



Quarterly UPDATE
Connecticut Partnership for Long-Term Care
January – March 2022



IN THIS ISSUE:



- I. STATE LEGISLATIVE UPDATE***
- II. NEW PARTNERSHIP MINIMUM DAILY BENEFIT LEVELS FOR 2022***
- III. SPOUSAL ASSET LIMITS FOR CT MEDICAID FOR 2022***
- IV. TAX QUALIFIED PREMIUM LIMITS FOR 2022***
- V. NEW “BEFORE YOU BUY” PUBLICATION***
- VI. NEW “POLICY COMPARISONS” REPORT***
- VII. RATE INCREASE ACTIVITY***
- VIII. DID YOU KNOW?***
- IX. PARTNERSHIP TRAINING CERTIFICATES***

I. STATE LEGISLATIVE UPDATE

There was one piece of legislation related to long-term care insurance that was passed by the full Connecticut legislature during the 2021 legislative session and signed into law by Governor Lamont - SB 1046, An Act Concerning Long-Term Care Insurance (Public Act 21-150 - <https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00150-R00SB-01046-PA.PDF>).

The main provision of Public Act 21-150 is that it will prohibit insurers from filing a rate increase request for a policy if they are in the process of implementing a previously approved rate increase that was 20% or greater and being spread out over a three-year period, as required by Connecticut law, for that same policy. This provision will go into effect for rate filings submitted to the Insurance Department on January 1, 2022 and after. This provision will prohibit the current practice of stacking rate increases on top of each other. Currently, the Insurance Department allows insurance companies to implement multiple rate increases for the same policy at the same time causing hardship and confusion on the part of the policyholder. With rate filings made January 1, 2022 and after, rate stacking will no longer be allowed in Connecticut.

II. NEW PARTNERSHIP MINIMUM DAILY BENEFIT LEVELS FOR 2022



The minimum daily benefit levels for Partnership policies applied for in **2022** are **\$307.00** for nursing home care and **\$153.50** 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.

The only exceptions to the minimum daily benefit requirement are: 1) Partnership policyholders who have experienced a 50% or greater lifetime cumulative rate increase can lower their daily benefit below the Partnership minimum and can still have their policy retain its Partnership status; and 2) Partnership policyholders whose policies are covered by the Connecticut Life and Health Insurance Guaranty Association (regardless of the level of premium increases they have experienced) can lower their daily benefit below the Partnership minimum and can still have their policy retain its Partnership status.

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

III. SPOUSAL ASSET LIMITS FOR CT MEDICAID FOR 2022

Effective January 1, 2022 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 **\$137,400**. The minimum amount of assets a spouse can keep is **\$27,480**. (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.

IV. TAX QUALIFIED PREMIUM LIMITS FOR 2022



The limits for how much premium can be counted as an unreimbursed medical expense for tax-qualified policies have been revised for taxes filed for calendar year 2022. The threshold for being able to deduct unreimbursed medical and dental expenses is 10.0% of adjusted gross income. The new limits are noted below.

Attained Age Before the Close of the Tax Year	Tax Limitation on Premiums Calendar Year 2022
40 or less	\$450
41 – 50	\$850
51 – 60	\$1,690
61 – 70	\$4,510
71 and older	\$5,640

V. NEW “BEFORE YOU BUY” PUBLICATION



The Partnership’s “Before You Buy” publication, that producers are required to provide to every Partnership policy applicant, has been updated for 2022.

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

<https://portal.ct.gov/OPM/PDPD-HHS-Long-Term-Care/Advisor/Partnership-Advisor-Publications>

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
- Factors to Consider When Requesting a Quote for a CT Partnership Policy

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

VI. NEW “POLICY COMPARISONS” REPORT



The Partnership’s **Policy Comparisons Report** has been revised to reflect updated information for 2022 regarding the Partnership’s minimum daily benefit levels and tax-qualified policies.

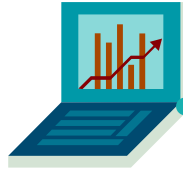
The Policy Comparisons Report is available electronically. A PDF version of the Report can be downloaded from the Partnership website by selecting “Policy Comparisons Report” from the following link:

<https://portal.ct.gov/OPM/PDPD-HHS-Long-Term-Care/Advisor/Partnership-Advisor-Publications>

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 2022 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. **Please include your mailing address in your email.**

VII. RATE INCREASE ACTIVITY



BANKERS LIFE AND CASUALTY:

In October 2021, Bankers Life and Casualty requested an average rate increase of 52.09%, depending on the policy, for some older Partnership and non-Partnership policies. **This request is under review by the Insurance Department**

BRIGHOUSE:

In September 2021, Brighthouse requested an average rate increase of 97.5%, depending on the policy, for some older Travelers Partnership and non-Partnership policies. **This request is under review by the Insurance Department.**

JOHN HANCOCK:

In July 2021, John Hancock requested a rate increase ranging from 25.5% to 83.2%, depending on the policy, for some older Partnership and non-Partnership policies. **This request is under review by the Insurance Department.**

In August 2021, John Hancock requested a rate increase ranging from 18.3% to 24.1%, depending on the policy, for some older Partnership and non-Partnership policies. **This request is under review by the Insurance Department.**

METLIFE:

In June 2021, MetLife requested a rate increase ranging from 20.9% to 128.2%, depending on the policy, for some older Partnership and non-Partnership policies. **In November 2021, this request was denied by the Insurance Department and no increase was approved.**

PRUDENTIAL:

In November 2021, Prudential requested a 68.6% rate increase for some older Partnership and non-Partnership policies. **This request is under review by the Insurance Department.**

TRANSAMERICA LIFE:

In July 2021, Transamerica Life requested a 32.95% rate increase for some older Partnership and non-Partnership Monumental Life policies. **In December 2021, the Insurance Department approved this request in whole. The rate increase will be spread out over three years.**

The Insurance Department's website - <https://www.catalog.state.ct.us/cid/portalApps/LongTermCareFiling.aspx> - includes a listing of long-term care insurance rate increase requests. For rate increase filings where the Insurance Department has made a final decision there will be a selection for the "Disposition" which is the Insurance Department's write-up of their decision. In the Disposition you can find out what increase was approved for a particular policy form since a filing will usually include several different policy forms. You can also sign up on the website for "e-alerts" so you will receive an e-mail whenever a new rate increase request is filed and also when the Insurance Department makes a decision about a rate increase filing.

VIII. DID YOU KNOW?



- As of September 30, 2021, there were 205 licensed Nursing Facilities in Connecticut. As of September 30, 2021 there were 24,444 nursing facility beds. Please see the link below for a fact sheet with additional information:

<https://portal.ct.gov/-/media/OPM/HHS/LTC/NF-Fact-Sheet-2021.pdf>

- All CT Partnership policyholders who receive care in a CT licensed nursing facility are entitled to a 5% discount off the private pay cost for room and board and services in the facility. With an annual private pay rate of over \$168,000, that's over an \$8,400 discount. For information on additional provisions included in a Partnership policy that provide significant value to the policyholder, please see the link below:

http://www.ct.gov/opm/lib/opm/hhs/ltc/consumer_value_apdg.pdf

- Additional research studies performed by the CT Partnership can be found at:

<https://portal.ct.gov/OPM/PDPD-HHS-Long-Term-Care/Researcher/Partnership-Researcher>

IX. CT PARTNERSHIP TRAINING CERTIFICATES



If you attended a Partnership agent certification training and you've misplaced your training certificate, the Partnership office will have a copy of your certificate that we can provide you. Just call us at 860-418-6318 or email at david.guttchen@ct.gov.

Quarterly UPDATE is published for certified producers and other professionals
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