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HOUSE BILL NO. 997

Offered January 14, 2026

A BILL to amend and reenact § 38.2-5206 of the Code of Virginia, relating to long-term care insurance; premium rate increases; regulations.

Patron—Seibold

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:**1. That § 38.2-5206 of the Code of Virginia is amended and reenacted as follows:****§ 38.2-5206. Rates.**

A. Benefits provided for long-term care shall be reviewed and approved as set forth in regulations issued by the Commission addressing long-term care insurance. The regulations shall provide standards for initial filing requirements and premium rate schedule increases similar to those set forth in the model regulation for long-term care insurance developed by the National Association of Insurance Commissioners. *The regulations shall also provide a cap on premium rate increases and prohibit such rate increases beyond 250 percent of the original premium of any given long-term care insurance policy.*

B. ~~The regulation~~ regulations promulgated under this section shall recognize:

1. Recognize the unique, developing and experimental nature of long-term care insurance and shall recognize the unique needs of those individuals who have reached retirement age and the needs of those preretirement individuals interested in purchasing long-term care insurance policies;

2. Provide a cap on premium rate schedule increases that may be requested for approval by the Commission;

3. Require any capped premium rate schedule increase to be spread by the insurer over a period of not less than five years, during which time no further rate schedule increases may be requested; and

4. Prohibit additional premium rate schedule increases after prior cumulative rate schedule increases amount to 250 percent of the original premium of a long-term care insurance policy. If a long-term care insurance policy has already reached or surpassed the limit of 250 percent of the original premium of the policy, no additional rate increases shall be approved for such policy.

C. A certificate by a qualified actuary or other qualified professional approved by the Commission as to the adequacy of the rates and reserves shall be filed with the Commission along with adequate supporting information.

2. That the State Corporation Commission (the Commission) shall promulgate regulations to implement the provisions of this act to be effective by July 1, 2027. The regulatory cap on premium rate increases for long-term care insurance issued pursuant to § 38.2-5206 of the Code of Virginia, as amended by this act, shall be no more than 30 percent of the maximum amount of premium rate schedule increase permitted under current regulations, as calculated on the request date of the premium rate increase, based upon the costs, assumptions and any funding gaps in existence on such request date, without incorporating, projecting, or otherwise accounting for any inflationary or cost-escalation effects that may arise during the phase-in period applicable to the premium rate increase.

INTRODUCED

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