

II. INTRODUCTION

This report includes the results of a survey conducted under M.G.L. c. 175 §4, which authorizes the Commissioner of Insurance to conduct special examinations of practices in the insurance market. The Division mailed a survey (*see Appendix A*) to each insurance carrier issuing long-term care insurance policies in Massachusetts; carriers without any policyholders in 2001 or not writing policies in Massachusetts were not required to submit a response.

Carriers were asked to complete separate surveys for individual and group products. Individual (non-group) products refer to long-term care policies sold directly to an individual, including:

- guaranteed renewable policies issued prior to April 1, 1989;
- policies issued in Massachusetts on or after April 1, 1989, approved according to the standards of Massachusetts regulation 211 CMR 65.00; and
- policies issued to individuals in other states who subsequently moved to Massachusetts. Group products include policies issued through an employer group, as well as those issued through an association or group trust incorporated inside or outside of Massachusetts.

Twenty-eight (28) separate carriers returned completed surveys for a total of thirty-five (35) responses⁵ in the group and individual product lines (see Appendix B). Nine (9) carriers completed surveys for products in the group market. Twenty-six (26) carriers completed surveys for products in the individual market.

The methodology associated with the statistics in this report is described in Appendix C and definitions pertinent to long-term care insurance are identified in Appendix D. The most current National Association of Insurance Commissioners (“NAIC”) Long-Term Care Insurance Model Regulation is included in Appendix E.

As with previous reports, every reasonable effort has been made to review all surveys for completeness and to report information as accurately as possible. Information contained in a completed survey that appeared to be ambiguous, incomplete or clearly inaccurate was either confirmed or modified through follow-up inquiries with the carrier.

This report is based on responses certified by a company officer reflecting the experience of the company. The Division has not audited or otherwise verified that the responses are accurate.

⁵ One group carrier that completed the survey no longer markets its group products and does not appear in statistical data after calendar year 1999.