

## Important Points about the Kansas Partnership for Long-Term Care

- Partners in this program are The State of Kansas, through the Kansas Insurance Department, the Kansas Dept. of Aging and the Kansas Health Policy Authority; and insurance companies in Kansas selling long-term care insurance and certified in the Long-Term Care Partnership Program.
- Asset protection, not income protection, is a key component to the program. For every one dollar of long-term care insurance paid, one dollar of personal assets will be protected if the policyholder ever needs to apply for Medicaid services. For example, if you have a \$100,000 long-term care policy, once those policy benefits have been exhausted, under the program you can protect \$100,000 of your assets if you qualify and then receive Medicaid benefits.
- The Deficit Reduction Act of 2005 allowed all states the option of certifying partnership policies, provided the policies
  - Met specified criteria for federal tax qualification,
  - Identified consumer protection provisions (from the National Association of Insurance Commissioners Model Act), and
  - Provided inflation protection (those purchasers under 61, compound annual inflation protection; those 61-76, some level of protection; and those 76 and older, inflation protection may be offered but not required).
- Insurance companies with approved long-term care policies that meet the three criteria are qualified under the program.
- The average stay in a long-term care facility is 2.5 years.
- In Kansas, the average cost per day in a long-term care facility is \$129; the yearly average is more than \$47,000. Nationwide, the yearly cost is approximately \$75,000. This is expected to double by 2018.
- Medicaid eligibility is not automatic; state income and eligibility criteria come into play once policy benefits have been exhausted.
- Tax-qualified plans from companies listed in the Kansas Insurance Department's *Long-Term Care Shoppers Guide* may have Partnership Program policies. Check with your local insurance agent for details.
- The National Association of Insurance Commissioners recommends that agents and brokers selling long-term care insurance in Kansas be required to complete 8 hours of training initially, with a follow-up 4 hours every two years.
- For more information, go to the Kansas Partnership for Long-Term Care Web site, [www.ksinsurance.org](http://www.ksinsurance.org), or talk to your local insurance agent