

STATEWIDE LONG-TERM CARE (LTC) INSURANCE PROGRAM CASE STUDIES

International portability and family caregiver considerations

QUALIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS

Oliver Wyman was commissioned by the California Department of Insurance (CDI) to provide support associated with assessing the feasibility of developing and implementing a culturally competent statewide insurance program for long-term care services and supports. The primary audience for this report includes stakeholders from the California Department of Insurance, members of the Long-Term Care Insurance Task Force, and members of the general public within the state of California.

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CASE STUDY: INTERNATIONAL PORTABILITY



Federal Long-Term Care Insurance (FLTCI) Program

- International coverage up to 100% of the maximum lifetime benefit
- To receive benefits internationally, an individual must:
 - Be certified as meeting the benefit eligibility criteria by a U.S. licensed health care practitioner
 - Satisfy any elimination period required by their policy
- Individuals eligible for the FLTCI program include:
 - Current and retired federal employees and members of the military
 - Current and surviving spouses/domestic partners of employees and retirees (civilian and military)
 - Adult children (age 18 and older) of domestic partners of employees and retirees (civilian and military)
 - Parents of living employees, including in-laws, and stepparents (civilian and military)



Private LTC insurance products¹

- Many newer products provide some level of international portability
- International coverage may be limited relative to care received in the U.S., such as:
 - Reduction in covered services (i.e., only facility care covered)
 - Less than 100% of the maximum daily/monthly benefit covered (e.g., 50%)
 - Reduced duration of coverage (e.g., 365 days)
 - No ancillary benefits (e.g., no respite care or adult day care)
 - No coverage after full acceleration of the death benefit for combination products
- To receive benefits internationally, an individual must:
 - Be certified as meeting the benefit eligibility criteria by a U.S. licensed health care practitioner
 - Satisfy any elimination period required by their policy

1. Includes traditional (stand-alone) LTC insurance as well as LTC combination products, which combine LTC coverage with life insurance or annuities

CASE STUDY: FINANCIAL SUPPORT FOR FAMILY CAREGIVERS



WA Cares Fund

- Qualified family members² can be long-term services and supports (LTSS) providers under WA Cares Fund
- Minimum training requirements apply:
 - 12 hours relevant to the needs of adults with developmental disabilities for a biological, step, or adoptive parent providing care to developmentally disabled son or daughter
 - 15 hours of basic training plus 6 hours focused on the care recipient's needs if caregiver is the spouse or registered domestic partner
 - 75 hours of entry-level training for all other family caregivers
- Qualified family members may be paid for approved personal care services in the same way as individual providers or through a licensed home care agency³



In-Home Supportive Services (IHSS) Program

- IHSS is the state's primary Medicaid Personal Care Services program
- Anyone can become an IHSS provider, including family members and friends
 - Individuals convicted of or incarcerated for certain crimes are not eligible
- Prospective providers must do the following within 90 days:
 - Complete and sign the IHSS Program Provider Enrollment Form
 - Be fingerprinted and go through a criminal background check by the California Department of Justice
 - Attend an IHSS Program Provider Orientation and sign a Program Provider Enrollment Agreement
- There are no education or training requirements
- The IHSS wage rate for providers varies by county, ranging from \$15.00 to \$18.75 per hour (July 2022)⁴



Private LTC insurance products¹

- Some form of coverage for family caregiver training and respite care is typical
- If covered, benefits for family caregivers:
 - Are generally indemnity or cash
 - Do not require caregiver training
 - May exclude care provided by an individual's spouse or domestic partner
 - May require the specific services provided to be prescribed by a licensed health care practitioner

1. Includes traditional (stand-alone) LTC insurance as well as LTC combination products, which combine LTC coverage with life insurance or annuities

2. "Qualified family member" means a relative of an eligible beneficiary qualified to meet requirements established in state law for the approved service they provide that would be required of any other LTSS provider to receive payments from the state (RCW 50B.04.010)

3. A third option for reimbursement may apply if recommended by the commission and adopted by the Department of Social and Health Services

4. [County IHSS wage rates](#)

