62S.292 RIGHT TO REDUCE COVERAGE AND LOWER PREMIUMS.

Subdivision 1. **Required policy or certificate provision.** Every long-term care insurance policy and certificate shall include a provision that allows the policyholder or certificate holder to reduce coverage and lower the policy or certificate premium in at least one of the following ways:

(1) reducing the maximum benefit; or

(2) reducing the daily, weekly, or monthly benefit amount.

The insurer may also offer other reduction options that are consistent with the policy or certificate design or the carrier's administrative processes.

The provision shall include a description of the ways in which coverage may be reduced and the process for requesting and implementing a reduction in coverage.

Subd. 2. **Age determination.** The age to determine the premium for the reduced coverage shall be based on the age used to determine the premiums for the coverage currently in force.

Subd. 3. **Limitation.** The insurer may limit any reduction in coverage to plans or options available for that policy form and to those for which benefits will be available after consideration of claims paid or payable.

Subd. 4. **Written reminder.** If a policy or certificate is about to lapse, the insurer shall provide a written reminder to the policyholder or certificate holder of the right to reduce coverage and premiums in the notice required by section 62S.19, subdivision 3.

Subd. 5. **Nonapplication.** This section does not apply to life insurance policies or riders containing accelerated long-term care benefits.

History: *2008 c 344 s 40; 2009 c 86 art 1 s 11*