



Long Term Care Program Overview



Department of Human Resource Management

Joint Commission on Health Care
September 4, 2008

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LTC Program Background

1999:

- The Department of Human Resource Management (DHRM) was authorized by the General Assembly to contract for Long Term Care insurance for the Commonwealth of Virginia.

Later sessions of the General Assembly authorized:

- Local governmental entities and school systems and VRS terminated vested employees to be added to the DHRM Long Term Care program; and
- The Virginia Retirement System(VRS) to add employer paid Long Term Care benefits to Virginia Sickness and Disability Program (VSDP)

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Eligibility for the DHRM Program

2000:

- Full-time employees of the Commonwealth and their spouses, parents and parents-in-law, retirees and their spouses

2001:

- Local governments and school systems that participate in The Local Choice Health Benefits Program.

2002:

- Classified part-time employees of the Commonwealth
- Any local governmental entity or school system within the Commonwealth

2003:

- Terminated employees with at least five years of VRS service

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LTC Plan Design

Benefit eligibility requirements:

- Functional loss in 2 out of 6 activities of daily living (ADLs)
 - Bathing
 - Dressing
 - Eating
 - Contenance
 - Toileting
 - Transferring (moving from place to place)
- Or severe cognitive impairment

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LTC Plan Design

- Benefits reimbursed based on
 - Expenses incurred, and
 - Daily benefit schedule

- Amount of Daily Benefit Paid based on type of care received
 - 100% of daily benefit for facility care
 - 50% of daily benefit for home care

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LTC Program Enrollment

(10,494 as of June 30, 2008)

	Employees	Employee Family Members	Retirees	Retiree Family Members
Commonwealth of Virginia	5428	1679	195	90
Local Government Entities & School Groups	2308	692	67	30
VRS Terminated Vested Participants	3	2	0	0
Total Participants	7739	2373	262	120
Members in Claim Status	12	1	7	2

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Long Term Care Partnership

- Partnerships are an alliance between the insurance industry and state governments
- Designed to encourage (and reward) individuals for planning ahead for LTC needs
- Protect personal assets if there is a need to apply for Medicaid

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Long Term Care Partnership

- “Dollar-For-Dollar” Asset Protection
- Annual Inflation Protection
- Virginia LTC Partnership launched September 1, 2007
- No “Grandfathered Policies”

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Current LTC Carrier – Aetna, Inc.

- Original contract awarded 2000
- October 2006, Aetna announced their decision to stop soliciting new group LTC business
- Current clients have 3 years (December 2009) to find a new LTC carrier.

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Future of LTC Program

- Secure a replacement carrier by early to mid-2009
- Update the plan design
- Ensure the new plan meets the Virginia Partnership requirements

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