

973340760

SENATE JOINT RESOLUTION NO. 364

Offered January 20, 1997

Directing the Joint Commission on Health Care to study long-term care insurance.

Patrons—Woods, Barry, Couric, Hawkins, Lambert, Martin, Marye, Reynolds, Saslaw, Schrock, Ticer, Trumbo, Walker and Wampler; Delegates: Baker, Brickley, Cantor, Connally, Darner, DeBoer, Hall, Heilig, Melvin, Morgan and Rust

Referred to the Committee on Rules

WHEREAS, the elderly are the fastest growing segment of the population in the Commonwealth, and many of these elderly persons experience limitations in the activities of daily living and will require long-term care, either in a nursing facility, assisted living facility, or at home; and

WHEREAS, increased life expectancy, rapidly rising nursing home costs, and threatened cutbacks in government services have all fueled the increasing demand for private long-term care insurance; and

WHEREAS, the number of companies offering long-term care insurance and the number of policies sold continue to increase at a rapid rate, and long-term care insurance policies recently received favorable tax treatment from the 1996 federal "Kennedy-Kassebaum" health care reform bill; and

WHEREAS, despite the increase in the number of long-term care insurance products offered and sold in the Commonwealth, a study for the Northern Virginia Aging Network found during a 1996 study that the relevant continuing education courses offered and available in the Northern Virginia area "were few and far between" and that these courses varied in quality and comprehensiveness; and

WHEREAS, although Virginia law requires 16 hours of annual continuing education for insurance agents, only two of these hours must pertain to the study of insurance law and regulations applicable in Virginia. The remaining 14 hours may be selected from a variety of topics, with no requirement that any of these hours be devoted to studying long-term care insurance; and

WHEREAS, five states do require that agents selling long-term care insurance meet specific educational requirements, and the Northern Virginia Aging Network recommends a two-hour requirement covering the aging process; long-term care needs; the aging network and resources; relevant provisions of Medicare, Medicaid, and long-term care insurance laws and regulations; and consumer protections; and

WHEREAS, the National Association of Insurance Commissioners has a model state law and regulation on long-term care insurance sales, and Virginia has adopted some, but not all, of the NAIC consumer protections; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Commission on Health Care be directed to study long-term care insurance. The Joint Commission on Health Care shall specifically develop recommendations to improve consumer protection, increase the level of agent expertise through agent continuing education, and educate and assist potential purchasers of long-term care insurance policies. Technical assistance shall be provided to the Joint Commission on Health Care by the Bureau of Insurance.

All agencies of the Commonwealth shall provide assistance to the Joint Commission on Health Care for this study, upon request.

The Joint Commission on Health Care shall complete its work in time to submit its findings and recommendations to the Governor and the 1998 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

INTRODUCED

SJ364