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**California Long Term Care Insurance (LTCI) Task Force
Meeting #7 Minutes
Wednesday, February 16th, 2022**

1. **Task Force Meeting Call to Order – 1:00 PM**
 - Roll Call – present: Dr. Lucy Andrews, Jamala Arland, Susan Bernard, Grace Cheng Braun, Anastasia Dodson, Joe Garbanzos, Eileen Kunz, Laurel Lucia, Parag Shah, Sarah Steenhausen, Dr. Karl Steinberg, Tiffany Whiten, and Brandi Wolf.
 - Quorum was met.

2. **Agenda Item #1: Welcome & Housekeeping Items**
 - Introduction of two new members – Sarah Steenhausen (taking over for Sutep Laohavanich as Department of Aging representative) and Brandi Wolf (employee representative organization that represents long-term care workers, appointed by the Speaker of the Assembly).
 - Chair Susan Bernard went over housekeeping items.

3. **Agenda Item #2: Approve Minutes from Meeting #6**
 - Kevin Russell proposed one edit to change “census” to “consensus” on page 1 , under Agenda Item #3, in the sub-bullet that starts out, “Kevin noted that no program design features have been ruled out...”.
 - With this change in mind, Tiffany Whiten moved to approve the prior meeting’s minutes and Parag Shah seconded. The motion was approved unanimously.

4. **Agenda Item #3: Task Force Meeting #7 Questionnaire Results**
 - Dustin Plotkin presented results from the Task Force Meeting #7 questionnaire on program administration, eligibility, enrollment, benefits, services, and prevention. The discussion covered questions 1 through 7.
 - Task Force Member Comments:
 - Dr. Karl Steinberg noted that the score of a benefit eligibility age of 18+ seems to be roughly double relative to that of 65+, but there seems to be a disconnect on whether there should be a disablement age requirement. Karl noted that, if we combine scores across disablement age requirements, Task Force Member results resemble those of the public.

- Response: If the same math is applied on the two options with minimum age 65, the score would come close to the score for the two options with a minimum age of 18.
- Grace Cheng Braun asked whether the scores for each option are from distinct individuals.
 - Response: Not necessarily, as individuals could vote for up to their top three choices, with points for each choice being scored according to their ranking (1st choice with 3 points; 2nd choice with 2 points, and 3rd choice with 1 point). If an individual elected only 1st and 2nd choices, then 5 total points were assigned. If an individual elected only a 1st choice, then only 3 points were assigned.
- Eileen Kunz asked whether it would be useful to see each person's top choice for benefit eligibility age. Eileen also expressed concerns with a minimum age of 65 since disability could start at a younger age, with a higher likelihood for certain community and ethnicity groups.
- Brandi Wolf asked if we discussed costs as they relate to benefit eligibility age.
 - Karl directed Brandi to the educational materials from prior Task Force Meetings, which provide cost differentials under various options.
- Parag noted that having a program for individuals aged 65+ will result in considerable cost savings. Parag also asked whether there were other programs in California for those aged 18 to 65. If other solutions already exist for these individuals, then the question is whether we need to cover them under our program.
 - Response: To some degree there are other public programs, even for those aged 65+ (e.g., Medi-Cal). It's a question of whether those options are complete and comprehensive. The Task Force Members need to decide whether the preference is for this program to be considered as an alternative "solution" for a given age group instead of any existing programs.
- Jamala Arland reiterated that we need to ground on whether the purpose of this program is to address increasing costs associated with aging. AB 567 references the cost of growing older.
- Karl reminded Task Force Members of the 11.9% cost differential associated with increasing benefit eligibility age requirement from 18+ to 65+. Karl stated that 65+ makes sense, but 18+ may have received more (distinct) votes.
- Eileen asked how older adults get categorized and noted that it often varies by program (e.g., 55+, 60+). Eileen also added that benefit age requirements are not always tagged at 65+ and asked that we consider a minimum age between 18 and 65.
- Laurel Lucia cautioned against prematurely constraining the program based on age requirements alone. Laurel raised the example that if the goal is to keep the tax rate at a certain level, then the Task Force could consider

possible trade-offs such as keeping the benefit eligibility age requirement narrower or the benefit level lower.

- Response: With regard to Eileen’s comment, there is an option of having a minimum age other than 18 or 65—it doesn’t have to be as black and white as just those two options. Laurel’s comment about trade-offs can also be a focus of discussion at our future interdependencies meeting once we have preliminary program configurations designed.
- Parag pointed out that there may be a difference between those who need long-term care (LTC) and those who are aging/older.
- Laurel commented she is uncertain about how much the Task Force’s charge is constrained to only thinking about aging and those over age 65.
- Ryan de la Torre noted that enabling legislation for the Task Force doesn’t impose constraints related to providing benefits and services to an older age cohort. This is open for discussion by the Task Force.
 - Jamala noted that there is a comment in the legislation related to people that are worried about the cost of growing older.
- Jamala reiterated the importance of the Task Force Members aligning on the purpose of the program, as this is fundamental to reaching consensus on program design elements.
- Parag voiced concern around the value of the questionnaire results in determining a consensus, particularly for Question 3A, if there are a handful Task Force Members electing “unsure or no opinion”.
- Karl noted that the Task Force Members seem to agree that the program should include vesting.
 - Response: This is consistent with prior questionnaires, where Task Force Members indicated a preference for a vested or targeted program.
- Parag noted that he recommended a longer vesting period but feels it reasonable to give some credit (partial vesting) to those who contributed for multiple years—it should not be an “all or nothing” benefit.
 - Karl voiced agreement with Parag’s comments.
- Dr. Lucy Andrews voiced her concern with longer vesting period requirements, given that many individuals do not foresee needing care that far in advance, and thus may not participate in the program if we do not provide an alternative.
 - Response: It is important to note the distinction between when individuals start contributing and when they receive benefits. Discussion regarding contribution age has yet to occur.
- Brandi asked whether provisions for varied program benefits and varied vesting requirements are mutually exclusive.
 - Response: Not necessarily. The questionnaires are designed for Task Force Members to recommend a wide variety of program designs.

- Parag asked whether, given the majority of Task Force Members were unsure or had no opinion regarding uniformity or variance of vesting requirements, it would be a good idea to table discussion on this provision.
 - Response: Agreed, given that this is not a critical design element.
- Parag noted Washington had some challenges associated with portability, but noted that having a fully portable versus a non-portable program would have been a 37% difference in cost, so portability seems to have a decent level of expense associated with it. Portability may also be potentially difficult to administer, so Parag suggested a potential benefit reduction to account for added administrative complexity for out-of-state individuals.
 - Brandi voiced agreement with Parag's concern relating to cost of portability and stated that a reduction in benefits seems reasonable to keep up with higher administrative costs.
- Jamala pointed out the relationship between cost for portability versus cost of providing benefits for those aged 18+. Jamala noted a potential discrepancy between these two cost differentials.
 - Response: The rates of emigration from California assumed in Milliman's analysis could be a contributing factor to the higher cost differential for portability whereas if low claim probabilities are assumed for younger individuals, that could potentially contribute to a lower cost differential when benefit eligibility is expanded to younger ages.
- Brandi noted that the portability consideration should be closely tied to the benefit payment structure we implement.
- Brandi noted the potential to impose higher contribution requirements if an individual would prefer their benefit be extended to their spouse, domestic partner, immediate family and/or extended family.
 - Response: Germany does not require a higher contribution rate if an individual's benefits extend to their spouse, but does have a higher contribution requirement for those without children.
- Jamala highlighted that she sees the undocumented and unhoused communities as interchangeable with family members/spouses in this regard.
 - Response: We will need to revisit excluded cohorts when we discuss financing and think about whether there are cohorts excluded because of the financing mechanism chosen and whether the Task Force wants to capture those cohorts in the program.
- Laurel asked how to keep the program sustainable if we allow individuals who purchased an insurance policy after the program goes into effect to be eligible for a potential opt-out provision?
- Brandi asked if there would be a discussion around opt-in options and indicated she had very strong opinions against opt-in provisions. She noted that with additional opt-out eligible groups being considered, we may run into a slippery slope where the provision more closely resembles an opt-in (voluntary) provision, much like with the CLASS Act.

- Brandi asked whether opt-out and buy-in provisions need to be mutually exclusive.
- Karl noted that including opt-in/opt-out provisions adds complexity relative to requiring everyone to participate. Karl further noted that a lot of people continue to work until they are 70, so it's likely simpler to not have an opt-out provision.
- Jamala opined that the Task Force needs to align on whether there is an expectation that everyone contributes even if they cannot receive benefits.
- Joe Garbanzos suggested that we focus on key principles. Joe stated that there will always be exceptions and/or fringe cases, but we need to focus on the majority of the people that will take advantage of the program and then move to outliers.
- Public Comments:
 - Bonnie Burns noted that people younger than 65 get chronic diseases, and thus may require support.
 - Ramon Castellblanch noted that he thinks we are putting the cart before the horse and should have discussed financing first. Ramon urged the Task Force to consider cash benefits, specifically cash that can be used to pay for informal care. Ramon also suggested we consider portability from an equity lens, providing evidence that Latin American and African American communities are more likely to migrate away from California.
 - Steve Schoonveld suggested that the Task Force needs to get back to basics and establish principles, such as whether this is a social insurance or an enhanced safety net program, before discussing details.
- This agenda item was cut short due to time constraints and will be continued at a separate Task Force Meeting.

5. Agenda Item #4: General Public Commentary

- No additional public comments expressed.

6. Agenda Item #5: Next Steps & Closing

- The recording for this meeting will be available early next week.
- Starting with Task Force Meeting #10—scheduled for April 21, 2022—all meetings are expected to be in-person.
- At 2:29 pm, Susan Bernard requested a motion to adjourn the meeting. Joe Garbanzos so moved, and this was seconded by Dr. Karl Steinberg. The motion was approved.