

106TH CONGRESS
1ST SESSION

S. CON. RES. 22

Expressing the sense of Congress with respect to promoting coverage of individuals under long-term care insurance.

IN THE SENATE OF THE UNITED STATES

MARCH 23, 1999

Mr. DODD (for himself and Mr. GRASSLEY) submitted the following concurrent resolution; which was referred to the Committee on Finance

CONCURRENT RESOLUTION

Expressing the sense of Congress with respect to promoting coverage of individuals under long-term care insurance.

1 *Resolved by the Senate (the House of Representatives*
2 *concurring),*

3 **SECTION 1. PROMOTION OF COVERAGE OF INDIVIDUALS**

4 **UNDER LONG-TERM CARE INSURANCE.**

5 (a) FINDINGS.—Congress finds the following:

6 (1) As the baby boom generation begins to re-
7 tire, funding social security and Medicare will put a
8 strain on the financial resources of younger Ameri-
9 cans.

1 (2) Medicaid was designed as a program for the
2 poor, but in many States Medicaid is being used for
3 middle income elderly people to fund long-term care
4 expenses.

5 (3) In the coming decade, people over age 65
6 will represent 20 percent or more of the population,
7 and the proportion of the population composed of in-
8 dividuals who are over age 85, and most likely to
9 need long-term care, may double or triple.

10 (4) With nursing home care now costing an av-
11 erage of \$40,000 to \$50,000 per year, long-term
12 care expenses can have a catastrophic effect on fami-
13 lies, wiping out a lifetime of savings before a spouse,
14 parent, or grandparent becomes eligible for Med-
15 icaid.

16 (5) Many people are unaware that most long-
17 term care costs are not covered by Medicare and
18 that Medicaid covers long-term care only after the
19 person's assets have been exhausted.

20 (6) Widespread use of private long-term care
21 insurance has the potential to protect families from
22 the catastrophic costs of long-term care services
23 while, at the same time, easing the burden on Med-
24 icaid as the baby boom generation ages.

1 (7) The Federal Government has endorsed the
2 concept of private long-term care insurance by estab-
3 lishing Federal tax rules for tax-qualified policies in
4 the Health Insurance Portability and Accountability
5 Act of 1996.

6 (8) The Federal Government has ensured the
7 availability of quality long-term care insurance prod-
8 ucts and sales practices by adopting strict consumer
9 protections in the Health Insurance Portability and
10 Accountability Act of 1996.

11 (b) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that—

13 (1) the Federal Government should take all ap-
14 propriate steps to inform the public about the finan-
15 cial risks posed by rapidly increasing long-term care
16 costs and about the need for families to plan for
17 their long-term care needs;

18 (2) the Federal Government should take all ap-
19 propriate steps to inform the public that Medicare
20 does not cover most long-term care costs and that
21 Medicaid covers long-term care costs only when the
22 beneficiary has exhausted his or her assets;

23 (3) the Federal Government should take all ap-
24 propriate steps not only to encourage employers to
25 offer private long-term care insurance coverage to

1 employees, but also to encourage both working-aged
2 people and older citizens to obtain long-term care in-
3 surance either through their employers or on their
4 own;

5 (4) appropriate committees of Congress, to-
6 gether with the Department of Health and Human
7 Services and other appropriate executive branch
8 agencies, should develop specific ideas for encour-
9 aging Americans to plan for their own long-term
10 care needs; and

11 (5) the congressional tax-writing committees,
12 together with the Department of the Treasury,
13 should determine whether modification of the tax
14 rules for long-term care insurance is necessary to
15 ensure that the rules adequately facilitate the afford-
16 ability of long-term care insurance.

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