



1 HOUSE RESOLUTION

2 WHEREAS, A study cited by the U.S. Senate Special Committee
3 on Aging indicates that 60% of individuals who reach the age of
4 65 will eventually face the need for long term care; and

5 WHEREAS, A one-year stay in a nursing home can cost
6 anywhere from \$35,000 to \$100,000 and the average length of a
7 stay is about 2.5 years; and

8 WHEREAS, Medicaid, the federal-state partnership, now pays
9 most nursing home costs for people with limited incomes and
10 assets; and

11 WHEREAS, In an effort to increase the number of individuals
12 purchasing long term care insurance, the State of Illinois
13 enacted the Long Term Care Partnership Act to provide for asset
14 protection for individuals who purchase private long term care
15 insurance; and

16 WHEREAS, The purpose of long term care partnership programs
17 is to provide incentives to individuals to purchase long term
18 care insurance and, consequently, to relieve the financial
19 burdens on the State when the State assumes payment for the
20 long term care needs of citizens under the Medicaid program by
21 allowing individuals who exhaust private qualified private
22 long term care policy benefits to protect an equivalent value
23 of assets and still satisfy Medicaid's financial eligibility
24 requirements; and

25 WHEREAS, The Illinois Long Term Care Partnership Act is
26 similar to programs currently operational in California,
27 Connecticut, Indiana, and New York, but due to federal
28 provisions contained in what is commonly referred to as the
29 "Waxman Amendment" to the Omnibus Budget Reconciliation Act of
30 1993, the asset protections in Illinois do not extend to the

1 estate of an individual; and

2 WHEREAS, The "Waxman Amendment" provisions contained in
3 Section 1396p of the Social Security Act (42 U.S.C.
4 1396p(b)(1)(C)) have effectively removed the major incentive
5 for individuals to participate in the Long Term Care
6 Partnership program in Illinois; and

7 WHEREAS, The states that have had fully operational
8 partnership plans for almost a decade have experienced
9 significant savings to taxpayers because, out of 66,000
10 policies in force, only 28 policyholders to date have exhausted
11 their long term care insurance benefits and accessed benefits
12 under the Medicaid program; and

13 WHEREAS, Legislation is pending in the 108th Congress, in
14 the form of H.R. 1406, that would allow the asset protections
15 currently in place for the Long Term Care Partnership Programs
16 operating in California, Connecticut, Indiana, and New York to
17 be extended to programs in other states; therefore, be it

18 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
19 NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
20 that we support and urge efforts by the United States Congress
21 to repeal provisions contained in the Omnibus Budget
22 Reconciliation Act of 1993 that limit the ability of states to
23 operate effective Long Term Care Partnership programs; and be
24 it further

25 RESOLVED, That a suitable copy of this resolution be
26 delivered to each member of the Illinois Congressional
27 delegation, the Speaker of the United States House of
28 Representatives, and the Majority Leader of the United States
29 Senate.