

2024
**SUPPLEMENTAL
HEALTH, DI & LTC
CONFERENCE**

The Winning
Trifecta

**State Sponsored LTC
Programs**





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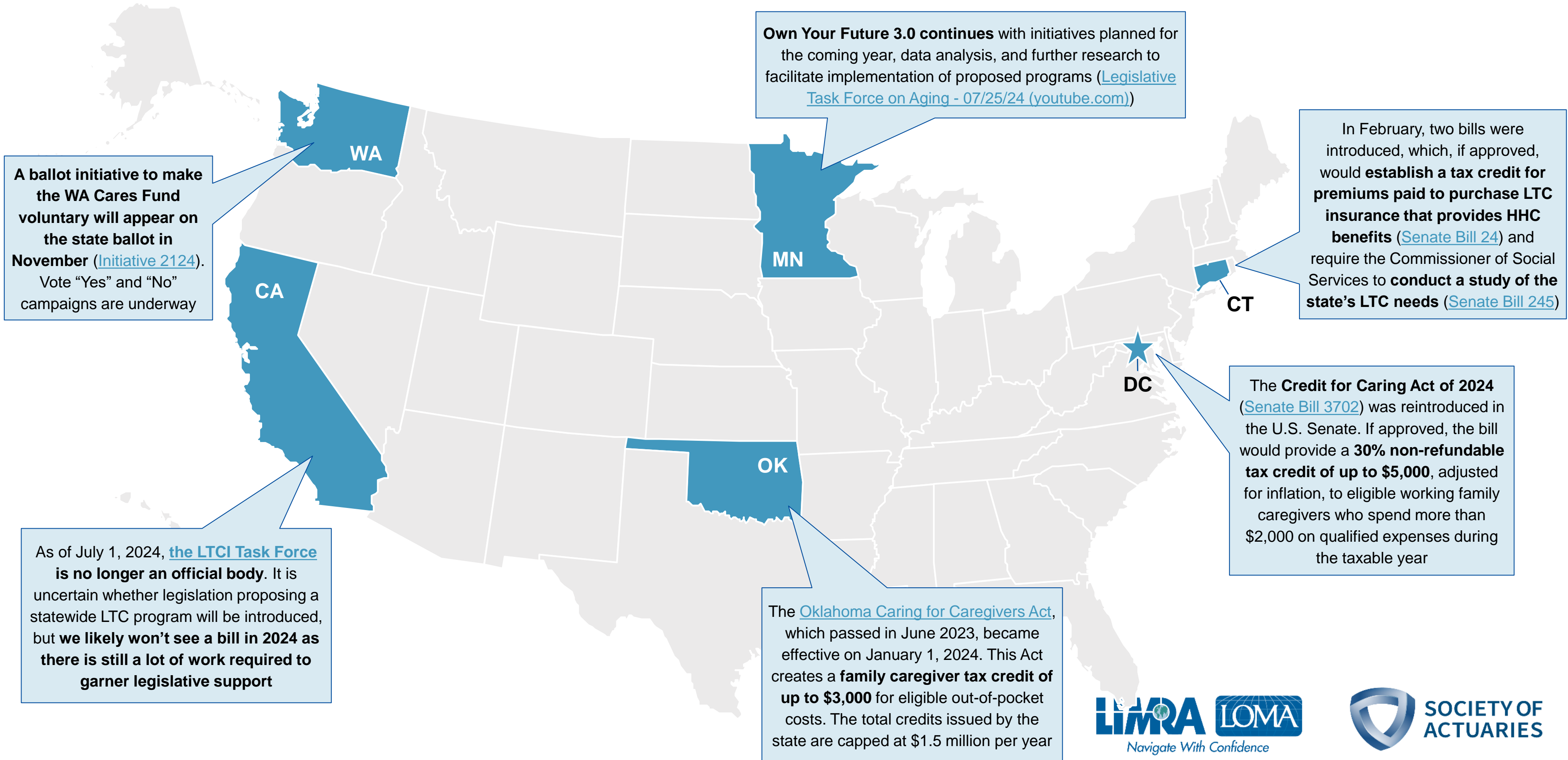


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Update On Recent State Activity



Considerations For Designing A Public LTC Program

- How are families/individuals addressing their LTC needs now?
- Is Medicaid broken?
- To public or not to public?
- Federal or state solutions?
- What state characteristics are primed for LTC reform?
- Supports or financing? Which is the priority?
- What about private LTC Insurance? “Why not us?”
- How receptive are voters to change such as new public programs?

Case Study: Preschool For All (“PFA”) Program (2021)



What is PFA?

- Universal preschool program in Multnomah County, OR
- Aims to create new classrooms, subsidize existing ones, and increase teachers' pay
- Funded via progressive income tax of up 3% for individuals making \$125K+
- Overwhelming supported by voters in 2020 general election → 64% approved

Public perception headwinds

- Current contingency fund of nearly \$240M (hoarding reserves?)
- Fell short on creating as many new seats as promised in first 2 years
- Limited disclosures on spending
- Little to no external oversight
- 80% of revenue is collected from individuals making \$500K+ → recent data suggests number of high-earners paying PFA tax is shrinking

What lessons can states exploring LTC Programs learn from the PFA program?

Sources: <https://www.multco.us/preschool>, <https://www.multco.us/finance/multnomah-county-preschool-all-personal-income-tax>, and <https://www.wweek.com/news/2023/11/08/multnomah-countys-big-plans-to-fund-universal-preschool-have-so-far-produced-pint-sized-results>



Case Study: Local Government “Buy-in”

Proposition 2.5 in Massachusetts

- The Law...
- Literally 9 videos on Mass.gov explaining it
- Residents are confused and default to “No New Taxes”
- However, in high inflation times, town services can be cut and class sizes increased
- Few municipals are successful

How does a municipal respond? What will convince residents to increase their tax rate?

Definitions/Key Terms



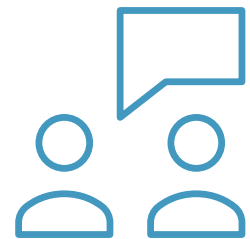
- **Proposition 2½:** State legislation enacted in 1980 that placed constraints on how MA municipalities can raise revenue from property taxes.
- **Tax Levy:** Revenue raised through real and personal property taxes. Largest source of revenue for most MA cities and towns.
- **Levy Ceiling:** Prop 2½ caps the tax levy at 2.5% of the total full and fair cash value of all taxable real and personal property in town.
- **Levy Limit:** Maximum amount a community can levy in a given year. Prop 2½ generally caps the annual increase at 2.5% (plus new growth).
- **New Growth:** An increase in the levy limit by an amount based on the increased value of new development and other growth in the tax base in a given year that is not the result of revaluation.



Polling Question #1: What Does The Public Support?



Are there any examples—public financing, private insurance, or otherwise—where you feel that public sentiment was supportive?



Discussion: For the examples provided, what enabled success?

Polling Question #2: What Are Your LTSS Priorities?



As you plan for potential LTC needs, what is important to you?

Rank your top 3 choices, with "1" being the most important

- a. Care coordination / navigation of services and supports
- b. Preventive / wellness services
- c. Informal caregiver training and other support (e.g., respite care)
- d. Coverage for home and community care services
- e. Coverage for facility care services
- f. Benefits in the first 2 years of your LTSS need
- g. Benefits for LTSS needs in years 2+
- h. Other (please specify)

LTC Public/Private Collaboration

Past and current LTC public/private integration proposals include:

1. Partnership Program for LTC
2. WISH Act
3. Medicare LTC Companion
4. WA Cares Fund
5. CLASS Act
6. Medicare Part L

Consideration for slide content →

1. Brief blurb on what each proposal is/was / how it integrated private/public
2. Highlight which have passed vs. failed
3. Potentially include key pros/cons

Polling Question #3: Choose Your Public Program...



If a compulsory public LTC program were introduced, what is your preferred balance between program benefit levels, expansiveness (i.e., proportion of the population covered), and cost (e.g., payroll tax rate)?

- a. Comprehensive coverage for a targeted portion of the population for a low tax rate
- b. Modest coverage for a broad portion of the population for a medium tax rate
- c. Comprehensive coverage for a broad portion of the population for a high tax rate

Polling Question #4: What Would You “Buy Into”?



If a compulsory public LTC program were introduced, which of the following program designs would you be more inclined to support?

Design element	Program option 1 <i>Comprehensive for broad population</i>	Program option 2 <i>Comprehensive for targeted population</i>	Program option 3 <i>Modest for broad population</i>
Funding source	General revenues	Payroll tax	Payroll tax
Program structure	Public assistance (means-tested)	Social insurance (not means-tested)	Social insurance (not means-tested)
Benefit eligibility criteria	IADL loss	2 of 6 ADLs / Cognitive Impairment	IADL loss
Benefit eligibility age	Ages 18+	Age 65+	Age 18+
Elimination period	None	1 year	None
Benefit duration	Unlimited	3 years	18 months
Covered services	Comprehensive	Comprehensive	Home and community-based care only
Benefit type	Cash	Reimbursement or cash	Reimbursement (informal caregivers training required)
Integration with private insurance	Private insurance pays first	Private insurance pays first Program offers incentives to purchase private insurance (e.g., tax reduction)	Private insurance pays first Program offers incentives to purchase private insurance (e.g., tax reduction)

Polling Question #5: What About On-Claim Support?



How can LTC insurance carriers and/or public LTSS programs engage with caregivers to keep beneficiaries safely at home longer?



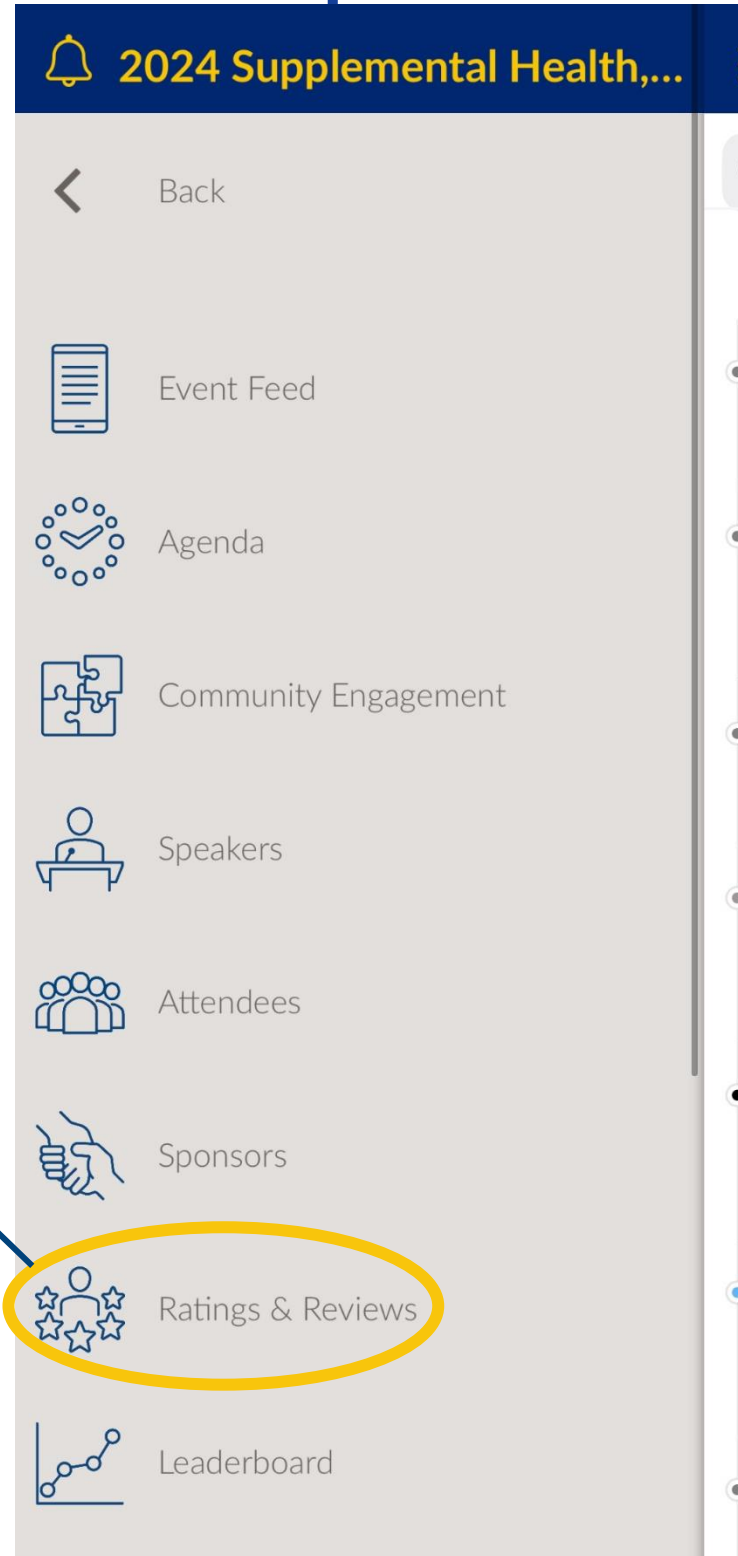
Discussion: What resources do you think are most important to supporting individuals navigating an LTC need?

Where Do We Go From Here?

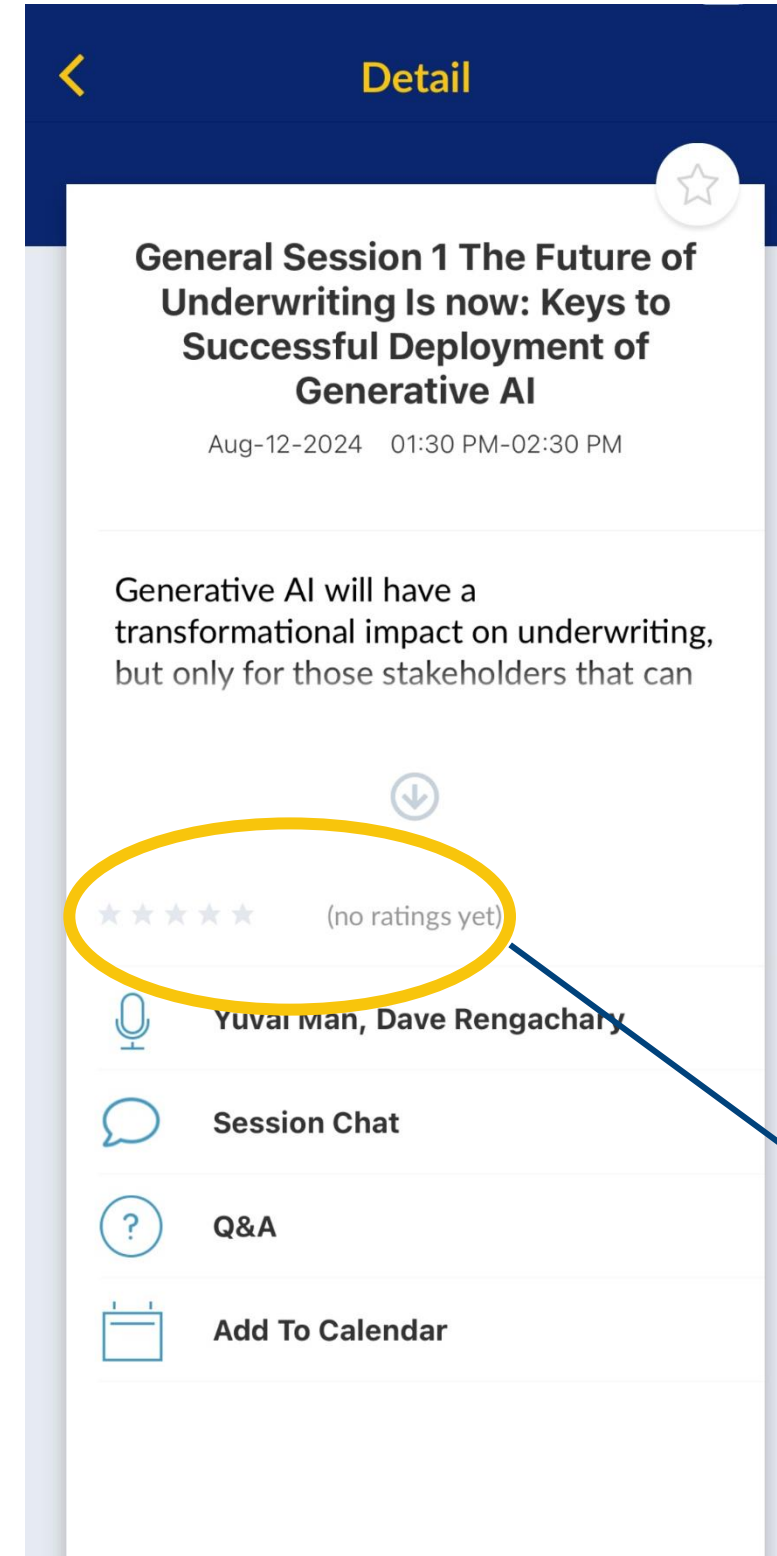
Cover topic of what will it take for the private insurance industry and public sector to better meet the LTSS needs of the middle market?

We Want to Hear From You. Leave a Rating & Review.

Module Option



Agenda Option



Thank You

