Long-Term Care Partnership Program

This Act directs the state department of health to disregard or not count benefits from certain long term care insurance policies as assets under the state Medicaid program.

Submitted as:
Idaho
HB658 (Enrolled Version)
Status: Enacted into law in 2004.

Suggested State Legislation

Section 1. [Short Title.] This Act may be cited as “The Long-Term Care Partnership Program.”

Section 2. [Definitions.] As used in this Act:
(1) “Asset disregard” means the total assets an individual can own and maintain under Medicaid and still qualify for benefits at the time the individual applies for benefits:
   (a) If the individual is a beneficiary of a Long-Term Care Partnership Program approved policy; and
   (b) Has exhausted the benefits of the policy.
(2) “Department” means the state [department of health and welfare].
(3) “Long-Term Care Partnership program approved policy” means a long-term care insurance policy which is approved by the state [department of insurance] and is provided through state approved long-term care insurers through the Long-Term Care Partnership Program.
(4) “Medicaid” means the Federal Medical Assistance Program established under Title XIX of the Social Security Act.

Section 3. [Long-Term Care Partnership Program.]
(1) This Act hereby establishes a Long-Term Care Partnership Program, to be administered by the [department] with the assistance of the [department of insurance]. The Long-Term Care Partnership Program shall:
   (a) Provide incentives for people to insure against the costs of providing for their long-term care needs;
   (b) Provide a mechanism for people to qualify for coverage of the cost of their long term care needs under Medicaid without first being required to substantially exhaust their resources;
   (c) Provide counseling services to people who are planning for their long-term care needs; and
   (d) Alleviate the financial burden on the state's medical assistance program by encouraging the pursuit of private initiatives.
(2) Upon exhausting benefits under a Long-Term Care Partnership Program policy, certain resources of an individual, as described in subsection (3) of this section, shall not be considered by the [department] as a determination of any of the following:
   (a) Eligibility for Medicaid;
   (b) Amount of any Medicaid payment; or
   (c) Any subsequent recovery by the state of a payment for medical services.
The [department] shall promulgate necessary rules and amendments to the state plan to allow for asset disregard. To provide asset disregard, for purchasers of a Long-Term Care Partnership Program policy, the [department] shall count insurance benefits paid under the policy toward asset disregard to the extent the payments are for covered services under the Long-Term Care Partnership Program policy.

Section 4. [Eligibility.]
(1) An individual who is a beneficiary of a Long-Term Care Partnership Program policy is eligible for assistance under Medicaid using the asset disregard under Section 3 of this Act.
(2) If the Long-Term Care Partnership Program is discontinued, an individual who purchased a Long-Term Care Partnership Policy prior to the date the Program is discontinued shall be eligible to receive asset disregard.
(3) The [department] may enter into reciprocal agreements with other states to extend the asset disregard to residents of the state who purchased long-term care policies in another state which has a substantially similar asset disregard program to the program under Section 3 of this Act.

Section 5. [Administration.] The [department] and the state [department of insurance] are authorized to adopt rules to implement the provisions of this Act for its administration.

Section 6. [Notice.]
(1) A long-term care insurance policy issued after the effective date of this Act shall contain a notice provision to the consumer detailing in plain language the current law pertaining to asset disregard and asset tests.
(2) The notice to the consumer under subsection (1) of this section shall be developed by the [director of the department of insurance].

Section 7. [Severability.] [Insert severability clause.]
Section 8. [Repealer.] [Insert repealer clause.]
Section 9. [Effective Date.] [Insert effective date.]