



**Quarterly UPDATE**  
***Connecticut Partnership for Long-Term Care***  
**July - September 2015**

**P** The Connecticut  
**PARTNERSHIP**  
FOR LONG-TERM CARE™

## **IN THIS ISSUE:**

- I. PARTNERSHIP SALES CONTINUE TO GROW***
- II. IMPORTANT CHANGES TO THE PARTNERSHIP'S REGULATIONS***
- III. RATE INCREASE ACTIVITY***
- IV. PARTNERSHIP EXPANSION***
- V. WANTED – TOP PRODUCERS – 1/1/15 – 6/30/15 PARTNERSHIP SALES***
- VI. CT PARTNERSHIP TRAINING CERTIFICATES***

## I. PARTNERSHIP SALES CONTINUE TO GROW

In the quarter ending December 31, 2014, total Partnership sales passed the **58,750** level with **58,761** policies sold to date. In addition, **247** Partnership applications were submitted during the quarter, bringing the total number of applications to more than **71,850**.

96% of purchasers are under the age of seventy and 59% are under the age of 60. The average age at time of purchase is 57 and the average maximum benefit purchased is \$255,526. More than **\$209 million** in Medicaid Asset Protection had been earned as of 12/31/14 by Partnership policyholders receiving benefits under their policies. The Partnership estimates it has saved **over \$21.2 million** in Medicaid long-term care funds since its inception in 1992, with larger savings projected in the future.

## II. IMPORTANT CHANGES TO CT PARTNERSHIP'S RULES

On April 13, 2015, some important changes to the CT Partnership for Long-Term Care regulations were approved. The changes allow for more affordable CT Partnership policies to be available and provide greater protections for CT Partnership policyholders.

The change to the Partnership regulation:

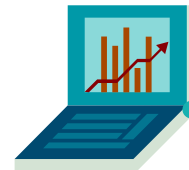
- 1) **Reduces the minimum inflation protection requirement for CT Partnership policies from 5% compounded to 3 ½% compounded;**
- 2) **Reduces the increase in the minimum daily benefit from 5% each year to 3 ½%; and**

**3) Allows policyholders who experience a lifetime cumulative rate increase of 50% or more to reduce their benefits below the Partnership inflation protection and minimum daily benefit requirements without having their policy lose its Partnership status. This means a CT Partnership policyholder in this situation can reduce their daily benefit to any level offered by the insurer. They can also lower their inflation protection to any level, as long as they maintain some level of automatic inflation protection (meaning future purchase options are not allowed).**

The next step is for participating insurance companies to develop and file new rates and forms to make the more affordable Partnership plans available in the marketplace. It's important that the companies hear from agents and brokers that they would like more affordable Partnership plans available as soon as possible.

Please email David Guttchen at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) or call him at 860-418-6286 if you have any questions on the regulation changes.

### **III. RATE INCREASE ACTIVITY**



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

## IV. PARTNERSHIP EXPANSION

Currently, including Connecticut, there are 42 states operating Partnership for Long-Term Care programs. Of the 8 states without Partnership programs we have recently been informed that New Mexico is seriously considering the development of a Partnership program. New Mexico has had contact with the Connecticut Partnership office, as well as other Partnership states, with questions regarding the implementation a Partnership program.

The 7 other states that don't currently operate a Partnership program are Alaska, Hawaii, Illinois, Massachusetts, Michigan, Mississippi, and Vermont. We have not recently heard from any of these states regarding their interest in developing a Partnership plan.

## V. WANTED



Insurance professionals **who have sold more than 10** CT Partnership policies during the six-month period between January 1<sup>st</sup> and June 30<sup>th</sup>, 2015. Please e-mail the Partnership office at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) and give us your name and the number of policies you sold during the past 6 months. Producers who respond will be recognized in the Fall issue of the **Quarterly UPDATE**. As a reminder, we must hear from you if you wish to be recognized in our next Update. **We do not receive agent-specific sales information from the insurers.**

## VI. 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](mailto:david.guttchen@ct.gov).

If you attended a training conducted prior to 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](mailto:Tanya.Penman.Sterling@ct.gov)**.

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