

May 12, 2010

**H 1704. IMPLEMENT LTC PARTNERSHIP PROGRAM.** Filed 5/12/10. *TO IMPLEMENT THE LONG-TERM CARE PARTNERSHIP PROGRAM, TO ENSURE THAT NORTH CAROLINA'S LONG-TERM CARE INSURANCE LAWS COMPORT WITH THE LONG-TERM CARE PARTNERSHIP PROVISIONS IN THE FEDERAL DEFICIT REDUCTION ACT OF 2005, AND TO AUTHORIZE THE SHARING OF CONFIDENTIAL INFORMATION BETWEEN THE NORTH CAROLINA DEPARTMENT OF INSURANCE, ENTITIES THAT CONTRACT WITH THE FEDERAL GOVERNMENT, AND OTHER GOVERNMENTAL AGENCIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.*

Enacts new GS 108A-70.4 to create the Long-Term Care Partnership Program, which will conform with the Deficit Reduction Act of 2005 and (1) allow Medicaid-eligible individuals to qualify for long-term care cost coverage without first substantially exhausting their resources; (2) provide individuals with long-term care counseling services; and (3) encourage coverage by private insurance. Prohibits the Department of Health and Human Services (DHHS) from considering, when determining eligibility for long-term Medicaid care or when recovering payment for Medicaid-paid services from a deceased recipient's estate, an amount of resources equal to the benefits received under a long-term care partnership policy. Requires DHHS and the Department of Insurance (DOI) to promulgate rules necessary to implement the resource disregard and resource protection provisions of the bill, and to extend recognition of the provisions to other states with reciprocity agreements. Requires that long-term care partnership policies issued after January 1, 2011, or 60 days after approval of the Medicaid State Plan amendment (whichever is later) include a disclosure statement explaining the resource disregard and protection provisions. Applies the *estate* definition from the Social Security Act, 42 U.S.C. Section 1396p(b)(4)(B), for the purposes of an individual who has received benefits under a long-term care partnership policy (the definition includes any other real or personal property in which the individual had legal title or interest at the time of death); makes a conforming change to the definition in GS 108A-70.5.

Enacts new Part 2 "Long-Term Care Partnership" in Article 55 of GS Chapter 58. Enacts new GS 58-55-55 to define the components and requirements of a long-term care partnership policy. Enacts new GS 58-55-56 to incorporate federal laws and regulations into the North Carolina General Statutes. Enacts new GS 58-55-57 to describe disclosure requirements for policyholders. Enacts new GS 58-55-58 to allow the exchange of long-term care policies for long-term care partnership policies. Enacts new GS 58-55-36 to allow information sharing under the long-term care partnership program within specified parameters. Makes other technical and clarifying changes to the Article.

Allows DHHS and DOI to adopt rules to implement the Long-Term Care Partnership Program. Requires DHHS to pursue a Medicaid State Plan amendment to allow the Program to operate in North Carolina. Effective when the act becomes law.

Unless otherwise indicated, effective January 1, 2011 or 60 days after approval of the Medicaid State Plan amendment, whichever is later.

**Intro. by Weiss, Farmer-Butterfield, Pierce, England.** GS 58, 108A