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By: **Delegate Kullen**

Introduced and read first time: February 10, 2006

Assigned to: Health and Government Operations

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A BILL ENTITLED

1 AN ACT concerning

2 **Long-Term Care Planning Act of 2006**

3 FOR the purpose of requiring the Department of Health and Mental Hygiene and the  
4 Insurance Commissioner to make a certain report to the General Assembly, on  
5 or before a certain date, on the implementation of the Maryland Partnership for  
6 Long-Term Care Program; requiring the Maryland Health Care Commission to  
7 conduct a certain study of the long-term care delivery system in the State;  
8 requiring the Commission to submit certain reports, on or before certain dates,  
9 to the Governor and General Assembly; and generally relating to the delivery of  
10 long-term care services.

11 BY repealing and reenacting, without amendments,  
12 Article - Health - General  
13 Section 15-401 through 15-406  
14 Annotated Code of Maryland  
15 (2005 Replacement Volume and 2005 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article - Health - General  
18 Section 15-407  
19 Annotated Code of Maryland  
20 (2005 Replacement Volume and 2005 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - Health - General**

24 15-401.

25 (a) In this subtitle the following words have the meanings indicated.

26 (b) "Commissioner" means the Insurance Commissioner.

1 (c) "Program" means the Maryland Partnership for Long-Term Care  
2 Program.

3 15-402.

4 (a) There is a Maryland Partnership for Long-Term Care Program.

5 (b) The purposes of the Program are to:

6 (1) Provide incentives for individuals to insure against the costs of  
7 providing for their long-term care needs;

8 (2) Provide mechanisms for individuals to qualify for coverage of the  
9 costs of their long-term care needs under the medical assistance program without  
10 first being required to substantially exhaust all their resources;

11 (3) Assist in developing methods for increasing access to and the  
12 affordability of a long-term care policy; and

13 (4) Alleviate the financial burden on the State's medical assistance  
14 program by encouraging pursuit of private initiatives.

15 (c) The Program shall:

16 (1) Be administered by:

17 (i) The Department; and

18 (ii) The Commissioner; and

19 (2) Provide for the financing of long-term care services by:

20 (i) Private insurance; and

21 (ii) State medical assistance.

22 15-403.

23 (a) To be eligible for the Program, an individual must:

24 (1) (i) Be covered by a long-term care policy that is approved for the  
25 Program by the Commissioner under § 15-404 of this subtitle; and

26 (ii) Have exhausted all benefits available under the policy that are  
27 available for services to treat or manage the insured's condition; and

28 (2) Satisfy any other requirement for eligibility established by the  
29 Department.

30 (b) Program eligibility may not be denied under this section for policy benefits  
31 that are not available or appropriate for treating the insured's condition.

1 15-404.

2 (a) To qualify under the Program, a long-term care policy shall:

3 (1) Satisfy the requirements of Title 18 of the Insurance Article;

4 (2) Alert the purchaser to the availability of consumer information and  
5 public education provided by the Commissioner under § 15-406 of this subtitle;

6 (3) Provide for the keeping of records and an explanation of benefit  
7 reports on insurance payments which count toward Medicaid resource exclusion; and

8 (4) Provide the management information and reports necessary to  
9 document the extent of resource protection offered and to evaluate the Program.

10 (b) The Department may not approve a long-term care policy if the policy  
11 requires prior hospitalization or a prior stay in a nursing home as a condition of  
12 providing benefits.

13 15-405.

14 (a) When the benefits payable under the long-term care policy approved  
15 under § 15-404 of this subtitle are exhausted, determination of eligibility for medical  
16 assistance shall be made in accordance with subsection (b) of this section.

17 (b) In determining eligibility for medical assistance, an amount of resources  
18 equal to the amount of benefits paid under the long-term care policy shall be  
19 excluded from the Department's calculation of the individual's resources, to the extent  
20 the payments:

21 (1) Are for services that medical assistance approves or covers for  
22 recipients;

23 (2) Are for the lower of the actual charge and the amount paid by the  
24 insurance company; and

25 (3) Are for nursing home care or approved home care and  
26 community-based services.

27 15-406.

28 The Commissioner, through the Consumer Education and Advocacy Program,  
29 shall undertake measures to educate the public as to:

30 (1) The need for long-term care;

31 (2) Mechanisms for financing long-term care;

32 (3) The availability of long-term care insurance; and

33 (4) The asset protection provided under this subtitle.

1 15-407.

2 The Department and the Commissioner shall jointly:

3 (1) Adopt regulations necessary to carry out the provisions of this  
4 subtitle; [and]

5 (2) ON OR BEFORE OCTOBER 1, 2006, REPORT TO THE GENERAL  
6 ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE,  
7 ON THE IMPLEMENTATION OF THE PROGRAM, INCLUDING:

8 (I) THE NUMBER OF LONG-TERM CARE POLICIES APPROVED BY  
9 THE DEPARTMENT FOR INCLUSION IN THE PROGRAM;

10 (II) THE MEASURES UNDERTAKEN TO EDUCATE THE PUBLIC AS  
11 REQUIRED UNDER § 15-406 OF THIS SUBTITLE; AND

12 (III) ANY OTHER INFORMATION RELATED TO THE  
13 IMPLEMENTATION OF THE PROGRAM THAT THE DEPARTMENT DETERMINES  
14 NECESSARY; AND

15 [(2)] (3) [On or before] BEGINNING October 1, 2007, AND ON OR  
16 BEFORE OCTOBER 1 of each year THEREAFTER, report to the General Assembly, in  
17 accordance with § 2-1246 of the State Government Article on:

18 (i) The effectiveness of the Program;

19 (ii) The impact of the Program on State expenditures for medical  
20 assistance;

21 (iii) The number of enrollees in the Program; and

22 (iv) The number of long-term care policies offered in the State.

23 SECTION 2. AND BE IT FURTHER ENACTED, That:

24 (a) The Maryland Health Care Commission shall study the long-term care  
25 delivery system in the State to:

26 (1) Determine the types of services and programs that the age 65 and  
27 older population will need in 2010, 2020, and 2030; and

28 (2) Identify how the State should begin planning for needed services and  
29 programs.

30 (b) In conducting the study, the Commission shall review:

31 (1) Population projections for the age 65 and older population;

1           (2)     The services and programs operated by State agencies for the age 65  
2 and older population, including services and programs related to housing,  
3 transportation, medical needs, and food subsidies, to identify:

4                   (i)     Duplicative services or programs;

5                   (ii)    Problems with the delivery of existing services or programs; and

6                   (iii)   The need for additional services or programs;

7           (3)     The adequacy of current services and programs for the age 65 and  
8 older population provided by each county and region in the State and any gaps in  
9 services;

10          (4)     The affect that the growth of the age 65 and older population will  
11 have on current services and programs and the areas of the State that will be most  
12 affected;

13          (5)     The type of services and programs that will be most needed to care for  
14 the age 65 and older population in 2010, 2020, and 2030; and

15          (6)     The cost to the State to provide services and programs to the age 65  
16 and older population.

17          (c)     The Commission may contract with a private entity to conduct the study  
18 required under subsection (a) of this section.

19          (d)     The Commission shall submit an interim report on or before January 1,  
20 2007, and a final report on or before July 1, 2007, on its findings and  
21 recommendations to the Governor and, in accordance with § 2-1246 of the State  
22 Government Article, the General Assembly.

23          SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 2006.