

By: Delisi

H.B. No. 1834

A BILL TO BE ENTITLED

AN ACT

relating to long-term care insurance and a partnership for long-term care program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 32, Human Resources Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. PARTNERSHIP FOR LONG-TERM CARE PROGRAM

Sec. 32.101. DEFINITIONS. In this subchapter:

(1) "Approved plan" means a long-term care benefit plan that is approved by the Texas Department of Insurance under Subchapter C, Chapter 1651, Insurance Code.

(2) "Asset protection" means the right extended to a plan holder of a long-term care benefit plan to dollar-for-dollar asset disregard issued under the medical assistance program.

(3) "Dollar-for-dollar asset disregard" means an asset disregard in which the amount of the disregard is equal to the sum of qualifying benefit payments made on behalf of the qualified plan holder.

(4) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

(5) "Partnership for long-term care program" means the program established under this subchapter and Subchapter C, Chapter 1651, Insurance Code.

Sec. 32.102. PARTNERSHIP FOR LONG-TERM CARE PROGRAM. The

1 partnership for long-term care program is administered as part of  
2 the medical assistance program by the department with the  
3 assistance of the Texas Department of Insurance. The program must  
4 be consistent with provisions governing the expansion of a state  
5 long-term care partnership program established under the federal  
6 Deficit Reduction Act of 2005 (Pub. L. No. 109-171).

7 Sec. 32.103. ASSET DISREGARD AND PROTECTION. (a) To the  
8 extent allowed by the federal Deficit Reduction Act of 2005 (Pub. L.  
9 No. 109-171) and other federal law, the executive commissioner, in  
10 adopting rules and standards governing the medical assistance  
11 program, shall allow for dollar-for-dollar asset disregard and  
12 asset protection to provide medical assistance to an individual  
13 receiving long-term care services if the individual is or was  
14 covered by a long-term care benefit plan providing coverage for  
15 long-term care that meets the applicable minimum benefit standards  
16 of the commissioner of the Texas Department of Insurance under  
17 Subchapter C, Chapter 1651, Insurance Code, and other requirements  
18 for approval under the partnership for long-term care program.

19 (b) The department may not consider the resources of an  
20 individual who has exhausted the individual's benefits under an  
21 approved plan to the extent those resources are the subject of a  
22 dollar-for-dollar asset disregard in determining:

23 (1) eligibility for medical assistance under the  
24 medical assistance program;

25 (2) the amount of medical assistance to be provided;

26 or

27 (3) any subsequent recovery by this state of medical

1 assistance to be provided to the individual.

2 Sec. 32.104. RECIPROCAL AGREEMENTS. The department may  
3 enter into reciprocal agreements with other states to extend asset  
4 protection to a resident of this state who purchased a long-term  
5 care benefit plan in another state that has a substantially similar  
6 asset disregard program.

7 Sec. 32.105. RULES. (a) The executive commissioner shall  
8 adopt rules as necessary to administer the partnership for  
9 long-term care program and to implement this subchapter.

10 (b) In adopting rules under this section, the executive  
11 commissioner shall:

12 (1) provide for dollar-for-dollar asset disregard and  
13 asset protection for purchasers of an approved plan; and

14 (2) count benefits paid under the approved plan toward  
15 the dollar-for-dollar asset disregard to the extent the benefits  
16 are provided for covered services under the approved plan.

17 Sec. 32.106. ANNUAL REPORT. (a) Not later than January 1  
18 of each odd-numbered year, the department shall submit a report to  
19 the legislature on the progress of the partnership for long-term  
20 care program during the preceding calendar year. The report must  
21 include:

22 (1) the number of approved plans sold;

23 (2) the average age of individuals purchasing approved  
24 plans; and

25 (3) a recommendation on whether to continue the  
26 program.

27 (b) The department may request information from the Texas

1 Department of Insurance as necessary to prepare the report required  
2 by this section.

3 SECTION 2. Chapter 1651, Insurance Code, is amended by  
4 adding Subchapter C to read as follows:

5 SUBCHAPTER C. PARTNERSHIP FOR LONG-TERM CARE PROGRAM

6 Sec. 1651.101. DEFINITIONS. In this subchapter:

7 (1) "Approved plan" means a long-term care benefit  
8 plan that is approved by the department under this subchapter.

9 (2) "Dollar-for-dollar asset disregard" and "asset  
10 protection" have the meanings assigned by Section 32.101, Human  
11 Resources Code.

12 (3) "Medical assistance program" means the medical  
13 assistance program established under Chapter 32, Human Resources  
14 Code.

15 (4) "Partnership for long-term care program" means the  
16 program established under Subchapter C, Chapter 32, Human Resources  
17 Code, and this subchapter.

18 Sec. 1651.102. APPLICABILITY. Except to the extent of a  
19 conflict, Subchapters A and B apply to a plan issued in accordance  
20 with this subchapter.

21 Sec. 1651.103. ASSISTANCE OF DEPARTMENT. The department  
22 shall assist the Health and Human Services Commission as necessary  
23 for the commission to perform its duties and functions with respect  
24 to the administration of the partnership for long-term care  
25 program.

26 Sec. 1651.104. LONG-TERM CARE INSURANCE POLICY FOR  
27 PARTNERSHIP FOR LONG-TERM CARE PROGRAM. The commissioner, in

1 consultation with the Health and Human Services Commission, shall  
2 adopt minimum standards for a long-term care benefit plan that may  
3 qualify as an approved plan under the partnership for long-term  
4 care program. The standards must be consistent with provisions  
5 governing the expansion of a state long-term care partnership  
6 program established under the federal Deficit Reduction Act of 2005  
7 (Pub. L. No. 109-171).

8 Sec. 1651.105. EFFECT OF DISCONTINUATION OF PROGRAM ON  
9 POLICY. If the partnership for long-term care program is  
10 discontinued, an individual who purchased an approved plan before  
11 the date the program is discontinued remains eligible to receive  
12 dollar-for-dollar asset disregard and asset protection under the  
13 medical assistance program.

14 Sec. 1651.106. RULES. The commissioner may adopt rules as  
15 necessary to implement this subchapter.

16 SECTION 3. Subchapter B, Chapter 531, Government Code, is  
17 amended by adding Section 531.0841 to read as follows:

18 Sec. 531.0841. LONG-TERM CARE INSURANCE AWARENESS AND  
19 EDUCATION CAMPAIGN. (a) The commission, in consultation with the  
20 Department of Aging and Disability Services and the Texas  
21 Department of Insurance, shall develop and implement a public  
22 awareness and education campaign designed to:

23 (1) educate the public on the cost of long-term care,  
24 including the limits of Medicaid eligibility and the limits of  
25 Medicare benefits;

26 (2) educate the public on the value and availability  
27 of long-term care insurance; and

1           (3) encourage individuals to obtain long-term care  
2 insurance.

3           (b) The Department of Aging and Disability Services and the  
4 Texas Department of Insurance shall cooperate with and assist the  
5 commission in implementing the campaign under this section.

6           (c) The commission may coordinate the implementation of the  
7 campaign under this section with any other state outreach campaign  
8 or activity relating to long-term care issues.

9           SECTION 4. The Health and Human Services Commission shall  
10 amend this state's Medicaid plan as necessary to allow for  
11 dollar-for-dollar asset disregard and asset protection for  
12 purchasers of an approved policy under the partnership for  
13 long-term care program established under Subchapter C, Chapter 32,  
14 Human Resources Code, as added by this Act.

15           SECTION 5. If before implementing any provision of this Act  
16 a state agency determines that a waiver or authorization from a  
17 federal agency is necessary for implementation of that provision,  
18 the agency affected by the provision shall request the waiver or  
19 authorization and may delay implementing that provision until the  
20 waiver or authorization is granted.

21           SECTION 6. This Act takes effect September 1, 2007.