

ESB 5261 - H AMD 807

By Representative Morrell

1 On page 12, after line 31, insert the following:

2 "Sec. 7. RCW 48.84.020 and 1986 c 170 s 2 are each amended to read
3 as follows:

4 Unless the context requires otherwise, the definitions in this
5 section apply throughout this chapter.

6 (1) "Long-term care insurance" or "long-term care benefit contract"
7 means any insurance policy or benefit contract primarily advertised,
8 marketed, offered, or designed to provide coverage or services for
9 either institutional or community-based convalescent, custodial,
10 chronic, or terminally ill care. Such terms do not include and this
11 chapter shall not apply to policies or contracts governed by chapter
12 48.66 RCW and continuing care retirement communities.

13 (2) "Loss ratio" means the incurred claims plus or minus the
14 increase or decrease in reserves as a percentage of the earned
15 premiums, or the projected incurred claims plus or minus the increase
16 or decrease in projected reserves as a percentage of projected earned
17 premiums, as defined by the commissioner.

18 (3) "Preexisting condition" means a ~~((covered person's medical
19 condition that caused that person to have received medical advice or
20 treatment during the specified time period before the effective date of
21 coverage))~~ condition for which medical advice or treatment was
22 recommended by, or received from, a provider of health care services
23 within six months preceding the effective date of coverage of an
24 insured person.

25 (4) "Medicare" means Title XVIII of the United States social
26 security act, or its successor program.

27 (5) "Medicaid" means Title XIX of the United States social security
28 act, or its successor program.

29 (6) "Nursing home" means a nursing home as defined in RCW
30 18.51.010.

1 **Sec. 8.** RCW 48.84.040 and 1986 c 170 s 4 are each amended to read
2 as follows:

3 No long-term care insurance policy or benefit contract may:

4 (1) Use riders, waivers, endorsements, or any similar method to
5 limit or reduce coverage or benefits;

6 (2) Indemnify against losses resulting from sickness on a different
7 basis than losses resulting from accidents;

8 (3) Be canceled, nonrenewed, or segregated at the time of rerating
9 solely on the grounds of the age or the deterioration of the mental or
10 physical health of the covered person;

11 (4) Exclude or limit coverage for preexisting conditions for a
12 period of more than (~~one year~~) six months prior to the effective date
13 of the policy or contract or more than six months after the effective
14 date of the policy or contract;

15 (5) Differentiate benefit amounts on the basis of the type or level
16 of nursing home care provided;

17 (6) Contain a provision establishing any new waiting period in the
18 event an existing policy or contract is converted to a new or other
19 form within the same company."

20 Correct the title.

EFFECT: Provides a preexisting waiting period of six months for long-term care insurance policies.

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