Quarterly UPDATE

Connecticut Partnership for Long-Term Care

October - December 2014

The Connecticut PARTNERSHIP FOR LONG-TERM CARE™

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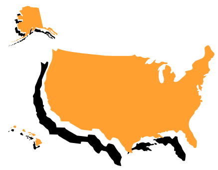
I. PARTNERSHIP EXPANSION & RECIPROCITY CONTINUES



We have recently been informed that the state of Delaware has become the 37th new state to implement a Partnership for Long-Term Care program, bringing the total number of Partnership states to 41.

Delaware has also chosen to become a member of the National Partnership Reciprocity Compact. All of the Partnership states, with the one exception of California, are members of the Reciprocity Compact.

We are also aware that the states of Utah and New Mexico are seriously considering developing Partnership programs as well and there is also interest in Illinois.

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 37 new Partnership states that have received approval to implement Partnership programs are: **Alabama, Arizona, Arkansas, Colorado, Delaware, 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. ***<u>However, all Connecticut Partnership policyholders are covered under the Reciprocity Compact, regardless of when they purchased their Partnership policy</u>.***

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 list of 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. 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, helping make the purchase of long-term care insurance more of a reality for the middle class. 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.

III. PUBLIC FORUMS

Don't miss out on the following opportunity to educate your clients and prospects about long-term care insurance. This Forum will 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.

- **November 6th -- GREENWICH**
  Greenwich Library

- **November 19th -- NEW HAVEN**
  The Greek Olive

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 <u>10</u> Partnership policies** during the six-month period January 1st through June 30th, 2014.

Robert Caruth
Robert Charnas
Robert DeLorey
Sean Deveau
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 2015 for the six-month period between July – December 2014.

V. MINIMUM DAILY BENEFIT LEVELS FOR 2015

For Partnership policies applied for in **2015**, the minimum daily benefit levels will be **$247.00** for nursing home care and **$123.50** 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.

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

There are no rate increase requests pending, nor have there been any recent rate increase requests to the Connecticut Insurance Department that affect 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
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