

044221728

SENATE JOINT RESOLUTION NO. 50

Offered January 14, 2004

Prefiled January 14, 2004

Requesting the Department of Medical Assistance Services to study the feasibility of Public-Private Long Term Care Insurance Partnership Programs for Virginia. Report.

Patron—Edwards

Referred to Committee on Rules

WHEREAS, improved health status and advanced medical technology has increased life expectancy generally and for many persons who have survived heretofore disabling and life-threatening diseases, injuries and conditions; and

WHEREAS, it is estimated that more than 50 percent of the population will require some form of long term care at home, in a nursing home, or some other care facility; and

WHEREAS, according to the United States Centers for Medicare and Medicaid Services, the average annual cost of a nursing facility is \$54,000 for room, board, prescriptions, and care-related supplies, and this expense can quickly deplete a family's assets; and

WHEREAS, long term care insurance is an effective means of protecting a family's assets from depletion and increasing independence and control over future health and personal care needs due to extended illness or disability; and

WHEREAS, many states have employed various strategies to promote the purchase of long-term care insurance, including public-private partnership programs, tax credits and tax reductions, and group rate purchase options; and

WHEREAS, five states currently operate long term care insurance partnership programs, and 10 other states have passed legislation to establish such programs; and

WHEREAS, such partnership programs allow participants to protect assets from consideration for Medicaid eligibility in exchange for purchase of private long term care insurance that meets state requirements; and

WHEREAS, partnership participants are eligible for Medicaid-funded long term care services when their private long term care insurance benefits have been exhausted, and the features of such programs benefit participants and ease the fiscal burden on states in providing publicly funded long term care services; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Department of Medical Assistance Services be requested to study the feasibility of Public-Private Long Term Care Insurance Partnership Programs for Virginia.

In conducting its study, the Department of Medical Assistance Services shall (i) project the need for long term care services in Virginia; (ii) review the provisions and determine the number of long term care insurance policies sold in the Commonwealth; (iii) consider the criteria that should be established for public-private long term care insurance partnership programs in Virginia; (iv) estimate the costs savings to the Commonwealth with the implementation of such insurance partnership programs; and (v) recommend such changes in the law that may be necessary for the implementation of such programs.

Technical assistance shall be provided to the State Corporation Commission's Bureau of Insurance and the staffs of the Senate Committee on Finance and the House Committee on Appropriations. All agencies of the Commonwealth shall provide assistance to the Department for this study, upon request.

The Department of Medical Assistance Services shall complete its meetings by November 30, 2004, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations for publication as a document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2004 Regular Session of the General Assembly and shall be posted on the General Assembly's website.

INTRODUCED

SJSO