

The House Committee on Human Relations and Aging offers the following substitute to HB 1451:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 7A of Chapter 4 of Title 49 of the Official Code of Georgia Annotated,
2 relating to the Long-term Care Partnership Program, so as to revise certain definitions; to
3 provide for related matters; to provide an effective date; to repeal conflicting laws; and for
4 other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Article 7A of Chapter 4 of Title 49 of the Official Code of Georgia Annotated, relating to the
8 Long-term Care Partnership Program, is amended by striking Code Section 49-4-161,
9 relating to definitions, and inserting in lieu thereof a new Code Section 49-4-161 to read as
10 follows:

11 "49-4-161.

12 As used in this article, the term:

13 (1) 'Asset disregard' means ~~the total assets an individual owns and may retain upon~~
14 ~~application for the,~~ with regard to state Medicaid program and still qualify for benefits,
15 the disregard of any assets or resources in an amount equal to the insurance benefit
16 payments that are made to or on behalf of an if the individual:

17 (A) ~~Is who is a beneficiary under of a Georgia Long-Term Care Partnership Program~~
18 ~~approved policy; and~~

19 (B) ~~Has exhausted the benefits of such policy or has diminished such assets below~~
20 ~~anticipated remaining policy benefits~~ a qualified long-term care insurance partnership
21 policy.

22 (2) 'Commissioner' means the Commissioner of Insurance.

23 ~~(2)~~(3) 'Department' means the Department of Community Health.

24 ~~(3)~~ (4) 'Georgia Long-Term Qualified Long-term Care Partnership Program approved
25 policy' means a long-term care insurance policy that ~~is approved by the Commissioner~~
26 ~~of Insurance and is provided through state approved long-term care insurers through the~~

1 ~~Georgia Long-Term Care Partnership Program~~ meets the model regulations and
 2 requirements of the National Association of Insurance Commissioners' long-term care
 3 insurance model regulation and long-term care insurance model act as specified in 42
 4 U.S.C. 1917(b) and Section 6021 of the Federal Deficit Reduction Act of 2005 and the
 5 Commissioner certifies such policy as meeting these requirements.

6 (4) (5) 'State Medicaid program' means the medical assistance program established in
 7 this state under Title XIX of the federal Social Security Act.

8 (6) 'State plan amendment' means a state Medicaid plan amendment made to the federal
 9 Department of Health and Human Services that provides for the disregard of any assets
 10 or resources in an amount equal to the insurance benefit payments that are made to or on
 11 behalf of an individual who is a beneficiary under a qualified long-term care insurance
 12 partnership policy."

13 SECTION 2.

14 Said article is further amended by striking Code Section 49-4-162, relating to the Georgia
 15 Long-term Care Partnership Program, and inserting in lieu thereof a new Code Section
 16 49-4-162 to read as follows:

17 "49-4-162.

18 (a) ~~There~~ In accordance with Section 6021 of the Federal Deficit Reduction Act of 2005,
 19 there is established the Georgia ~~Long-Term~~ Long-term Care Partnership Program which
 20 shall be administered by the Department of Community Health, with the assistance of the
 21 Commissioner of Insurance and the Department of Human Resources, and which shall be
 22 for the following purposes:

23 (1) To provide incentives for individuals to insure against the costs of providing for their
 24 long-term care needs;

25 (2) To provide a mechanism for individuals to qualify for coverage of the cost of their
 26 long-term care needs under the state Medicaid program without first being required to
 27 substantially exhaust their resources;

28 (3) To provide counseling services through the Division of Aging Services of the
 29 Department of Human Resources to individuals in planning of their long-term care needs;
 30 and

31 (4) To alleviate the financial burden on the state's Medicaid program by encouraging the
 32 pursuit of private initiatives.

33 (b) Upon the exhaustion of benefits or upon the diminishment of assets below the
 34 anticipated remaining benefits under a Georgia ~~Long-Term~~ Long-term Care Partnership
 35 Program approved policy, certain assets of an individual, as provided in subsection (c) of
 36 this Code section, shall not be considered when determining any of the following:

1 (1) Medicaid eligibility;

2 (2) The amount of any Medicaid payment; and

3 (3) Any subsequent recovery by the state of a payment for medical services.

4 (c) ~~The department shall; amend the state Medicaid program to allow for asset disregard.~~
 5 ~~The department shall provide for asset disregard by counting insurance benefits paid for~~
 6 ~~covered services under the Georgia Long-Term Care Partnership Program for purchasers~~
 7 ~~of a Georgia Long-Term Care Partnership Program approved policy toward asset disregard~~

8 (1) Within 180 days of the effective date of this Code section, make application to the
 9 federal Department of Health and Human Services for a state plan amendment to
 10 establish that the assets an individual owns and may retain under Medicaid and still
 11 qualify for benefits under Medicaid at the time the individual applies for benefits is
 12 increased dollar for dollar for each dollar paid out under the individual's long-term care
 13 insurance policy if:

14 (A) The individual is the beneficiary of a qualified long-term care insurance
 15 partnership policy purchased through the Georgia Qualified Long-term Care
 16 Partnership Program; and

17 (B) The individual has exhausted the benefits of such policy; and

18 (2) Provide information and technical assistance to the Commissioner to assure that any
 19 individual who sells a qualified long-term care insurance partnership policy receives
 20 training and demonstrates evidence of an understanding of such policies and how they
 21 relate to other public and private coverage of long-term care."

22 SECTION 3.

23 Said article is further amended by striking Code Section 49-4-163, relating to eligibility for
 24 asset disregard, and inserting in lieu thereof a new Code Section 49-4-163 to read as follows:

25 "49-4-163.

26 (a) An individual who is a beneficiary of a Georgia ~~Long-Term~~ Qualified Long-term Care
 27 Partnership Program approved policy is eligible for assistance under the state Medicaid
 28 program using asset disregard pursuant to the provisions of subsection (c) of Code Section
 29 49-4-162.

30 (b) If the Georgia ~~Long-Term~~ Qualified Long-term Care Partnership Program is
 31 discontinued, an individual who purchased a Georgia ~~Long-Term~~ Qualified Long-term
 32 Care Partnership Program approved policy prior to the date the program was discontinued
 33 shall be eligible to receive asset disregard if allowed as provided by Title VI, Section 6021
 34 of the Federal Deficit Reduction Act of 2005.

35 (c) The department may enter into reciprocal agreements with other states to extend the
 36 asset disregard to residents of the state who purchase long-term care policies in another

1 state which has asset disregard provisions as established under this article as provided by
 2 Title VI, Section 6021 of the Federal Deficit Reduction Act of 2005."

3 SECTION 4.

4 Said article is further amended by striking Code Section 49-4-164, relating to rules and
 5 regulations, and inserting in lieu thereof a new Code Section 49-4-164 to read as follows:

6 "49-4-164.

7 (a) The Commissioner shall:

8 (1) Develop requirements to ensure that any individual who sells a qualified long-term
 9 care insurance partnership policy receives training and demonstrates evidence of an
 10 understanding of such policies and how they relate to other public and private coverage
 11 of long-term care; and

12 (2) Not impose any requirement affecting the terms or benefits of qualified long-term
 13 care partnership policies unless the Commissioner imposes such a requirement on all
 14 long-term care policies sold in this state without regard to whether the policy is covered
 15 under the partnership or is offered in connection with such partnership.

16 (b) The department and the Commissioner of Insurance are authorized to promulgate rules
 17 and regulations to implement and administer the provisions of this article.

18 (c) The issuers of qualified long-term care partnership policies in this state shall provide
 19 regular reports to both the Secretary of the Department of Health and Human Services in
 20 accordance with federal law and regulations and to the department and the Commissioner
 21 as provided in Section 6021 of the Federal Deficit Reduction Act of 2005."

22 SECTION 5.

23 Said article is further amended by striking Code Section 49-4-165, relating to notice to
 24 consumers, and inserting in lieu thereof a new Code Section 49-4-165 to read as follows:

25 "49-4-165.

26 (a) A qualified long-term care insurance partnership policy ~~issued after the effective date~~
 27 ~~of this article~~ shall contain a summary notice to the consumer in plain language on the
 28 current law pertaining to asset disregard and asset tests.

29 (b) The notice to the consumer under subsection (a) of this Code section shall be
 30 developed by the Commissioner of Insurance."

31 SECTION 6.

32 Said article is further amended by striking Code Section 49-4-166, relating to effective date,
 33 and inserting in lieu thereof a new Code Section 49-4-166 to read as follows:

1 "49-4-166.

2 ~~The provisions of this article shall become effective 60 days after the effective date of the~~
3 ~~repeal of the restrictions to asset protection contained in the federal Omnibus Budget~~
4 ~~Reconciliation Act of 1993, Public Law 103-66, 107 Stat. 312 Reserved.~~"

5 **SECTION 7.**

6 This Act shall become effective upon its approval by the Governor or upon its becoming law
7 without such approval.

8 **SECTION 8.**

9 All laws and parts of laws in conflict with this Act are repealed.