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., or talk to your local insurance agent.