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NCOIL LOOKS FOR ANSWERS IN LONG-TERM CARE INSURANCE

Troy, New York, June 18, 2007—In the wake of a March 26 *New York Times* article regarding alleged abuses in the long-term care insurance market, the National Conference of Insurance Legislators (NCOIL) Health, Long-Term Care & Health Retirement Issues Committee is poised to investigate current industry practices on July 20 from 1:15 to 2:45 p.m., during the July 18 through 22 NCOIL Summer Meeting in Seattle, Washington.

Committee Chair Representative Susan Westrom (KY) said, “The *New York Times* article raised concerns regarding arbitrary denials of benefits, unaffordable premium increases, and insufficient inflation protection for consumers of long-term care insurance. Long-term care coverage is an important product, particularly as the baby boomer generation ages. We must ensure that people don’t need to perform a song and dance before their policies pay benefits. The discussion in Seattle will examine what, if anything, should be done.”

Immediately following the *New York Times* article, several federal lawmakers, including presidential hopeful Sen. Barack Obama (D-IL), expressed their intent to investigate long-term care issues. Sen. Obama wrote a letter to the Government Accountability Office (GAO) in which he requested “that GAO investigate these allegations and the adequacy of state and federal regulation.”

NCOIL President Senator Alan Sanborn (MI) said, “State legislators wholeheartedly support the proper regulation of long-term care insurance and believe that consumers will be best served by strong state oversight. The NCOIL meeting on July 20 will determine whether states are sufficiently regulating long-term care insurers.”

In a statement defending itself against allegations made in the *New York Times* article, Consec Inc., a long-term care insurer that was referenced several times in the paper, said, “The article focuses on a small number of dissatisfied policyholders, and not on the vast majority who are receiving satisfactory service and benefits from the Consec insurance families.”

Expected to participate in the NCOIL discussion are consumer advocate Bonnie Burns of the California Health Advocates (CHA), a representative of the National Association of Insurance Commissioners (NAIC), and insurance company representatives. Ms. Burns, although unable to attend the Seattle meeting, will submit testimony to the Committee that outlines her concerns with the long-term care market.

The Summer Meeting will be held at the Sheraton Seattle Hotel & Towers.

NCOIL is an organization of state legislators whose primary focus is insurance legislation and regulation. Many legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org

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