



The PARTNERSHIP PRESS

New York State Partnership for Long-Term Care

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Director's Corner

by Robert Borrelli

Success of the Program depends on Education and Training.

The Partnership now offers CE credit courses for agents and brokers both in a classroom setting and online through the E-Learning program. Agents and brokers can earn between 4 and 10 credits, depending on the course they elect. Additional information is available at the Partnership web site www.nyspltc.org.

Consumer forums on the Partnership and Medicaid Extended Coverage are being conducted throughout the State and the demand for these forums is increasing. Although most are being held at senior centers, several have been scheduled at shopping malls. These forums are open to the public and free of charge. Agents and their clients wishing to learn more about how the Partnership and Medicaid Extended Coverage works are invited to attend. The schedule of events is located on page 3.



I am also proud to announce that Partnership staff received the Department of Health Commissioner's Recognition Award for creating the Partnership E-Learning Program. By accessing this program, and passing a 50-question exam, agents and brokers can earn 4 credits towards their re-certification.

Washington Update

By Sam Morgante, GE Capital

Tax incentives to purchase long-term care insurance are supported in President Bush's 2003 budget and legislation has been introduced in Congress. Congresswoman Nancy Johnson of Connecticut has joined with Congressman Earl Pomeroy of North Dakota and with Senators Charles Grassley of Iowa and Bob Graham of Florida to sponsor bills (H.R. 2096/S.1335) providing for a meaningful tax deduction for long-term care insurance premiums. Support for the bill is a priority item for a LTC coalition including the Health Insurance Association of America, the American Council of Life Insurers and National Association of Health underwriters.

In addition to a LTC insurance tax incentive, the Federal Government has begun to consider other mechanisms for supporting sales of LTC insurance. Some of which are new and innovative ideas. These include:

- A renewed interest in public-private partnerships such as the NYS Partnership for Long-Term Care. The Partnerships were a major topic at a LTC insurance conference held in Washington in early September. New York State was well-represented by Partnership Director Robert Borrelli and by participating insurers GE Capital Assurance, John Hancock and Metropolitan Life. In addition, NYS legislators Pete Grannis, Chair of the Assembly Insurance Committee and Richard Gottfried, Chair of the Assembly Health Committee also participated.
- The Federal Department of Health and Human Services has sought input on a proposal to fund long-term care insurance through use of a reverse mortgage. This would enable someone to tap the equity in their home and use the proceeds to pay LTC insurance premiums.
- A third area where the Federal Government is exploring LTC insurance funding mechanisms is through the coupling of an immediate annuity with long-term care payments.

Federal and State Offerings



As of June 1, 2003, the Federal Long-Term Care Insurance Plan sold approximately 200,000 long-term care policies nationwide. This program is a Congressionally authorized long-term care insurance program for current and retired Federal government employees and their families.

New York State offers the New York State Public Employees and Retirees Long-Term Care Insurance Plan (NYPERL). The Partnership is an option under NYPERL. To date, 3,304 active NYPERL policies are in force. Of these, 928, or 28%, are Partnership policies.

Medicaid Spotlight

The Medicaid Spotlight is a new feature article in the Partnership Press Newsletters.

This section will contain Medicaid definitions, changes, tips and hot topics

If you want a specific Medicaid issue addressed or a definition clarified, e-mail your request to www.nyspltc.org.

Medicaid Spotlight

The Medicaid Spotlight will briefly cover one Medicaid topic each issue. In this edition we will define: **Spend-Down** and **Income Cap State**.

"Spend-down" is the use of medical expenses to reduce available net income/resources in excess of the medically needy income/resources levels. (New York is a spend-down State.)

"Income cap" is when a state has established an income ceiling to determine Medicaid eligibility. If your income exceeds the ceiling, you are not eligible to apply for Medicaid.

Complete Report available On The Partnership Website

Quarterly Report Summary

Listed below are some highlights from the fourth quarter report of 2002, ending December 31st.

- There were 38,562 active policies as of December 2002.
- Applications received totaled 2,204. Of those 1,729 policyholders were approved.
- The average annual premium cost for all policyholders in this quarter was \$2,245.
- Three hundred thirty-eight policyholders received benefits in this quarter.

The complete report is available at the NYS Partnership website (www.nyspltc.org).

Participating Insurers

The following companies are approved to sell Partnership policies in New York State:

Individual Policies

American Progressive Life & Health Insurance Co.
GE Capital Life Assurance Company of New York
John Hancock Mutual Life Insurance Company
Massachusetts Mutual Life Insurance Company
Medamerica Insurance Company of New York
Metropolitan Life Insurance Company
Mutual of Omaha Insurance Company
New York Life Insurance Company
Prudential Insurance Company of America
Transamerica Financial Life Insurance Company

Group Policies

CNA Insurance Company
Medamerica Insurance Company of New York
Metropolitan Life Insurance Company
Prudential Insurance Company