

Presentation #21.B

AB 567 CLARIFICATIONS

Program effective date and other clarifications

September 2023

AB 567 CLARIFICATIONS

We've received several reports of misleading communications by agents and insurers regarding a deadline to purchase private insurance



Task Force mandate

- The Legislature established the AB 567 Task Force to recommend options for designing and implementing a public long-term care (“LTC”) insurance program in California
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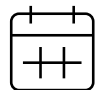
Feasibility and Actuarial Reports

- The Feasibility Report was submitted to the California Insurance Commissioner, Legislature, and Governor in December 2022
 - The Actuarial Report will be submitted to the Legislature by January 1, 2024
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Legislative next steps

- Following its receipt of the Actuarial Report, the Legislature may or may not choose to proceed with legislation to establish a public LTC program
 - If the Legislature does proceed with such legislation, it may choose to adopt some, all, or none of the Task Force’s recommendations
 - As of right now, the Legislature has not made any decisions about a public LTC program, no payroll tax is being implemented, and there is no current “opt-out” date
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Program effective date

- Any agent or insurer communication stating that a public LTC program will be (or is likely to be) enacted on January 1, 2024, or on any other specific date is factually untrue
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1. Additional information on frequently asked questions is available here: <https://www.insurance.ca.gov/0500-about-us/03-appointments/upload/AB567FeasibilityReportFAQs01032023.pdf>