



## Proposed Washington regulation:

- Products no longer available 1/1/09
- New producer training requirements

LTC NEWSLINK

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The Washington Insurance Department is in the final process of issuing its new LTC regulation, and while we are awaiting final publication, we know it will become effective January 1, 2009. The Department is requiring that all LTC insurance carriers resubmit new product portfolios under the new regulatory provisions for use on and after January 1, 2009. **As a result, all existing product portfolios will not be available for sale after December 31, 2008.** We have submitted our Custom Care II Enhanced and Leading Edge product portfolios and related marketing materials for review by the Department under the new regulation. We will continue to work with the Washington Insurance Department in order to obtain approval on the filing and will notify you once additional information is available. Due to the regulations' short effective date, we will continue to keep you informed of the progress of these filings, so that you receive both information and materials as soon as they are available.

As the Department has essentially adopted the new NAIC Long-Term Care Model Regulation which includes rate stabilization, consumer disclosure requirements, suitability and contingent nonforfeiture requirements, they will also require the filing and approval of marketing material, please see below for instructions on submitting material.

The good news is that the Department had originally proposed restrictions on producer compensation restrictions for new business. However, they have since reconsidered and will not be imposing any producer compensation restrictions at this time.

### **New producer training requirements**

Washington has also adopted NAIC producer training requirements (8-hour initial, 4-hour refresher every 2-years thereafter). All training must be CE. Producers licensed on or after 1/1/09 must take the initial 8-hour training prior to selling. Producers licensed prior to 1/1/09 have until 7/1/09 to complete the training. Effective January 1, 2009, the NAIC training requirement will replace their existing 6-hour requirement.

### **Reminder – Washington is now an advertising file state**

As previously communicated, the Washington Department of Insurance will now require carriers and producers issuing LTC insurance or benefits to provide copies of all LTCI advertisements intended for use with consumers to be reviewed and approved prior to using them. Read below for important instructions on using and submitting materials for review and approval in Washington.

**Home office generated consumer materials** — We have started the process of filing all materials made available through the home office (i.e. product brochures, needs-based and product marketing materials) in order to be in compliance when the regulation becomes effective on January 1, 2009. We will communicate via LTC Newslink the availability of all approved materials as soon as we receive approval.

**Producer created materials** — Effective immediately, all producer-created LTC insurance advertisements intended for use with consumers that refer to John Hancock, its LTC products, and services, will need to be filed by John Hancock with the Washington Department of Insurance.

**Instructions:** You will need to let John Hancock's LTC Compliance Department know what was previously approved and what now needs to be filed. FINAL copies will need to be provided for the filing to be submitted. Once the items have been approved by the Department of Insurance, you will be notified.

**IMPORTANT:** Since Washington is now a file and review state, the creator of the advertising material will be notified via e-mail when the piece has been approved or disapproved.

It is imperative that producers who have developed advertisements intended for use in Washington understand the impact this new filing requirement will have on their ability to disseminate sales material to consumers in that state. Please refer to the Advertising Compliance section of [www.jhltc.com](http://www.jhltc.com) for a better understanding of state filing requirements and the scope of advertising review.

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As we receive additional information about Washington, we will let you know via LTC Newslink.