

# Long-Term Care Insurance Standards



Effective for Contract Term from January 1, 2025 through December 31, 2027

The State of Wisconsin Department of Employee Trust Funds is ONLY accepting proposals for free-standing long-term care insurance policies. Proposals for hybrid plans and/or long-term care riders to life insurance will not be accepted.

Department of Employee Trust Funds  
Group Insurance Board  
4822 Madison Yards Way  
Madison, Wisconsin 53705-9100

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## 1. Purpose

This document, “Long-Term Care Insurance Standards,” serves as a resource for insurers and, if applicable, their agents interested in offering state employees and retirees a discounted long-term care insurance (LTCI) policy. It sets forth the requirements insurers and, if applicable, their agents must meet to offer these plans, provides the instructions for submitting a proposal, and outlines the criteria the Group Insurance Board (Board) uses in approving or denying an insurer’s proposal.

## 2. Definitions

- A. **Agent:** For purposes of this document, the agent refers to any individual or organization that markets, solicits, or sells insurance policies underwritten by the insurer for compensation. This includes, but is not limited to, brokers, marketing agents, selling agents, managing general agents, and any other intermediary. Agents must meet requirements as defined in [Wis. Stat. Ch. 628](#).
- B. **Business Day:** Monday through Friday, excluding holidays observed by the Department of Employee Trust Funds.
- C. **Calendar Day:** A twenty-four (24) hour day from midnight to midnight denoted on a calendar. Calendar Days include Saturdays, Sundays and Holidays.
- D. **Confidential Information:** All tangible and intangible information and materials being disclosed in connection with the contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin or by a third party, which satisfies at least one of the following criteria: (i) Individual Personal Information; (ii) Personally Identifiable Information under Wis. Stat. § 19.62(5); (iii) Protected Health Information under HIPAA, 45 CFR 160.103; (iv) proprietary information; (v) non-public information related to the State of Wisconsin’s employees, customers, technology (including data bases, data processing, and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (vi) information expressly designated as confidential in writing by the State of Wisconsin; (vii) all information that is restricted or prohibited from disclosure by State or federal law, including Individual Personal Information and Medical Records as governed by Wis. Stats. § 40.07, Wis. Admin. Code ETF 10.70(1) and 10.01(3m); or (viii) any material submitted by the proposer designated confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36 (5) or material which can be kept confidential under the Wisconsin public records law, and identified on a Designation of Confidential and Proprietary Information form (Attachment C) and submitted to ETF. Pricing information cannot be held confidential.
- E. **Eligible Employee:** Defined in Wis. Stat. § [40.02\(25\) \(bm\)](#). It includes state employees eligible for the WRS, elected state officials, and graduate assistants employed at least one-third time who are expected to be employed for at least six months.
- F. **Group Insurance Board (Board):** Eleven (11) member board that sets policy and oversees administration of the group health, life insurance, and income continuation insurance plans for state employees, retirees, and the local employers who choose to offer them. The Board also can provide other insurance plans, if employees pay the entire premium. The Board’s authority is governed by [Wis. Stat. § 40.03 \(6\)](#). For more information on the Board, visit [etf.wi.gov/boards/board\\_gib.htm](http://etf.wi.gov/boards/board_gib.htm).
- G. **Contract:** Contract between an insurer and, if applicable, agent, and the Board related to the offering of long-term care insurance to state employees.
- H. **Insured:** The employee, retiree, or their spouses and parents that are covered by an long-term care insurance policy offered by the Board.
- I. **Insurer:** For purposes of this document, the insurer refers to the company offering and underwriting the long-term care insurance policy. The insurer assumes the risk for the long-term

care insurance policies.

- J. **Long-Term Care Insurance (LTCI):** Board-approved LTCI plans as defined under [Wis. Admin. Code § Ins 3.46](#). The Board may offer plans to eligible employees and retirees, and to their spouses and parents. The LTCI plan may be made available based on underwriting to establish each subscriber's initial eligibility and premium levels. The state does not contribute to LTCI plan premiums; subscribers pay 100% of the premium.
- K. **LTCI Eligible Individuals:** Eligible employees, their spouses, and parents; State of Wisconsin retirees, their spouses, and parents. Eligible individuals must live in Wisconsin.
- L. **Retirees:** A person who is receiving or eligible for a retirement annuity, disability annuity, long-term disability insurance, or has retired and accepted a lump-sum payment from the Wisconsin Retirement System and who was eligible for group health insurance while employed.
- M. **Spouse:** Person in a marriage recognized in the State of Wisconsin
- N. **State:** The State of Wisconsin
- O. **Wisconsin Office of the Commissioner of Insurance (OCI):** OCI is a cabinet level office under the executive branch that performs a variety of tasks to protect insurance consumers and ensure a competitive insurance environment.

### 3. Statutory and Administrative Authority

- A. The Board has the following statutory and administrative authority related to LTCI plans:
  - a. [Wis. Stat. § 40.03\(6\)\(h\)](#) and [Wis. Stat. § 40.55](#) direct the Board to offer long-term care insurance for LTCI-eligible individuals.

### 4. Long-Term Care Insurance (LTCI) Plan Requirements

To be considered for approval, each proposed LTCI plan must:

- A. Be approved by OCI prior to submitting a proposal.
- B. Be a long-term care insurance policy issued by an insurer or its affiliates and made available for purchase generally by LTCI-eligible individuals who reside in Wisconsin at the time of purchase ([Wis. Stat. § 40.02\(25\) \(bm\)](#)) with the discounted rate agreed upon by the Board, insurer and if applicable, agent. All policies shall be owned by the individual to whom the policy is issued.
- C. Meet all applicable requirements listed in these long-term care insurance standards and attachments A through D.

### 5. Insurer and, If Applicable, Agent Responsibilities

The insurer and agent will be responsible for the requirements listed below. If the insurer does not have an agent, the insurer will assume both agent and insurer responsibilities. An agent shall provide ETF with a copy of any agreement between an insurer and the agent.

Insurers and, if applicable, agents, interested in offering or marketing an LTCI plan must meet and agree to the following:

- A. General
  - 1. The insurer shall hold a license to sell LTCI from OCI and be in good standing, including compliance with duties outlined in [Wis. Admin. Code § Ins 42.05](#).
  - 2. The insurer and, if applicable, the agent, shall comply with all applicable state and federal laws and regulations concerning the confidentiality, privacy, or security of personally identifiable information created, received, or otherwise accessed by the insurer.
  - 3. Provide full disclosure of any direct or indirect ownership or control by any administrative service agency and/or financial institution and describe the relationship fully.

4. All agents are licensed under [Wis. Stat. § 628.04](#) and adhere to the terms of the contract.
5. The insurer and agent shall only sell LTCI plans that have been approved by the Board to LTCI-eligible individuals. The introduction or sale of any other insurance plan or product, where the insurer or agent access to referral was gained through marketing an approved LTCI plan, is prohibited without prior Board approval.
- 6. NOTICE: The Board voted on November 15, 2023, to require a SOC 2 Type 2 as part of all vendor contracts that are effective on or after January 1, 2026. A SOC 2 Type 2 will be an insurer requirement in the next version of the Long-Term Care Standards (ET-7423) to be published in the fall of 2026 for the contract effective January 1, 2028.**
7. The Board reserves the right to withdraw its approval if insurers and, if applicable, agents and the LTCI plans they offer, fail to meet requirements detailed in these standards or its attachments A-D, or the contract.

B. LTCI Plan Administration

1. The LTCI plan must be filed with OCI and meet all statutory requirements including those related to benefit design, inflation protection, the WI Partnership Program, and premium increases. (Examples: [Wis. Admin. Code § Ins 3.45](#), [Wis. Admin Code § Ins 3.455](#), [Wis. Admin. Code § Ins 3.465](#), [Wis. Admin. Code § Ins 3.46](#)).
2. The LTCI plan offers a discount to the insured, including State of Wisconsin eligible employees, their spouses, and parents; State of Wisconsin retirees, their spouses, and parents.
3. The insurer and, if applicable, the agent, through the references provided with the proposal, demonstrates a history of performance and acceptance by eligible participants and/or a record of positive assessment by other public or private entities that make the same or similar plan available to their employees.
4. Enrollment will begin not less than eight weeks after Board approval.

C. Marketing, Materials and Member Resources

1. A contract with the Board must be in place prior to any marketing activity or distribution of materials to LTCI-eligible individuals. The contract must be signed by the insurer and, if applicable, an agent before the annual May Board meeting.
2. All marketing and informational materials provided to LTCI-eligible individuals must have *prior approval* by ETF staff, including materials distributed plan wide every time the material is distributed. Approval of marketing materials by OCI is not a substitute for ETF approval.
3. The insurer and, if applicable, the agent, agrees to the OCI provisions relating to privacy to maintain the confidentiality of any LTCI-eligible individual's information. Prohibited sales techniques, high pressure sales, unsolicited emails, or cold calls to LTCI-eligible individuals is specifically not permitted.
4. The agent must provide an Internet web page including a toll-free phone number to allow LTCI-eligible individuals to obtain descriptive materials and applications. This phone number shall also be available for any questions, complaints, requests, or other concerns relating to the LTCI program. The agent shall be required to arrange to meet with LTCI-eligible individuals only when invited to do so by telephone or written request.
5. A Board-approved LTCI plan may be marketed to LTCI-eligible individuals, defined as state employees, who are defined by [Wis. Stat. § 40.02\(25\)\(bm\)](#) as:
  - a. Any employee of the state who received a salary or wages in the previous calendar year.
  - b. State retirees under [Wis. Stat. § 40.02\(54m\)](#).
  - c. Any participant who was formerly employed by the state who received a lump-sum

payment if paid as an annuity.

- d. Any employee who is a resident of Wisconsin and has filed an application for an immediate annuity, regardless of whether final administration has been taken.

6. ETF will facilitate insurer or, if applicable, agent outreach to members by:

- a. Providing an annual review, approval, and distribution of informational or outreach messaging provided by the insurer, or if applicable, its agent.
- b. Annually preparing census list for direct marketing, if requested by the insurer or agent.

#### D. Reporting

1. Year-end enrollment report: The insurer or, if applicable, the agent, must submit a year-end enrollment report electronically to [ETFSMBInsuranceSubmit@etf.wi.gov](mailto:ETFSMBInsuranceSubmit@etf.wi.gov) and copy the LTCI program manager no later than February 15. The report shall include the following information from the entire previous year:

- a. Number of Member inquires.
- b. Number of policies sold.
- c. Number of claims.
- d. Dollar amount of claims paid.
- e. Number of policies lapsed.
- f. Number of claims denied.
- g. Average discount offered on each policy sold to LTCI-eligible individual.
- h. Average discount offered to LTCI-eligible individuals compared to overall book of business.
- i. Other data elements as requested by ETF.

*Late or incomplete reporting may result in a \$100 a day penalty for every Calendar Day the year-end enrollment report is received late and may result in not recommending the LTCI plan to the Board.*

## 6. Submitting a Proposal

The process for submitting an LTCI proposal is as follows:

- A. Insurer reviews this document and attachments A-D thoroughly to understand all requirements and expectations.
- B. Insurer should contact ETF at [ETFSMBInsuranceSubmit@etf.wi.gov](mailto:ETFSMBInsuranceSubmit@etf.wi.gov) with any questions about the insurer and, if applicable, agent, responsibilities and requirements prior to submitting the signed proposal.
- C. Insurer submits a completed proposal, including attachments A-D, signed where applicable, labeled "LTCI Proposal" in the subject line to [ETFSMBInsuranceSubmit@etf.wi.gov](mailto:ETFSMBInsuranceSubmit@etf.wi.gov).
- D. All proposals are due by 2:00 p.m. CST on the last Business Day of January and will be considered at the following May Group Insurance Board meeting for the upcoming plan year starting January 1.

## 7. Review and Approval Process

- A. ETF notifies an insurer and/or agent within ten (10) Business Days of the submission of the proposal to ETF that the submission has been received and whether it is deemed complete.
  1. If incomplete, ETF will notify the insurer. The insurer will have five (5) Business Days from notification to complete the proposal. If not completed timely after notification, the proposal shall not be recommended to the Board for approval.

- B. ETF reviews the proposal.
  - 1. The review process may include discussions between the insurer, agent, and ETF, an advisory committee of employer representatives, and/or the actuary.
  - 2. Any modifications to the proposal must be received electronically by ETF no later than six (6) weeks prior to the scheduled May Board meeting where the proposal will be discussed.
  - 3. ETF will contact all references provided in the proposal on behalf of the Board.
- C. ETF finalizes the review and prepares a recommendation for the Board.
  - 1. ETF will not present a recommendation for Board approval at their May meeting without an insurer signed contract. If the insurer requires an agent, the agent will also be signatory to the contract.
- D. The Board will determine whether to approve the proposal at a publicly noticed Board meeting.
  - 1. A spokesperson for the insurer should be present at the Board meeting.
  - 2. The agenda and documents for Board meetings are posted to [etf.wi.gov](http://etf.wi.gov) prior to each meeting.
- E. If the Board approves a proposal, ETF will provide the Insurer/Agent-signed final version of the Contract to the Board chair for signature after the May Board meeting and return a fully-executed copy to the Insurer/Agent for their records.

## 8. Additional Information

- A. Please send questions related to the long-term care insurance approval process to: [ETFSMBInsuranceSubmit@etf.wi.gov](mailto:ETFSMBInsuranceSubmit@etf.wi.gov)
- B. The attachments to these LTCI standards are:
  - 1. Attachment A: Proposal Submission Checklist
  - 2. Attachment B: Insurer Acknowledgement
  - 3. Attachment C: Designation of Confidential and Proprietary Information
  - 4. Attachment D: Sample Contract Cover Page

## Attachment A: Proposal Submission Checklist

Insurers must submit the following information electronically to the Department of Employee Trust Funds Office of Strategic Health Policy at [ETFSMInsuranceSubmit@etf.wi.gov](mailto:ETFSMInsuranceSubmit@etf.wi.gov)

A completed proposal that includes all elements required by the LTCI standards must be *received* by ETF by 2:00 PM on the last Business Day of January. ETF reserves the right to request paper copies. If requested, paper copies will be delivered to ETF within three (3) Business Days of the request.

### General Information

- Cover letter, including an executive summary of the proposal.
- Table of Contents, clearly labeled with page numbers.
- This Attachment A: Proposal Submission Checklist, completed.
- Attachment B: Insurer Acknowledgement, completed and signed by the insurer and, if applicable, the agent.
- Attachment C: Designation of Confidential and Proprietary Information, completed and signed by the insurer and, if applicable, the agent.

Name of Proposal Contact	
Title	
Mailing Address	
Phone Number (direct)	
Email Address	

- Provide the name, title, phone number, and email address for the representative(s) who will manage contract negotiation and administration, if different from above.

Name of Account Manager	
Title	
Mailing Address	
Phone Number (direct)	
Email Address	



- Provide the name of the specific insurance plan the Insurer is interested in offering LTCI-eligible individuals. *Note:* this is the name of the LTCI plan presented within the proposal; other plans not listed will not be considered for approval.

Also provide the Office of the Commissioner of Insurance (OCI) identification number and date of OCI registry.

Specific Name of LTCI Plan Proposed	
Plan's Marketing Title, if different	
OCI Plan Identification Number	
Date of OCI registry	

- List functional web addresses for the insurer and agent, with links to related plans if possible.

Insurer Website	
Agent Website	
Additional Relevant Links	

- List all selling agents relevant to the proposed plan. Attach additional sheets if needed.

Agent (Entity) Name	Agency Contact Name, Phone, Email	Agent Website

- Provide at least **two insurer references and, if applicable, at least two agent references.** References should be from current or recent public or private employers (not including ETF) from which the Insurer collects LTCI premiums via electronic fund transfer, including name and contact information for the employee benefits office. Agent references should be from at least one insurer with whom they've worked and at least one policy holder.

If unable to supply references from public/private employers please attach a sheet explaining why the reference cannot be provided and the full names, telephone numbers, and email addresses of five clients ETF may contact to ask about their experience. These clients must have had the policy for at least five (5) years, not be related to or in a relationship with anyone employed by the insurer or agent and never held a state level elected position in Wisconsin.

Reference 1

Organization Name	
Contact First and Last Name	
Contact Phone	
Contact Email	
Product Offered	
Number of Covered Lives	
Contracted Years	

Reference 2

Organization Name	
Contact First and Last Name	
Contact Phone	
Contact Email	
Product Offered	
Number of Covered Lives	
Contracted Years	

Reference 3

Organization Name	
Contact First and Last Name	
Contact Phone	
Contact Email	
Product Offered	
Number of Covered Lives	
Contracted Years	

## Benefits and Materials

- Complete Attachment A: Proposal Submission Checklist.
- Complete Attachment B: Insurer Acknowledgement for the proposed Long-Term Care Insurance Plan.
- Complete Attachment C: Designation of Confidential and Proprietary Information.
- Review Attachment D: Sample Contract Cover Page.
- Provide a detailed list of any exclusions and limitations for the proposed LTCI Plan.
- Provide a sample brochure, specifically drafted for the State of Wisconsin.
- Submit a marketing plan, detailing the electronic and print materials that will be available to State of Wisconsin members. For reference, the State of Wisconsin employee and annuitant benefit information is found at [etf.wi.gov](http://etf.wi.gov).
- Documentation that the LTCI plan meets necessary requirements for sale in the state. Include completed copies of OCI's required yearly Long-Term Care Reporting forms numbers 26-301, 26-301H, 26-304, 26-304H, 26-305, 26-306, 26-307, 26-307H and 26-308 from the previous year. If unable to supply the forms attach a sheet explaining why the forms cannot be provided.
- Submit a detailed description of the discount the insurer and/or agent is prepared to offer LTCI-eligible individuals
- Summary of the proposed LTCI plan, suitable for comment from member advisors. This maybe a mock-up of a brochure but must accurately depict the proposed LTCI plan presented to the Board.
- Sample application and sample policy agreement between the insurer and insured.
- If applicable, the agreement between the insurer and agent.



## Attachment C: Designation of Confidential and Proprietary Information

The material my company has submitted in response to *Long-Term Care Insurance Standards* (ET- 7423) includes proprietary and confidential information that qualifies as a trade secret, as provided in Wis. Stat. § 19.36(5) or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, my company requests that certain pages of our proposal, as indicated below, be treated as confidential material and not be released without our written approval. I understand other information cannot be kept confidential unless it is a trade secret.

Trade secret is defined in Wis. Stat. § 134.90(1)(c) as follows: “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique or process to which all the following apply:

- The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
- The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

Prices always become public information when proposals are opened, and therefore cannot be kept confidential.

Failure to include this form with your proposal may mean that all information provided as part of your proposal will be open to examination and copying. The State of Wisconsin (State) will consider other markings of confidentiality in your proposal to be insufficient. **If you are not including any confidential or proprietary materials with your proposal, please write “none” in the first row below.**

**My company requests the following documents/sections/pages not be released:**

Proposal Section/Attachment Name	Page #	Topic

**Attach additional copies of this form if necessary.**

In the event the designation of confidentiality of the above-listed information is challenged, my company hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and to hold the State harmless for any costs or damages arising out of the State withholding the materials. My company agrees to hold the State harmless for any damages arising out of the release of any materials unless they are specifically identified above.

Insurer/Proposer Company Name	
Name & Title of Authorized Representative	
Authorized Representative Signature	
Signature Date	

If applicable, Agent, Name	
Name & Title of Authorized Representative	
Authorized Representative Signature	
Signature Date	

## Attachment D: Sample Contract Cover Page

State of Wisconsin  
Department of Employee Trust Funds  
4822 Madison Yards Way  
Madison, WI 53705-9100  
P. O. Box 7931  
Madison, WI 53707-7931



### Contract by Authorized Board

**Commodity or Service:**

Long-term care insurance for an eligible employee-pay-  
all basis as defined by  
Wis. Stat. § 40.02 (40m)

**Contract No./Request for Proposal No:**

ETx00xx

**Authorized Board:** State of Wisconsin Group Insurance Board

**Contract Period:** January 1, 2025 - December 31, 2027

1. This contract is entered into by the State of Wisconsin Department of Employee Trust Funds on behalf of the Group Insurance Board (Board), and [ *vendor name* ] (Contractor), whose address and principal officer appear below. ETF is the sole point of contact for this contract.
2. Whereby ETF agrees to direct the purchase and contractor agrees to supply the contract requirements in accordance with the documents specified in the order of precedence below, which are hereby made a part of this contract by reference.
3. For purposes of administering this contract, the order of precedence is:
  - (a) This contract;
  - (b) *Long-Term Care Insurance Standards* (ET-7423) as approved by the Board on \_\_\_\_\_; and
  - (c) Contractor's proposal dated January \_\_, 2020 including contractor's signed Attachment B: Insurer Acknowledgement; contractor's signed Attachment C: Designation of Confidential and Proprietary Information; a sample insurer-insured agreement; and if applicable, a sample agent-insurer agreement.

Continued on next page.

**Contract Number and Service:** ETx00xx long-term care insurance for an eligible employee-pay-all basis as defined by Wis. Stat. § 40.02 (40m)

**This contract shall become effective upon the date of last signature below (the “effective date”).**

<b>State of Wisconsin Department of Employee Trust Funds</b>
Authorized Board:  Group Insurance Board
By (Name):  Board Chair
Signature:
Date of Signature:

<b>Contractor</b>
Legal Company Name:
Trade Name:
Taxpayer Identification Number:
Contractor Address (Street Address, City, State, Zip):
Name & Title (print name and title of person authorized to legally sign for and bind Contractor):
Signature:
Date of Signature:
Email: _ Phone: