

Agency for Health Care Administration
Florida Long Term Care Partnership Program
Frequently Asked Questions

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How can I tell if I have a Partnership policy?

Call the insurance company or ask the insurance agent that sold you the policy.

Please be sure your policy states Long Term Care Partnership. The insurance company must also provide you with two forms; one form is issued at the time you purchase the policy and the second is issued after all the benefits of the policy have been exhausted.

You should receive a 'Partnership Status Disclosure Notice' at the time you purchase the policy. This notice must provide you with the information detailed in form 'OIR- B2-1786', available from the Office of Insurance Regulation.

You should receive an "Approved Long Term Care Partnership Program Policy Summary" upon request or when you have exhausted your benefits and are applying for Medicaid long term care services. Please contact your insurance company for this written statement with the information contained in the form 'OIR-B2-1781'. The Department of Children and Families will need this statement along with other documents, to determine eligibility for Medicaid long term care services.

For a copy of these forms, please refer to the Office of Insurance Regulations' Information Memorandum #OIR-07-11M, issued July 30, 2007, available on this website:
<http://www.floir.com/Memoranda/index.aspx>.

What is the difference between a qualified long term care policy and a Florida qualified Long Term Care Partnership policy?

A qualified long term care policy is the same as a Florida qualified Long Term Care Partnership policy except that there are certain features required to qualify as a Partnership policy.

The primary differences between a Florida qualified long term care policy and a Florida qualified Long Term Care Partnership policy are:

- 1) You must be a Florida resident at the time of purchase;
- 2) Inflation protection must be purchased and maintained until at least age 76; and
- 3) The policy effective date must be on or after January 1, 2007.

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What is the main advantage of a Partnership policy?

You may protect assets in the amount of policy benefits paid for the cost of your care when you apply for Florida Medicaid long term care (nursing home care) services.

Florida has a dollar for dollar asset disregard. In determining eligibility for Medicaid under the Institutional Care Program, the state will disregard assets in an amount equal to the amount of payments made to, or on behalf of, an individual who is a beneficiary under an approved qualified long-term care partnership insurance policy.

For example, an individual may buy a \$20,000 LTC insurance policy and as they age, move to a nursing home. If the policy paid out \$20,000 for the cost of their care and the individual applied for the Institutional Care Program to cover ongoing care, the state would not count \$20,000 of the individual's assets. In other words, the individual may keep \$20,000 in countable assets above the Institutional Care Program asset limit and still qualify for Medicaid if all other eligibility requirements are met.

What about inflation protection in long term care insurance?

Inflation protection is a requirement up to age 76. This benefit is optional at age 76 and older.

The Long Term Care Partnership policy must meet the following inflation coverage limitations:

- Policies or certificates issued to an individual that has not yet attained age 61 shall contain annual compound inflation coverage.
- Policies or certificates issued to an individual that has attained age 61 but has not attained age 76 shall contain compound inflation coverage.
- There is no requirement for inflation coverage on policies or certificates issued to an individual after age 76.

Removal of inflation protection before age 76 will disqualify your policy from the Long Term Care Partnership Program.

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What About Guaranteed Purchase Options (GPO) or Future Purchase Options (FPO)?

A long term care policy with a Guaranteed Purchase Option (GPO) or Future Purchase Option (FPO) does not meet the inflation protection requirements for a Long Term Care Partnership Policy.

What is the 'Look Back' Period?

Florida Medicaid will look back 36 months from the date an individual applies for Medicaid. Transfers of income or resources may affect eligibility if they are made within 36 months of the application for Medicaid (60 months if used to establish a trust).

A person may be ineligible for a period of time if income or resources are transferred for less than fair market value to become Medicaid eligible. The period of ineligibility will vary depending on the value of the transferred income or resource(s).

Anyone determined ineligible due solely to transferred income or resources cannot qualify for nursing facility payments. However, the individual may still qualify for basic Medicaid coverage (e.g., medicines, hospital coverage, etc.).

Can a Partnership policy be canceled by the insurance company?

Long term care policies, including Partnership policies, may not be canceled by the insurance company when the premiums are paid on time.

If a policy is Guaranteed Renewable, this means you have the right to renew, subject to the terms of your long term care policy or certificate, as long as your premiums are paid on time. Your rates can not be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders with a policy similar to yours. The insurer cannot change any of the terms of your long term care policy on its own, except that in the future, IT MAY INCREASE THE AMOUNT OF THE PREMIUM YOU PAY.

The grace period is a minimum of 30 days, as is required on all long term care insurance policies.

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If a policy is canceled due to nonpayment of premium, the policyholder shall be entitled to have the policy reinstated if, within a period of not less than 5 months after the date of cancellation, reinstatement is requested and the cancellation was due to cognitive impairment.

How much is the cost of long term care insurance?

The cost of long term care insurance policies, including Partnership policies, will vary depending on issue age, type of coverage you choose, and the company issuing the policy.

Contact long term care insurance companies in order to obtain quotes for a policy.

I am planning to move to another state and have no plans to come back to Florida. Would a Partnership policy benefit me in another state?

If you relocate out of the State of Florida, you would not be eligible for Florida Medicaid coverage unless you return to Florida as a resident and meet all other eligibility requirements. At the time you plan to use your Partnership policy, you should apply for Medicaid long term care services in the state where you are a resident.

Each state establishes a unique Medicaid program. Medicaid services that are available and Medicaid eligibility requirements will vary from state to state and from year to year, based on state legislative mandates and funding. Even if you are eligible for Medicaid benefits, you will have to apply for Medicaid long term care. Medicaid eligibility requirements and Medicaid benefits are not 'Grandfathered' with the purchase of a Partnership policy.

If you plan to move to another state, you need to check with that state's Medicaid eligibility agency where you plan to relocate. Not all states participate in the Long Term Care Partnership Program or recognize policies from other states.

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What if I move?

It is possible that a qualified Long term Care Partnership policy purchased in Florida may be used in another state, or that a qualified Long term Care Partnership policy purchased in another state may be used in Florida.

Partnership policy asset protection benefits may vary from state to state, and Florida has dollar for dollar asset protection. Please check with the appropriate agency in the state where Medicaid benefits may be accessed in order to determine eligibility

How can I find out if the state I move to has a Partnership Program?

Contact the state you intend to move to for more information. If the state has LTCP reciprocity, then you can access Medicaid benefits in that state when you meet the eligibility requirements of the state where you live, regardless of when and where your Partnership policy was purchased. The Medicaid eligibility requirements and Medicaid services offered will be those that are valid at the time you apply for Medicaid.

What if I already have a long term care policy and want to change the policy to a Partnership policy?

Contact your insurance company to inquire if you are eligible for an exchange to a Long Term Care Partnership policy.

Insurance companies that sell long term care insurance and participate in the Partnership program may be able to exchange your policy to a Partnership policy. Companies are required to offer an exchange of your long term care policy to a Partnership policy if purchased on or after March 1, 2003.

What types of benefits are available in a long term care policy?

The benefits will vary based on the type of policy you purchase. Benefits include some or all of the following:

- Nursing Home;
- Respite;

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- Alternative, waiting in hospital for nursing home;
- Adult Day Care;
- Bed Reservation;
- Assisted Living Facilities;
- Home Health Services;
- Hospice; and
- Home and community based services.

Medicaid Eligibility Requirements

The Department of Children and Families
1 (866) 762-2237
http://www.state.fl.us/cf_web/

Insurance Companies and Agents (Information, Concerns or Complaints)

The Department of Financial Services, Division of Consumer Services
1 (877) -693-5236, toll-free in Florida, and
(850) 413-3089 from out of state
<http://www.myFloridaCFO.com>

Florida Long Term Care Policies, or Florida Long Term Care Partnership Policies

Florida Office of Insurance Regulation, Life & Health, Product Review
(850) 413-3152
<http://www.floir.com/>

General Information about Long Term Care Insurance

National Clearinghouse for Long Term Care Information
This web site was developed by the U.S. Department of Health and Human Services to provide information and resources to help you and your family plan for future long-term care (LTC) needs:
http://www.longtermcare.gov/LTC/Main_Site/index.aspx

Centers for Medicare and Medicaid Services
This website offers information on long term care, steps to choosing long term care, types of long term care, paying for long term care,

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and links to other websites with long term care information:
<http://www.medicare.gov/LongTermCare/Static/Home.asp>

General Questions About Medicare and Health Insurance Needs

SHINE (Serving Health Insurance Needs of Elders Program)
Department of Elder Affairs
Call 1 (800) 963-5337
Visit www.floridashine.org
E-mail information@elderaffairs.org

Federal Employees

Federal Long Term Care Partnership Program
1 (800) 582-3337
<http://www.opm.gov/insure/ltc/>

Federal Tax Benefits

Internal Revenue Service
1 (800) 829-1040
<http://www.irs.gov/>