

2012 -- H 7822

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

HOUSE RESOLUTION

RESPECTFULLY URGING THE STATE SECRETARY OF THE OFFICE OF HEALTH AND HUMAN SERVICES TO UNDERTAKE ALL ACTIONS NECESSARY TO DOUBLE THE LEVELS OF ASSETS WHICH SHALL BE FREE FROM RECOVERY FROM THE STATE IF AN INDIVIDUAL PURCHASES THE LONG-TERM CARE INSURANCE PRESENTLY OFFERED BY THE STATE

Introduced By: Representatives Morgan, Reilly, Newberry, Ehrhardt, and Costa

Date Introduced: February 28, 2012

Referred To: House Health, Education & Welfare

1 WHEREAS, The Deficit Reduction Act of 2005 (DRA 05) allowed all states to create  
2 Long-Term Care Insurance Partnership Plans, and there are approximately forty (40) states that  
3 offer long-term care partnership policies; and

4 WHEREAS, The Long-Term Care (LTC) Partnership Program is a public-private  
5 partnership between states and private insurance companies designed to reduce Medicaid  
6 expenditures by delaying, or eliminating the need, for some people to rely on Medicaid to pay for  
7 LTC services; and

8 WHEREAS, Individuals needing LTC services who previously purchased select private  
9 LTC insurance policies that are designated by a state as qualified partnership policies, first rely on  
10 benefits from their private insurance policy to cover LTC costs before they access Medicaid; and

11 WHEREAS, After the LTC insurance benefits are exhausted, and to qualify for  
12 Medicaid, applicants must meet certain eligibility requirements, including income and asset  
13 requirements; and

14 WHEREAS, Increased purchase of long-term care insurance partnership policies will  
15 benefit both individuals and the state by protecting Rhode Island citizens from having to  
16 impoverish themselves before applying for Medicaid and by reducing state Medicaid costs; and

17 WHEREAS, The Long-Term Care Partnership Program helps states to encourage

1 personal responsibility while saving heavily strained Medicaid program money, since 92 percent  
2 of Long-Term Care claims are for three years or less, which means that most people do not fully  
3 consume their Long-Term Care Insurance benefits; and

4 WHEREAS, This program affords individuals the peace of mind that the burden of their  
5 long-term care services will be insured, while the state receives the assurance that a substantial  
6 portion of the elder's expenses will not be borne by the Medicaid Program; now, therefore be it

7 RESOLVED, That this House of Representatives of the State of Rhode Island and  
8 Providence Plantations hereby urges the State Secretary of Health and Human Services to  
9 undertake all actions necessary to double the level of assets which shall be free from recovery  
10 from the state if an individual purchases the long-term care insurance presently offered by the  
11 state, without premium increase as a result of doubling the amount of protected assets; and be it  
12 further

13 RESOLVED, That the Secretary of State be and he hereby is authorized and directed to  
14 transmit a duly certified copy of this resolution to the Honorable Steven Costantino, Rhode Island  
15 Secretary of Health and Human Services.

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