

CALIFORNIA DEPARTMENT OF INSURANCE: LONG TERM CARE INSURANCE PROGRAM FEASIBILITY AND ACTUARIAL REPORT

Plan of Action (November 2021 update)

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. 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.

PLAN OF ACTION: TASK FORCE MANDATE



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 commissioner, the Governor, and the Legislature on or before January 1, 2023

California Assembly Bill No. 567



PLAN OF ACTION: DECISION MAKING PROCESS

A 3-step process involving Task Force Member education, discussion, and consensus will be employed to converge on a recommended program design



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Education

- Presentation materials spanning the <u>seven Work Plan</u> <u>elements</u> will be developed to educate Task Force Members
- Video recordings of the presentation materials will be produced and posted on CDI's YouTube channel approximately 3-5 weeks in advance of the Task Force Meeting at which discussions will take place
- Task Force Members are obliged to watch the YouTube recording (or read the presentation materials) and submit questions they have regarding the education materials (within approximately 1-2 weeks of receiving the educational materials)
- Responses from the individuals who prepared the educational materials will be collected and summarized in a Q&A-style memo, which will be posted to the <u>Task Force</u> <u>website</u>
- The presentation materials and Q&A memo will be made available to the public; the public is encouraged to provide comments via email. All public comments will be shared with Task Force Members
- A questionnaire will be sent to Task Force Members shortly after the primary (educational) Task Force Meeting (refer to "Discussion" step)

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Discussion



- Each Work Plan element will span two Task Force Meetings:
 - a primary (educational) Task Force Meeting (210min)
 - a secondary (questionnaire) Task Force Meeting (90min)
- Primary Task Force Meetings will focus on education and discussion. Education-related activities will occur in advance of and during primary Task Force Meetings
 - Meeting presentations may go into detail or be kept higher level depending on the topic and whether a prerecording is available
- Secondary Task Force Meetings will focus on discussion of the questionnaire results
 - A scoring system will be used to tally questionnaire results; more weight will be placed on higher ranked choices (e.g., first choice = 3 points, second choice = 2 points, third choice = 1 point)
- The focus of all Task Force Meetings will be to foster group discussion and debate around the recommended design of the program. Task Force Members will be given the opportunity to ask questions about presentation materials, questionnaire results, and questionnaire scoring
- The public is encouraged to provide comments at each Task Force Meeting. Comments must be relevant to the topic being discussed (general comments will be permitted at the end of each Task Force Meeting)

Consensus



- The secondary (questionnaire) Task Force Meeting will be scheduled 2-3 weeks following the primary (educational)
 Task Force Meeting. The objective is to achieve preliminary consensus at secondary Task Force Meetings
- Questionnaire results will be summarized and posted to the <u>Task Force website</u> prior to secondary Task Force Meetings
- The objective of the questionnaire is to independently collect Task Members' recommendations on how the LTC program should be designed
 - Task Force Members will vote on their first, second, and third choice for each program design element
- The program design elements with the highest scores will be considered as part of the feasibility analysis and report
- Recognizing that it may be difficult for Task Force Members to exhaustively consider each <u>Work Plan element</u> in a vacuum (i.e., without consideration of other interdependent Work Plan elements), Task Force Members will be provided opportunities to amend their design choices at subsequent Task Force Meetings
- As a final step, the feasibility report will be put to motion for approval by the Task Force upon completion of the report
 - A motion for approval will not take place for each individual program design element

PLAN OF ACTION: TASK FORCE MEETING SCHEDULE

Meeting #	Meeting Date	Program Design Topics	
01	Mar 9, 2021	Program charter	Work breakdown and considerations
02	Jun 4, 2021	Long-term care (LTC) insurance demographics	WA Cares Fund overview
		State of the LTC insurance market	2020 DHCS LTSS Feasibility Study Final Report
03		California Master Plan for Aging & LTSS	Program structure (public, joint public/private, hybrid)
	Aug 19, 2021	LTSS around the world	Program coverage (front-end, back-end, comprehensive)
		Social insurance vs. public assistance overview	
04	Oct 21, 2021	Program coordination	Interaction with other programs and initiatives
05	Dec 16, 2021	 Program coordination and interaction with other programs and initiatives (cont'd) 	Program administration (eligibility, enrollment, portability, administration)
06	Jan 27, 2022	Benefits and services (covered services, prevention, benefits)	
07	Feb 16, 2022	Program administration, benefits, and services questionnaire discussion	
08	Feb 17, 2022	Financing (financing options, affordability, sustainability)	
09	Mar 3, 2022	Financing questionnaire discussion	
10	Apr 21, 2022	 Workforce (needs and demands, supply and cost of LTSS, formal vs. informal care, workforce growth, qualifications/licenses and caregiver training, wages, diversity) 	
11	May 5, 2022	Workforce questionnaire discussion	
12	Jun 16, 2022	 Access and regulation (culturally responsive services and outreach, public education, care coordination, streamlined assessment, navigation of state LTSS system, key regulatory provisions) 	
13	Jun 30, 2022	Access and regulation questionnaire discussion	
14	Jul 21, 2022	Program interdependencies and broad recap of preliminary Task Force recommendations	
15	Aug 4, 2022	Program interdependencies questionnaire discussion (if applicable)	
16	Oct 6, 2022	Presentation of Draft Feasibility Report	
17	Dec 15, 2022	Presentation of Final Feasibility Report	

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