



Changes to the New York State Partnership for Long Term Care (PLTC) Insurance Program

This year brings some of the most sweeping improvements to the PLTC program.

The four major changes to the program are as follows:

The first change will be to offer a Total Asset Protection Plan with two years of nursing home coverage; four years of home care or residential care (at half the nursing home rate). A Medicaid State Plan Amendment to include this option has been approved by Centers for Medicare and Medicaid Services (CMS). This offering (2-4-50) will be available once insurance companies who select to offer the plan, submit their filings to the New York State (NYS) Department of Financial Services. This option is expected to be available for purchase in late Fall 2012.

The second change is the decision by NYS to participate in reciprocity as offered in the Federal Deficit Reduction Act of 2005. This change will allow New York partnership policyholders who relocate to one of the forty other participating states to take advantage of asset protection in those states at a dollar-for-dollar level based on the amount of LTC insurance benefits paid on their behalf. This provision will also allow partnership participants from the other forty states who relocate to New York to achieve the same benefit (dollar-for-dollar). A Medicaid State Plan Amendment to include this option has been approved by CMS. Reciprocity is available to all NYS partnership policyholders. Reciprocity went into effect June 1, 2012.

The third change relates to required inflation protection. All NYS partnership policies sold must have compound inflation protection. The NYS PLTC program has changed the minimum compound inflation protection to 3.5%. The insurer/agent must still offer the 5% inflation protection. This change will be available when the NYS Department of Financial Services approves the insurer's new policies and the insurer finalizes the policies for sale. As noted above this change was approved June 1, 2012 and will be available in the insurer's new policies.

The final change relates to the NYS Partnership training and certification. The NYS PLTC program offers a web-based, self-paced training and final exam, which alleviates the costs incurred from travel for state employees and agents.

These changes are designed to make the NYS PLTC policies more beneficial to policyholders and create savings for the Medicaid Program. The NYS PLTC program is one of the "win-win" activities that result when public-private partnerships are carefully planned and implemented to benefit all.
