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IN Partnership Office
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Indiana Partnership News Flash

Partnership Staff



Danielle Fuller

Rebecca Vaughan

Danielle Fuller, Program Coordinator

Danielle has been with the DOI for 10 years. Danielle joined the DOI in February 1999. During this time, she has held positions as a filing clerk, Enforcement Division secretary and Surplus Lines Coordinator. In January 2008, she accepted the position with the IN Partnership Program office.

Rebecca Vaughan, Program Director

Rebecca joined the DOI in January 2007 as Director. She brings to the Program years of insurance experience as a company representative, agent, and agency owner in individual and employee benefits.

Letter from the Director

Welcome to the Indiana Long Term Care Partnership Newsletter! The Partnership office will be emailing a quarterly news update to individuals in our database. Our intent is to provide LTC professionals with updated information on issues and events in the LTC market on a national and state level.

Our focus for the future is “**Educate-Promote-Innovate**”. A LTC purchase is an education process. We want to provide ongoing **education** to consumers and insurance professionals as they consider future long term care needs.

To **promote** awareness of LTC, the Partnership office is developing a lead generator program for agents. Agents will be able to purchase leads of consumers who have requested LTC information and contact from an agent. The campaign is tentatively set to launch this spring. We'll keep you posted.

We welcome any comments or suggestions on long term care for Indiana consumers. As one of the original Partnership states, Indiana wants to continue to be an **innovator** on LTC issues for the future.

INDUSTRY NEWS

Allianz Life and Mass Mutual are our two newest Partnership companies. Our other Partners include Bankers Life & Casualty, Genworth, John Hancock, MET Life, Prudential, State Farm, and United Teacher Associates.

John Hancock has been approved to offer a CPI inflation option with a Partnership policy. This option is only available for dollar for dollar asset protection. Total asset protection policies are required to have 5% compound inflation protection.

NATIONAL PARTNERSHIP

There are approximately 25 new Partnership states with several others in some stage of Partnership development. All new states coming into Partnership under the DRA will have reciprocity on a dollar for dollar basis with each other unless they opt out (WI has opted out). The four original Partnership states (CT, NY, CA, IN) would have to opt in and then would have reciprocity with the DRA group. IN currently has reciprocity with CT. Reciprocity language is under review to submit to join the DRA states. State progress is available on the national Partnership website, <http://www.dehpg.net/LTCPartnership/map.aspx>.

Remember, DRA Partnership requirements do not apply to the original four states as we are grandfathered. Each state's Partnership policy requirements and licensing could have some variation. FSSA is reviewing comments to the proposed DRA changes to Medicaid. Two provisions directly affecting Partnership LTC policies: 1) Cap on home equity; and 2) Naming the State as a remainder beneficiary for annuities are being considered for possible exceptions.

CE Reminders

- Keep original CE certificates. The DOI does not keep copies. Carriers will require copies prior to writing LTC policies.
- Classes taken since 1/1/07 are listed on the SIRCON database. You can link from www.in.gov/idoj.
- LTC CE requirements for IN agents – 8 hours basic; 5 hours renewal every 2 years.
- Plus a 7 Hour **Partnership** class if selling Partnership policies is required for resident and non-resident agents. This class is only offered in a classroom setting.

\$ New Partnership and Medicaid Figures \$

The minimum nursing home daily benefit for Partnership policies remains at \$110 for 2009. The state set minimum for total asset protection is \$239,447.

The most recent Spousal Impoverishment brochure is available for order.

Indiana Partnership policy-owners are allowed a deduction on State income taxes for premiums paid. Schedule 1 & 2 should be used with the deduction listed under "Other Deductions" as Code 608. A deduction on Federal taxes is allowed for both traditional and Partnership LTC policies subject to age and premium restrictions.

FAQ's

Q. I have a Partnership policy so I am automatically eligible for Medicaid.

A. Medicaid eligibility is not automatic just because you have a Partnership policy. A Partnership policy provides one last financial protection in the event you would have to apply to Medicaid. The intent of purchasing a LTC policy is concern for future health needs, control over those medical decisions, and financial protection for the insured and family - not the path to Medicaid.

Q. I was told my premium would never increase.

A. Premiums have been fairly stable in the past. However, recently several carriers have requested rate increases. There is no guarantee that the policy will not have a rate increase.

Q. My policy is not a Partnership policy. I want to amend my current policy to be Partnership.

A. LTC policies are filed and approved in Indiana as either a traditional policy or Partnership policy. A traditional policy cannot be amended to become Partnership qualified. You would have to purchase a Partnership policy.

Q. My agent did not discuss a Partnership policy with me, but I'm interested.

A. This question is coming up frequently since the Partnership expansion. As an insurance professional, you should be discussing several LTC options or be properly protected if you are not.

Q. Is my IN Partnership policy good in other states if I move?

A. Yes, Partnership LTC benefits are payable in other states. The Medicaid asset protection portion currently is only honored by CT Medicaid on a dollar for dollar basis until IN has reciprocity with other states.

Q. IN Partnership policies are only available to Indiana "residents". What does "resident" mean?

A. Administratively, we consider a "resident" as a person having an Indiana physical address (not a post office box).

Agent Spotlight



Commissioner Atterholt with Mary Ann Hack



Commissioner Atterholt with Teresa Eagan

On December 30, 2008, the Partnership CE instructors participated in an annual seminar for Partners Update. Mary Ann Hack and Teresa Eagan were designated Honorary Insurance Commissioner by Commissioner Jim Atterholt for their years of service and dedication to the long term care industry. Well-deserved congratulations to both!

Also in attendance were Gary Burden, Professional Training Institution; Merrill Conway, Indiana Licensing School; Alan Ewing, Sarah McGuire and Jeff Ritter, Midwest Financial Partners; Bob Rutan, Spiritan Ins. Licensing; Mick Smith, Patriot Training Systems; and Chad Stevens, WestPoint Financial Group.

Valuable Resource Information

As a LTC insurance professional, you can be an important resource for your clients and families. Below are helpful websites for long term care information.

Areas on Aging	www.in.gov/fssa/da/3478.htm
IN LTC Ombudsman	www.in.gov/fssa/da3474.htm
A Place for Mom	www.aplaceformom.com
MetLife Mature Market Institute	www.metlife.com/mmi
Indiana Dept. of Health	www.in.gov/isdh/23260.htm
State Health Insurance Assistance Program (SHIP)	www.medicare.in.gov