

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Joint Resolution 4 (Senator Hollinger)

Finance

Maryland Partnership for Long-Term Care Program

This joint resolution requests the U.S. Congress to amend Title XIX of the Social Security Act to allow assets exempted under a state's long-term care partnership program to be excluded from Medicaid estate recoveries.

Fiscal Summary

State Effect: Compliance with this joint resolution would not directly affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Section 1917 of Title XIX of the Social Security Act (42 U.S.C. 1396) requires a state to seek recovery from an individual's estate for medical assistance paid to a nursing facility or for other long-term care services.

Background: The Partnership for Long-Term Care Program (Chapter 513 of 1993) sought to encourage individuals to purchase long-term care policies for the purpose of qualifying for Medicaid without exhausting all of one's resources. Currently, an individual must spend down his or her assets to \$2,500 to be eligible for Medicaid coverage for nursing home care. The Partnership for Long-Term Care Program would have allowed individuals with long-term care policies to maintain assets in an amount equal to the benefits paid to nursing facilities under the long-term care policy, thereby preserving some assets for the individual as well as reducing Medicaid payments for nursing facility costs and other long-term care

services. The U.S. Congress subsequently passed amendments to Section 1917 of Title XIX that require a state to recover Medicaid costs paid to a nursing facility for an individual, whether or not the individual had a long-term care policy. Chapter 442 of 1996 postponed the implementation of the Maryland Partnership for Long-Term Care Program until federal law allows an exemption from the Medicaid estate recovery requirements.

Additional Information

Prior Introductions: None.

Cross File: HJ 11 (Delegate Redmer) - Environmental Matters.

Information Source(s): Department of Health and Mental Hygiene (Medicaid), Department of Human Resources (Community Services), United States Code, Department of Legislative Services

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