an otherwise valid limited long-term care
29.30 insurance claim, for a policy or certificate that has been in force for less than six months
29.31 upon a showing of misrepresentation that is material to the coverage acceptance.

30.1 (b) An insurer may (1) rescind a limited long-term care insurance policy or certificate,
30.2 or (2) deny an otherwise valid limited long-term care insurance claim, for a policy or
30.3 certificate that has been in force for at least six months but less than two years upon a

27.24 showing of misrepresentation that is both material to the coverage acceptance and that
27.25 pertains to the condition for which benefits are sought.

27.26 (c) A policy or certificate that has been in force for two years is not contestable upon
27.27 the grounds of misrepresentation alone. A policy or certificate that has been in force for
27.28 two years may be contested only upon a showing that the insured knowingly and intentionally
27.29 misrepresented relevant facts relating to the insured individual's health.

27.30 (d) A limited long-term care insurance policy or certificate may be field issued if
27.31 compensation to the field issuer is not based on the number of policies or certificates issued.
27.32 For purposes of this paragraph, "field issued" means a policy or certificate issued by a
27.33 producer or a third-party administrator (1) pursuant to the underwriting authority granted
28.1 to the producer or third-party administrator by an insurer, and (2) using the insurer's
28.2 underwriting guidelines.

28.3 (e) If an insurer paid benefits under the limited long-term care insurance policy or
28.4 certificate, the benefit payments are not recoverable by the insurer if the policy or certificate
28.5 is rescinded.

28.6 Subd. 7. **Nonforfeiture benefits.** (a) A limited long-term care insurance policy may
28.7 offer the option to purchase a policy or certificate that includes a nonforfeiture benefit. A
28.8 nonforfeiture benefit may be offered in the form of a rider that is attached to the policy. If
28.9 the policyholder or certificate holder does not purchase the nonforfeiture benefit, the insurer
28.10 must provide a contingent benefit upon lapse that must be available for a specified period
28.11 of time after a substantial increase in premium rates, as determined by the commissioner
28.12 under paragraph (c).

28.13 (b) When a group limited long-term care insurance policy is issued, a nonforfeiture
28.14 benefit offer must be made to the group policyholder. If the policy is issued as group limited
28.15 long-term care insurance, as defined in subdivision 2, paragraph (f), clause (4), to an entity
28.16 other than a continuing care retirement community or other similar entity, a nonforfeiture
28.17 benefit offer must be made to each proposed certificate holder.

28.18 (c) The commissioner must adopt administrative rules that specify: (1) the type or types
28.19 of nonforfeiture benefits that must be offered as part of limited long-term care insurance
28.20 policies and certificates; (2) the standards for nonforfeiture benefits; and (3) requirements
28.21 regarding contingent benefit upon lapse, including determining the specified period of time
28.22 during which a contingent benefit upon lapse is available and the substantial premium rate
28.23 increase that triggers a contingent benefit upon lapse, as described in paragraph (a).

28.24 Subd. 8. **Administrative rulemaking.** (a) The commissioner must adopt reasonable
28.25 administrative rules to: (1) promote premium adequacy; (2) protect a policyholder in the
28.26 event of a substantial rate increase; and (3) establish minimum standards for producer
28.27 education, marketing practices, producer compensation, producer testing, independent

30.4 showing of misrepresentation that is both material to the coverage acceptance and that
30.5 pertains to the condition for which benefits are sought.

30.6 (c) A policy or certificate that has been in force for two years is not contestable upon
30.7 the grounds of misrepresentation alone. A policy or certificate that has been in force for
30.8 two years may be contested only upon a showing that the insured knowingly and intentionally
30.9 misrepresented relevant facts relating to the insured individual's health.

30.10 (d) A limited long-term care insurance policy or certificate may be field issued if
30.11 compensation to the field issuer is not based on the number of policies or certificates issued.
30.12 For purposes of this paragraph, "field issued" means a policy or certificate issued by a
30.13 producer or a third-party administrator (1) pursuant to the underwriting authority granted
30.14 to the producer or third-party administrator by an insurer, and (2) using the insurer's
30.15 underwriting guidelines.

30.16 (e) If an insurer paid benefits under the limited long-term care insurance policy or
30.17 certificate, the benefit payments are not recoverable by the insurer if the policy or certificate
30.18 is rescinded.

30.19 Subd. 7. **Nonforfeiture benefits.** (a) A limited long-term care insurance policy may
30.20 offer the option to purchase a policy or certificate that includes a nonforfeiture benefit. A
30.21 nonforfeiture benefit may be offered in the form of a rider that is attached to the policy. If
30.22 the policyholder or certificate holder does not purchase the nonforfeiture benefit, the insurer
30.23 must provide a contingent benefit upon lapse that must be available for a specified period
30.24 of time after a substantial increase in premium rates, as determined by the commissioner
30.25 under paragraph (c).

30.26 (b) When a group limited long-term care insurance policy is issued, a nonforfeiture
30.27 benefit offer must be made to the group policyholder. If the policy is issued as group limited
30.28 long-term care insurance, as defined in subdivision 2, paragraph (f), clause (4), to an entity
30.29 other than a continuing care retirement community or other similar entity, a nonforfeiture
30.30 benefit offer must be made to each proposed certificate holder.

28.28 review of benefit determinations, penalties, and reporting practices for limited long-term
28.29 care insurance.

28.30 (b) Administrative rules adopted under this section are subject to chapter 14.

28.31 Subd. 9. **Severability.** If any provision of this section or the application of the provision
28.32 to any person or circumstance is held invalid for any reason, the remainder of the section
28.33 and the application of the invalid provision to other persons or circumstances is not affected.

29.1 Subd. 10. **Penalties.** In addition to any other penalties provided by the laws of Minnesota,
29.2 an insurer or producer that violates any requirement under this section or other law relating
29.3 to the regulation of limited long-term care insurance or the marketing of limited long-term
29.4 care insurance is subject to a fine of up to three times the amount of commissions paid for
29.5 each policy involved in the violation or up to \$10,000, whichever is greater.

29.6 **EFFECTIVE DATE.** This section is effective January 1, 2026.

30.31 Subd. 8. **Severability.** If any provision of this section or the application of the provision
30.32 to any person or circumstance is held invalid for any reason, the remainder of the section
30.33 and the application of the invalid provision to other persons or circumstances is not affected.

31.1 Subd. 9. **Penalties.** In addition to any other penalties provided by the laws of Minnesota,
31.2 an insurer or producer that violates any requirement under this section or other law relating
31.3 to the regulation of limited long-term care insurance or the marketing of limited long-term
31.4 care insurance is subject to a fine of up to three times the amount of commissions paid for
31.5 each policy involved in the violation or up to \$10,000, whichever is greater.

31.6 **EFFECTIVE DATE.** This section is effective January 1, 2026.