

# Happy New Long Term Care Year!

As we reflect on where to go and what to do next, remember those who brought joy to all, who have now moved on to the stars. As the Chinese curse goes, “may you live in interesting times,” and 2023 is certainly looking that way in only a few short days!

## Carrier News

● **John Hancock**, the last man/carrier standing in what was once a furious bidding process to be allowed to offer group long term care coverage to Federal employees, is now in a two-year holding pattern, thanks to the government’s suspension of the program. Originally billed as “guaranteed issue” for actively-at-work employees, the original contract was judged to be too big for one carrier to handle, and was shared by Hancock and Met Life. Met Life pulled out of the program as soon as they could, and declined to participate/bid when the contract came up for renewal two years in. Hancock persisted, but finally refused to “guarantee” issue to anyone, can’t blame them. In any large employee group, the healthy head to the internet or their financial advisors for options, and the disabled head for human resources to sign up immediately for something they could never qualify for in the real world. Adverse selection is the bane of risk-averse actuaries, large numbers offer some protection, but this program flopped from the get-go. Too big to handle describes the number of uninsurable workers employed by the Federal government, apparently.

● **Prudential** is offering Neurotrack as a one-year pilot program to existing LTCI policyholders who are ages 70-79 and not on claim. [www.try.neurotrack.com/pru](http://www.try.neurotrack.com/pru) if you have clients who will be offered this benefit, for more details. Wellness/fitness/cognitive programs are also included with policies from several other carriers, a nice benefit but we don’t see any results being communicated, any idea of the number of eligible policyholders who take advantage, so can’t report on whether such programs are appreciated, are helpful to those who do sign up.

## Legislative and Other

● NY Senate bill #9082 deserves your attention and respect once our legislature gets back into making the world a better place or destroying civilization – depending on your political outlook 😊 We will be paying attention and reporting, but fair warning, if this passes and is signed by our governor, most of your actively-at-work clients will be required to pay (a lot) for a (small) long term care benefit, like it or not.

- Producers specializing, or just dabbling, in the sale of Medicare supplemental benefits could be impacted by Federal legislation – Senate 5149 – to exclude independent agents and brokers from the recording requirements of the Medicare Marketing rules. A good thing for professional (ethical) operators.
- Medicare deductibles, Federal tax deduction information for LTCI policyholders, and Medicaid resources information – all available for 2023, just drop an email.
- The minimum NY State Partnership policy benefit increases to \$374/day in 2023 -- \$136,510 annually to cover the roughly \$180,000 annually charged by local skilled nursing facilities. Those escaping NY for whatever reason, average skilled nursing costs will likely be covered in full by this policy.

\$6,800 a month for independent/assisted living when on claim is more than enough to cover these costs for most policyholders, whether receiving services locally or nationally. This same monthly benefit for care at home, would pay for about 6-hours of aide services each day. Staying out of a skilled nursing facility is the goal for most clients, and having the cash flow from any type of insurance policy – means that clients can fund their plan for what they want to do when they can no longer take care of themselves – without destroying lifestyle and estate plans.

### **Meeting, Greeting and CE**

- January 4 – Planning Professionals Network presents “How the new SEC Marketing rule affects how we do business” with Gregory Gribben of Woods, Oviatt. 8-am to 9-am for a virtual presentation, no NYS/CFP CE credits. Reach out to [planningprosnetwork@gmail.com](mailto:planningprosnetwork@gmail.com) for additional information.
- January 11 – FPA of Greater Rochester presents “An Overview of 401(k) Plan and Cash Balance Plan Alternatives,” with Mark Brand of Actuarial Consulting Services. Locust Hill CC starting at 8-am – includes breakfast and 2 NYS/CFP credits. Contact [rocFPAoffice@gmail.com](mailto:rocFPAoffice@gmail.com) to register.
- Mark the date – Thursday, March 20 from Noon to 1:30, Lifespan’s Celebration of Aging with Jim Kelly. [dpalotas@lifespanrochester.org](mailto:dpalotas@lifespanrochester.org) for all the information.

Reminder – if your NY State insurance license renews this year, CE requirements (15 hours) must include 1-hour each of

- Insurance Law
- Ethics and Professionalism
- Diversity, Inclusion and Elimination of Bias

Online CE no longer requires a NY State monitor for your exams, and there are even webinar approved courses for those who don't like taking tests.

**Media and Other News** (drop an email to receive articles)

- Life expectancy has fallen to 1996 levels thanks to Covid and opioids – not by much of course, average age 77 down to 76.4 – with heart disease and cancer leading the causes data.
- Age-proofing your home, nursing home versus home care costs, and “kinless” seniors requiring care
- And of course, Alzheimer's, dementia, cures, tests, causes – long claims and gobs of benefit dollars – everyone's nightmare.

Wishing you a happy, healthy and prosperous New Year.

**Andrea Graham**