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CALIFORNIA INSURANCE COMMISSIONER

California Long Term Care Insurance Task Force Charter

(February 2021)

Purpose

The enactment of AB 567 (Calderon, Chapter 746, Statutes of 2019) established the Long Term Care Insurance Task Force (Task Force) in the California Department of Insurance (CDI) to explore the feasibility of developing and implementing a culturally competent statewide insurance program for long-term care services and supports.

Objectives

The objectives of the Task Force include all of the following:

- Explore how a statewide long-term care insurance program could be designed and implemented to expand the options for people who are interested in insuring themselves against the risk of costs associated with functional or cognitive disability, and require long-term care, services, and supports.
- Explore options for the design of the program, including eligibility, enrollment, benefits, financing, administration, and interaction with the Medi-Cal program and other publicly funded resources. In exploring these options, the task force shall consider all of the following:
 - Whether and how a long-term care insurance program could be included as a benefit in the state disability insurance program structure, possibly through a nominal increase in the payroll tax, and whether the program could be structured in the same manner as Paid Family Leave benefits.
 - Allowing for enrollment in the program of working adults who would make voluntary premium contributions either directly or through payroll deductions through their employer.
 - To the extent feasible, requiring a mandatory enrollment with a voluntary opt-out option.
 - Giving working adults the opportunity to plan for future long-term care needs by providing a basic insurance benefit to those who meet work requirements and have developed functional or equivalent cognitive limitations.
 - Helping individuals with functional or cognitive limitations remain in their communities by purchasing nonmedical services and supports, including home health care and adult daycare.
 - Helping offset the costs incurred by adults with chronic and disabling conditions. The program need not be designed to cover the entire cost associated with an individual's long-term care needs.
- Evaluate how benefits under the program would be coordinated with existing private health care coverage benefits.

- Evaluate the demands on the long-term care workforce as the need for long-term care in California grows, and how the long-term care workforce can be prepared to meet those demands.
- Consider the establishment of a joint public and private system to make long-term care accessible to as many individuals within California as possible.
- Make recommendations related to key regulatory provisions necessary for the public to access existing long-term care insurance programs and participate in future long-term care insurance programs, whether those programs are recommended by the task force or otherwise.

Deliverables

- On or before January 1, 2023, the Task Force shall recommend options for establishing a statewide long-term care insurance program and comment on the respective degrees of feasibility of those options in a report submitted to the Insurance Commissioner, the Governor, and the Legislature.
- On or before January 1, 2024, CDI shall, in order to ensure an adequate benefit within a solvent program, produce an actuarial report of the recommendations made by the Task Force.

Membership

The Task Force consists of the following 15 voting members:

1. The commissioner, or the commissioner's designee, who shall serve as the chair of the task force.
2. The Director of Health Care Services, or the director's designee.
3. The Director of the Department of Aging, or the director's designee.
4. Four persons appointed by the Governor, as follows:
 1. A certified actuary with expertise in long-term care insurance.
 2. A nongovernment health policy expert.
 3. A representative of a long-term care provider association.
 4. A representative of a senior or consumer organization.
5. One person, appointed by the Speaker of the Assembly, from an employee representative organization that represents long-term care workers.
6. One person, appointed by the Senate Committee on Rules, from the long-term care insurance industry.
7. Six persons appointed by the commissioner, as follows:
 1. A representative of residential care facilities for the elderly.
 2. A representative of adult day services providers.
 3. A representative of hospice and palliative care providers.
 4. A representative of long-term care health professionals.
 5. A representative of independent providers of in-home personal care services.
 6. A representative of family caregivers.

Guiding Principles and Values

- Task Force meetings seek to provide a collegial and open environment to allow for the expression of diverse and innovative points-of-view from all members.
- Task Force meetings aim to support open communication and collaboration between Task Force members and the Administration.
- An effective Task Force member:
 - Is able to work with a group or in teams to meet the purpose and objectives
 - Is willing to devote time and effort to the work of the Task Force
 - Works to find alternative solutions to problems whenever necessary
 - Has strong communication skills
 - Does not let personal feelings toward others affect decisions
 - Does not disclose details of Task Force activity unless and until they become part of the public record
 - Remembers that they are seen as representatives of the Task Force when they appear at industry or professional gatherings and must not appear to speak for the Task Force unless specifically authorized by the Task Force to do so.

Protocols and Roles and Responsibilities

- The Task Force plans to meet six times per year, or as often as needed between 2021 and 2022, with further possible meetings to be held in 2023. Meetings will be held virtually for the duration of the COVID-19 pandemic.
- Meeting agendas will be prepared and posted online by CDI and the successful Contractor hired to aid in the development of the feasibility report and actuarial report. Task Force members are encouraged to suggest agenda items.
- Regular, consistent attendance at the meetings and active participation of members is key to meeting the Task Force objectives. Members are strongly encouraged to participate with video cameras on. Members are not able to send any substitutes, delegates, or proxies to a meeting in lieu of themselves. Task Force members should contact CDI as soon as conveniently possible in advance of a scheduled meeting if a situation arises that does not enable them to attend it.

Resources

- CDI's California Long Term Care Insurance Task Force webpage:
<http://www.insurance.ca.gov/0500-about-us/03-appointments/ltcif.cfm>
- California Bagley-Keene Open Meeting Act:
<https://oag.ca.gov/open-meetings>