

# Quarterly UPDATE

## *Connecticut Partnership for Long-Term Care*

April - June 2009



### **PARTNERSHIP EXPANSION CONTINUES**

The Deficit Reduction Act (DRA) of 2005 removed restrictions that had been in place since 1993 on new states who wished to develop Partnership for Long-Term Care programs. With these restrictions lifted, the DRA set the stage for Partnerships to expand to new states. To date, 28 new states have received approval to implement Partnership programs. The new Partnership states are: **Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Kansas, Kentucky, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia and Wisconsin.**

This is in addition to the four original Partnership programs in **California, Connecticut, Indiana and New York.**

One other state, **Maryland** has applied for federal approval and there are several other states who are interested in developing a Partnership program. We will provide updates to you as more states receive federal approval for a Partnership program.

The federal Department of Health and Human Services' Reciprocity Compact became effective in **January 2009**. The Reciprocity Compact requires any state that is part of the Compact to agree to have reciprocity for the granting of Medicaid Asset Protection with any other state in the Compact. Connecticut has formally started the process to join the Compact with the hope that Connecticut will be officially part of the Compact sometime in the near future. We will send a notification once Connecticut is approved under the Compact. Until Connecticut receives approval to be part of the Compact, the only reciprocity agreement Connecticut has is with Indiana.

The new Partnership states are automatically included in the Compact unless they choose to opt out. Of the 28 new Partnership states, so far only Wisconsin has opted out of the Compact. Wisconsin's statute for their Partnership program requires that a Partnership policyholder be a Wisconsin resident when they purchase a Partnership policy in order to receive Medicaid Asset Protection and, therefore, they believe they cannot join the Compact unless they revise their Partnership statute.

The four original states (CA, CT, IN & NY) must proactively opt into the Compact. As noted above, Connecticut has formally started the process to opt into the Compact. Indiana has indicated they are likely to apply to opt into the Compact as well. As of now, California and New York have indicated they will not be pursuing joining the Compact.

**Please note that states can opt in and out of the reciprocity Compact over time. Therefore, what matters is whether Connecticut has reciprocity for Medicaid Asset Protection with another state at the point an individual applies to that other state's Medicaid program. Just because Connecticut might currently have reciprocity with another state does not guarantee that such reciprocity will be in place when your client applies to Medicaid. Conversely, Connecticut may not have reciprocity with a state now, but it may in the future.**

**Because of this, we advise that a decision to purchase a Partnership policy should not be made based on reciprocity with other states. Reciprocity should be viewed as a potential bonus for your clients that doesn't add to the cost for a Partnership policy. The only firm guarantee we can provide to a Connecticut Partnership policyholder is that Connecticut's Medicaid program will recognize their earned Medicaid Asset Protection.**

**If you have any questions regarding reciprocity, please email David Guttchen at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov).**

In addition, the Department of Health and Human Services has contracted for the development of a website where information on new Partnership programs is available. The link to the website is <http://www.dehpg.net/ltpartnership/> We suggest you periodically check the website to see what new information has been included.

## **PARTNERSHIP SALES CONTINUE TO GROW**

In the quarter ending December 31, 2008, total Partnership sales passed the **50,000** level with **50,143** sold to date. In addition, **over 1,000** Partnership applications were submitted during the quarter, bringing the total number of applications to more than **61,000**.

95% of purchasers are under the age of seventy and 82% under the age of 65. The average age at time of purchase is 58 and the average maximum benefit purchased is \$240,382. More than \$56 million in Medicaid Asset Protection had been earned as of 12/31/08 by Partnership policyholders receiving benefits under their policies. For additional information about Partnership sales, go to the Partnership's website at [www.ctpartnership.org](http://www.ctpartnership.org).

## **NEW COMPANY JOINS PARTNERSHIP**

The United HealthCare Insurance Company has recently received Partnership approval. United HealthCare will be marketing a comprehensive Partnership plan.

In the near future, the Partnership's **Policy Comparisons Report** will be updated to include information on United HealthCare's Partnership policy. We will let you know when the new Report becomes available.

With the addition of United HealthCare to the Partnership, the list of participating insurers is as follows:

Allianz  
Bankers Life and Casualty  
CUNA Mutual  
Genworth Life  
Great American Life  
John Hancock  
MassMutual  
MedAmerica  
MetLife  
Prudential  
State Farm  
United HealthCare

## TOP PRODUCERS

Congratulations to the following producers who sold **more than 10 Partnership policies** between July 1<sup>st</sup> and December 31<sup>st</sup>, 2008 (this information was self-reported by the producers who responded to our request in the last edition of the *Quarterly Update*):

Armen Abrahamian  
Marcia Bernstein  
Robert Beucler  
Robert Charnas  
Thomas Couvares  
Sean Deveau  
Melissa Ericksen  
Steve Foss  
Larry Golfin  
Rosanne Hauser  
Barbara Hayslip  
Edmond Henrich  
Charles Kelly  
Gerard Kenney  
Lisa Krawczyk  
Rich Levine  
James Meehan  
Lynn Pensky  
Kathleen Ruane  
Maureen Torrence  
Leonard Wik  
Scott Zimmerman

## **COST OF LONG-TERM CARE IN CONNECTICUT**

The Partnership's publication, ***Cost of Long-Term Care in Connecticut***, has been revised to reflect updated nursing facility and home care costs. The average private pay rate for a semi-private nursing facility room increased **5.2%** from last year to **\$327 per day** or over **\$119,000 per year**. The following Partnership publications have also been revised to reflect the new long-term care cost information: ***Frequently Asked Questions, Partnership Policies Can Save You Money (issue sheet)***, and ***Cost of Waiting to Buy Long-Term Care Insurance (issue sheet)***.

These four publications can be downloaded from the Partnership's website by clicking on the following link:

<http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383402>

**We encourage you to download these publications since it will be the quickest way to access the materials and will reduce our printing and mailing costs.** However, if you would like printed copies of the publications, we can send you up to 10 copies free of charge at this time. To order copies of these publications, please email [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) and note which publications you would like and in what quantities. ***Please include your mailing address when you email your publication request.***

***Please allow 2-4 weeks for delivery of the publications.***

## **PARTNERSHIP PUBLIC FORUMS**

Don't miss out on the following opportunities to educate your clients and prospects about long-term care insurance. These events provide basic information about long-term care and what features to look for in long-term care insurance. A description of the Partnership's enhanced standards, including Medicaid Asset Protection, is also provided.

- **April 23<sup>rd</sup> -- WINDSOR**  
LP Wilson Community Center
- **April 30<sup>th</sup> -- COLCHESTER**  
St. Andrew's Church
- **May 20<sup>th</sup> -- FARMINGTON**  
UCONN Health Center

Forums run from 7:00 to 9:00 p.m. *Please remember, no sales materials or solicitations are allowed at these events.*

To register yourself and/or your clients, call the Partnership's Consumer Information Service at **(800) 547-3443**.

## **NEW PARTNERSHIP TRAINING FORMAT PROVIDES REFRESHER COURSE OPPORTUNITY FOR CERTIFIED AGENTS**

By regulation, any producer who wishes to sell or market a CT Partnership policy must have at least 7 hours of training on long-term care issues and the Partnership.

The Partnership Certification Training Program consists of two components.

The first component is a **Prerequisite Online Course** that covers basic long-term care subjects, including how long-term care insurance works, Medicare, Medicaid, etc. This course is currently being offered by two outside vendors. The course culminates in an exam that must be passed in order to be eligible to register for the second component of the training. The fee for the online course and its related Continuing Education (CE) Credits will be handled directly by the vendor(s). The Prerequisite Online Course provides 8 CE credits (5 Life & Health and 3 Law, Ethics & Regulation credits) for CT resident producers only.

The second mandatory component of the training is a **4 hour Classroom Training Course** to be conducted by CT Partnership staff. This training will focus solely on the Partnership. Only producers who take the Prerequisite Online Course are eligible to register for the Partnership classroom course. Completion of both components is required before a producer will be certified to sell Partnership policies. The Partnership Classroom Training Course provides 4 Life & Health CE credits for CT resident producers only.

**This training format only applies to producers who have NOT yet been Partnership certified. If you are already Partnership certified, you are not required to take any additional Partnership courses since the Partnership certification is a one-time requirement.**

However, if you are already Partnership certified, you are welcome to attend the Partnership's 4 hour training course. **We will just need to verify your Partnership certification when you call to register. The 4 hour Partnership training course can provide a useful refresher for producers who are already Partnership certified, especially those that attended the Partnership training many years ago.**

For detailed information on the Partnership Certification Training Program, visit the Partnership website at:

<http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383398>

**Please note that the only approved training courses for Partnership certification are those listed on the Partnership website at the link included above.**

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Direct inquiries to: Connecticut Partnership for Long-Term Care, 450 Capitol Ave.- MS# 52LTC, Hartford, CT 06106-1379, (860) 418-6318.