

House Concurrent Resolution No. 5010

By Representatives Patterson, Gatewood, Rehorn and Sawyer

2-11

A CONCURRENT RESOLUTION urging the Kansas Insurance Department and the Commissioner of Insurance to continue to disseminate certain information regarding long-term care insurance and to continue to study long-term care policy options or provisions.

WHEREAS, The average life expectancy is now almost 80 years and, often, the blessing of longer life means that diseases of aging that require long-term or custodial care, such as Alzheimer's disease, are more prevalent; and

WHEREAS, Changes in the structure of the nuclear family, such as two-earner households, make families less able to care for an aging parent on a full-time basis; and

WHEREAS, Currently 5.8 million people aged 65 or older need long-term care and this number will increase as more people survive heart attacks, cancer, strokes and other ailments that once were fatal; and

WHEREAS, Medicare does not cover the cost of nursing home care, assisted living, residential health care or other long-term care except for 100 days of rehabilitation; and

WHEREAS, The primary sources of private financing of long-term care are the income and savings of the elderly, the disabled and their families or medicaid, a program for the poor; and

WHEREAS, The average cost for care in a nursing home in the United States is \$40,000-\$50,000 a year and that figure is certain to increase; and

WHEREAS, Kansas seniors must spend their life savings and contribute all their income before medicaid pays for their care; and

WHEREAS, Long-term care insurance can play an important role in helping to provide better quality and choice of long-term care and protection against the cost of long-term care and the expenditure of a lifetime of savings; and

WHEREAS, Insurance companies provide long-term health insurance policies which cover all or part of the costs of such long-term care; and

WHEREAS, The information provided by vendors of long-term care insurance to the prospective purchasers is confusing and bewildering due to the number of options available, the number of issues to be considered and the different formats used to provide such information; and

1 WHEREAS, The information available from vendors of long-term
2 care insurance does not allow the prospective purchaser of long-term care
3 insurance to make an easy comparison of policies, or the provisions of
4 such policies, prior to purchasing long-term care insurance; and

5 WHEREAS, The Legislature supports the efforts of the Kansas In-
6 surance Department as it gathers and publishes information on many
7 topics related to insurance, including long-term care medicare supple-
8 ment insurance: Now, therefore;

9 *Be it resolved by the House of Representatives of the State of Kansas,*
10 *the Senate concurring therein:* That the Legislature urges the Kansas
11 Insurance Department and the Commissioner of Insurance to continue
12 to obtain information from the insurance companies who sell long-term
13 care insurance in this state which would explain in simple language and
14 permit a prospective purchaser of long-term care insurance to make an
15 informed choice regarding:

- 16 (a) The coverage for in-home services;
- 17 (b) the coverage for nursing home services;
- 18 (c) the length of time that the policy is to provide coverage for long-
19 term care services;
- 20 (d) the length of elimination periods, if any, and the effect of such
21 periods on the coverage provided;
- 22 (e) the daily rate of benefits and other payments for covered benefits;
- 23 (f) the amount of inflation protection provided under any proposed
24 policy of long-term care insurance;
- 25 (g) the extent, if any, to which the insured's activities of daily living
26 will be affected by the terms of any proposed policy of long-term care
27 insurance; and
- 28 (h) the identity of the person or entity which makes decisions affect-
29 ing the insured's activities of daily living; and

30 *Be it further resolved:* That the Kansas Insurance Department and
31 the Commissioner of Insurance are hereby urged to continue to publish
32 an informational pamphlet, as similar in format and style as possible to
33 the Kansas Insurance Department's pamphlet entitled "Kansas Medicare
34 Insurance Shopper's Guide" with input from the members of the Kansas
35 Silver Haired Legislature; and

36 *Be it further resolved:* That the Kansas Insurance Department and
37 the Commissioner of Insurance are hereby urged to continue to study
38 the long-term care policy options or provisions for all long-term care
39 insurance policies sold in the State of Kansas; and

40 *Be it further resolved:* That the Secretary of State is hereby directed
41 to provide an enrolled copy of this resolution to the Commissioner of
42 Insurance.