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**NEWS RELEASE**

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## **Insurance department removes inflation protection restrictions for Long Term Care Partnership policies**

BOISE ID (April 25, 2016) – The Idaho State Legislature passed amendments to the Idaho Department of Insurance rule regarding minimum standards for Long Term Care (LTC) Partnership policies. The Department proposed the changes after receiving suggestions from Senator Bob Nonini (R), Coeur d'Alene, and various industry organizations. These amendments change previously established requirement on inflation protection and will reduce costs to consumers.

LTC insurance is designed to cover a wide range of LTC services that may include help with activities of daily living, home health care, respite care, adult day care, care in a nursing home, or care in an assisted living facility.

"Most people over age 65 will require LTC services at some time," says Department Director Dean Cameron. "The LTC Partnership Program involves state government and private insurers, encouraging people to prepare for their future care needs. Participation in a LTC Partnership plan is in the best interest of most Idaho consumers and will save Idaho taxpayers."

Consumers can receive LTC assistance from Medicaid if they qualify. Eligibility is based on personal assets. Under the Partnership Program, the state will disregard personal assets that are equal to benefits by a qualifying insurance policy when determining Medicaid eligibility. Qualifying Partnership LTC policies must include inflation protection. Inflation protection must continue to be provided, but the amendments eliminate minimum inflation levels.

For example, if a qualifying insurance policy would pay out \$50,000 in benefits to cover a person's LTC needs, Medicaid would not count up to \$50,000 of the person's assets when it determines whether the person is eligible for Medicaid assistance with LTC costs. This means the person would be able to qualify for LTC assistance through Medicaid without first having to spend all their personal assets on care.

Consumers are encouraged to contact their insurance agents about whether a Partnership policy is appropriate for their needs.

The Department issued [Bulletin 16-02](#) to inform industry about the change, which also includes a link to the rule. An index listing all bulletins issued by the Department and identifying them as active or rescinded is available on the Department's webpage at: <http://www.doi.idaho.gov/laws/BulletinsAll.aspx>.

### **About the Department of Insurance**

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. For more information, visit [www.doi.idaho.gov](http://www.doi.idaho.gov).

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