

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION  
**LEGISLATIVE BILL 875**

Introduced by Howard, 9.

Read first time January 14, 2014

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to the Long-Term Care Insurance Act; to amend
- 2 section 44-4517.02, Reissue Revised Statutes of Nebraska;
- 3 to change a provision relating to nonforfeiture benefits;
- 4 and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 44-4517.02, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3           44-4517.02 (1) Except as provided in subsection (2) of  
4 this section, a long-term care insurance policy may not be delivered  
5 or issued for delivery in this state unless the policyholder or  
6 certificate holder has been offered the option of purchasing a policy  
7 or certificate including a nonforfeiture benefit. The offer of a  
8 nonforfeiture benefit may be in the form of a rider that is attached  
9 to the policy.

10           (2) When a group long-term care insurance policy is  
11 issued, the offer required in subsection (1) of this section shall be  
12 made to the group policyholder. However, if the policy is issued as  
13 group long-term care insurance, other than to a continuing care  
14 retirement community or other similar entity, the offering shall be  
15 made to each proposed certificate holder.

16           (3) The director shall adopt and promulgate rules and  
17 regulations specifying the type or types of nonforfeiture benefits to  
18 be offered as part of long-term care insurance policies and  
19 certificates and the standards for nonforfeiture benefits. If a  
20 premium for a policy issued in this state has increased so that the  
21 amount of the premium would be greater than the amount of the  
22 original premium increased by an annual rate of six percent, the  
23 standards for nonforfeiture benefits shall include the option of  
24 return of premiums to the policyholder, without regard to the  
25 eligibility of the insured individual to qualify for payment of

1 claims under the terms of the policy. The return of premiums shall  
2 include an amount equal to all premiums paid by the insured during  
3 the time that the policy was in force increased by a percentage equal  
4 to the rate established in section 45-104.01.

5           Sec. 2. Original section 44-4517.02, Reissue Revised  
6 Statutes of Nebraska, is repealed.