



Senator Scott T. Rupp

District 2

# Press Release

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## Senator Rupp's Legislation Protects Long Term Care Policies From Massive Increases

The number one complaint the Missouri Department of Insurance receives is the rapid increases to long-term care insurance policies that affect consumers who have held those policies for years.

Senator Scott T. Rupp (R-Wentzville) has now successfully navigated legislation through the Senate that puts a cap on those increases and makes sure that the rates insurance companies charge are enough to cover the risk and be a viable policy. The measure now goes to the House of Representatives for similar consideration.

[Senate Bill 979](#), if enacted, would not allow any insurance company to issue long-term care insurance without filing the classification of risks and the premium rates with the director of the Missouri Department of Insurance and gaining approval of the department.

“What happened several years ago is that insurance companies came into Missouri and sold rock-bottom, long-term care policies in which the premium charged would not cover the life of the policy,” said Sen. Rupp. “This gained insurance companies market share and new policy holders by undercutting the competition. Then, after a few years, they drastically raised the premiums over and over. Consumers were faced with a choice: cancel the policy and lose all the credit they had paid over those years, or pay a 30 to 40 percent increase with no guarantee it would not increase again the next year. This bill caps those increases at 15 percent, and keeps long-term insurance companies from charging Missourians higher premium increases to offset costs in other states.”

Senator Rupp sees long-term care insurance as a way to offset costs of nursing home care or assisted living that now average \$40,000 per year.

“This insurance is a key part of many retirement plans and estate planning, and Missouri has to make sure that our most frail citizens are given the guarantees they paid for through these policies,” said Sen. Rupp.

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