



Quarterly UPDATE

Connecticut Partnership for Long-Term Care
October - December 2012

P The Connecticut
PARTNERSHIP
FOR LONG-TERM CARE™

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I. PARTNERSHIP EXPANSION & RECIPROCITY 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.

There are currently 36 new states, in addition to the four original Partnership programs in California, Connecticut, Indiana and New York.

The 36 new Partnership states that have received approval to implement Partnership programs are: **Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, 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.

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 list of states currently participating in the Reciprocity Compact, go to the following website -

<http://www.dehpg.net/lcpartnership/StateReciprocity.aspx> 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/lc/partnership_reciprocity_compact.pdf

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.

II. 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.

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.

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.

III. PUBLIC FORUMS



Don't miss out on the following opportunities to educate your clients and prospects about long-term care insurance. These Forums provides 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.

- **November 7th -- WILTON**
Wilton Library
- **November 29th -- GUILFORD**
Guilford VNA

The Forums will run from 6:00 to 8:00 p.m. Registration begins at 5:30 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** or register online at:

http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383414&opmNav_GID=1814.

IV. 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 1st through June 30th, 2012.

Armen Abrahamian
Marcia Bernstein
Robert Charnas
Robert DeLorey
Sean Deveau
Larry Golfin
Rosanne Hauser
Michael Halligan
Edmund Henrich
Charles Kelly
Jerry Kenney
Beth Kerrigan

Lisa Krawczyk
Marsha McCarthy
James Meehan
Dan Mercado
Derek Miele
Marsha Olsen
Lynn Pensky
Lana Robinson
Kathy Ruane
Steve Shea
Peter Wisniewski
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 2013 for the six-month period between July – December 2012.

V. MINIMUM DAILY BENEFIT LEVELS FOR 2013



For Partnership policies applied for in **2013**, the minimum daily benefit levels will be **\$224.00** for nursing home care and **\$112.00** 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.

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.

VI. RATE INCREASE ACTIVITY



Below is some information on recent rate increase requests to the Connecticut Insurance Department that affect Partnership policies.

Transamerica Life:

In March 2012, Transamerica Life requested a 25% increase on some older Partnership and non-Partnership policies. **In July 2012, the Connecticut Insurance Department approved a 15% increase for those Transamerica Life policies.**

Monumental Life:

In March 2012, Monumental Life requested a 20% increase on their Partnership and non-Partnership policies. **In July 2012, the Connecticut Insurance Department approved a 10% increase for those Monumental Life policies.**

CUNA Mutual (now known as CMFG Life):

In June 2012, CUNA Mutual requested a 50% increase for their Partnership and non-Partnership policies. **In August 2012, the Connecticut Insurance Department disapproved the request and did not approve any level of increase.**

There are no other rate increase requests on file with the Insurance Department for Partnership policies.

VII. 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 Connie Fas at the CT Insurance Department at **860-297-3918** or email at Constantina.Fas@ct.gov.

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