

**11 NCAC 12 .0555            LONG-TERM CARE POLICY REQUIREMENTS**

(a) Definitions:

- (1) Long-Term Care Insurance is defined as any contract of insurance offering institutional or noninstitutional support in order to restore deteriorating health and to maintain functional independence. Such services for an acute or chronic physical or mental impairment, or short term illness or injury, include but are not limited to assistance with daily living, medical or rehabilitative care, and home health care.
- (2) In regard to Skilled, Intermediate, Custodial, or Home Health Care, when the insured receives definitive treatment for these services regardless of the type of facility or setting the insured is confined in, benefits are payable for the service receive based on the benefits of the contract for that service.

(b) The following provisions are required:

- (1) Long-term care insurance policies must provide benefits for at least three levels of care and provide the same duration for each level of care for a minimum of 12 months.
- (2) Coordination or non-duplication of benefits is permitted between true group long-term care policies only.
- (3) The loss ratio is required to be at least 60 percent for individual policies and at least 75 percent for group policies.
- (4) Custodial care that is administered for assistance of the patient in performing the activities of daily living shall not be denied based on the type of facility in which the care is received; but rather must be provided as long as the insured is confined as an inpatient in any facility licensed by the State, regardless of whether or not that facility is commonly understood to be or is defined as a long-term care facility.
- (5) No long-term care policy, contract, or certificate may use waivers to exclude, limit, or reduce benefits for specifically named or described pre-existing diseases or physical conditions.

*History Note: Authority G.S. 58-2-40; 58-51-1; 58-51-95; 58-55-30;  
Eff. April 1, 1989;  
Amended Eff. February 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1, 2018.*