

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

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

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Section 2. [*Definitions.*] As used in this Act:

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(1) “Asset disregard” means the total assets an individual can own and maintain under
6 Medicaid and still qualify for benefits at the time the individual applies for benefits:

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(a) If the individual is a beneficiary of a Long-Term Care Partnership Program
8 approved policy; and

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(b) Has exhausted the benefits of the policy.

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(2) “Department” means the state [department of health and welfare].

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(3) “Long-Term Care Partnership program approved policy” means a long-term care
12 insurance policy which is approved by the state [department of insurance] and is provided
13 through state approved long-term care insurers through the Long-Term Care Partnership
14 Program.

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(4) “Medicaid” means the Federal Medical Assistance Program established under Title
16 XIX of the Social Security Act.

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Section 3. [*Long-Term Care Partnership Program.*]

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(1) This Act hereby establishes a Long-Term Care Partnership Program, to be
20 administered by the [department] with the assistance of the [department of insurance]. The Long-
21 Term Care Partnership Program shall:

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(a) Provide incentives for people to insure against the costs of providing for their
23 long-term care needs;

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(b) Provide a mechanism for people to qualify for coverage of the cost of their
25 long term care needs under Medicaid without first being required to substantially exhaust their
26 resources;

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(c) Provide counseling services to people who are planning for their long-term
28 care needs; and

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(d) Alleviate the financial burden on the state's medical assistance program by
30 encouraging the pursuit of private initiatives.

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(2) Upon exhausting benefits under a Long-Term Care Partnership Program policy,
32 certain resources of an individual, as described in subsection (3) of this section, shall not be
33 considered by the [department] as a determination of any of the following:

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(a) Eligibility for Medicaid;

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(b) Amount of any Medicaid payment; or

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(c) Any subsequent recovery by the state of a payment for medical services.

37 (3) The [department] shall promulgate necessary rules and amendments to the state plan
38 to allow for asset disregard. To provide asset disregard, for purchasers of a Long-Term Care
39 Partnership Program policy, the [department] shall count insurance benefits paid under the policy
40 toward asset disregard to the extent the payments are for covered services under the Long-Term
41 Care Partnership Program policy.

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43 Section 4. [*Eligibility.*]

44 (1) An individual who is a beneficiary of a Long-Term Care Partnership Program policy
45 is eligible for assistance under Medicaid using the asset disregard under Section 3 of this Act.

46 (2) If the Long-Term Care Partnership Program is discontinued, an individual who
47 purchased a Long-Term Care Partnership Policy prior to the date the Program is discontinued
48 shall be eligible to receive asset disregard.

49 (3) The [department] may enter into reciprocal agreements with other states to extend the
50 asset disregard to residents of the state who purchased long-term care policies in another state
51 which has a substantially similar asset disregard program to the program under Section 3 of this
52 Act.

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

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57 Section 6. [*Notice.*]

58 (1) A long-term care insurance policy issued after the effective date of this Act shall
59 contain a notice provision to the consumer detailing in plain language the current law pertaining
60 to asset disregard and asset tests.

61 (2) The notice to the consumer under subsection (1) of this section shall be developed by
62 the [director of the department of insurance].

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64 Section 7. [*Severability.*] [Insert severability clause.]

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66 Section 8. [*Repealer.*] [Insert repealer clause.]

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68 Section 9. [*Effective Date.*] [Insert effective date.]