

HOUSE RESEARCH

Bill Summary

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Overview

Requires the commissioner of human services to establish a state long-term care partnership program that would use private insurance and MA to finance long-term care. A long-term care partnership program is intended to provide incentives for the purchase of private sector long-term care coverage, by allowing individuals who purchase and exhaust private sector coverage to qualify for Medicaid with a higher asset limit and also limiting Medicaid recovery from the individual's estate. Partnership programs were established in four states as part of a federal demonstration project.

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1 Long-term care partnership. Adds § 256B.0571. Directs the commissioner to establish a long-term care partnership program and specifies program requirements.

Subd. 1 through 7. Define terms.

Subd. 8. Program established. (a) Requires the commissioner of human services, in cooperation with the commissioner of commerce, to establish the Minnesota partnership for long-term care program to finance long-term care through a combination of private insurance and MA.

(b) In order to participate, requires individuals to: (1) be a Minnesota resident, (2) purchase a partnership policy that is delivered, issued, or renewed on or after the

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effective date of this section, and maintain the partnership policy; and (3) exhaust the minimum benefits of the policy.

Subd. 9. Medical assistance eligibility. (a) Requires the commissioner to determine eligibility according to paragraphs (b) and (c).

(b) Requires the commissioner, after disregarding the amount of assets exempted under MA, to disregard an additional amount of assets equal to the dollar amount of coverage utilized under the partnership policy.

(c) Requires the commissioner to consider the individual's income according to MA requirements.

Subd. 10. Approved policies. (a) Requires a partnership policy to meet all the requirements in paragraphs (b) to (h).

(b) Minimum coverage must be for not less than three years and for a dollar amount equal to 36 months of nursing home care, and must provide for home health care days to be substituted for nursing home care days at a 2:1 ratio.

(c) Minimum daily benefits must be \$150 for nursing home care or \$75 for home care, with these benefit amounts adjusted annually for purposes of both payment of benefits to the insured and minimum requirements for an approved policy.

(d) A third party must be entitled to receive notice if a policy is about to lapse, and an additional 30-day grace period must be granted following notification of that person.

(e) The policy must cover nursing home, home care, and care management services, and up to 14 days of nursing care in a hospital while waiting for long-term care placement.

(f) Payment for nursing care in a hospital must not exceed the daily benefit amount for nursing home care.

(g) A partnership policy must offer, as options for an adjusted premium: an elimination period of not more than 180 days, and nonforfeiture benefits.

(h) Requires an issuer of a partnership policy to comply with any federal law or regulations authorizing partnership policies in Minnesota. Gives the commissioner authority to enforce this paragraph.

Subd. 11. Limitations on estate recovery. Prohibits the state from seeking recovery against the estate of an individual who participated in the partnership program, or the individual's spouse, for MA benefits received by that individual.

Effective date. (a) Provides that if any provision of the section is prohibited by

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federal law, no provision shall become effective until federal law is changed to permit full implementation. Specifies requirements for providing notice of federal law changes or approval.

(b) If federal law is changed to allow for a waiver of any provisions prohibited by federal law, directs the commissioner to apply for waivers, and provides that the provision shall become effective upon federal approval, and provision of notice.