

By: Nelson

S.B. No. 789

A BILL TO BE ENTITLED

AN ACT

relating to loss ratio standards for long-term care benefit plans.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1651.053, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) The commissioner may enter into an agreement with an entity issuing a long-term care benefit plan under which the entity agrees that if the plan rates are increased, the entity will demonstrate and maintain a loss ratio for the plan that is higher than the loss ratio otherwise required to be demonstrated under rules governing rate increases for the plan if the commissioner determines that the increased rates comply with any other law governing long-term care benefit plan rates.

SECTION 2. This Act takes effect September 1, 2009.