

Insurance Regulation

Health Insurance Portability and Accountability Act (HIPAA) - was a bill that helped standardize and distinguish the difference between a Tax-Qualified and Non Tax-Qualified long term care plan. This act made sure that all policies must have certain standards before they could be considered tax-qualified.

National Association of Insurance Commissioners (NAIC) - membership organization of State Insurance Commissioners. One of its goals is to promote uniformity of state regulation and legislation related to insurance.

Non-Tax Qualified - premiums for these policies are not tax-deductible, nor are the benefits tax-free. However, the qualifying definitions are more liberal in that your doctor must certify that care is "medically necessary".

Outline of Coverage - a mandatory explanation of benefits that accompanies the application and is left with the applicant.

State Health Insurance Assistance Program (SHIP) - federally funded program to train volunteers to provide counseling on the insurance needs of senior citizens.

Tax-Qualified Long-Term Care Insurance Policy - is a standardized policy form that was created in 1997 making long-term care insurance premiums tax-deductible. These policies mandate that the claimant must need help with 2 out of 6 activities of daily living instead of the "medically necessary" definition of policies sold previous to the passing of this law.