

# **CALIFORNIA DEPARTMENT OF INSURANCE: LONG TERM CARE INSURANCE PROGRAM**

Coordination and Interaction Questionnaire Results

November 8, 2021

# **QUALIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS**

Oliver Wyman was commissioned by the California Department of Insurance to provide support associated with assessing the feasibility of developing and implementing a culturally competent statewide insurance program for long-term care services and supports (LTSS). The primary audience for this report includes stakeholders from the California Department of Insurance, members of the Long-Term Care Insurance Task Force, and members of the general public within the state of California.

Oliver Wyman shall not have any liability to any third party in respect of this report or any actions taken or decisions made as a consequence of the results, advice or recommendations set forth herein.

The opinions expressed herein are valid only for the purpose stated herein and as of the date hereof. Information furnished by others, upon which all or portions of this report are based, is believed to be reliable but has not been verified. No warranty is given as to the accuracy of such information. Public information and industry and statistical data are from sources Oliver Wyman deems to be reliable; however, Oliver Wyman makes no representation as to the accuracy or completeness of such information and has accepted the information without further verification. No responsibility is taken for changes in market conditions or laws or regulations and no obligation is assumed to revise this report to reflect changes, events or conditions, which occur subsequent to the date hereof.

# EXECUTIVE SUMMARY

Task Force Members were asked to complete a questionnaire regarding their [preliminary](#) views on **coordination/interaction** between a statewide LTC insurance program in California and Medi-Cal, private LTC insurance, and existing programs in California. Task Force Member views may evolve as detailed discussions progress across the [seven Work Plan elements](#). This page summarizes Task Force Member questionnaire results. Subsequent pages contain verbatim responses from Task Force Members and the public (with minor edits for spelling, grammar, and punctuation).

## Key Takeaways

### Views are mixed on an opt-out option for individuals with private LTC insurance (LTCi)

- 1
  - Reasons for allowing opt-out: provides individuals with choice, not doing so may penalize individuals who already own private LTCi
  - Reasons for not allowing opt-out: may negatively impact program sustainability (if opt-outs are predominantly wealthy individuals), may lead to “gaming the system”
  - **Opt-out considerations will be revisited at future Task Force meetings as additional elements of the program are contemplated**
  - **Hypothetically**, if an opt-out provision were established:
    - Recurring verification is recommended
    - Respondents were split on whether there should be a cut-off date to opt out
    - Most respondents feel that individuals should be permitted to opt back in under select circumstances
  - Most respondents feel it is equitable to require individuals with private LTCi to participate in the statewide LTC insurance program
  - Most respondents feel it is not equitable to allow individuals with private LTCi to opt out of the statewide LTC insurance program

### Private LTCi pays first then statewide LTC insurance then Medi-Cal, with concurrent but non-duplicative payments

- 2
  - Over 50% of respondents feel that private LTCi should pay for benefits before the statewide program, with concurrent but non-duplicative payments permitted
  - Over 50% of respondents feel that concurrent payments with Medi-Cal should be permitted
    - Medi-Cal would only cover costs that exceed benefits covered under the statewide program

### Statewide LTC insurance should not factor into Medi-Cal eligibility

- 3
  - 50% of respondents feel that the statewide program should not factor into Medi-Cal eligibility determination

### Statewide LTC insurance program should integrate existing outreach, care coordination, and access to care programs

- 4
  - Respondents noted several programs (such as HICAP, ADRC, in-home care) that should be considered for integration into the statewide LTC insurance program to promote outreach, streamline care coordination, and facilitate access to care

Public responses were received from **six** individuals; their responses are provided on the subsequent pages

# QUESTION 1 (1 OF 3)

Should individuals with private LTC insurance (satisfying a defined set of to-be-determined requirements) be given a choice to opt out of a potential statewide LTC insurance program in California?

#	Answer – Task Force Members	Percentage	Count
1	Yes (allow individuals with private LTC insurance to opt out)	17%	2
2	No (do not allow individuals with private LTC insurance to opt out)	33%	4
3	Other (please specify)	25%	3
4	Unsure / no opinion	25%	3

#	Other (please specify) – Task Force Members
1	I am not sure Opt out is best. I prefer to Opt out over 'no Opt out', but instead could we consider a program where having private insurance helps reduce their cost or provides other benefits? I feel that no opt out is inequitable if they are paying for private insurance and then have to pay for social insurance where one of the benefits isn't being able to be used
2	Maybe. Room for discussion
3	Option to buy supplemental benefits not covered by LTC insurance in CA

#	Answer – Public	Percentage	Count
1	Yes (allow individuals with private LTC insurance to opt out)	17%	1
2	No (do not allow individuals with private LTC insurance to opt out)	83%	5
3	Other (please specify)	0%	0
4	Unsure / no opinion	0%	0

# QUESTION 1 (2 OF 3)

Please explain your response to the question above.

#	Responses – Task Force Members
1	You have to have everyone pay in for a healthy program fund
2	Providing the option for those who already have private LTCi to opt out of a statewide LTCi program would afford people choice, and may help toward keeping cost down of statewide LTCi program
3	Those that purchased private insurance were thoughtful and should not be penalized. We, however, do not want a WA fire sales and the poor behavior it generated. I also recognize that if all the wealthy opt out, the program won't have good funding and anti-selection. I would like to provide some value to having private insurance to be equitable
4	I'm very concerned about the experience of Washington Care related to allowing individuals with private LTC insurance to opt out. As a result, I am inclined to select No (do not allow individuals with private LTC insurance to opt out.). However, I would need additional information on how that would work
5	<p>It is important to have a blueprint for a program design in California, particularly the question of financing / funding, before opining on whether an opt out would be appropriate and what considerations would be relevant. Additionally, It is not clear from the materials provided how Taskforce members would evaluate the pros and cons of a private insurance opt out, and specific considerations for California. I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals. For this specific question, I'd strongly recommend that someone from CLASS Act, WA Cares or the Washington Insurance Office is brought in to brief the Taskforce. The recent issues in WA Care, including the opt out website crashing on the first day from the overwhelming volume and disruptions to the private insurance market, would suggest that the considerations for defining the opt out process are critical.</p> <p>My understanding is also that the voluntary nature of the CLASS Act was causal to it not being self-sustaining and financially sound, and it ultimately being repealed. In the situation of a payroll tax, ACLI's 9/22/2021 letter to WA Cares states that "Without a mechanism for recapturing lost payroll taxes from these individuals [who opt out], especially high wage earners who will eventually contribute more in tax than the \$36,500 they could receive in benefits, there may be insufficient funds to pay future benefits. This creates a financial burden on the Washington Cares Fund and Medicaid, which falls disproportionately on those at lower income levels... Failure to resolve this conflict through a mechanism such as, a repeal of the permanent exemption, or verification of continual coverage could result in people gaming the system to avoid the payroll tax, some of which may become reliant on Medicaid to cover their LTSS needs."</p>
6	Maybe - if you don't let anyone opt out, it may be better. If, however, the program fills in gaps, then maybe yes

# QUESTION 1 (3 OF 3)

Please explain your response to the question above.

#	Responses – Task Force Members
7	Individuals should have the ability to choose the care they want that fits their individual needs and for some that option may be through private insurance. However, giving the ability to opt out takes higher earners out of the pool of contributors. Also, in the case of Washington, the private market alternatives advertise negatively against their program
8	I think making it a requirement for all to participate is important. Maybe the insurance companies will create products to supplement what the state will implement. A new product for LTC could possibly be created that would fill gaps or extend coverage. Key to success of LTSS will be creating revenue that will pay for LTSS, opting out might leave programs short. Many people today who have LTC may have it because there was not another option available. People purchasing LTC insurance may go down once the state offers something. Another consequence of having a state program is that many LTC carriers may financially suffer in loss of business which could end up with the insurance company not being able to pay claims as an example. Imagine all these folks who have paid into LTC insurance and then their provider does not pay claims. Those people then will benefit from having the state provided benefit
9	Broad participation is needed for a social insurance program to be successful. The WA experience to-date has shown the complications that arise with an opt-out option, so simplicity seems preferable
10	If they have the resources to pay for private LTC, they should not mind still chipping in their share for others less fortunate
11	Option to supplement but not to leave the program.
12	If we are going to use a state mandated insurance, then it should be the primary provider of said insurance with the "top up" insurance being secondary.

# QUESTION 2A (1 OF 3)

Up until which point in time should individuals be allowed to purchase private LTC insurance to be eligible to opt out of the program?

#	Answer – Task Force Members	Percentage	Count
1	Private LTC insurance must be issued on or before a specific date prior to the effective date of the program (e.g., 1 year prior)	8%	1
2	Private LTC insurance must be issued prior to the effective date of the program (or within a narrow window around the effective date)	25%	3
3	Private LTC insurance must be issued on or before a specific date following the effective date of the program (e.g., 1 year following)	8%	1
4	No cut-off date (i.e., individuals may opt-out at any time)	17%	2
5	Other (please specify)	33%	4
6	Unsure / no opinion	8%	1

#	Other (please specify) – Task Force Members
1	I am open to no cut-off date if we can develop a program that can coordinate with private insurance and encourage behavior we want (i.e., less strain on the social program)
2	People should not have the option to opt out of the benefit. LTC should be something that they can have in addition to a state benefit and should not be the replacement. Now if we are compelled to have an option than those that opt out, they should be allowed at any time. Big question is if then the person who opts out situation changes, and they financially cannot afford their LTC insurance how do they get back into the state program
3	Enactment of the law creating the program
4	I am not for opt-out; I am for supplemental option to add benefits

# QUESTION 2A (2 OF 3)

Up until which point in time should individuals be allowed to purchase private LTC insurance to be eligible to opt out of the program?

#	Answer – Public	Percentage	Count
1	Private LTC insurance must be issued on or before a specific date prior to the effective date of the program (e.g., 1 year prior)	0%	0
2	Private LTC insurance must be issued prior to the effective date of the program (or within a narrow window around the effective date)	0%	0
3	Private LTC insurance must be issued on or before a specific date following the effective date of the program (e.g., 1 year following) <sup>1</sup>	17%	1
4	No cut-off date (i.e., individuals may opt-out at any time) <sup>2</sup>	17%	1
5	Other (please specify)	0%	0
6	Unsure / no opinion	67%	4

<sup>1</sup> Respondent recommended two years following the effective date of the program

<sup>2</sup> Respondent recommended that opt-out certification should only apply when insurance benefits are at least equal to the state program benefits



# QUESTION 2A (3 OF 3)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Opt out is failing in WA— junk policies
2	Thinking that administratively, for record-keeping and tracking purposes when someone is looking to opt-out, this may be an option to look further into
3	I want a sound program and I don't have a solution in mind yet. I don't want to penalize those that have LTC insurance but don't want a fire sales like WA. We need the program to be sound. If we can cap the income that is taxed [which WA] didn't do it might be a solution. I need to think more about it
4	It sounds like in the Washington Care's program individuals who purchased private LTC insurance who did not have it previously. If there is an opt-out, I feel individuals should already have private LTC insurance
5	<p>It is important to have a blueprint for a program design in California, particular around benefits and services offered, before opining on what would be appropriate for an opt out cut-off date or if one is relevant.</p> <p>Additionally, it is not clear from the materials provided how Taskforce members would evaluate a cut-off date for a private insurance opt out, and specific considerations for California. I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals. For this specific question, I'd strongly recommend that someone from ACLI or ACLHIC to discuss the considerations for existing LTCI integration and considerations for new designs for LTCI that are sure to emerge when the particulars of the CA programs are established.</p>
6	The opt out process is used in other settings at the front end and/or at renewal time so it would fall in line with current practice, I believe
7	Program should be mandated for all to participate. I do not think allowing people to choose will have long term benefits for all the residents of CA. Revenue is needed to run the program
8	After the law creating the program is enacted, people can make an informed decision about whether or not they want to purchase private LTC insurance alongside the public program. The situation is different for people who have already purchased private long term care insurance and paid premiums before the law passes
9	If we are going to use a state mandated insurance, then it should be the primary provider of said insurance with the "top up" insurance being secondary

# QUESTION 2B (1 OF 2)

How frequently should individuals who have opted out of the program be required to provide proof that they own private LTC insurance?

#	Answer – Task Force Members	Percentage	Count
1	Once (at the point that they opt out)	0%	0
2	On a recurring basis (e.g., annually, bi-annually)	75%	9
3	Other (please specify)	17%	2
4	Unsure / no opinion	8%	1

#	Other (please specify) – Task Force Members
1	There should be software that is developed that they are checking everyday or randomly several times through year
2	I am not for opt-out

#	Answer – Public	Percentage	Count
1	Once (at the point that they opt out)	0%	0
2	On a recurring basis (e.g., annually, bi-annually) <sup>1</sup>	33%	2
3	Other (please specify)	0%	0
4	Unsure / no opinion	67%	4

<sup>1</sup> One respondent recommended verification once every two years

# QUESTION 2B (2 OF 2)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Annually (coincide with year-end insurance "enrollment" periods). Circumstance may change for individuals, so good to have recurring verification.
2	If the goal is to make sure CA residents have a LTC solution, they need to be checked to maintain a program with solid controls. Having the wealthy opt out will make our program less sound.
3	You don't want individuals to drop their LTCi coverage.
4	<p>It is not clear from the materials provided how Taskforce members would evaluate a verification process for a private insurance opt out, and specific considerations for California. I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals. For this specific question, I'd strongly recommend that someone from WA OIC.</p> <p>For WA Care, there is concern the once people receive the lifetime exemption that they will drop their private LTCI concern and potential be a burden on Medicaid. That was not the intent of the legislation. M. Todd Dixon, Deputy Insurance Commissioner of Washington state spoke at the NAIC Senior Issues Task Force meeting on 10/6/21 about the problems facing WA Cares. He said that they believe a legislative fix will be necessary including an annual, ongoing attestation for private coverage.</p> <p>If it is determined that an opt out provision is relevant to the program in CA, a process for ongoing verification would be important, including consideration for administration, penalties, and remediation.</p>
5	Imagine people opt out then they cancel insurance because they do not want either state or private provided LTSS the person then becomes a burden to the state if they do not have financial means to address their personal LTSS.
6	Verifying private LTC insurance on a recurring basis seems necessary to achieving broad participation in the public program

# QUESTION 2C (1 OF 3)

Should individuals who opt out of the program be permitted to opt back into the program in the future?

#	Answer – Task Force Members	Percentage	Count
1	No (without exception)	8%	1
2	Yes, under select circumstances (please specify) but they cannot opt back out	42%	5
3	Yes, under select circumstances (please specify) and they can opt back out under select circumstances (please specify)	42%	5
4	Other (please specify)	0%	0
5	Unsure / no opinion	8%	1

#	“Other (please specify)” – Task Force Members
1	The ability to opt in and then opt out creates more flexibility, though may be more administrative challenges in managing/oversight.
2	If the goal is to allow for some LTC protection, then when the private options disappears for the person, why not let them opt in. We should have rules if we expect abuse, but right now if I have medical insurance thru my wife and she loses her job, my company will let me join my company's health insurance plan. Could we follow similar logic.
3	It is important to have a blueprint for a program design in California, particularly the related to benefit eligibility and wait periods, funding and financial sustainability, before opining on whether opting back into the program would be appropriate and relevant. Additionally, It is not clear from the materials provided how Taskforce members would evaluate the permanence of a private insurance opt out, and specific considerations for California.
4	this should not be a program that people can just get in and out of. It should be there as a safety net. If someone wants more coverage than a program provides, insurance companies I am sure will develop products to fill those gaps or they can get what they can afford. Keeping track of people coming in and out is lots of additional work and eventually most people are going to benefit from the program.
5	If someone loses private LTC insurance for affordability or other reasons, it seems reasonable to allow them to opt back in. But allowing opt out following opt in seems overly complicated, especially in thinking about how that would affect vesting requirements.

# QUESTION 2C (2 OF 3)

Should individuals who opt out of the program be permitted to opt back into the program in the future?

#	Answer – Public	Percentage	Count
1	No (without exception)	17%	1
2	Yes, under select circumstances (please specify) but they cannot opt back out	0%	0
3	Yes, under select circumstances (please specify) and they can opt back out under select circumstances (please specify)	0%	0
4	Other (please specify) <sup>1</sup>	17%	1
5	Unsure / no opinion	67%	4

<sup>1</sup> Respondent indicated that reentry into the state program should be rarely granted, and that reentry standards and payments should be actuarially justified

# QUESTION 2C (3 OF 3)

Please explain your response to the question above.

#	Responses for those who selected “Yes, under select circumstances (please specify) but they cannot opt back out” – Task Force Members
1	You do not want individuals to go back and through opting in only when they are in benefit. It seems like there should be a penalty of some sort for opting out and then wanting to get back in. This may be acceptable since the vast majority of individuals with private LTC insurance are higher wage earners.
2	Their employment status may change
3	waiting period before they can get benefits after signing back up to program
4	if they lose their private LTC insurance (but they would still have to meet vesting requirements to be eligible for benefits)
5	I am not for opt-out

#	Responses for those who selected “Yes, under select circumstances (please specify) and they can opt back out under select circumstances (please specify)” – Task Force Members
1	Example: The Individual's financial circumstances change, and he/she is no longer able to afford private long-term care insurance expense, to have ability to opt in after specified determination period. Having the ability to opt out under select circumstances again would afford greater flexibility (e.g., financial circumstances change due to inheritance or some other situation)
2	Why not unless we are worried about some sort of bad behavior.
3	if they are unable to keep up the premiums, then of course they should be able to opt back into the public option. And if somehow their circumstances change and they're again able to afford private (and we decide to exempt people with private insurance in the first place), then they should be let out again.
4	Select circumstances should be pretty narrow; for example, you could have open enrollment period with initial waiting period that must be satisfied, and you could change your selection based on significant life events
5	Things change in people's lives and so they should not be penalized for not accessing insurance options only at one point in time

# QUESTION 2D (1 OF 2)

Do you feel that it is equitable to require a private LTC insurance policyholder to also participate in a potential statewide LTC insurance program?

#	Answer – Task Force Members	Percentage	Count
1	Yes	75%	9
2	No	17%	2
3	Other (please specify)	0%	0
4	Unsure / no opinion	8%	1

#	Answer – Public	Percentage	Count
1	Yes	33%	2
2	No	0%	0
3	Other (please specify)	0%	0
4	Unsure / no opinion	67%	4

# QUESTION 2D (2 OF 2)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Individual is already paying for own private LTC insurance, though plan may not full cover (runs out) period of need. As also "participating" in a potential statewide LTC insurance program, it could depend on how and where the added state contribution is taken out of (perhaps at a lower % than for others). From the pre-meeting materials, consideration of "if a state or national program 'substantially duplicates' benefits cover by a LTCi policy, the policyholder is entitled to either a reduction in premium or an increase in benefits."
2	As mentioned above, if people were thoughtful and purchases insurance, they shouldn't be penalized. Also, I would like use to find a solution that includes private insurance as it is portable while I am assuming the CA program may not be portable thus that would be a material issue for me.
3	It is not clear from the materials provided how Taskforce members would evaluate the equity of a private insurance opt out, and specific considerations for California. I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals. For this specific question, I'd strongly recommend that someone from ACLI. In the situation of a payroll tax, ACLI's 9/22/2021 letter to WA Cares states that "Without a mechanism for recapturing lost payroll taxes from these individuals [who opt out], especially high wage earners who will eventually contribute more in tax than the \$36,500 they could receive in benefits, there may be insufficient funds to pay future benefits. This creates a financial burden on the Washington Cares Fund and Medicaid, which falls disproportionately on those at lower income levels... Failure to resolve this conflict through a mechanism such as, a repeal of the permanent exemption, or verification of continual coverage could result in people gaming the system to avoid the payroll tax, some of which may become reliant on Medicaid to cover their LTSS needs." There are a lot other consideration such as: level of benefits covered by private LTCI, ongoing verification of coverage...
4	And the state can have more control over the entire market this way
5	This is a program to be a safety net for all seniors and selecting who can and cannot participate is not in the spirit of what this program is intended to accomplish. Maybe people have LTC insurance because they have no other options. Not enough data is provided to really understand what % of people would choose one program or another.
6	A social insurance program works best for everyone with broad participation. People with private LTC insurance may benefit from the statewide program directly as a secondary payer and indirectly if the statewide program helps to ensure a stronger and more stable LTSS delivery system.
7	again, if they have adequate resources, they should not balk too much at chipping in for others less fortunate. It is not going to be a huge chunk of cash (especially compared to what they are probably paying for private LTCI).
8	If the goal is for everyone to have some insurance policy how one gets it should be their decision. If the goal is to fund the program and have every person pay some then the answer would be no



# QUESTION 2E (1 OF 2)

Do you feel that it is equitable to allow private LTC insurance policyholders to opt out of a potential statewide LTC insurance program while requiring everyone else to participate in the program?

#	Answer – Task Force Members	Percentage	Count
1	Yes	17%	2
2	No	58%	7
3	Other (please specify)	17%	2
4	Unsure / no opinion	8%	1

#	Other (please specify) – Task Force Members
1	This is why I am not for opt-out
2	Depends on goal of having the insurance as with Equity question #1. If the goal is funding the program, then all should participate. If the goal is for all to have some insurance, then it's a no

#	Answer – Public	Percentage	Count
1	Yes	17%	1
2	No	17%	1
3	Other (please specify)	0%	0
4	Unsure / no opinion	67%	4

# QUESTION 2E (2 OF 2)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Would need a system/process where private insurance companies would need to provide confirmation of policy holders to state, as well as the individual(s) on a recurring basis. And with certain coverage levels.
2	I don't believe people should pay twice. If the goal is to get LTC coverage, my perspective is that they can get private or get statewide program. That is where it is equitable
3	<p>It is not clear from the materials provided how Taskforce members would evaluate the equity of a private insurance opt out, and specific considerations for California. I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals. For this specific question, I'd strongly recommend that someone from ACLI.</p> <p>In the situation of a payroll tax, ACLI's 9/22/2021 letter to WA Cares states that "Without a mechanism for recapturing lost payroll taxes from these individuals [who opt out], especially high wage earners who will eventually contribute more in tax than the \$36,500 they could receive in benefits, there may be insufficient funds to pay future benefits. This creates a financial burden on the Washington Cares Fund and Medicaid, which falls disproportionately on those at lower income levels... Failure to resolve this conflict through a mechanism such as, a repeal of the permanent exemption, or verification of continual coverage could result in people gaming the system to avoid the payroll tax, some of which may become reliant on Medicaid to cover their LTSS needs."</p> <p>There are a lot consideration such as: level of benefits covered by private LTCI, ongoing verification of coverage, impact to a potential payroll tax for those remaining, impact to Medicaid reliance...</p>
4	Allowing opt out risks creating a two-tier system based on individuals' level of resources
5	Same reasoning. It is allowing the wealthy to skate on contributing to a public assistance program.

# QUESTION 3 (1 OF 2)

How should benefits be coordinated for individuals who satisfy the eligibility requirements for both a potential statewide LTC insurance program in California and private LTC insurance?

#	Answer – Task Force Members	Percentage	Count
1	Private LTC insurance pays for benefits before the statewide LTC insurance program. Concurrent payments not permitted	0%	0
2	Private LTC insurance pays for benefits before the statewide LTC insurance program. Concurrent payments permitted	58%	7
3	The statewide LTC insurance program pays for benefits before private LTC insurance. Concurrent payments not permitted	8%	1
4	The statewide LTC insurance program pays for benefits before private LTC insurance. Concurrent payments permitted	33%	4
5	Other (please specify)	0%	0
6	Unsure / no opinion	0%	0

#	Answer – Public	Percentage	Count
1	Private LTC insurance pays for benefits before the statewide LTC insurance program. Concurrent payments not permitted	0%	0
2	Private LTC insurance pays for benefits before the statewide LTC insurance program. Concurrent payments permitted	67%	4
3	The statewide LTC insurance program pays for benefits before private LTC insurance. Concurrent payments not permitted	0%	0
4	The statewide LTC insurance program pays for benefits before private LTC insurance. Concurrent payments permitted	17%	1
5	Other (please specify) <sup>1</sup>	17%	1
6	Unsure / no opinion	0%	0

<sup>1</sup> Respondent indicated that an actuarial determination needs to be made for the most equitable and cost-effective method for determining primary and secondary payment when other benefits are available for the same service

# QUESTION 3 (2 OF 2)

Please explain your response to the question above.

#	Responses – Task Force Members
1	There may be other benefits not covered under private insurance that is covered in the state LTCi program.
2	I like concurrent, as one program might not be enough. I think my view of private is split into before and after the program implementation. Shouldn't before private policies go first as that is how the companies priced them. After launch, I feel we should have the private programs build wrap around products that provide more coverage to those that want amounts above what the state program can provide (and have state programs go first to be equitable).
3	It seems like it would be a better use of state dollars to have the private LTC insurance pay first. If not, it seems like private LTC companies are not fulfilling the obligation under their contract.
4	<p>It is not clear from the materials provided how Taskforce members would evaluate concurrent payment of benefits with private LTCL - What are the pros and cons? What is working today and what is not? A briefing from ACLI or ACLHIC would be appropriate to understand considerations coordination with private LTCL, existing and new.</p> <p>An existing LTCL policy may have provisions that duplicate those of a CA program, making coordination of benefits and services extremely important - duplication of payment for the same service is never appropriate. New LTCL design that emerge as a result of an LTC program in CA could be tailored to directly align with the CA program structure, eligibility and provisions.</p> <p>There may be situations where concurrent payments are reasonable and appropriate though especially if the CA program and private LTCL are covering different aspect of a claim event. Again, duplication of payment for the same service is never appropriate.</p>
5	If program is mandated, then LTC is actually a supplement and should be used after program benefits exhausted. I do think it would be fine for LTC insurance benefits to be allowed to cover things not covered by program or kick in after program benefits end. My feeling is that if we had a LTSS program that insurance companies would create products to supplement or extend benefits.
6	Permitting concurrent payments may help those with private LTC insurance see the benefit in participating in the statewide program
7	Of course, the private insurer should pay preferentially. But in some circumstances, it may be reasonable to allow concurrent payments, especially if the costs of care are higher than the private insurance payout alone.
8	If we are going to use a state mandated insurance, then it should be the primary provider of said insurance with the "top up" insurance being secondary

# QUESTION 4 (1 OF 2)

How should benefits be coordinated for individuals who satisfy the eligibility requirements for both a potential statewide LTC insurance program in California and Medi-Cal?

#	Answer – Task Force Members	Percentage	Count
1	The statewide LTC insurance program pays for benefits before Medi-Cal. Concurrent payments not permitted	8%	1
2	The statewide LTC insurance program pays for benefits before Medi-Cal. Concurrent payments permitted	58%	7
3	Other (please specify)	8%	1
4	Unsure / no opinion	25%	3

#	Other (please specify) – Task Force Members
1	Both medical and statewide program work together

#	Answer – Public	Percentage	Count
1	The statewide LTC insurance program pays for benefits before Medi-Cal. Concurrent payments not permitted	0%	0
2	The statewide LTC insurance program pays for benefits before Medi-Cal. Concurrent payments permitted	17%	1
3	Other (please specify) <sup>1, 2</sup>	83%	5
4	Unsure / no opinion	0%	0

<sup>1</sup> Four respondents that selected “other” indicated that Medi-Cal should be the first payer and concurrent payments should be permitted, allowing the LTC insurance program to supplement Medi-Cal; however, federal law establishes that Medicaid (Medi-Cal) is the payer of last resort, so a scenario where Medi-Cal pays before the statewide LTC program is not feasible

<sup>2</sup> One respondent that selected “other” indicated that an actuarial determination needs to be made for the most equitable and cost-effective method for determining primary and secondary payment when other benefits are available for the same service

# QUESTION 4 (2 OF 2)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Medi-Cal would be the payer of last resort as there may be other resources available.
2	I am not sure I understand the negatives of allowing concurrent. So, I would need more details to provide a more thoughtful answer.
3	If someone is eligible for Medi-Cal, I think it is advantageous to trigger Medi-Cal sooner in order to secure the federal match unless the statewide LTC insurance program has a federal waiver of some sort.
4	<p>It is not clear from the materials provided how Taskforce members would evaluate concurrent payment of benefits with Medi-Cal - What are the pros and cons? What is working today and what is not (between Medi-Cal and Medicare)?</p> <p>As noted in the materials - By federal law, Medicaid (Medi-Cal) is the payer of last resort. If another insurer or program has the responsibility to pay for medical costs incurred by a Medicaid-eligible individual, that entity is generally required to pay all or part of the cost of the claim prior to Medicaid making any payment.</p>
5	I think there should be no duplication of benefits but providing what is best of both programs benefits the individual. I do not want to see one program paying for the same thing as another but working together providing what will be best for the program participant
6	People who are eligible for Medi-Cal may have difficulty affording any costs not covered by the statewide LTC insurance program, so it seems important to allow for concurrent payments to fill in the gaps
7	Complex issue and I am undecided. If there is plenty of money in the Medi-Cal coffers and people are truly indigent, I suppose we can save the \$\$ for the LTCI insurance program. Assuming the payouts are comparable.
8	If we are going to use a state mandated insurance, then it should be the primary provider of said insurance with the "top up" insurance being secondary

# QUESTION 5 (1 OF 3)

How should benefits paid by a potential statewide LTC insurance program in California factor into eligibility determination for Medi-Cal? (please select all options that apply)

#	Answer – Task Force Members	Percentage	Count
1	Consider benefits paid under the statewide LTC insurance program as income for purpose of determining eligibility for other state or federal means-tested programs, including Medi-Cal	7%	1
2	Allow individuals receiving benefits under the statewide LTC insurance program to retain an amount of assets equal to the sum of qualifying payments made under the program for purpose of determining eligibility for other state or federal means-tested programs, including Medi-Cal (i.e., analogous to California’s Partnership for LTC)	21%	3
3	The statewide LTC insurance program should not factor into Medi-Cal eligibility determination	50%	7
4	Other (please specify)	7%	1
5	Unsure / no opinion	14%	2

#	Other (please specify) – Task Force Members
1	I am not sure, but open to #2 or maybe we could give credit for payments made into the program (i.e. taxes paid by employee / employers). It might not be a lot of money, but it is what they contributed to LTC

# QUESTION 5 (2 OF 3)

How should benefits paid by a potential statewide LTC insurance program in California factor into eligibility determination for Medi-Cal? (please select all options that apply)

#	Answer – Public	Percentage	Count
1	Consider benefits paid under the statewide LTC insurance program as income for purpose of determining eligibility for other state or federal means-tested programs, including Medi-Cal	0%	0
2	Allow individuals receiving benefits under the statewide LTC insurance program to retain an amount of assets equal to the sum of qualifying payments made under the program for purpose of determining eligibility for other state or federal means-tested programs, including Medi-Cal (i.e., analogous to California’s Partnership for LTC)	0%	0
3	The statewide LTC insurance program should not factor into Medi-Cal eligibility determination	83%	5
4	Other (please specify)	0%	0
5	Unsure / no opinion	17%	1



# QUESTION 5 (3 OF 3)

Please explain your response to the question above.

#	Responses – Task Force Members
1	Unsure, would need to look more at means-testing and what qualifies as "assets" in determination. Would think there may be something comparable to California's Partnership for LTC...
2	I am also open to #2 as it would provide value to participants on why they want the LTC as the payments can serve as assets they can keep.
3	If the statewide LTC insurance program is established to align with federal tax standards, it doesn't seem like it should be counted as income for Medi-Cal determination. Also, if Medi-Cal assets limits are going to be phased out, it doesn't seem like #2 will be relevant in the future.
4	<p>I think it is important to understand and discuss how a public LTC program would impact Medi-Cal's federal funding. According to the Milken Institute, roughly half (52 percent) of people 65+ are expected to require a high level of LTC at some point and Medicaid is the largest public-sector payer of LTC expenditures for people 65 and older. For adults who turned 65 between 2015 and 2019, Medicaid is projected to pay 34 percent of all LTC costs from age 65 till death. The materials provided for this session also noted that 2/3 of California's nursing facility residents rely on Medi-Cal to pay for their care in a skilled nursing facility... The concept raised in the materials of excluding Medi-Cal eligible populations is material which connects with the discussion from the 8/19 Taskforce meeting. What are the considerations and process for pursuing a CMS waiver to retaining federal financial participation? Can that funding support expanded LTSS supports in CA for Medi-Cal eligible populations? How can penetration and access of some of the Medi-Cal-type senior programs be expanded?</p> <ul style="list-style-type: none"><li>• Medi-Cal: 590K IHSS, Only 37K CBAS services in 27 of 58 counties, Only 11K MSSP in 46 counties</li><li>• PACE: 12K in 23 counties</li><li>• FIDE-SNP: 1K in 3 counties</li><li>• Cal MediConnect: 114K in 7 counties</li></ul>
5	I do not have enough data to give an answer. But if I had to choose the statewide LTC insurance program should not factor into Medi-Cal eligibility determination. These programs need to work together.
6	This would be consistent with programs like housing and nutrition assistance not factoring into Medi-Cal eligibility determination
7	Just seems the most logical and equitable.
8	As with private insurance, MediCal recipients should not be penalized by having other insurance however as with both types of insurance there should be evaluation for redundancies and duplication of services.

# QUESTION 6 (1 OF 2)

Are there elements of the California's Department of Aging's programs and/or initiatives related to LTSS outreach, care coordination, and care access that you feel should be explicitly integrated in the design of the statewide LTC insurance program?

#	Responses – Task Force Members
1	IHSS expansion makes sense that's what people need most
2	Yes, though am not as familiar with the specifics of all the various benefits (how structured, coverage period, amount, etc.) under CA DOA programs and/or initiatives. Would make sense to look at what's already available and see how best to pool/restructure the resources as it relates to LTSS.
3	I think ADRC sounds interesting as it helps with LTC. I also like HICAP since it provides support. These sound on the surface (without knowing it well) as programs helping with the LTC experience.
4	The availability of LTSS navigation services to assist individuals to understand their options. Because many Medicare Advantage plans and other managed care plans are offering some supplemental LTSS benefits, there should also be consideration of how individuals select managed care plans. Although HICAP is a good program, it relies primarily on volunteers which creates challenges in creating a sustainable program.
5	<p>Family and friends caregiving support (paid family leave, language resources, virtual options, respite) Good caregiving jobs creation (training, professional development, livable wages) Bridging health care with home (new delivery models to maximize access and avoid institutionalization) Health care as we age (increase access) Lifelong healthy aging (culturally competent educational tools and services) Geriatric care expansion Dementia in focus (research) Nursing home innovation Inclusion and equity in aging (culturally responsive through training, data collection, public campaigns)</p> <p>Related to the demographic data provided, it suggested that the potential work force of caregivers (18-64) relative to the likely program demographics (65+) would fall from 4:1 now to 2:1 in 2060... which is a significant consideration for cost of LTSS. How does the LTC program in CA address / account for this?</p>

# QUESTION 6 (2 OF 2)

#	Responses – Task Force Members
6	Having the care provider involved in care coordination is vital. They are uniquely situated to have a great depth of knowledge about the individuals needs
7	The statewide LTC insurance program financing plan should include sufficient investment in outreach and care coordination for program participants to understand and make the best use of the benefits
8	Yeah, Medi-Cal waivers for RCFE, for sure
9	Improve care coordination. The “No Wrong Door” policy has proven effective
10	Licensing and oversight of nursing homes and residential care facilities
11	Care coordination by a neutral third party--NOT the INSURANCE COMPANY

#	Responses – Public
1	Unsure, but very important that the care coordination language in the CA Partnership for LTC be incorporated
2	The “No Wrong Door” approach should apply to this new program as well as IHSS, Medi-Cal, and Medicare to make sure it is simple to understand, and everyone knows how to access and best approach their LTSS options. Whenever possible, the Adult and Disability Resource Centers (ADRCs) should be made available to provide counseling for consumer long-term care options and planning
3	Care Coordination as part of the assessment for care can connect the person needing care with all of the existing community services, and all of the existing state and federal resources and benefits. Care management can provide ongoing management of day-to-day services and providers. Both of these functions can support the family caregiver, maximize resources, and support care at home.

# QUESTION 7 (1 OF 2)

Do you have any other comments or recommendations on the topic of coordination and interaction with other LTSS programs?

#	Responses – Task Force Members
1	Federal coordination is good if Medicare actually takes on LTSS meaningfully someday
2	Again, would make sense to look at what's already available, and see how best to pool/restructure the resources/benefits for a potential statewide LTCi program.
3	I would like to see a wellness type program or maybe a benefit (lower cost) for those that do some steps that help with minimizing LTC triggers.
4	I'm concerned that most LTC insurance programs both maintain the silos between medical care and long-term services and supports. Some individuals needing long-term services and support benefit from integrated models of care such as PACE. I think it is important to consider how integrated models of care, which are becoming more prevalent, can be included as a benefit option in a statewide LTC insurance program.
5	<p>From the questionnaire, I am concerned about adequately addressing the consideration for coordination and interaction with other LTSS programs. For example, the material barely scratched the surface of the periodic table of CA's LTC programs and services. Additionally, I am concerned that considerations for coordination and interaction cannot be addressed in specific depth and breadth without at least a blueprint for a program design in California, particularly the questions of benefit structure, funding and financial sustainability.</p> <p>The focus on opt out of private LTCI is more related to administrative considerations of enrollment, per the Taskforce's work breakdown and considerations, that coordination and interaction.</p> <p>Additionally, considerations of integration with private LTCI are deeper and broader than opt out provisions, and include caregiving training, innovated wellness and prevention programs, financial planning... In ACLI's 9/22/2021 letter to WA Cares, it is noted that "Exploring strategies that recognize the importance of, and integrate state-based programs with, private funding options will serve to help individuals and families plan for the potential cost of LTSS while creating sustainable mechanisms to fund these costs. The results will be savings to the Washington Medicaid budget and enhanced financial sustainability of the Washington Cares Fund." Further, the WA OIC has established the Trust Commission's Supplemental Private LTC Workgroup. This Workgroup includes carriers to make recommendations on private market integration. The Workgroup will present initial recommendations to the LTC Commission by summer 2022. Final recommendations will go to the Legislature and administering agencies by Fall 2022.</p> <p>I strongly recommend that independent speakers are brought in to brief the Taskforce, on a frequency greater than every 2 months, in order to meet the timeline goals.</p>

# QUESTION 7 (2 OF 2)

#	Responses – Task Force Members
6	Also having the ability for individuals to buy in to specific services in order to receive access to care would be beneficial. Having various options for different income levels would be helpful
7	We have to find a way to coordinate those programs so there is no double dipping, but the programs work together to fill gaps and help the participant take advantage of what is available to them from all programs if they are eligible
8	It seems critical to explore and pursue a CMS waiver to retain any federal savings that result from a statewide LTSS program

# QUESTION 8

Please share any comments or questions you may have regarding Task Force Meeting 4 education materials or this questionnaire below.

#	Responses – Task Force Members
1	LTC Insurance opt out is a bad idea
2	I am worried the comment on windfall down in the presentation makes private companies look bad. I also would like us to be very thoughtful not to reproduce mistakes of WA. I believe you did a good political job in how you said things, but we might need to be stronger on it later. I believe without information cost, we are going to have a group focus on Cadillac plans. Could we have something about how much a plan would cost if primary payor vs. PI being primary. It will help improve the understanding of how we can build a program that shares cost
3	The recorded presentations are very helpful
4	Would like to discuss more regarding the intersection and coordination with proposed federal programs and how we can better help the unpaid caregiver within the program design
5	I think that if anything comes out of this task force is the education to our citizens of the importance of understanding that nothing will be free and they need to prepare and plan for their future needs. Minimum talking about what their options are for future needs or what we have now, so they understand to individually be better prepared. Also, these questions are important. I feel the slides provide some information, but we do not have all the data we need to understand what impact the answers will have to individuals, programs and financially for the state/private sector
6	I am interested in hearing more about WA's CMS waiver to retain federal savings
7	Looking forward to the meeting

