

SENATE JOINT RESOLUTION 4

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2000 Regular Session
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By: **Senator Hollinger**

Introduced and read first time: February 1, 2000

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: February 25, 2000

RESOLUTION NO. _____

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **Maryland Partnership for Long-Term Care Program**

3 FOR the purpose of urging the U.S. Congress to amend the Social Security Act to
4 allow assets exempted under a long-term care partnership program to be
5 excluded from Medicaid estate recoveries; and directing that a copy of the
6 resolution be forwarded to certain individuals.

7 WHEREAS, In 1993, the General Assembly enacted Chapter 513, establishing
8 the Maryland Partnership for Long-Term Care Program ("Partnership Program");
9 and

10 WHEREAS, The purpose of the Partnership Program was to provide incentives
11 for individuals to purchase long-term care insurance and, consequently, to relieve the
12 financial burden on the State when it assumes payment for long-term care needs of
13 Maryland citizens under the Medical Assistance Program ("Medicaid"), by allowing an
14 individual who exhausts private long-term care policy benefits to protect an
15 equivalent value of assets and still satisfy Medicaid's financial eligibility
16 requirements; and

17 WHEREAS, Subsequent to the enactment of the Partnership Program
18 legislation, Congress added § 1917 to Title XIX of the Social Security Act, frustrating
19 the implementation of the Partnership Program by effectively removing the major
20 incentive for an individual to participate; and

21 WHEREAS, § 1917 of the Social Security Act allows a Partnership Program
22 participant who becomes Medicaid eligible to spend or otherwise dispose of protected
23 assets while alive; but requires the State following the death of the individual to seek
24 to recover from the individual's estate the amount spent by Medicaid on behalf of the
25 individual; and

1 WHEREAS, § 1917 mandates the application of a broader definition of "estate"
2 when pursuing Medicaid recoveries, under which definition the assets of an
3 individual who participates in the Partnership Program that might otherwise pass to
4 heirs or survivors outside of probate by operation of law would now be subject to
5 Medicaid recovery; and

6 WHEREAS, § 1917 undermines the State's ability to offer a viable long-term
7 care partnership program and needs to be amended to remove major disincentives for
8 Maryland residents to participate in the Partnership Program; and

9 WHEREAS, Chapter 442 of the Acts of 1996 put implementation of the
10 Partnership Program on hold unless § 1917 of the Title XIX of the Social Security Act
11 is amended to exempt from its estate recovery requirements those Medicaid
12 recipients who are granted a resource exclusion under the provisions of the
13 Partnership Program legislation; now, therefore, be it

14 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That this
15 General Assembly hereby urges the U.S. Congress to amend Title XIX of the Social
16 Security Act to allow assets exempted under a long-term care partnership program to
17 be excluded from Medicaid estate recoveries; and be it further

18 RESOLVED, That a copy of this Resolution be forwarded by the Department of
19 Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland;
20 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and
21 the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates; and be it
22 further

23 RESOLVED, That a copy of this Resolution be forwarded by the Department of
24 Legislative Services to the Maryland Congressional Delegation: Senators Paul S.
25 Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510;
26 and Representatives Wayne T. Gilchrest, Robert L. Ehrlich, Jr., Benjamin L. Cardin,
27 Albert R. Wynn, Steny Hamilton Hoyer, Roscoe G. Bartlett, Elijah E. Cummings, and
28 Constance A. Morella, House Office Building, Washington, D.C. 20515.