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CALIFORNIA INSURANCE COMMISSIONER

**California Long Term Care Insurance (LTCI) Task Force
Meeting #13 Minutes
Thursday, June 30, 2022**

1. Task Force Meeting Call to Order – 1:00 PM

- Roll Call – present: Aron Alexander, Jamala Arland, Susan Bernard, Dean Chaliros, Anastasia Dodson, Joe Garbanzos, Parag Shah, Sarah Steenhausen, and Dr. Karl Steinberg.
 - Note, Eileen Kunz and Brandi Wolf were also present but could not be considered as voting Task Force members due to their locations not being listed on the public notice.
 - Absent: Becky Duffey, Laurel Lucia, Doug Moore, and Tiffany Whiten
- A quorum was met.

2. Agenda Item #1: Welcome & Housekeeping Items

- Introduction of one new member – Becky Duffey (Executive Director of the California Association for Adult Day Services). Becky Duffey will serve as a representative of adult day services providers, appointed by the Insurance Commissioner.
- Chair Susan Bernard went over housekeeping items.

3. Agenda Item #2: Approve Minutes from Meeting #12

- Joe Garbanzos moved to approve the minutes from the prior meeting, and Dean Chaliros seconded. The motion was approved unanimously.

4. Agenda Item #3: Recap and Discuss: Task Force Meeting #13 Questionnaire Results

- Dustin Plotkin and Stephanie Moench presented results from the Task Force Meeting #13 questionnaire on long-term services and supports (LTSS) access and regulation.
- Task Force Member Comments:
 - Jamala Arland asked for clarification regarding the views of those who opposed the creation of a separate working group examining interaction and coordination with certain Medicare Advantage (MA) plans.
 - Parag Shah noted the risk for anti-selection and the need for the Task Force to focus on higher priority working groups.
 - Jamala Arland asked how the establishment of working groups would be prioritized.

- Response: Once we align on the number of working groups recommended, we can discuss prioritization.
 - Dr. Karl Steinberg stated that the Task Force needs to be mindful of available resources and prioritize which working groups to establish.
 - Jamala Arland noted that comprehensive outreach and education are critical for the program's success and that such a working group should be prioritized. She noted that this should include education on the private market and ancillary supports that are available.
 - Parag Shah asked about the timing of the working groups relative to the Feasibility Report (e.g., prior to or after the final report's release).
 - Response: There are elements of outreach and education that could be established now, though most will be contingent upon the ultimate program design.
 - Joe Garbanzos noted the importance of setting the stage for communication early and the value of establishing a phased approach towards an outreach and education framework.
 - Joe Garbanzos suggested potentially offering 'in-kind' (non-monetary) contributions to younger individuals in relation to the intergenerational inequity, such as allowing contribution credits for those working in the LTC industry.
 - Jamala Arland asked which of the recommended lower-cost alternative designs would be included in the Feasibility Report.
 - Response: The Feasibility Report will include a range of options—including several of the lower-cost alternative designs recommended by the Task Force.
 - Dr. Karl Steinberg echoed the importance of LTC-focused education in medical schools, residencies, and direct care facilities and recommended that the Task Force include this consideration in the Feasibility Report.
- Public Comments:
 - Ramon Castellblanch noted that many MA programs are overpaid due to inflated risk scores for MA enrollees compared to Medicare fee-for-service. As such, MA reform is likely imminent, further complicating any LTSS program designs that are paired with MA. Ramon also noted that MA plans typically have high dis-enrollment during individuals' later years in life because MA doesn't cover many of the treatments that are necessary at that time.
 - Eileen seconded Joe's suggestion for a multi-staged process and noted that building support for the program is a top priority.
 - Ramon Castellblanch opined that utilizing public funds for private insurance is not a solution for providing LTSS.
 - Response (Jamala Arland): The private insurance coordination working group is not intended to divert funds away from the public program but would instead serve the purpose of discussing the

potential for coordination with private insurance, specifically supplemental coverage.

- Brandi Wolf stated that the creation of working groups could stall the enactment of public policy. Brandi expressed that private insurance is not a solution to adequately providing LTSS to large populations.
 - Response (Parag Shah): Assembly Bill 567 (“AB 567”) includes language about assessing how the program could coordinate with private insurance.
- Louis Brownstone stated that the program should encourage the purchase of private insurance and noted that the private industry should have greater involvement with the program beyond the current Task Force representation. Louis also noted that many private plans have a 90-day elimination period, which impedes private insurers’ ability to cover all costs before the public program.
- Ramon Castellblanch stated that reducing benefits for older participants to mitigate intergenerational inequity in program contributions may not help younger participants, as many younger family members may need to provide care for their older family members. Ramon also stated that reducing benefits for older participants may be politically infeasible.

5. Agenda Item #4: General Public Commentary

- Steve Cain noted that the program’s chosen tax rate will impact public and political buy-in. Steve recommended that the Task Force start with what they feel is a feasible tax rate and then design a program that provides maximum benefits for that tax rate.
- Louis Brownstone recommended that the Task Force consider the program cost most likely to be approved by the Legislature.
- Leza Coleman echoed the importance of public and political buy-in to the program. Leza noted that even a small daily benefit amount would go a long way towards helping Californians pay for LTSS.

6. Agenda Item #5: Next Steps & Closing

- The recording for this meeting will be available early next week.
- An initial draft of several potential program designs will be circulated by the end of next week, and feedback from Task Force Members and the public is encouraged.
- At 2:05 PM, Susan Bernard requested a motion to adjourn the meeting. Dr. Karl Steinberg made the motion, and Joe Garbanzos seconded it. The meeting was adjourned.