



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

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State Agencies Announce Long-Term Care Partnership To Help Older Kansans Protect Assets

TOPEKA --A new Long-Term Care Partnership Program now available in Kansas offers a way for Kansans to protect their assets if they ever need to apply for Medicaid services.

The Kansas Partnership for Long-Term Care initiative encourages Kansans to finance their own long-term care needs and partner with the state-based program as they purchase qualified private long-term care insurance policies.

Long-term care policies are designed to pay some or all of the costs of other assisted care, including adult day care, assisted living and in-home services. Each dollar that a Partnership policy pays out in benefits entitles the beneficiaries to keep a dollar of their assets if they apply for Medicaid services.

Under provisions of the federal Deficit Reduction Act of 2005, states are authorized to enact Partnership Programs. Partnership programs must be tax-qualified, contain certain consumer protection provisions, and provide inflation protection.

A brochure produced by the Kansas Health Policy Authority, the Kansas Insurance Department and the Kansas Department on Aging explains this new public/private cooperative initiative. The brochure is available from each of the agencies and from the partnership program Web site, www.ksinsurance.org/ltc.

"The Partnership Program contains valuable asset protection for families," said Sandy Praeger, Commissioner of Insurance. "With qualified long-term care insurance, people can preserve how and where they use assisted care. Then, once the policy benefits are depleted, there is asset protection if they need to apply for Medicaid services. The plan encourages quality long-term care for all, encourages personal responsibility and emphasizes planning."

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“This is a unique protection that keeps policyholders from having to impoverish themselves if they run out of insurance benefits and still need care,” said Kathy Greenlee, Secretary of the Kansas Department on Aging.

Qualifying Partnership policies are available from licensed insurance professionals who complete training required by the State of Kansas. Policies must meet the state and federal Partnership requirements.

“Health care is important to all Kansans,” said Marcia Nielsen, PhD., MPH, director of the Kansas Health Policy Authority. “This program will help Kansans maintain personal responsibility for their health needs while protecting their families’ financial stability. Kansas Medicaid is pleased to be given the flexibility by the federal government to offer the Partnership.”

Any long-term care insurance policies purchased from April 1, 2007, forward that meet the requirements can qualify for Partnership benefits. Those with previously-purchased long-term care policies should contact their insurance carrier to see if those policies can be included.

A total of 15 states have had their Partnership initiatives approved, and another 15 states are working toward approval. The program concept began in the 1980s, with a four-state demonstration period in the 1990s involving California, Connecticut, Indiana and New York. The program was then offered to the remaining states through the 2005 federal legislation.

For more information on the Long-Term Care Partnership, Kansans should contact their insurance agent, financial adviser or attorney. They also can call the Kansas Insurance Department at 1-800-432-2484, the Kansas Department on Aging at 1-800-432-3535 or visit the Partnership Program Web site at www.ksinsurance.org/ltc.