

HOUSE RESEARCH

Bill Summary

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Version: As amended by H51A1 amendment

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Subject: Long-term care insurance

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Overview

This bill involves long-term care insurance, which may be purchased to cover nursing home and home care costs. The bill also involves the Minnesota Life and Health Insurance Guaranty Association (MLHIGA), which is an organization of life and health insurers established in state law to provide protection to Minnesota residents who have life or health insurance policies issued by insurance companies that later become insolvent. All life and health insurance companies in the Minnesota market are required by state law to be members of MLHIGA, which is required to assess its insurance company members to cover the costs involved. This bill clarifies that long-term care insurance is covered by MLHIGA, on the same basis as other types of health insurance.

Section

- 1 Deleted by amendment.
- 2 **Health insurance.** Adds long-term care insurance to a definition of "health insurance." The effect is to clarify that Minnesota residents covered by long-term care insurance are protected by the Minnesota Life and Health Insurance Guaranty Association (MLHIGA), if the insurance company that issued the policy becomes insolvent. This clarifies that long-term care insurance is a type of health insurance intended to be covered by MLHIGA.
- 3 **Effective date.** Provides an immediate effective date.