

Presentation #15.A

CALIFORNIA DEPARTMENT OF INSURANCE: LONG-TERM CARE INSURANCE PROGRAM

Long-Term Services and Supports (“LTSS”) program interdependencies
questionnaire results

August 2022

QUALIFICATIONS, ASSUMPTIONS AND LIMITING CONDITIONS

Oliver Wyman was commissioned by the California Department of Insurance 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 (LTSS). 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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EXECUTIVE SUMMARY (1 OF 2)

Task Force Members were asked to complete a questionnaire regarding their **preliminary** views on the **LTSS program interdependencies** for a statewide LTC insurance program in California. Task Force Member views may evolve as detailed discussions progress across the **seven Work Plan elements**. This page summarizes Task Force Member questionnaire results. Subsequent pages contain verbatim responses from Task Force Members and the public (with minor edits for spelling, grammar, and punctuation).

Program element	Key takeaways
Benefit eligibility age requirement	Age 18+ for <u>all</u> 'straw man' designs <ul style="list-style-type: none">Ages 60+ and 65+ were prevalent recommendations for Designs 3-5
Additional working group	Establish a separate working group to assess LTSS needs associated with developmental and acquired disabilities in early adulthood
Triaged benefit eligibility	Do not include triaged benefit eligibility (but <u>do</u> include preventive benefits)
Vesting requirement	No change to the current 'straw man' designs
Partial vesting methodology	For a 5-year vesting period: <ul style="list-style-type: none">No benefits for individuals who contribute for less than 3 years50% of the benefits for individuals who contribute between 3 and 5 years100% of the benefits for individuals who contribute for 5 or more years For a 10-year vesting period: <ul style="list-style-type: none">No benefits for individuals who contribute for less than 5 years50% of the benefits for individuals who contribute for 5 years, grading up by 10% each year to 100% in year 10
Monthly benefit amount (Design 1 & 2)	Design 1: results were split on whether to decrease or not change the monthly benefit amount Design 2: no change to the current monthly benefit amount

The results in this presentation are based on questionnaire responses from **thirteen** Task Force members and **five** public respondents; their responses are provided on the subsequent pages

EXECUTIVE SUMMARY (2 OF 2)

Task Force Members were asked to complete a questionnaire regarding their **preliminary** views on the **LTSS program interdependencies** for a statewide LTC insurance program in California. Task Force Member views may evolve as detailed discussions progress across the **seven Work Plan elements**. This page summarizes Task Force Member questionnaire results. Subsequent pages contain verbatim responses from Task Force Members and the public (with minor edits for spelling, grammar, and punctuation).

Program element	Key takeaways
Additional lower-cost program alternative	Include a lower-cost home-care only program design that excludes lower-income individuals
Maximum program contribution limit methodology	Maintain current program contribution limit methodology (i.e., annual contribution cap) <ul style="list-style-type: none">Results were split on whether the cap should be equal to or greater than the Social Security wage limit
Family/spousal coverage	Maintain individual coverage for ‘straw man’ designs 1-3 Expand to cover spouses and domestic partners via shared pool for ‘straw man’ designs 4-6
Maximum contribution age	Maintain no maximum contribution age for all ‘straw man’ designs
Coordination with private insurance	Do not offer reduced program contributions to individuals who purchase supplemental (i.e., non-substitutive) private LTC insurance <u>after</u> program enactment
Non-voluntary program contribution	Require non-voluntary program contributions via an income tax for individuals not subject to a payroll tax in ‘straw man’ designs 3-5
Informal/family caregiver training requirements	Establish minimum training requirements for family caregivers <ul style="list-style-type: none">Results were split on whether there should be exceptions to the requirements
Working group prioritization	The highest priority working groups are (1) outreach and education, (2) supplemental private LTC insurance coordination, and (3) LTSS needs for those with early adulthood developmental and acquired disabilities <ul style="list-style-type: none">Full prioritization list is summarized on page 41

QUESTION 1A

Please specify your recommended benefit eligibility age for each of the six program designs included in the 'straw man'

Task Force Member responses	No minimum age		Age 18+		Age 50+		Age 60+		Age 65+	
	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count
Design 1	23.1%	3	53.8%	7	7.7%	1	0.0%	0	15.4%	2
Design 2	23.1%	3	53.8%	7	7.7%	1	0.0%	0	15.4%	2
Design 3	23.1%	3	38.5%	5	0.0%	0	7.7%	1	30.8%	4
Design 4	23.1%	3	38.5%	5	0.0%	0	7.7%	1	30.8%	4
Design 5	23.1%	3	38.5%	5	0.0%	0	7.7%	1	30.8%	4
Design 6	23.1%	3	53.8%	7	0.0%	0	15.4%	2	7.7%	1

Public responses	Age 18+		Age 50+		Age 60+		Age 65+	
	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count
Design 1	60.0%	3	0.0%	0	20.0%	1	20.0%	1
Design 2	60.0%	3	0.0%	0	20.0%	1	20.0%	1
Design 3	40.0%	2	20.0%	1	20.0%	1	20.0%	1
Design 4	40.0%	2	20.0%	1	20.0%	1	20.0%	1
Design 5	40.0%	2	20.0%	1	20.0%	1	20.0%	1
Design 6	40.0%	2	20.0%	1	20.0%	1	20.0%	1

QUESTION 1B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who recommended “No minimum age” requirement for <u>all</u> program designs
1	[Per the] AARP [letter,] eligibility should be at birth, contingent on vesting requirements and meeting ADL needs.
2	No age limits—it doesn’t cost more
3	An individual may need benefits at any age so if they are fully vested, they shouldn't have to wait until a later age.

#	Responses for those who chose “18+” for <u>all</u> program designs
1	If the incremental costs are not that high, we might as well start from this and if it's deemed too expensive, we can always back off and compromise to a higher [minimum] benefit eligibility age. [Philosophically,] I think this program is meant for people who pay into it, like Social Security or Medicare.
2	Adults under age 65 with disabilities face similar barriers to accessing LTSS as older [adults,] namely that LTSS is unaffordable for many if they are not eligible for Medi-Cal. After Ryan de la Torre's presentation at a past meeting in which he reviewed the Task Force's charge under AB 567, it seemed clear to me that a focus on addressing disability broadly is within scope. I think it may help build support for the program among younger workers if they know that LTSS benefits will be available to them in the near-term if they become disabled (and if they have vested). In terms of the cost concerns, I would prefer to look at adjusting the benefit options and/or broadening the financing (such as not capping tax contributions or including self-employed income tax in every option) rather than limiting eligibility.
3	It is difficult to pick an age number where aging and [disability-related] issues begin for individuals from different background[s]. As a result, I think each design should consider 18 as the benefit eligibility age with consideration of appropriate vesting.
4	It is my opinion that a further discussion of age limitations needs to happen in order to ensure we are covering the most Californians, but in a matter that is politically and fiscally feasible.

QUESTION 1B (2 OF 2)

Please explain your response to the question above.

Responses for those who chose “65+” for all program designs

- 1 My inclination is to develop a viable LTC program to address the baby boom generation of older adults upon us. If successful, this is a program that can be built upon for other age cohorts.

Responses for those who chose a mix of “18+” and “65+”

- 1 I settled on these based on the vesting requirements and eligibility criteria
- 2 I would like us to have [a] program targeted at the greatest need. I recognize that there are those that are excluded, but I support the perspective of progress vs. perfection. I am open to having one program developed that includes 18+, but in general I prefer a program that focuses on those that are older. I am also of the belief there are other programs helping some of those that are between 18 - 65 and am focused on keeping this program distinct from those other program[s].

Responses for those who chose an alternative mix of eligibility ages

- 1 [50+ for Designs 1-2 and 60+ for Designs 3-6] Individuals must be age X or older to receive benefits... consider targeting the benefits to the aging population (e.g., 60, 65). Establish a separate working group to look into supports for developmental and acquired disabilities in early adulthood. [Designs] 1 and 2 could have earlier eligibility points. Defining benefit eligibility to align with aging is consistent with the stated rationale for creating AB 567, covers a broad yet focused population that is consistent with the Governor’s Master Plan on Aging, and could reduce costs (which may increase the likelihood of the program being established).
- 2 [18+ for Designs 1-2, 65+ for Designs 3-5, and 60+ for Design 6] Data presented that the proposed plan will more likely be adopted. Defining benefit eligibility to align with aging is consistent with the stated rationale for creating AB 567, covers a broad yet focused population that is consistent with the Governor’s Master Plan on Aging, and could reduce costs (which may increase the likelihood of the program being established)

QUESTION 2A

Do you recommend establishing a separate working group to assess LTSS needs associated with developmental and acquired disabilities in early adulthood?

#	Answer – Task Force Members	Percentage	Count
1	Yes	69.2%	9
2	No	30.8%	4

#	Answer – Public	Percentage	Count
1	No	60.0%	3
2	Yes	40.0%	2

QUESTION 2B

If yes, please indicate what types of organizations and individuals you recommend be included in the working group.

#	Responses – Task Force Members
1	Disability advocacy group[s]. Private DI, insurance consumer, existing state programs, [and] CDI [representatives]. Overlap and synergy [with] [age-related] LTSS
2	Only if eligibility is targeted to higher age groups and non-disabled individuals. Secondly, the working group must include consumers [and] disability advocates like Disability Rights of CA, CA Foundation, Justice on Aging, CA Alliance for Retired Americans, AARP-CA, CA Domestic Workers [Association], ARC of CA, [and] Hand-in-Hand.
3	We need more disability participation[;] CFILC [and] DRC
4	Impacted consumer groups, advocates, [individuals in the LTSS workforce]
5	Provider organizations, advocates for persons with disabilities, representatives from disability organizations, [and] individuals with disabilities
6	I would include someone familiar with programs CA offers for those 18 - 65 to help identify where there are solutions and where gap[s] may exist

QUESTION 2C

Please explain your response to the question above.

#	Responses for those who chose "Yes"
1	This should be a separate [task force]
2	Please refer to [the] CADA and AARP letters.
3	There is a need for coverage for those with developmental and acquired disabilities in early adulthood just as there is in the aging population in California.
4	These groups aggregate local groups
5	I do think these are populations that need further assessment; however, I do not think further working groups should stop the forward progress of creating a first iteration of an LTSS benefit.
6	If you ever discuss needs for persons with disabilities[,] they need to have a seat at the table and not just be told what is best for them
7	I believe the need for those 18 - 65 is different than [that for those 65+.] Those 18 - 65 may have other programs available. It would therefore make sense to have a group [that understands] the different needs and program options to develop a solution.

#	Responses for those who chose "No"
1	Most of these are going to need a lot more than a couple of [years] worth of LTCI. I just don't think it's really part of our scope of work here.
2	We have heard about the LTSS needs associated with acquired and developmental disabilities in presentations and numerous public comments. The interaction between a new statewide program and programs for individuals with developmental disabilities may be more complex, but the small incremental cost of including individuals with a disability that began before age 18 makes me inclined to include those individuals in eligibility (without a working group).
3	[Not] at this time. Yes, in the future when and if we have a functioning LTC program for older adults.
4	This is beyond the scope of this Task Force and there are already other agencies in California working to address this issue

QUESTION 3A

Do you recommend including a tiered/triaged approach to benefit eligibility with varying tiers¹?

#	Answer – Task Force Members	Percentage	Count
1	No	53.8%	7
2	Yes	46.2%	6

#	Answer – Public	Percentage	Count
1	No	60.0%	3
2	Yes	40.0%	2

¹**Tier 1** provides preventive benefits following satisfaction of the vesting requirement; **Tier 2** provides ancillary LTSS benefits after satisfying instrumental activities of daily living (IADL)-based benefit eligibility triggers (e.g., cooking, cleaning, transportation, etc.); **Tier 3** provides full benefits after satisfying the HIPAA (ADL-based) benefit eligibility trigger

QUESTION 3B

Please explain your response to the question above.

#	Responses for those who chose “No”
1	I think the cons outweigh the pros for this particular design, but it would be great to see the program include preventative benefits and the spirit of triaging.
2	Triage is conceptually [a] fair idea; the implementation is going to be a challenge because it will add to [administration] costs and complicated bureaucracy. [T]riage services and methodology may be inconsistent.
3	Too complex
4	The triaged approach seems to be the best way to provide individuals earlier access to benefits.
5	I could be swayed by an expert analysis on this question, in either direction. Assistance with activities of daily living as a qualifier is by and large the current private LTC insurance qualifier and is effective at getting older adults the help that they need. With that said, preventative benefit models are generally effective and there is no doubt that older adults could benefit from assistance with non-care focused daily tasks. On the other hand, if this program offers a basic benefit and not a rich benefit then it is best to focus on high care needs and these are the items that will be most costly and dire for older adults.
6	I'm in favor of preventative benefits but not the inclusion of Tier 2

#	Responses for those who chose “Yes”
1	It may substantially increase the complexity of the program, but it has the potential to allow some people to stay at home with some limited support and not actually require formal LTSS by providing preventive services. [Preventive services] generally are not that expensive[,] so [are] worth considering.
2	This gives us a range to study
3	I think a limited [preventive] benefit could reduce the likelihood of individuals trigger[ing] the LTSS benefits (e.g., family caregiver education for people with dementia, [in-home] assessment for [fall] prevention.)
4	Seems to me that having the ability to receive preventative care will cut cost in the long run and allow for those to have access to care earlier
5	I am unclear if this adds additional cost or if by providing this tier[,] we are able to minimize the greater cost of the program. If additional cost, my answer would be No. If this [encourages] good behavior and [helps] the program holistically, my answer is Yes.

QUESTION 4A

Please specify whether you recommend increasing, decreasing, or not changing the current vesting requirements for each of the six program designs included in the ‘straw man’.

Task Force Member responses	Increase		Decrease		No Change	
	Percentage	Count	Percentage	Count	Percentage	Count
Design 1 [Current = 5 years]	7.7%	1	7.7%	1	84.6%	11
Design 2 [Current = 5 years]	7.7%	1	7.7%	1	84.6%	11
Design 3 [Current = 10 years]	0.0%	0	7.7%	1	92.3%	12
Design 4 [Current = 10 years]	0.0%	0	7.7%	1	92.3%	12
Design 5 [Current = 10 years]	0.0%	0	15.4%	2	84.6%	11
Design 6 [Current = 5 years]	38.5%	5	0.0%	0	61.5%	8

Public	Increase		Decrease		No Change	
	Percentage	Count	Percentage	Count	Percentage	Count
Design 1 [Current = 5 years]	60.0%	3	0.0%	0	40.0%	2
Design 2 [Current = 5 years]	60.0%	3	0.0%	0	40.0%	2
Design 3 [Current = 10 years]	0.0%	0	0.0%	0	100.0%	5
Design 4 [Current = 10 years]	0.0%	0	0.0%	0	100.0%	5
Design 5 [Current = 10 years]	0.0%	0	0.0%	0	100.0%	5
Design 6 [Current = 5 years]	100.0%	5	0.0%	0	0.0%	0

QUESTION 4B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “No Change” for <u>all</u> designs
1	I think vesting could be a "final" variable based on overall cost, funding[,] and investment sensitivities
2	Actuarial [analysis] may inform more vesting requirements and cost.
3	I appreciated the public comment that 10 years is a familiar vesting period to people because of the 40 quarterly credits in Social Security. I think it is good to include the [10-year] vesting period in some of the base options while also including 5 years in the more targeted options [Designs 1 and 2] and the most generous option [Design 6].
4	I don't see an issue with the current vesting requirements.
5	I would not change based on the other factors listed within each design

#	Responses for those who chose “No Change” for Designs 1-5 and “Increase” for Design 6
1	I would like to see Design 6 with a longer vesting option.
2	I put no change for Designs 1-2 because I don't agree with those less comprehensive models. I think a [10-year] vesting period should be the standard so that is the reason for my answers for designs 3-6.
3	The benefits [we are] offering are considerable and we need to have people contribute to the program equitably before qualifying. I would not support a [5-year] option for Design 6 given the richness of the program. We would be encouraging poor behavior and could have people work in CA for just 5 years to qualify for a rich benefit and then leave the state.
4	Propose increasing the vesting period for Design 6 to 10 years as long as there are pro-rated benefits available

QUESTION 4B (2 OF 2)

Please explain your response to the question above.

Responses for those who chose a mix of “No Change” and “Decrease”

- 1 I think 5 years is a good sweet spot. Although I thought we might take the really low-cost [Designs 1 & 2] options off the table, if we do keep them, [it] might be worth considering a shorter vesting period. For the others [Designs 3-6], I like 5 years although we could consider a partial vesting option, including having benefits start at 5 years but then max out at 10.
- 2 5 [years] is sufficient

Responses for those who chose a mix of “No Change” and “Increase”

- 1 A [10-year vesting requirement] feels appropriate to allow time for growth to meet cost.

QUESTION 5A (1 OF 2)

Please indicate your recommended benefit pro-rating (partial vesting) methodology for individuals who are unable to satisfy full vesting requirements before they meet the benefit eligibility criteria.

#	Answer – Task Force Members – 5-year vesting period	Percentage	Count
1	Hypothetical example ¹	46.2%	6
2	Other Key recommendations: 10-year vesting period with 50% of the benefits available after 5 years; as much of the benefit as soon as possible; <u>linear</u> grade-in starting at year 1	30.7%	4
3	Same as #1, but with 75% of benefits for individuals who contribute 4 years	7.7%	1
4	Same as #1, but with 25% of benefits for individuals who contribute for less than 3 years and 75% of benefits for individuals who contribute 4 years	7.7%	1
5	No partial vesting	7.7%	1

#	Answer – Task Force Members – 10-year vesting period	Percentage	Count
1	Hypothetical example ²	58.4%	7
2	Other Key recommendations: 10-year vesting period with 50% of the benefits available after 5 years; as much of the benefit as soon as possible; <u>linear</u> grade-in starting at year 1	25.0%	3
3	Same as #1, but with 25-35% of benefits available for individuals who contribute between 2 and 4 years	8.3%	1
4	Same as #1, but with non-linear grading for individuals who contribute for more than 5 years	8.3%	1

¹ No benefits for individuals who contribute for less than 3 years, 50% of the benefits for individuals who contribute between 3 and 5 years, 100% of the benefits for individuals who contribute for 5 or more years

² No benefits for individuals who contribute for less than 5 years, 50% of the benefits for individuals who contribute for 5 years, grading up by 10% each year to 100% of the benefits for individuals who contribute for 10 or more years

QUESTION 5A (2 OF 2)

Please indicate your recommended benefit pro-rating (partial vesting) methodology for individuals who are unable to satisfy full vesting requirements before they meet the benefit eligibility criteria.

#	Answer – Public – 5-year vesting period	Percentage	Count
1	Hypothetical example ¹	60.0%	3
2	No partial vesting	20.0%	1
3	Other Key recommendation: Linear grade-in (e.g., 20% per year of contribution grading up to 100% of benefits after 5 years)	20.0%	1

#	Answer – Public – 10-year vesting period	Percentage	Count
1	Hypothetical example ²	80.0%	4
2	Other Key recommendation: Linear grade-in (e.g., 10% per year of contribution grading up to 100% of benefits after 10 years)	20.0%	1

¹ No benefits for individuals who contribute for less than 3 years, 50% of the benefits for individuals who contribute between 3 and 5 years, 100% of the benefits for individuals who contribute for 5 or more years

² No benefits for individuals who contribute for less than 5 years, 50% of the benefits for individuals who contribute for 5 years, grading up by 10% each year to 100% of the benefits for individuals who contribute for 10 or more years

QUESTION 5B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who chose the hypothetical examples ^{1,2} (or a modification thereof) for <u>both</u> vesting scenarios
1	Depends on benefit richness relative to needed funding... as well as the age of the population. WA Cares defined [a] contribution start date and a first benefit payment date to address this
2	Your examples are simple and reasonable.
3	Suggested vesting methodology for 5 years and 10 years sounds reasonable.
4	[Modification to hypothetical example for 5-year vesting scenario only] I think it makes sense to have a minimum period for partial vesting (such as 3 years when the vesting period is 5 years and 5 years when the vesting period is 10 years). If partial benefits start at 1 year of contributions[,] the benefits would be very low for those partial participants and probably not in keeping with the goals of the program. This question made me wonder whether someone who partially vested and received 50% of the benefits (for example), would later be eligible for the remaining 50% of benefits if they continued contributing to the program after their first use of LTSS?
5	I still have questions regarding vesting requirement options.
6	[Modification to hypothetical example for 10-year vesting scenario only] I think there needs to [be] partial vesting but do not have any idea what should be the graduated amount. It would be helpful to know the cost implications.
7	[Modification to hypothetical example for both vesting scenarios] If you vested anything you should receive something. There are many circumstances in which some may have to stop or start again[,] and their vesting should not go without some level of care

¹ No benefits for individuals who contribute for less than 3 years, 50% of the benefits for individuals who contribute between 3 and 5 years, 100% of the benefits for individuals who contribute for 5 or more years

² No benefits for individuals who contribute for less than 5 years, 50% of the benefits for individuals who contribute for 5 years, grading up by 10% each year to 100% of the benefits for individuals who contribute for 10 or more years

QUESTION 5B (2 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “Other” for <u>both</u> vesting scenarios
1	Creating such a methodology is obviously very complex and cannot be developed without more information on how much annual funding the Legislature is willing to commit to the program.
2	More access is better
3	We would need a math expert to work out the percentages[,] but we want [buy-in] to the program so generally speaking, I would suggest the longer vesting period push for all individuals but partial access to benefits for anyone who participates.

#	Responses for those who chose a mix of the hypothetical examples ^{1,2} (or a modification thereof) and “No partial vesting”
1	[Modification to the hypothetical example for 10-year vesting scenario only] Partial vesting starting year 5, but not linear. We want to encourage people to fund for the full 10 years. [15% at 5 years of contribution], 35% [at 6 years], 55% [at 7 years], 70% [at 8 years] and 80% [at 9 years]. Open to a better pattern. I believe 5 years should be the minimum for any program to provide any benefits. We need individuals to contribute at a minimum equitable level before being able to vest into a program offering value. For the [10-year] option, I would like us to have an incentive for people to get to the full 10 year; partial vesting which provides linear grading won't accomplish that.

¹ No benefits for individuals who contribute for less than 3 years, 50% of the benefits for individuals who contribute between 3 and 5 years, 100% of the benefits for individuals who contribute for 5 or more years

² No benefits for individuals who contribute for less than 5 years, 50% of the benefits for individuals who contribute for 5 years, grading up by 10% each year to 100% of the benefits for individuals who contribute for 10 or more years

QUESTION 6A

Please specify whether you recommend increasing, decreasing, or not changing the current monthly benefit amount for each of the **lower cost alternative** program designs included in the ‘straw man’.

Task Force Member responses	Increase		Decrease		No Change	
	Percentage	Count	Percentage	Count	Percentage	Count
Design 1 [Current = \$1,500 per month]	7.7%	1	46.2%	6	46.2%	6
Design 2 [Current = \$2,000 per month]	15.4%	2	23.1%	3	61.5%	8

Public responses	Increase		Decrease		No Change	
	Percentage	Count	Percentage	Count	Percentage	Count
Design 1 [Current = \$1,500 per month]	40.0%	2	0.0%	0	60.0%	3
Design 2 [Current = \$2,000 per month]	20.0%	1	0.0%	0	80.0%	4

QUESTION 6B (1 OF 2)

Please explain your response to the question above.

Responses for those who chose “Increase” for both designs

- 1 This is not going to be enough for most people who have these needs, even if it is as much as they get in Social Security.
- 2 I think the benefit design should be a minimum of \$2500/month

Responses for those who chose “Decrease” for both designs

- 1 Feasibility and actuarial need to be tested with full range of [benefit] amounts and eligibility scenarios. \$1500 benefits require more taxes and may not get support from voters.

Responses for those who chose “No Change” for both designs

- 1 I don't feel very strongly about the benefit amount for these options because I am not convinced [that] we should even include these Designs in the straw man
- 2 My inclination here is to suggest that we start with a reasonable contribution and benefit and[,] if successful[,] build upon this program
- 3 These numbers may feel small, but for many they will increase their quality of life. I like that we have [low-cost programs].

Responses for those who chose “Increase” for Design 1 and “No Change” for Design 2

- 1 I think Design 1 holds the most promise but feel the benefit should be higher to support coverage of residential care and home care.
- 2 For Design 1 if you are paying and it is getting reimbursed, the cost can go up slightly
- 3 Design 1 benefit level is too low.
- 4 If Design 1 and 2 are combined, then I do not propose a change to the monthly benefit amount of \$1,500; however, if Design 1 and 2 are not combined, then increase Design 1 benefit to \$2,000/month

QUESTION 6B (2 OF 2)

Please explain your response to the question above.

Responses for those who chose “No Change” for Design 1 and “Decrease” for Design 2

1 We should test a lower amount

Responses for those who chose “No Change” for Design 1 and “Increase” for Design 2

How was the \$1500 monthly benefit determined [for Design 1]? GNW’s Cost of Care notes adult day care at median cost of a little over \$1800 monthly in California. Further, how was the period of 2 years determined to be appropriate for this type of care? Many of these elements may be lump sum amounts vs. monthly ongoing costs.

1 How does the design address that vs. being structured in a more traditional LTCI way? Is it right to think of [Design 2] as income replacement / supplement? How was the level of \$2000 monthly determined? Formal home care costs are a median of \$6000 monthly in CA per GNW’s Cost of Care survey. How will decisions on inflation be applied? A function of CPI is very open ended and needs a rationale on benefit coverage relative to cost.

QUESTION 7A

Do you recommend including an **additional** lower-cost targeted program design in the ‘straw man’ based on the **@ Home** example outlined on page 28 of Presentation 12.B?

#	Answer – Task Force Members	Percentage	Count
1	No	46.2%	6
2	Yes	38.5%	5
3	Yes, but with the following modifications Key recommendations: No elimination period; reduce monthly benefit	15.4%	2

#	Answer – Public	Percentage	Count
1	No	40.0%	2
2	Yes	40.0%	2
3	Yes, but with the following modifications Key recommendation: Do not limit to home health care (HHC) coverage only	20.0%	1

QUESTION 7B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “No”
1	I think at-home only benefits are discriminatory and should not be an option. We need to cover all or part of the costs of residential or skilled placements.
2	Too many variations to the program is confusing and may end up costly to administer.
3	I don't want to include any options in which low-income individuals are excluded from the program because incomes fluctuate over a lifetime and someone that doesn't participate due to low income may not be eligible for Medi-Cal when they need LTSS. I also don't support a 90-day elimination period because LTSS will be inaccessible to those with limited or no savings.
4	No age limit
5	This State-sponsored LTC benefits program was intended to and must be designed with consumer choice in mind. Our older adult population needs to have the choice of setting that meets their individual needs including out of home settings.
6	If Design 1 and 2 are combined, such that the current Design 2 option is removed, then we should include another lower cost alternative

#	Responses for those who chose “Yes”
1	Would meet the needs of those not necessary in the low-income category but still in need of benefits.
2	I think modeling an additional targeted program could be useful.
3	I lean toward yes but would want to revisit the idea for further discussion
4	We currently have 3 designs that are more expensive than WA. I want to make sure that we can have a design that [has] richer benefits than WA but at a cost lower than WA. It may be more focused but will give many people a decent standard of living while keeping [the] program [cost-effective] and more reasonably priced. It won't meet [everyone's] needs but does WA meet everyone's need with only 1 year benefit at \$3000 per month[?] We can be more targeted and offer greater monthly benefit and longer duration. We can also rely on other CA programs to assist those that don't get the necessary benefits from this program.

QUESTION 7B (2 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “Yes, but with the following modifications”
1	0-day EP, lower monthly benefit. How does this compare to benefits a low-income individual can get under [Medi-Cal]? May increase the likelihood of the program being established
2	I suggest increasing the benefit in Design 1 to \$2,000 per month. I am most interested in considering Designs 3-6. Design 1 would be more attractive [if] the [monthly] benefit was a bit higher.

QUESTION 8A (1 OF 2)

Please specify your preferred maximum program contribution methodology for each ‘straw man’ program design that includes a program contribution cap.

#	Answer – Task Force Members ¹	Percentage	Count
1	Annual contribution cap similar to Social Security	23.1%	3
2	Annual contribution cap that exceeds the Social Security annual wage cap Key recommendation: Annual contribution cap of double the Social Security wage limit (i.e., \$294,000 in 2022)	23.1%	3
3	Lifetime program contribution maximum Key recommendation: 85% of program benefits; 200% of program benefits	23.1%	3
4	No contribution cap	15.4%	2
5	Other (please specify) Key recommendations: \$250,000 cap <u>or</u> a lifetime program contribution maximum of 200% of program benefits	15.4%	2

#	Other (please specify) – Task Force Members
1	Either an annual cap (say at \$250K individual income) or a lifetime max of 2x program benefits would be reasonable.
2	Wealthier people can pay more

¹Three Task Force Members selected “Other (please specify)” with commentary suggesting preferences towards other options (2 preferred no contribution cap, and 1 preferred an annual contribution cap exceeding Social Security). Their responses have been recategorized accordingly.

QUESTION 8A (2 OF 2)

Please specify your preferred maximum program contribution methodology for each 'straw man' program design that includes a program contribution cap.

#	Answer – Public	Percentage	Count
1	Annual contribution cap that exceeds the Social Security annual wage cap Key recommendations: \$250,000-\$500,000; \$350,000; \$180,000 ¹	75.0%	3
2	Other (please specify)	25.0%	1

¹Public respondent noted this figure as a multiplier on top of the Social Security cap, where the multiplier is equal to the proportion by which California's average wage exceeds the national average wage (which they indicated to be 22.8%)

QUESTION 8B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “Annual contribution cap similar to Social Security”
1	Alignment with Social Security may help gain buy-in from taxpayers.
2	This methodology makes the most sense.

#	Responses for those who chose “Lifetime program contribution maximum”
1	Contributions should be reasonable relative to benefits[.] 85% consistent [with] the [rate stabilization ratio] seems like a reasonable threshold to start but should be determined relative to utilization, expense[,] and investment expectations as well.
2	I would really need to see [actuarial] examples [to determine] which of these designs makes the most sense for [the] health of the program. It is fair to have a cap once contribution limits are met but whether that is annual or lifetime, I am not yet entirely certain of.
3	I recognize that we need to have a program that has those with more means contributing more. However, I do believe it is inequitable to tax those with more means disproportionately to what they can get as a benefit. I believe with a lifetime cap, those with more means will pay double what they can get out. That is the upper end of what I think is equitable. The contribution maximum is better than an income limit as it helps those that make a lot and those that pay into the program for a large number of years (e.g., [it] also will help those that pay for 40+ years not [overpay] into the program.)

QUESTION 8B (2 OF 2)

Please explain your response to the question above.

#	Responses for those who chose “Annual contribution cap that exceeds the Social Security annual wage cap”
1	I prefer [an] annual contribution cap similar to Social Security[,] but [it] may need to be higher than \$147,000.
2	Propose an alternative cap equal to 2x the Social Security wage limit; this cap would be adjusted concurrent with any updates to the Social Security limit such that the 2x multiplier is always maintained

#	Responses for those who chose “No contribution cap”
1	No cap. I do not support any cap on contributions because I'd prefer that we have a broad tax base so that the state program can provide broader eligibility and benefits. For example, nationally 16.6% of earnings were above the Social Security cap in 2019 and 6.1% of workers had earnings over the cap. (see table 4.B1 https://www.ssa.gov/policy/docs/statcomps/supplement/) In California, these percentages may be higher given that we have a lot of high earners in the state. If the Task Force recommends a cap, I would prefer a design for the cap that leaves significantly less than 16.6% of earnings untaxed, whether that is through a higher contribution cap or a lifetime maximum. If a lifetime program contribution maximum is recommended, I think further analysis and data would be needed to establish the recommended lifetime maximum relative to contributions. A good place to start would be to understand the expected range of contribution-to-benefit ratios, reflecting a range of income and years of contributions scenarios. Seeing a range could help the Task Force and policymakers determine where the max should be set (if any is set).
2	I lean towards not having a cap / contribution limit. Those higher earners would help subsidize the lower wage earners (I believe).

QUESTION 9A

Should spousal coverage be added to any of the ‘straw man’ program designs (based on a “shared pool” design covering an individual’s spouse or domestic partner)?

Task Force Member responses	Individual coverage		Spousal shared pool	
	Percentage	Count	Percentage	Count
Design 1	53.8%	7	46.2%	6
Design 2	53.8%	7	46.2%	6
Design 3	53.8%	7	46.2%	6
Design 4	38.5%	5	61.5%	8
Design 5	38.5%	5	61.5%	8
Design 6	38.5%	5	61.5%	8

Public responses	Individual coverage		Spousal shared pool	
	Percentage	Count	Percentage	Count
Design 1	40.0%	2	60.0%	3
Design 2	40.0%	2	60.0%	3
Design 3	40.0%	2	60.0%	3
Design 4	40.0%	2	60.0%	3
Design 5	40.0%	2	60.0%	3
Design 6	40.0%	2	60.0%	3

QUESTION 9B

Please explain your response to the question above.

#	Responses for those who chose “Individual coverage” for <u>all designs</u>
1	I don't think spouses should be a special category for extending coverage
2	There can be a different mechanism for spouse/family coverage if needed. I would probably lean towards a shared pool[,] but I do see why individual [coverage] would be more beneficial

#	Responses for those who chose “Spousal shared pool” for <u>all designs</u>
1	The increase in program cost will not gain support from [taxpayers] and [the Legislature].
2	Gives broader consideration for [non-wage] earners
3	All shared
4	The separate pool significantly increases the cost burden.
5	I am in support of a shared pool for spouses or domestic partners in all program designs. It would be unwise to exclude the ability to contribute for a non-working spouse's future years.

#	Responses for those who chose a mix of “Individual coverage” and “Spousal shared pool”
1	[Spousal shared pool for Design 5 only] I would like to see the spousal shared pool option in one of these designs so I chose Design 5 because it was relatively similar to Design 4 and therefore would show the difference most clearly.
2	[Spousal shared pool for Designs 4 and 6 only] I didn't think the spousal shared pool was applicable in Design[s] 1 & 2. Considering a spousal shared pool for some of the designs.
3	[Spousal shared pool for Designs 4 and 6 only] For the rich design [Design 6,] solving for spouse makes sense. I thought having one more design [to] consider [coverage for spouses] would be valuable. I decided on [Design 4] since [Design 5] is providing an income waiver for those that are lower income and including spouse would increase the richness (cost) of the program more.

QUESTION 10

Do you recommend incorporating a maximum contribution age for any of the six program designs included in the 'straw man'?

#	Answer – Task Force Members	Percentage	Count
1	No	76.9%	10
2	Yes	23.1%	3

Key recommendations: maximum contribution age of 70 across all program designs; consistent with Social Security

#	Answer – Public	Percentage	Count
1	No	100.0%	5
2	Yes	0.0%	0

QUESTION 10B

Please explain your response to the question above.

#	Responses for those who chose "No"
1	Difficult to pin a max contribution age; need to have more mortality data in CA.
2	I prefer to keep it simple with no maximum contribution age. The contribution waiver for low-income individuals, if included in the design, would also apply to older adults.
3	Unsure of rationale
4	More access
5	That feel[s] discriminatory to talk about an aging benefit and then cap the age. Folks are working longer these days
6	Would answering yes to this question prohibit a [benefit top-up] option for older adults not fully vested?

#	Responses for those who chose "Yes"
1	People are working to older ages, and this would help capture some of those who continue to work beyond 65 who may have been late entrants into the program.
2	My answer was [to] align with the age Social Security provides 100% benefit. The system didn't like my answer (not a valid number). I believe that age is around 67 thus I changed my answer to conform. I think aligning it with where Social Security provides 100% benefit allows for the age to change as individuals are living/working longer but then doesn't penalize past that point.
3	Propose the contribution age limit be tied to the Social Security age limit

QUESTION 11A

Do you recommend offering reduced program contributions to individuals who purchase supplemental (i.e., non-substitutive) private LTC insurance after program enactment?

#	Answer – Task Force Members	Percentage	Count
1	No	69.2%	9
2	Yes	30.8%	4

#	Answer – Public	Percentage	Count
1	Yes Key recommendation: 50% reduction in contributions with annual or bi-annual recertification	60.0%	3
2	No	40.0%	2

QUESTION 11B

Please explain your response to the question above.

#	Responses for those who chose "No"
1	Supplemental coverage is an option; it should not be subsidized by reducing contributions to the LTC Insurance program.
2	This seems overly complex. I am also concerned that it could be inequitable if people who can afford supplemental coverage contribute a lower percentage of income than those who can't afford supplemental coverage.
3	Seems like adding that in will make plan more complicated
4	No
5	You should probably still contribute the same even if you have supplemental [coverage] so it doesn't disrupt the program design

#	Responses for those who chose "Yes"
1	I think that to get a reduced contribution, the private coverage should be duplicative[,] not supplemental[,] to the program.
2	It seems only fair to reward people who are investing now in coverage for later needs.
3	Answer here would be based on whether or not the program has an [opt-out provision]. If one is able to opt out entirely then the answer is yes here because we need to make the program attractive enough that people are in support of opting in, even if they are also seeking out supplemental insurance to meet their needs.
4	I very much believe we need this. If we don't do this, many individuals will assume the government is taking care of everything and won't even consider insuring themselves for a need greater than 2 years. There is value to this program if people don't tap into [Medi-Cal]. The discount doesn't need to material, but it should be reasonable to encourage people to try take personal accountability for their needs.

QUESTION 12A

Do you recommend adding the “non-voluntary program contribution provision” for individuals who are not subject to a payroll tax (e.g., an income tax for individuals who are self-employed) to Designs 3 and/or 4 and/or 5? Currently, this provision is only included in Design 6 of the ‘straw man’.

#	Answer – Task Force Members	Percentage	Count
1	Yes [Design 3]	84.6%	11
2	Yes [Design 4]	84.6%	11
3	Yes [Design 5]	84.6%	11
4	No	15.4%	2

#	Answer – Public	Percentage	Count
1	Yes [Design 3]	75.0%	3
2	Yes [Design 4]	75.0%	3
3	Yes [Design 5]	75.0%	3
4	No	25.0%	1

QUESTION 12B

Please explain your response to the question above.

#	Responses for those who chose "Yes"
1	It seems this should cover itself and not be excessively anti-selective?
2	Being self-employed should not exempt people from paying into this program.
3	Non-voluntary program contribution[s] should be universal to all designs.
4	I support an income tax for self-employed workers in Designs 3-5 because it broadens the financing base and broadens the eligibility / participation to include self-employed workers. Applying a tax for both W2 and self-employed workers can also help to avoid labor market distortions such as discouraging employers from using traditional W2 employment arrangements. I think the "non-voluntary program contribution provision" language can be confusing. If this option is included in Designs 3-5[,] I would suggest simply describing the revenue source as "payroll tax and income tax for self-employed workers."
5	[Makes the program] design more equitable
6	[Self-employed individuals] should be included
7	I think we want to have as many individuals participate as possible.
8	Yes, if the program is non-voluntary for those subject to payroll tax[,] then I would recommend the same provisions for all individuals including [self-employed] across each design.
9	In CA, if we don't do this, most of the cost will fall on working middle class and we won't get fair revenue from those that are business owners/others.
10	Including an income tax for those who are self-employed makes sense. I do not propose taxing those who are not working / not employed

#	Responses for those who chose "No"
1	I think you keep [provisions for the self-employed] as is

QUESTION 13A

Should the program include minimum training requirements for informal/family caregivers to be eligible for financial support under the potential statewide LTC program?

#	Answer – Task Force Members	Percentage	Count
1	Yes Key recommendations: Training with a self-care component; training for assisting individuals with dementia; first aid and basic care tasks	69.2%	9
2	No	30.8%	4

#	Answer – Public	Percentage	Count
1	Yes	75.0%	3
2	No	25.0%	1

QUESTION 13B

If yes, do you have any recommendations for the type and amount of training that should be required?

#	Responses – Task Force Members
1	[The program needs] to be culturally competent and not too prescriptive
2	Take recommendations from colleges and universities with public health/social work program [to] come up with minimum standards of training and education programs. It should be design[ed] with language and cultural sensitivity to diverse populations.
3	I defer to the workforce/ informal caregiver experts on the Task Force
4	Not at this time, I'm sure there is training available
5	I recommend a few trainings that both support informal caregivers understanding and also for them to take care of themselves. For example, caring for individuals with dementia.
6	Training could coincide with what is required by [California] in [a] Residential Care [Facility] for the Elderly setting-- abuse & neglect, dementia, first aid, bloodborne pathogens, ergonomics, and basic care tasks.
7	I defer to others more [versed] on that topic.
8	The training should include a component related to self care to reduce caregiver burnout.

QUESTION 13C

Should there be any exceptions to the training requirements (e.g., reduced requirements for spouses or domestic partners)?

#	Answer – Task Force Members	Percentage	Count
1	No	44.4%	4
2	Yes	44.4%	4
3	Unsure/no opinion	11.2%	1

#	Answer – Public	Percentage	Count
1	No	100.0%	3

QUESTION 13D

Please explain your response to the question above.

#	Responses for those who chose “Yes” for Question 13A
1	Professionalize caregiving. Focus on training for preventive care, nutrition[,] and health at home.
2	I think training programs should be available for informal/ family caregivers[,] but I defer to the workforce/ informal caregiver experts on the Task Force about whether they should be required
3	Believe standards should be met
4	The program should promote quality of care through training of informal caregivers. However, the training should be made as easy to access as possible to reduce any type of barrier to participation.
5	Training and the support it provides is beneficial to the caregiver (who are likely not caregiving professionals), to the older adult receiving that care, and in an effort to curb fraud.
6	I believe it is good to align getting value from a program with some [self-accountability]. This also improves the education on how to help our older individuals. I recognize that some will indicate that this makes the program not easy for some to access, but I do believe that we are not looking to freely give out money. We want the money provide[d] by this program to be effective in improving the greater CA community.
7	Having a reduced requirement for spouses and domestic partners seems reasonable.

#	Responses for those who chose “No” for Question 13A
1	I don't think it's necessary and it would increase costs of the program [significantly]. Most of the care needs are custodial, not skilled, and don't require training. It should be optional.
2	Consumers don't want the training
3	The training should not be mandatory, but rather paid voluntary training with a wage differential[.] [This] should serve as an incentive for providers to seek training.
4	There is currently no training requirement

QUESTION 14A

Several working groups have been recommended (or recently proposed) by the Task Force. Please rank the following working groups in order of priority.

#	Answer – Task Force Members	Score ¹	First choice count
1	Working Group 2: Outreach and education	91	7
2	Working Group 3: Coordination with supplementary (“wrap-around”) private insurance	53	3
3	Working Group 6: Assessing LTSS needs for those with early adulthood developmental and acquired disabilities	43	3
4	Working Group 4: Coordination with the Program of All-Inclusive Care for the Elderly (PACE)	32	0
5	Working Group 5: Coordination with existing LTSS programs	31	0
6	Working Group 1: Coordination with Medicare Advantage	23	0

#	Answer – Public	Score ^{1,2}	First choice count
1	Working Group 2: Outreach and education	40	3
2	Working Group 3: Coordination with supplementary (“wrap-around”) private insurance	35	2
3	Working Group 1: Coordination with Medicare Advantage	12	0
4	Working Group 4: Coordination with the Program of All-Inclusive Care for the Elderly (PACE)	10	0
5	Working Group 5: Coordination with existing LTSS programs	5	0
6	Working Group 6: Assessing LTSS needs for those with early adulthood developmental and acquired disabilities	2	0

¹ **Scoring methodology:** 10 points for first choice (i.e., highest priority), 5 points for second choice, 3 points for third choice, 2 points for fourth choice, 1 point for fifth choice, and 0 points for sixth choice; scores should be interpreted on a relative basis within a given question, with the highest score representing the highest priority working group

² One public respondent did not rank their two lowest-priority working groups—both answer choices were assigned a score of 0

QUESTION 14B (1 OF 2)

Please explain your response to the question above.

#	Responses for those who ranked “Working Group 2: Outreach and education” as highest priority
1	The outreach and education [working] group should be tasked to tell the value story of [an] LTC Insurance program for CA; gain support from public and private stakeholders.
2	Figure out what people need and how they will use it. We need a group on revenue
3	The most important [working group] is the design of the outreach and education plan. I prioritize PACE [working] group next since I believe there is some additional discussion needed regarding PACE as certified providers. I listed the Medicare Advantage plan [working] group lowest since Medicare Advantage is not designed for people with LTSS needs and there is tremendous variation in the availability of supplemental benefits. I believe this would be a very heavy lift.
4	Outreach is critical to this program's success. Working group 6 is beyond the scope of this Task Force

#	Responses for those who ranked “Working Group 3: Coordination with supplementary (“wrap-around”) private insurance” as highest priority
1	[Working groups 1, 4, and 5] I think the priority should be based on the [percentage] of the population that would be impacted.
2	All of these topics have their place. I ranked them in order of urgency.
3	[Working group 3] We need to understand how this program works with programs offered by the private insurance. Whether it is old policies or wrap around products. We can't have a program launch that destroys private insurance and the value that [it provides]. [Working group 4, second priority] PACE seems like it could be a good partner program for us. We need to understand the pro/cons and challenges. [Working group 6, third priority] This appears to be a need given many of the people that have spoken at the meeting. There are likely other programs for individuals in this category and we would need to understand the interactions. [Working group 5] Another program that requires a deep dive with [s]ubject [m]atter [e]xperts. [Working group 2] I believe the [outreach] plan can wait until after we have a more solid plan and things are further along with regulators on which design is being considered. [Working group 1] I got the impression [that] this is very complex and [may be] [d]ead on [a]rrival.

QUESTION 14B (2 OF 2)

Please explain your response to the question above.

#	Responses for those who ranked “Working Group 6: Assessing LTSS needs for those with early adulthood developmental and acquired disabilities” as highest priority
1	[Working group 2, second priority] People need outreach and education on the coverage, an ongoing need.
2	I think determining what can be done for those with disabilities and how to utilize the PACE program are major priorities

