62S.25 REPORTING REQUIREMENTS.

Subdivision 1. **Insurer records.** Each insurer shall maintain records for each agent of that agent's amount of replacement sales as a percent of the agent's total annual sales and the amount of lapses of long-term care insurance policies sold by the agent as a percent of the agent's total annual sales.

Subd. 2. **Required information on agents.** Each insurer shall report annually by June 30 the ten percent of its agents with the greatest percentages of lapses and replacements as measured under subdivision 1.

Subd. 3. **Intent.** Reported replacement and lapse rates do not alone constitute a violation of insurance laws or necessarily imply wrongdoing. The reports are for the purpose of reviewing more closely agent activities regarding the sale of long-term care insurance.

Subd. 4. **Lapsed policies.** Each insurer shall report annually by June 30 the number of lapsed long-term care insurance policies as a percent of its total annual sales and as a percent of its total number of long-term care insurance policies in force as of the end of the preceding calendar year.

Subd. 5. **Replacement policies.** Each insurer shall report annually by June 30 the number of replacement long-term care insurance policies sold as a percent of its total annual sales and as a percent of its total number of long-term care insurance policies in force as of the preceding calendar year.

Subd. 6. **Claims denied.** Each insurer shall report annually by June 30 the number of claims denied for any reason during the reporting period for each class of business, expressed as a percentage of claims denied, other than claims denied for failure to meet the waiting period or because of any applicable preexisting condition. For purposes of this subdivision, "claim" means a request for payment of benefits under an in-force policy regardless of whether the benefit claimed is covered under the policy or any terms or conditions of the policy have been met.

Subd. 7. **Reports.** Reports under this section shall be done on a statewide basis and filed with the commissioner. They shall include, at a minimum, the information in the format contained in Appendix E (Claim Denial Reporting Form) and in Appendix G (Replacement and Lapse Reporting Form) of the Long-Term Care Model Regulation adopted by the National Association of Insurance Commissioners.

History: *1997 c 71 art 1 s 25; 2006 c 255 s 50,51; 2006 c 282 art 17 s 16,17*