

NOTICE OF LONG TERM CARE PARTNERSHIP STATUS

Date _____

Insured's name: _____

Policy or certificate number: _____

Partnership issue date: _____

Please Note: Your long-term care insurance coverage has been identified as qualifying for inclusion in West Virginia's Long Term Care Insurance Partnership program.

Q: What is the Partnership program?

The West Virginia Long Term Care Partnership is a public/private arrangement between state government and private long-term care insurers to assist individual in planning for their long-term care needs. It enables people who purchase certain long-term care insurance policies to have more of their assets protected if they later need to have the state pay for their long-term care. For example, if you receive \$100,000 in benefits under your long-term care insurance, you may be allowed to protect an additional \$100,000 in assets at the time you apply for Medicaid/Medical Assistance through a feature known as "Asset Disregard" under West Virginia's Medicaid program.

Q: What is "Asset Disregard"?

Asset disregard means that an amount of the policyholder's assets equal to the amount of long-term care insurance benefits received under a qualified Partnership Policy will be disregarded for the purpose of determining the insured's eligibility for Medicaid. This generally allows a person to keep assets equal to the insurance benefits received under a qualified Partnership Policy without affecting the person's eligibility for Medicaid. All other Medicaid eligibility criteria will apply and special rules may apply to persons whose home equity exceeds \$500,000. Asset disregard is not available under a long-term care insurance policy that is not a Partnership Policy. Therefore, you should consider if Asset Disregard is important to you, and whether a Partnership Policy meets your needs. *The purchase of a Partnership Policy does not automatically qualify you for Medicaid.*

Q: Do I have to take any action now?

No. You don't need to take any additional steps until you apply for Medicaid/Medical Assistance. At that time, you may be asked to provide information about your coverage and your insurer should be able to assist you.

Q: Will this have any effect on my premiums?

No. This new status will not affect your premiums.

Q: What could affect my Partnership status?

Your coverage may lose its Partnership status or your Partnership benefits may be altered if:

1. You change your inflation protection. Whether your coverage qualifies as a Partnership Policy depends in part on your age and the type of inflation protection you select and maintain. Therefore, before you make any change to your inflation protection, be sure to ask your insurer how a change may affect your partnership status.
2. You move to a state that does not have a Partnership program or does not agree to provide reciprocity with West Virginia.
3. State and/or federal laws change.