



# Quarterly UPDATE

***Connecticut Partnership for Long-Term Care***  
**January – March 2013**



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## I. PARTNERSHIP EXPANSION & RECIPROCITY CONTINUES



The Deficit Reduction Act (DRA) of 2005 removed restrictions that had been in place since 1993 on new states who wished to develop Partnership for Long-Term Care programs. With these restrictions lifted, the DRA set the stage for Partnerships to expand to new states.

There are currently 40 states with Partnership programs when you include the four original Partnership programs in California, Connecticut, Indiana and New York.

The 36 new Partnership states that have received approval to implement Partnership programs are: **Alabama, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin and Wyoming.**

As reported in previous *Quarterly Updates*, on March 27, 2009, Connecticut received approval from the federal government to join the National Reciprocity Compact for the granting of Medicaid Asset Protection for states with Partnership programs. The approval was retroactive to January 1, 2009. **However, all Connecticut Partnership policyholders are covered under the Reciprocity Compact, regardless of when they purchased their Partnership policy.**

Under the terms of the Reciprocity Compact, Connecticut Partnership policyholders who relocate to another state may be eligible to receive dollar-for-dollar Medicaid Asset Protection just as they would when they apply to Connecticut's Medicaid program. Two conditions must be met for a policyholder to be eligible for reciprocity in another state: (1) the policyholder must apply to and qualify under the other state's Medicaid program; and (2) at the time the policyholder applies to the other state's Medicaid program, Connecticut and the other state must be members of the Reciprocity Compact or Connecticut must have a separate reciprocal agreement with that state for the granting of Medicaid Asset Protection.

The Reciprocity Compact requires that any state participating in the Compact must agree to engage in reciprocity with every other state in the Compact for the purpose of granting dollar-for-dollar Medicaid Asset Protection.

All of the new Partnership states are part of the Reciprocity Compact. Of the four original Partnership states (CA, CT, IN & NY), Connecticut, Indiana and New York have joined the Reciprocity Compact. California has indicated that, at this time, they do not plan to apply to join the Compact.

For a list of states currently participating in the Reciprocity Compact, go to the following website -

<http://www.dehpg.net/lcpartnership/StateReciprocity.aspx> or call the Connecticut Partnership at 860-418-6318.

For more information for yourself, as well as for your clients, the Partnership has developed a handout on the Reciprocity Compact which includes a Frequently Asked Questions section. The handout can be accessed through the Partnership website at the following link:

[http://www.ct.gov/opm/lib/opm/hhs/lc/partnership\\_reciprocity\\_compact.pdf](http://www.ct.gov/opm/lib/opm/hhs/lc/partnership_reciprocity_compact.pdf)

The Department of Health and Human Services has contracted for the development of a website where information on new Partnership programs is available. The link to the website is <http://www.dehpg.net/lcpartnership/> We suggest you periodically check the website to see what new information has been included.

## II. WANTED



Insurance professionals **who have sold more than 10** CT Partnership policies during the six-month period between July 1<sup>st</sup> and December 31<sup>st</sup>, 2012. Please e-mail the Partnership office at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) and give us your name and the number of policies you sold during the past 6 months. Producers who respond will be recognized in the Spring issue of **Quarterly UPDATE**. As a reminder, we must hear from you if you wish to be recognized in our next Update. **We do not receive agent-specific sales information from the insurers.**

### III. NEW PARTNERSHIP MINIMUM DAILY BENEFIT LEVELS FOR 2013



For Partnership policies applied for in **2013**, the minimum daily benefit levels are **\$224.00** for nursing home care and **\$112.00** for home care.

In addition, **please be aware that the annual allowable minimums also pertain to existing policyholders who wish to reduce their daily benefits.** In cases such as this, the daily benefit cannot be reduced below the Partnership allowable minimum benefit level for that year.

If you have any questions on the Partnership's minimum daily benefit levels, please email David Guttchen at [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) or call 860-418-6318.

### IV. SPOUSAL ASSET LIMITS FOR CT MEDICAID FOR 2013



Effective January 1, 2013 the maximum amount of assets a spouse living at home can keep when his/her spouse is on Medicaid and receiving long-term care services is half of the couple's assets up to **\$115,920**. The minimum amount of assets a spouse can keep is **\$23,184**. (The primary residence is not considered a countable asset when one spouse is residing in it.)

Remember, these spousal asset limits **do not apply** to most people because only about 20% of individuals are married at the time they apply to Connecticut's Medicaid Program for long-term care services.

## V. TAX QUALIFIED PREMIUM LIMITS FOR 2013



The limits for how much premium can be counted as an unreimbursed medical expense for tax-qualified policies has been revised for taxes filed for calendar year 2013. Please note that effective in 2013, the threshold for being able to deduct unreimbursed medical and dental expenses will be increased to 10% of adjusted gross income from 7.5% for individuals under age 65. For those 65 and older, the 7.5% threshold will remain in effect but will increase to 10% as well in 2017. The new limits are noted below.

Attained Age Before the Close of the Tax Year	Tax Limitation on Premiums Calendar Year 2013
40 or less	\$360
41 – 50	\$680
51 – 60	\$1,360
61 – 70	\$3,640
71 and older	\$4,550

## VI. NEW “BEFORE YOU BUY” PUBLICATION



The Partnership’s “Before You Buy” publication, that is required to be provided to every Partnership policy applicant, has been updated for 2013.

“Before You Buy” can be downloaded from the Partnership’s website at:

<http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383402>

If you would prefer to obtain printed copies of “Before You Buy”, please contact your general agent or insurer. It is their responsibility to distribute printed copies of the publication to their producers.

Other Partnership publications available for downloading from the Partnership website are:

- Cost of Care in Connecticut
- Frequently Asked Questions
- The Cost of Waiting to Buy Long-Term Care Insurance
- Connecticut Partnership Provides Significant Additional Value for Consumers
- Partnership Reciprocity Compact
- Policy Comparisons Report

**Please note that these Partnership publications are not to be modified or altered in any manner for any purpose.**

## VII. NEW “POLICY COMPARISONS” REPORT



The Partnership’s **Policy Comparisons Report** has been revised to reflect updated information for 2013 regarding the Partnership’s minimum daily benefit levels and tax-qualified policies.

**The Policy Comparisons Report is available electronically.** A PDF version of the Report can be downloaded from the Partnership website by selecting “Policy Comparisons Report” from the following link:

<http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383402>

**Please note that you are prohibited from altering the Policy Comparisons Report in any manner, such as adding your name to the Report, attaching a business card, or reformatting or rearranging the Report in any way. You are free to make as many copies of the Report as you would like as long as the Report is not altered in any manner.**

If you would like a printed copy of the Report, we can provide you at no cost with up to 10 copies of the January 2013 edition at this time. **Please note it may take 2-4 weeks for delivery.** To order, send an e-mail to: [david.guttchen@ct.gov](mailto:david.guttchen@ct.gov) . **Please include your mailing address in your email**

## VIII. RATE INCREASE ACTIVITY



There are no rate increase requests currently pending with the Connecticut Insurance Department.

## IX. PARTNERSHIP TRAINING FORMAT PROVIDES REFRESHER COURSE OPPORTUNITY FOR CERTIFIED AGENTS



By regulation, any producer who wishes to sell or market a CT Partnership policy must have at least 7 hours of training on long-term care issues and the Partnership.

The current training format consists of two components.

The first component is a **Prerequisite Online Course** that covers basic long-term care subjects, including how long-term care insurance works, Medicare, Medicaid, etc. This course is currently being offered by two outside vendors, while additional vendors may be approved to offer the course in the future. The course culminates in an exam that must be passed in order to be eligible to register for the second component of the training. The fee for the online course and its related Continuing Education Credits is handled directly by the vendors.

The second mandatory component of the training is a **4 hour Classroom Training Course** to be conducted by CT Partnership staff. This training will focus solely on the Partnership. Only producers who successfully complete the Prerequisite Online Course are eligible to register for the Partnership classroom course. The fee for the Partnership classroom course is \$150. Completion of both components is required before a producer will be certified to sell Partnership policies. For CT resident producers, the Prerequisite Online Course earns 8 Continuing Education (CE) credits (5 Life & Health and 3 Laws/Regulation/Ethics) and the 4 hour Partnership classroom course earns 4 CE credits (4 Life & Health).

**If you are already Partnership certified, you are not required to take any additional Partnership courses since the Partnership certification is a one-time requirement.**

However, if you are already Partnership certified, you are welcome to attend the Partnership's 4 hour training course. **If you are already Partnership certified, you will not be required to take the Prerequisite Online Course in order to register for the Partnership classroom course. We will just need to verify your Partnership certification when you call to register. The 4 hour Partnership training course can provide a useful refresher for producers who are already Partnership certified, especially those that attended the Partnership training many years ago.** Producers who take the Partnership class as a refresher course also must pay the \$150 course fee and are eligible to earn 4 Life & Health CE credits (CE credits only available for CT resident producers).

For detailed information on the Partnership training, visit the Partnership website at:

<http://www.ct.gov/opm/cwp/view.asp?a=2995&q=383398>

<p><b>Quarterly UPDATE</b> is published for certified producers and other professionals by the State of Connecticut, Office of Policy &amp; Management. Direct inquiries to: Connecticut Partnership for Long-Term Care, 450 Capitol Ave.- MS# 52LTC, Hartford, CT 06106-1379, (860) 418-6318.</p>
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