



Quarterly UPDATE
Connecticut Partnership for Long-Term Care
January – March 2017





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I. PARTNERSHIP EXPANSION & RECIPROCITY CONTINUES



We've recently learned that Illinois has received federal approval to implement a Partnership for Long-Term Care program. That brings the total number of states with Partnership programs to 45. Illinois is also a member of the Reciprocity Compact.

All of the Partnership states, with the one exception of California, are members of the Reciprocity Compact.

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.

The 41 new Partnership states that have received approval to implement Partnership programs are: **Alabama, Arizona, Arkansas, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin and Wyoming.**

As reported in previous *Quarterly Updates*, on March 27, 2009, Connecticut received approval from the federal government to join the National Reciprocity Compact for the granting of Medicaid Asset Protection for states with Partnership programs. The approval was retroactive to January 1, 2009. **However, all Connecticut Partnership policyholders are covered under the Reciprocity Compact, regardless of when they purchased their Partnership policy.**

Under the terms of the Reciprocity Compact, Connecticut Partnership policyholders who relocate to another state may be eligible to receive dollar-for-dollar Medicaid Asset Protection just as they would when they apply to Connecticut's Medicaid program. Two conditions must be met for a policyholder to be eligible for reciprocity in another state: (1) the policyholder must apply to and qualify under the other state's Medicaid program; and (2) at the time the policyholder applies to the other state's Medicaid program, Connecticut and the other state must be members of the Reciprocity Compact or Connecticut must have a separate reciprocal agreement with that state for the granting of Medicaid Asset Protection.

The Reciprocity Compact requires that any state participating in the Compact must agree to engage in reciprocity with every other state in the Compact for the purpose of granting dollar-for-dollar Medicaid Asset Protection.

As noted above, all of the new Partnership states are part of the Reciprocity Compact. Of the four original Partnership states (CA, CT, IN & NY), Connecticut, Indiana and New York have joined the Reciprocity Compact. California has indicated that, at this time, they do not plan to apply to join the Compact.

In addition, the original reciprocity agreement between Connecticut and Indiana remains in effect.

For a map showing the states currently participating in the Reciprocity Compact, go to the following website - <http://www.nyspltc.org/reciprocitymap.htm> or call the Connecticut Partnership at 860-418-6318.

For more information for yourself, as well as for your clients, the Partnership has developed a handout on the Reciprocity Compact which includes a Frequently Asked Questions section. The handout can be accessed through the Partnership website at the following link:

http://www.ct.gov/opm/lib/opm/hhs/ltc/partnership_reciprocity_compact.pdf

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 4th - ELLINGTON**
Hall Memorial Library
- **April 19th - WATERFORD**
Waterford Public Library
- **April 25th - LITCHFIELD**
Oliver Wolcott Library

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. PARTNERSHIP TRAINING FORMAT PROVIDES REFRESHER COURSE OPPORTUNITY FOR CERTIFIED PRODUCERS

Lower Cost and More Convenient Location



If you are already Partnership certified, you are welcome to attend the Partnership's 4 hour training course as a refresher at a reduced rate.

Certified agents will not be required to take the Prerequisite Online Course in order to register for the Partnership classroom 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 update for producers who are already Partnership certified, especially those that attended the Partnership training many years ago.

In addition, the training charge for agents who are already certified is \$50 as opposed to the normal fee of \$150.

Also, the training class is now being held in Wallingford, which is a more convenient location than Hartford.

We hope that producers who are already certified will take advantage of the lower cost and more convenient training location in order to refresh their knowledge of the Partnership program. For more information, call 860-418-6318.

IV. NEW PARTNERSHIP MINIMUM DAILY BENEFIT LEVELS FOR 2017



For Partnership policies applied for in **2017**, the minimum daily benefit levels are **\$265.00** for nursing home care and **\$132.50** for home care. In addition, **please be aware that the annual allowable minimums also pertain to existing policyholders who wish to reduce their daily benefits.** In cases such as this, the daily benefit cannot be reduced below the Partnership allowable minimum benefit level for that year.

The only exception to the minimum daily benefit requirement is that Partnership policyholders who have experienced a 50% or greater lifetime cumulative rate increase can lower their daily benefit below the Partnership minimum and can still have their policy retain its Partnership status.

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

V. SPOUSAL ASSET LIMITS FOR CT MEDICAID FOR 2017



Effective January 1, 2017 the maximum amount of assets a spouse living at home can keep when his/her spouse is on Medicaid and receiving long-term care services is half of the couple's assets up to **\$120,900**. The minimum amount of assets a spouse can keep is **\$24,180**. (The primary residence is not considered a countable asset when one spouse is residing in it.)

Remember, these spousal asset limits **do not apply** to most people because only about 20% of individuals are married at the time they apply to Connecticut's Medicaid Program for long-term care services.

VI. TAX QUALIFIED PREMIUM LIMITS FOR 2017



The limits for how much premium can be counted as an unreimbursed medical expense for tax-qualified policies has been revised for taxes filed for calendar year 2017. The threshold for being able to deduct unreimbursed medical and dental expenses is 10% of adjusted gross income. The new limits are noted below.

Attained Age Before the Close of the Tax Year	Tax Limitation on Premiums Calendar Year 2017
40 or less	\$410
41 – 50	\$770
51 – 60	\$1,530
61 – 70	\$4,090
71 and older	\$5,110

VII. NEW “BEFORE YOU BUY” PUBLICATION



The Partnership’s “Before You Buy” publication, that is required to be provided to every Partnership policy applicant, has been updated for 2017.

“Before You Buy” can be downloaded from the Partnership’s website at:

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

If you would prefer to obtain printed copies of “Before You Buy”, please contact your general agent or insurer. It is their responsibility to distribute printed copies of the publication to their producers.

Other Partnership publications available for downloading from the Partnership website are:

- Cost of Care in Connecticut
- Frequently Asked Questions
- The Cost of Waiting to Buy Long-Term Care Insurance
- Connecticut Partnership Provides Significant Additional Value for Consumers
- Partnership Reciprocity Compact
- Policy Comparisons Report

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

VIII. NEW “POLICY COMPARISONS” REPORT



The Partnership’s **Policy Comparisons Report** has been revised to reflect updated information for 2017 regarding the Partnership’s minimum daily benefit levels and tax-qualified policies.

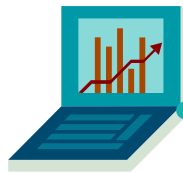
The Policy Comparisons Report is available electronically. A PDF version of the Report can be downloaded from the Partnership website by selecting “Policy Comparisons Report” from the following link:

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

Please note that you are prohibited from altering the Policy Comparisons Report in any manner, such as adding your name to the Report, attaching a business card, or reformatting or rearranging the Report in any way. You are free to make as many copies of the Report as you would like as long as the Report is not altered in any manner.

If you would like a printed copy of the Report, we can provide you at no cost with up to 10 copies of the January 2017 edition at this time. **Please note it may take 2-4 weeks for delivery.** To order, send an e-mail to: david.guttchen@ct.gov . **Please include your mailing address in your email.**

IX. RATE INCREASE ACTIVITY



There are no rate increase requests currently pending with the Connecticut Insurance Department for Connecticut Partnership policies.

X. DID YOU KNOW?



- As of September 30, 2016, there were 225 licensed Nursing Facilities in Connecticut. As of September 30, 2016 there were 26,838 nursing facility beds. Please see the link below for a fact sheet with additional information:

http://www.ct.gov/opm/lib/opm/hhs/ltc/nf_fact_sheet_2016.pdf

- All CT Partnership policyholders who receive care in a CT licensed nursing facility are entitled to a 5% discount off the private pay cost for room and board and services in the facility. With an annual private pay rate of over \$151,000, that is close to a \$7,500 discount. For information on additional provisions included in a Partnership policy that provide significant value to the policyholder, please see the link below:

http://www.ct.gov/opm/lib/opm/hhs/ltc/consumer_value_apdg.pdf

- Additional research studies performed by the CT Partnership can be found at:

http://www.ct.gov/opm/cwp/view.asp?a=2995&Q=383466&opmNav_GID=1814

XI. CT PARTNERSHIP TRAINING CERTIFICATES



The Partnership office has been conducting the required Partnership training sessions since 1994. If you attended a training in 1994 or after and you've misplaced your training certificate, the Partnership office will have a copy of your certificate that we can provide you. Just call us at 860-418-6318 or email at david.guttchen@ct.gov.

If you attended a training conducted before 1994, the Partnership office will not have a copy of your certificate on file. In order to receive a copy of your certificate, you will need to contact Tanya Penman-Sterling at the CT Insurance Department at **860-297-3882** or email at Tanya.penman.sterling@ct.gov.

Quarterly UPDATE is published for certified producers and other professionals
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