

SENATE RESOLUTION No. ____

DIGEST OF INTRODUCED RESOLUTION

A SENATE RESOLUTION urging the legislative council to assign the topic of long-term care insurance to the appropriate study committee.

QADDOURA

_____, read first time and referred to Committee on



Introduced

First Regular Session 122nd General Assembly (2021)

SENATE RESOLUTION _____

MADAM PRESIDENT:

I offer the following resolution and move its adoption:

1 A SENATE RESOLUTION urging the legislative council
2 to assign the topic of long-term care insurance to the
3 appropriate study committee.

4 *Whereas, Long-term care refers to a wide range of services*
5 *and supports designed to help individuals who are unable to*
6 *care for themselves because of a prolonged illness, disability,*
7 *frailty, or mental deterioration;*

8 *Whereas, Over 40% of Americans receiving long-term care*
9 *are between the ages of 18 and 64, and approximately 70% of*
10 *Americans over the age of 65 will need some level of long-term*
11 *care services in their lifetime;*

12 *Whereas, 20% of those in need of long-term care will need*
13 *it for more than five years;*

14 *Whereas, 40% of long-term care patients need care in a*
15 *nursing home, and the average length of stay in a nursing home*
16 *is 2.6 years;*

17 *Whereas, According to the Indiana Department of*
18 *Insurance, the average cost of nursing home care in Indiana is*

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1 *more than \$70,000 a year and assisted living facility care costs*
2 *an average of \$40,000 a year;*

3 *Whereas, The annual price of five home health aide visits*
4 *a week, providing care for five hours each day, costs on*
5 *average \$30,000, and the cost of long-term care has been rising*
6 *approximately 5% each year;*

7 *Whereas, Independent analysis demonstrates that on most*
8 *metrics, Indiana ranks in the bottom half of states for high costs*
9 *of long-term care for the fiscal year 2020;*

10 *Whereas, Long-term care insurance helps cover in-home*
11 *care, community-based care such as adult day care, assisted*
12 *living facility care, and nursing home care, usually paying the*
13 *actual charges for the care up to a daily or monthly maximum*
14 *dollar amount;*

15 *Whereas, The Indiana Department of Insurance advises*
16 *Hoosiers that being insured for long-term care protects their*
17 *assets, including retirement funds, from the expensive*
18 *out-of-pocket costs of long-term care and that long-term care*
19 *insurance also provides the peace of mind that in the event they*
20 *need long-term care, their family will not have to front these*
21 *costs or become their full-time care givers;*

22 *Whereas, Long-term care insurance can be difficult to*
23 *access for those who have little or no assets, are disabled,*
24 *and/or have serious pre-existing conditions;*

25 *Whereas, Hoosiers of working age have been encouraged*
26 *to purchase long-term care insurance from private insurers to*
27 *help defray the costs of long-term care to themselves and their*
28 *families in the probable case such care is eventually needed;*

29 *Whereas, Many private insurers have discontinued offering*
30 *long-term care policies because they have determined them to*
31 *be insufficiently profitable, and yet continue to raise rates to*



1 *Hoosiers who purchased such policies when they were*
2 *available;*

3 *Whereas, A Hoosier with a long-term care insurance policy*
4 *today would find the cost of changing their policy to one with*
5 *less expensive premiums prohibitive, as insurers assess older*
6 *Hoosiers to be more expensive to insure;*

7 *Whereas, Many of these policies have provisions which*
8 *stipulate that dropping the policy results in the forfeiture of all*
9 *monies paid until premiums have been raised more than*
10 *100-130% of the original cost of the plan, regardless of the*
11 *amount of time one has held the policy or the amount one has*
12 *paid into it;*

13 *Whereas, All of the aforementioned facts demonstrate that*
14 *many Hoosiers are trapped with long-term care policies they*
15 *find to be both insufficient to their circumstances and*
16 *exorbitantly expensive;*

17 *Whereas, It is in the interest of the State of Indiana that*
18 *Hoosiers have access to long-term care and long-term care*
19 *insurance, and Hoosiers should be free to choose the care and*
20 *insurance that is right for them; and*

21 *Whereas, Older Hoosiers who purchased long-term care*
22 *insurance earlier in their lives are being left behind by current*
23 *state policies regarding long-term care insurance, as they are*
24 *effectively faced with the choice of either accepting continually*
25 *increasing premiums, forfeiting tens of thousands of dollars to*
26 *one insurer in order to procure a much more expensive policy*
27 *from another, or else becoming uninsured, and thus tasked with*
28 *the high likelihood of facing the very high out-of-pocket costs*
29 *of long-term care on their own: Therefore,*

30 *Be it resolved by the Senate of the*
31 *General Assembly of the State of Indiana:*



1 SECTION 1. That the Indiana Senate urges the legislative
2 council to assign to an appropriate interim study committee the
3 topic of examining deficiencies in our state's long-term care
4 insurance system.

