

109TH CONGRESS
1ST SESSION

H. R. 3511

To amend title XIX of the Social Security Act to expand State long-term care partnership programs under the Medicaid Program.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2005

Mr. BURGESS (for himself, Mr. PETERSON of Pennsylvania, Mr. POMEROY, Mr. JINDAL, and Mrs. JOHNSON of Connecticut) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to expand State long-term care partnership programs under the Medicaid Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicaid State Long-
5 Term Care Partnership Program Act of 2005”.

6 **SEC. 2. EXPANSION OF STATE LONG-TERM CARE PARTNER-**
7 **SHIP PROGRAM.**

8 (a) IN GENERAL.—Section 1917(b) of the Social Se-
9 curity Act (42 U.S.C. 1396p(b)) is amended—

1 (1) in paragraph (1)(C)(i), by striking “shall
2 seek adjustment” and inserting “may seek adjust-
3 ment”;

4 (2) in paragraph (1)(C)(ii), by inserting “or
5 which has a State plan amendment that provides for
6 a qualified State long-term care insurance partner-
7 ship (as defined in clause (iii))” after “1993,”;

8 (3) by adding at the end of paragraph (1)(C)
9 the following new clauses:

10 “(iii) For purposes of this paragraph, the term
11 ‘qualified State long-term care insurance partner-
12 ship’ means a State plan amendment under this title
13 that provides for the disregard of any assets or re-
14 sources in an amount equal to the insurance benefit
15 payments that are made under a long-term care in-
16 surance policy (including a certificate issued under a
17 group insurance contract), regardless of whether the
18 policy was issued before the effective date of such
19 plan amendment, if the following requirements are
20 met:

21 “(I) The policy covers an insured who,
22 when coverage first became effective under the
23 policy, was a resident of such State or of an-
24 other State that had such a partnership in ef-
25 fect or that had in effect a State plan amend-

1 ment described in clause (ii) that was approved
2 as of May 19, 1993.

3 “(II) The policy meets the requirements of
4 State law in the State in which it is issued.

5 “(III) The policy is a qualified long-term
6 care insurance policy (as defined in section
7 7702B(b) of the Internal Revenue Code of
8 1986).

9 “(IV) Such disregard shall not apply if the
10 policy was originally issued to the insured when
11 the insured resided in another State, unless
12 that other State continues to have a qualified
13 State long-term care insurance partnership in
14 effect.

15 “(V) If the policy does not provide some
16 level of inflation protection, the insured was of-
17 fered, before the policy was sold, a long-term
18 care insurance policy that provides some level of
19 inflation protection.

20 “(VI) The State plan amendment provides
21 for agent training for the sale of long-term care
22 insurance policies under the partnership.

23 “(VII) The issuer of the policy provides
24 regular reports to the Secretary that include, in
25 accordance with regulations of the Secretary

1 (promulgated after consultation with the
2 States), notification regarding when all benefits
3 provided under the policy have been paid and
4 the amount of such benefits paid, when the pol-
5 icy otherwise terminates, and such other infor-
6 mation as the Secretary determines may be ap-
7 propriate to the administration of such partner-
8 ships.

9 “(VIII) The State does not impose any re-
10 quirement affecting the terms or benefits of
11 such a policy unless the State imposes such re-
12 quirement on long-term care insurance policies
13 without regard to whether the policy is covered
14 under the partnership or is offered in connec-
15 tion with such a partnership.

16 In the case of a long-term care insurance policy
17 which is exchanged for another such policy, sub-
18 clause (I) shall be applied based on the coverage of
19 the first such policy that was exchanged.

20 “(iv) The Secretary—

21 “(I) as appropriate, shall provide copies of
22 the reports described in clause (iii)(VII) to the
23 State involved; and

1 “(II) shall promote the education of con-
2 sumers regarding qualified State long-term care
3 insurance partnerships.”; and

4 (4) in paragraph (4)(B), by striking “(and shall
5 include, in the case of an individual to whom para-
6 graph (1)(C)(i) applies)”.

7 (b) APPLICATION OF CERTAIN REQUIREMENTS TO
8 EXISTING PARTNERSHIP PROGRAMS.—Subparagraph (C)
9 of such section, as amended by subsection (a), is further
10 amended—

11 (1) in clause (ii), by inserting “(subject to
12 clause (v))” after “under a State plan of a State
13 which”; and

14 (2) by adding at the end the following new
15 clause:

16 “(v) Clause (ii) shall continue to apply to a
17 State plan amendment approved as of May 19,
18 1993, only if the State plan amendment—

19 “(I) is modified by not later than 30 days
20 after the date of the enactment of this Act to
21 meet the requirements of subclauses (III) and
22 (V) of clause (iii); and

1 “(II) is modified by not later than 1 year
2 after such date of enactment to meet the re-
3 quirement of clause (iii)(VI).”.

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