Virginia Department for the Aging &
Virginia Insurance Counseling and
Assistance Program
1-800-552-3402
www.vda.virginia.gov/vicap2.asp

Virginia Bureau of Insurance –
Life and Health Consumer Outreach
1-877-310-6560
www.scc.virginia.gov/division/boi

Virginia Long-Term Care Partnership
www.valtcpartnership.org

National Clearinghouse for
Long-Term Care Information
www.longtermcare.gov

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Long-Term Care Insurance: The Choice Is Yours

Virginia's Long-Term Care Partnership

Introducing LTC Partnership Insurance

Long-term care (LTC) insurance has been around for a long time. Effective September 1, 2007, Virginians have a new alternative – the LTC Partnership Policy (Partnership Policy). What makes the Partnership Policy unique is that it allows you to access services and keep more of your assets if you ever need to apply for Medicaid.

A Partnership Policy in Virginia is comparable in cost to other long-term care policies. However, you realize the added value associated with the purchase of a Partnership Policy when you apply for Medicaid coverage. The Medicaid resource limit is $2,000 for someone receiving long-term care services. Yet with a Partnership Policy, assets equal to the amount of benefits paid are not counted in the Medicaid eligibility determination. That makes this policy a great opportunity for Virginians to help provide for their long-term care needs and retain more of their assets.

The Story Behind the Policy

The LTC Partnership is an alliance between the private insurance industry and state governments. States are required to use the same “dollar-for-dollar” model. That means Medicaid applicants can protect one dollar of personal assets for every dollar that the Partnership Policy pays for them in benefits.

The idea is to help Americans afford long-term health services without using up all their assets to pay for care. Virginia is in the forefront of this movement.

Why You Need Long-Term Care Insurance

Planning for long-term care is vital, because the future is uncertain. You could have a serious accident, develop a chronic disease (such as diabetes) or a condition (such as Alzheimer’s), or become unable to live on your own. The idea of long-term care insurance is to help maintain your quality of life.

Here are some reasons to purchase a Partnership Policy:

- Long-term care services can easily cost $60,000 or more per year.
- Most health insurance policies do not cover long-term care.
- Disability insurance pays for lost income, but not for long-term care services.
- Medicare only pays for long-term care under limited circumstances and for a short period of time.
- Medicaid rules only allow you to have $2,000 in personal assets.

What Long-Term Care Insurance Provides

The type of long-term care you receive depends on the policy you purchase, your needs, and the coverage provided under your policy. However, most long-term care insurance policies cover care in your home, an assisted living community, or a nursing facility.

Benefits Specific to a Partnership Policy

If you choose a Partnership Policy and are under the age of 76, your insurance includes inflation protection to keep up with the rising cost of long-term care services. If you are 76 or older, you can choose to add inflation protection on your own. Most important of all, a Partnership Policy allows you the opportunity to keep more than $2,000 in assets and still be eligible for Medicaid.

Understanding Medicaid

Medicaid is a health insurance program jointly administered by the federal and state governments. It is primarily intended for low-income people in the following categories: children; pregnant women; elderly adults; and those with disabilities. The Virginia Department of Social Services determines who is eligible for Medicaid assistance by looking at income, assets, and necessary level of care. You can apply for Medicaid at any time, but most people choose to do so when they have problems paying for health care.

Protect Your Assets Today

You can buy a Partnership Policy from any authorized insurance company. If you already have long-term care insurance, consult your current insurance agent before changing your policy.

For a list of companies offering the Partnership Policy, visit www.scc.virginia.gov/division/boi or call toll-free 1-877-310-6560.