COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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LINDA RUTHARDT
COMMISSIONER OF INSURANCE

Bulletin No. 2000-03

To: **Life Insurers and Health Insurers licensed under M.G.L. c. 175; Fraternal Benefit Societies**

From: **Commissioner Linda Ruthardt**

Re: **Chapter 33 of the Acts of 2000 which amends M.G.L. c. 175, § 22A**

Date: **April 28, 2000**

Chapter 33 of the Acts of 2000, an emergency law that took effect on February 18, 2000, amended section 22A of chapter 175 by inserting the following after the last sentence: "Nothing herein shall prohibit combining the following coverages, by rider or otherwise, within a single policy or contract: (a) life or endowment insurance or annuity, survivorship or pure endowment insurance subject to section 132, and (b) any form of accident and sickness insurance subject to section 108." This amendment permits, *inter alia*, a long-term care insurance policy to be combined with a life insurance product. The Division of Insurance has determined that such products will be reviewed and regulated in Massachusetts as follows:

- Insurers who wish to offer such a combination product will be required to be licensed to write both life and health insurance.
- Combination policies will be required to meet all standards for both life and long-term care insurance products, including 211 CMR 65.00, the regulation governing long-term care insurance.
- Agents or brokers who sell such a product will be required to be licensed to sell both life and health insurance and meet the standards set forth in 211 CMR 65.00.
- Combination policies should be submitted to the State Rating Bureau via the lockbox as explained in Bulletin No. SRB-96-16, designated as life insurance. The designation as life insurance notwithstanding, each part of the policy will be reviewed according to its respective standards.
- Suitable methods for reserving for combination policies are those outlined in the NAIC Long-Term Care Insurance Model Regulation and the Actuarial Standard of Practice No. 18.
- Reporting for combination policies should follow existing NAIC guidance.

If you have questions about combination policies or this bulletin, please contact the following individuals at the Division of Insurance:

For reporting requirements: Robert Dynan, Director, Company Licensing, (617) 521-7420.

For life insurance: Henry Lieberman, Director, Life Policy Review, (617) 521-7340.

For long-term care insurance: Kevin Beagan, Director, Health Unit of the State Rating Bureau, (617) 521-7347.

For agents and brokers: Diane Silverman, Director, Agents and Brokers Section, (617) 521-7450.

Any other questions should be directed to Carol Balulescu, Counsel, State Rating Bureau, (617) 521-7348 or Mary Ellen Thompson, Assistant General Counsel, (617) 521-7364.