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June 3, 2019

Eric Cioppa, President
National Association of Insurance Commissioners
444 North Capitol Street NW, Suite 700
Washington, DC 20001

Dear Mr. Cioppa,

I am writing regarding efforts to identify ways in which we can make meeting families' long-term care needs more affordable. The number of individuals age 65 and over in the United States is expected to double to 98 million by the year 2060, comprising nearly a quarter of the population.¹ At the same time, nearly 70 percent of individuals age 65 and older will need help at some point with getting dressed, bathing, shopping, and maintaining their lives in the community; with the average person needing such care for three years.² America's health care system falls short in the types of long-term services and supports (LTSS) it offers older Americans and individuals with disabilities.

Many seniors have supplemental health plans in Medicare, called Medigap. I am interested in whether Medigap plans could expand their services to LTSS for Medicare-eligible seniors. Offering a front end LTSS benefit to seniors through a Medigap plan, even if limited to a modest lifetime cap, could provide some relief to family caregivers and might delay or prevent many seniors from spending down their savings to access Medicaid LTSS. States have attempted innovative approaches to expand access to LTSS, and have used Medigap as a vehicle for such approaches. Given the states' leadership and the work your Long-Term Care Insurance and Long-Term Care Task Forces, I am requesting information about the options for developing a new Medigap or Medigap-like product with front-end LTSS benefits for seniors and people with disabilities who are enrolled in Medicare.

Specifically, I am requesting that you provide information on the following factors and considerations in expanding LTSS availability in Medigap:

¹ <https://www.prb.org/aging-unitedstates-fact-sheet/>

² <https://longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html>

- Affordability, sustainability, and implications for adverse selection: What are the different levers and how should they be pulled to ensure a benefit that helps Medicare beneficiaries but is also affordable? Please provide recommendations for lifetime/daily cap amounts, waiting periods, or other tools to ensure affordability while maintaining the greatest possible benefit to seniors.
- Eligibility triggers: What should Congress consider when determining when a beneficiary would be eligible for the LTSS benefit (e.g., Activities of Daily Living/Instrumental Activities of Daily Living deficits)?
- Benefit design: What should be included in the benefit, e.g., transportation, community-based supports, personal care assistance, and/or skilled care?
- Participation rates: Who would participate in an LTSS Medigap plan and would those participation rates have any potential broad effects on the Medicare program?
- Interaction with the existing Medigap options: Should there be one new standardized Medigap plan, an optional LTSS rider for existing plans, mandatory LTSS benefit in all Medigap plans, and/or an entirely new private market for beneficiaries enrolled in Original Medicare that models Medigap?
- Special enrollment periods: Given our interest in maximum access and enrollment, please offer recommendations for special enrollment periods, including length and timing?

I appreciate your vast expertise in this area as well as your legislative mandate to assist Congress in developing specifications for supplemental Medicare plans; I request that you respond to this inquiry within 60 days of receiving this letter. If you have any questions, please contact Sarah Levin (Sarah.Levin@mail.house.gov) or Rachel Dolin (Rachel.Dolin@mail.house.gov) with the Committee on Ways and Means at 202-225-3625.

Sincerely,



Richard E. Neal
Chairman