

PARTNERSHIP PRESS

A Publication of the New York State Partnership for Long-Term Care



Long-Term Care Insurance: Debunking The Myths...

"I don't need it"

The Majority of Americans will require some assistance with their Activities of Daily Living (ADL's) as they age. Latest findings show that about 70% of adults age 65 will require long-term services at some point in their lives. Even if you are healthy, the natural aging process usually results in a decline in hearing, eyesight, balance and mobility.

"By the time I'm 65, Medicare or Medicaid will pick up the tab."

This is a common misunderstanding. Medicare does not cover custodial services that assist with ADL's, as many people think. Medicare will cover "acute" services, such as a hospital stay or short-term rehabilitative services. Medicaid may cover your long-term care services, but you must meet strict eligibility requirements, including disclosure of your assets. Think you can transfer all your money to your heirs and then be eligible for Medicaid? Don't forget about that five year "look back" rule!

"Why bother saving? No one knows how much long-term care will cost in the future."

We have a pretty good estimate of long-term care costs in New York State. The average cost of a nursing home is \$130,000 per year, even higher in some areas. Planning and preparing for financial security is very important. You can estimate the average long-term care costs in your area on our website: www.nyspltc.org.

NYS PLTC Participating Insurers

as of January 2016*

- **GENWORTH LIFE INSURANCE COMPANY OF NEW YORK**
- **MEDAMERICA INSURANCE COMPANY OF NEW YORK**
- **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**

**The list of participating insurers is subject to change. We recommend visiting our website for any updates or changes to this list. For information about group coverage offerings, please visit our website or inquire with your insurer directly.*

Latest Partnership Statistics

Of individuals who purchased a policy during the 4th quarter of 2014:

- The average age was 60 years
- 58% were female, 85% were married
- 43% purchased 2-4-50 plan, 51% purchased 3-6-50 plan, 5% purchased 4-4-100 plan
- The average daily nursing home benefit was \$281
- 89% purchased 3.5% inflation protection, 11% purchased 5% inflation protection

To date:

- Insurers have approved 94% of requests for benefits based on their assessment of policyholders' inability to perform activities of daily living (ADLs) or severe cognitive impairment.
- 6,142 people have used their policy
- 31% of the days used were nursing home
- 69% of the days used were home care
- 440 exhausted their private policy & accessed MEC

New York State Partnership
for Long-Term Care

Educational Workshops

Interested in hosting an educational workshop for your consumers or agents on the process, options and overall benefits of the Partnership program?

Contact NYSPLTC to request a workshop at your establishment. If a Partnership staff member is able to accommodate your request at the specified time and location, you will be responsible to provide:

- An adequate venue for the event
- A guarantee of at least 30 people at the event

nypltc@health.ny.gov

Or call

1-866-950-PLAN

Medicaid Mention

Questions about Medicaid Extended Coverage?

Send us your questions to the email address below and we'll provide an answer in our next edition of the Partnership Press Newsletter.

nypltc@health.ny.gov

Q: Once my long-term care insurance benefits have been fully utilized, am I automatically enrolled in Medicaid Extended Coverage (MEC)?

A: No. Medicaid Extended Coverage is not automatic. Policyholders must meet eligibility requirements when applying for MEC, but with asset protection beyond ordinary Medicaid levels (based on the specifications of your policy). As a participating consumer, your income and any unprotected resources will be counted in determining Medicaid eligibility. Additionally, you will be required to spend down excess, unprotected resources and contribute income toward the cost of care, in accordance with Medicaid rules and regulations.

The NYS Partnership permits a qualified applicant to apply for MEC regardless of the amount of resources he or she has. However, all income rules in effect at the time of application for MEC will apply in determining one's eligibility for MEC. Policyholders may apply for MEC even if benefits remain under a Partnership policy, as long as they have used their minimum benefit duration requirement.

New York State Partnership for Long-Term Care

One Commerce Plaza
Room 1620
Albany, NY 12210

1-(866)-950-7526

nypltc@health.ny.gov

Don't Forget the 20% New York State Tax Credit!

Essentially, the State will support New Yorkers' efforts to plan for the future by paying 1/5 of the bill for their long term care insurance premiums. This credit is available to anyone paying premiums, including children who pay for coverage on behalf of their parents when they file a New York State income tax return.