

Themes from Public Input Sessions in Boston, Northampton and Shrewsbury

LTC Insurance Partnership Model/Long-term Care Insurance

Have you ever considered purchasing LTC insurance (for you, or your parent/spouse)?

- The vast majority had not purchased LTCI but some had considered it for themselves or other family members.

What was the reason you/they decided to buy or not buy LTC insurance?

Cost: it's too expensive, it's not worth the benefit, insufficient value, fear of premium increases over time, no incentives to buy, have a pre-existing condition.

Benefit: no perception of need now, it is hard to compare between product options, accessing the benefit will be too difficult, coverage is limited and it may not cover the preferred or necessary LTS, the product will not keep-up with changes in the LTS system.

Organizational: Individuals pay for many different types of insurance and wish they could all be combined. There is general distrust of insurance companies.

Would the protections for your house or other assets provided by a Partnership program make you/them more likely to purchase LTC insurance?

- Most felt that protecting a house and assets is appealing and encouraging and noted that they would like to give their house to an heir or caregiver.
- Several people noted the opposite and feel there is a culture change where baby boomers are more mobile and less attached to their home and have lower expectations about leaving wealth to their children.
- A few comments were made that the Quasi-Partnership has better protections than the Partnership.
- Many liked the idea of a "wrap" and having a defined responsibility for planning purposes.

What else could make LTC insurance more attractive to you/them?

Cost: more affordable options, greater predictability of premiums over time, tax credits to purchase or permitting pre-tax premium payments.

Benefit: greater service options, greater control, coverage of entire family, options that cover community-based care.

Simplicity: payroll deduction, linked to other options – like life insurance, availability through employer, portability between employers.

Education: general education about the product, public education about risk and LTS coverage through other types of insurance, assistance with understanding the choices between plans,

Alternatives: prefer to save instead.

Regulation: increase government regulation.

Would paying premiums equal to no more than 2% of your income seem affordable? For example, if your annual income was \$50,000, you would pay \$1,000 per year (or \$83 per month) in premiums for this LTC insurance.

- There were mixed responses but many participants agreed that 2% is affordable.
- Many voiced concerns that 2% will not be affordable for younger people and elders and may not be consistently affordable across the lifespan.
- There were also concerns that the product may not be worth the investment.
- More information was needed.

Contribution/social insurance program

Does \$50-100 a day seem like a reasonable and helpful amount of LTS benefit?

Amount: Many felt it was inadequate now and would definitely be inadequate in the future due to inflation. One suggestion was to index the benefit to the cost of home health aides. Many didn't know enough about the cost of services and some felt it was adequate to pay for all or some home health and PCA services.

Delivery: Participants liked the flexibility of a cash benefit and wanted to be able to pay family caregivers. Many people wanted the option to "cash out" the benefit if they didn't need it. One unique idea was to design a program like education savings accounts (529s) where consumers are able to lock-in rates when they start saving.

Would \$125/month be a reasonable premium for this benefit, given your family budget?

Cost: Many thought this would not be affordable for younger people and many people with disabilities with smaller incomes. A pro-rated premium should be offered to people who begin to pay in at younger ages.

Considerations: There were concerns regarding what would happen if you couldn't pay in for a certain time period.

If not, how much would you be willing to pay to participate in such a program?

- Many found this question difficult to answer but thought \$45 or \$65 was more reasonable.
- Some thought it should be linked to % of income.
- Some thought it would be better to pay less per month but have the benefit period begin later.

What incentives would make you want to participate in a contribution program of this sort?

Financial: lower price if you opt-in at a younger age, lower taxes if there is a significant Medicaid savings, tax incentives (deduction, credits).

Benefit: ability to draw from the pool in case of emergency if you pay in over time, greater flexibility for use of the benefit, a "pay-out" if you do not use it.

Structure: Some thought it would only work as a mandatory program and others noted that they do not want a mandatory program. The option of purchasing a family policy. Start mandate at a later age (~50). There was some concern about portability out-of-state.

What information would people need to understand more about this program and, hopefully, feel comfortable with participating?

Education: Information about the realistic costs of care, risk of needing LTS and what the benefit will provide in the real world. Have credible sources deliver the educational component. Educate people about the lack of coverage from health insurance and Medicare. Include counseling on how to use the benefit and access the service system.

Delivery: Provide accurate information about the cash benefit and benefit triggers. Create a transparent system that is simple to understand.

MassHealth improvements

Given the inequalities described, would you be willing to support these changes to the Medicaid program, even if it involved increasing taxes?

- There were mixed answers – yes, no and it depends on the cost and if objectives can really be met. There were also concerns that the increased revenue may not be used for this purpose.

As you think about improvements to the Medicaid program, how would you prioritize these improvements?

- Most had trouble answering this question but multiple people mentioned: care coordination and integrated financing, serve more people - even if benefits must be capped, focus on functional instead of medical need, rebalancing, increase or improve various community-based services, increased options for MassHealth buy-in, use pilot projects to obtain evidence-based results, solve the equity issue.

Do you have any other thoughts or concerns about changes to the Medicaid program?

- Varied responses around improvements in community-based care including, money follows the person, and consumer direction.
- Assets are too low which limit the ability to return home or pay for burial costs when needed.
- At various times, people mentioned the preference for incentives to save.