

# Quarterly UPDATE

## *Connecticut Partnership for Long-Term Care*

### October - December 2008



## **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, 22 new states have received approval to implement Partnership programs. The new Partnership states are: **Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Kansas, Minnesota, Missouri, Nebraska, Nevada, New Jersey, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Virginia and Wisconsin.** This is in addition to the four original Partnership programs in **California, Connecticut, Indiana and New York.**

Two other states, **Michigan** and **New Hampshire** have 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 recently released its standards for reciprocity between Partnership states. There will be an open comment period for the standards until early November. If all goes well the reciprocity standards will be effective on **January 1, 2009.** The standards will create a reciprocity compact whereby any state that is part of the compact agrees to have reciprocity for the granting of Medicaid Asset Protection with any other state in the compact. It won't be known which states have joined the compact until the beginning of 2009. We will provide you with updated information on reciprocity as it becomes available to us.

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/ltcpartnership/> We suggest you periodically check the website to see what new information has been included.

## **POLICY SALES REACH MILESTONE**

In the quarter ending June 30, 2008, total Partnership sales passed the **48,000** level with **48,379** policies purchased in total. In addition, **1,518** individuals applied to purchase a Partnership policy during the quarter, bringing the total number of applications submitted to more than **59,700**.

For 93% of the purchasers, their Partnership policy was the first long-term care insurance policy they purchased. The average age at time of purchase is 58 and the median maximum benefit purchased is \$219,000. In addition, 843 Partnership policyholders have qualified to receive benefits under their policy with over \$50 million of Medicaid Asset Protection earned based on payments made under the policies. 50 Partnership policyholders had accessed Medicaid as of June 30, 2008.

The Partnership estimates that it has saved Connecticut's Medicaid program over \$6.3 million to date.

For additional information about Partnership sales, go to the Partnership's website at [www.ctpartnership.org](http://www.ctpartnership.org).

## **PARTNERSHIP POLICIES PROVIDE ADDITIONAL CONSUMER VALUE**

The Partnership has recently produced a one page description of the added consumer value Partnership policies and the Partnership program provide.

Partnership policies provide Medicaid Asset Protection and enhanced consumer protection standards, such as compound inflation protection and extensive home and community-based services. The Partnership also offers important consumer information services such as a toll-free number, website and public presentations. To access the consumer value one-pager click on the following link to the Partnership website and choose "Connecticut Partnership Provides Significant Additional Value for Consumer":

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

## TOP PRODUCERS

Congratulations to the following producers who reported to the Partnership office they sold **more than 10 Partnership policies** during the six-month period January 1<sup>st</sup> through June 30<sup>th</sup>, 2008.

Armen Abrahamian  
Marcia Bernstein  
Robert Beucler  
Robert Charnas  
Sean Deveau  
Steve Foss  
Larry Golfin  
Rosanne Hauser  
Barbara Hayslip  
Edmond Henrich  
Charles Kelly  
Gerard Kenney  
Lisa Krawczyk  
Richard Levine  
James Meehan  
Kathleen Ruane  
Scott Zimmerman

***As a reminder, in order for us to list you as a Top Producer we need to hear from you. The next request for names of Top Producers will be made in January 2009 for the six-month period between July – December 2008.***

## **MEDICAID ASSET PROTECTION EXPANDS THE LONG-TERM CARE INSURANCE MARKET**

One of the biggest advantages of the Partnership's Medicaid Asset Protection feature is that it can expand your market for suitable long-term care insurance candidates. Medicaid Asset Protection allows consumers to purchase an amount of insurance based on the amount of assets they wish to protect. For those with more moderate amounts of assets, the Partnership can make the purchase of long-term care insurance more affordable since they can tailor their purchase to their level of wealth.

With a non-Partnership policy, consumers take some level of risk if they purchase anything less than lifetime or unlimited benefits since they will still be exposed to spending down their assets if they outlive their insurance benefits. Medicaid Asset Protection makes the purchase of shorter term coverage (i.e. 1, 2 or 3 years of coverage) a more suitable and feasible purchase based on someone's assets and the amount of income they can spend on the policy.

The Partnership allows you to expand your potential market and helps make the purchase of long-term care insurance more of a reality for the middle class.

### **MINIMUM DAILY BENEFIT LEVELS FOR 2009**

For Partnership policies applied for in **2009**, the minimum daily benefit levels will be **\$184.00** for nursing home care and **\$92.00** for home care.

If you have any questions on the Partnership's minimum daily benefit levels, please email David Guttchen at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) or call 860-418-6318.

## 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.

- **October 6<sup>th</sup> -- DARIEN**  
Darien Town Hall
- **October 15<sup>th</sup> -- DANBURY**  
Danbury High School
- **November 13<sup>th</sup> -- GROTON**  
City of Groton Municipal Auditorium

Forums run from 7:00 to 9:00 p.m. Registration begins at 6:30 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**

**Quarterly UPDATE** is published for certified producers and other professionals by the State of Connecticut, Office of Policy & Management.  
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