



Quarterly UPDATE
Connecticut Partnership for Long-Term Care
April - June 2019





IN THIS ISSUE:

- I. PARTNERSHIP LOWERS INFLATION PROTECTION MINIMUM***
- II. PARTNERSHIP PUBLIC FORUMS: Invite your clients to get educated on long-term care and the Partnership by the State for free.***
- III. COST OF LONG-TERM CARE IN CONNECTICUT***
- IV. RATE INCREASE ACTIVITY***

I. PARTNERSHIP LOWERS INFLATION PROTECTION MINIMUM

We are very pleased to report that the Insurance Department's regulation governing the approval of Connecticut Partnership for Long-Term Care policies was recently revised to reduce the minimum inflation protection requirement from 3.5% compounded to **3.0% compounded**. The 3.0% compounded inflation protection option is the Partnership's new minimum. Insurers are not required to offer the 3.0% compounded option but have to offer inflation protection at a level no less than 3.0% compounded.

Insurers will need to file rates for the 3.0% compounded option, and update their applications and other materials, if they choose to offer this option.

The Partnership regulation was also revised to allow those Partnership policyholders who have their policies covered by the Connecticut Life and Health Guaranty Association (CLHGA) because their insurer became insolvent, to lower their benefits below the Partnership's minimum daily benefit and/or inflation protection requirements and not have their policy lose its Partnership status. American Network/Penn Treaty is currently the only insurer whose long-term care policies are covered under the CLHGA. This is similar to the existing provisions that allow Partnership policyholders whose premiums have increased by 50% or greater over the life of their policy, as well as Partnership policyholders who are in a non-forfeiture benefit, to lower their benefits below the Partnership minimums and not have their policy lose its Partnership status.

II. 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 17th - LITCHFIELD**
Litchfield Community Center
- **May 9th – WINDSOR**
Windsor Public Library
- **May 14th - NORWICH**
Three Rivers Community College

Forums run from 6:00 P.M. to 8:00 P.M. and are free to the public. *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** or you can register online at http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383414&opmNav_GID=1814.

III. 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 Connecticut semi-private nursing facility room increased **2.3%** from last year to **\$432 per day** or over **\$157,700 per year**. Over the last five years the inflation rate for nursing facility care has averaged **2.1%** per year and the average annual inflation rate since 1988 in Connecticut has been **4.9%**.

The ***Cost of Long-Term Care*** report also includes average private pay rates for a variety of home and community-based services, including skilled services, such as skilled nursing visits, and therapies and non-skilled services, such as adult day care and homemaker services.

The Partnership publication ***Frequently Asked Questions*** has also been revised to reflect the new long-term care cost information. These two publications, as well as others, 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 and note which publications you would like and in what quantities. ***Please include your mailing address when you email your publication request.***

Please note that these Partnership publications are not to be modified or altered in any manner for any purpose.

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

IV. RATE INCREASE ACTIVITY



MEDAMERICA:

In January 2019, MedAmerica requested an average 141.0% rate increase for some older Partnership and non-Partnership policies. **This request was disapproved by the Insurance Department but a 40% increase was approved.**

METLIFE:

In February 2019, MetLife requested an average 77.8% rate increase for some older Partnership and non-Partnership policies. **This request is under review by the Insurance Department.**

At the time of publication of this Update, there are no other rate increase requests under review by the Insurance Department for Partnership policies.

The Insurance Department's website - <https://www.catalog.state.ct.us/cid/portalApps/LongTermCareFiling.aspx> - includes a listing of long-term care insurance rate increase requests. You can also sign up on the website for "e-alerts" so you will receive an e-mail whenever a new rate increase request is filed and also when the Insurance Department makes a decision about a rate increase filing.

Quarterly UPDATE is published for certified producers and other professionals
By the State of Connecticut, Office of Policy & Management.
Direct inquiries to: Connecticut Partnership for Long-Term Care, 450 Capitol Ave. - MS#
52LTC, Hartford, CT 06106-1379, (860) 418-6318.