

# Long-Term Care Insurance

**“Yes, No, or  
Maybe”**

**CANHR**  
**Prescott Cole**  
Senior Staff Attorney

# What does this mean?

**“The probability of someone 65 or older needing Long-Term Care at some time is 70%. ”**

# What does this mean?

## Estimated Years Of Needing Long-Term Care After Turning Age 65

<b>None</b>	<b>31%</b>
<b>1 year or less</b>	<b>17%</b>
<b>1 to 2 years</b>	<b>12%</b>
<b>2 to 5 years</b>	<b>20%</b>
<b><u>More than 5 years</u></b>	<b><u>20%</u></b>

# What ever it means, it doesn't mean nursing homes because...

- There are 4.3 million seniors in California.
- In California there are 118,786 nursing home beds
- The SNF occupancy rate is at 86%

**What is the real chance of  
going into a **nursing home**  
and staying there for  
more than **five years?****

**It isn't 20.0%**

**It is  1.1%**

# OSHPD LTC Facility Utilization Trends

## Discharges by Length of Stay

**Less than 2 weeks 34.1%**

**2 weeks to 1 months 24.2%**

**1 month to 3 months 8.5%**

**1 year to 2 years 3.6%**

**5 years or longer 1.1%**

# The Mix: How a SNF gets paid

<b>Medicare</b>	<b>11.5%</b>
<b>Medi-Cal</b>	<b>65.4%</b>
<b>Managed Care</b>	<b>4.5%</b>
<b>Self Pay</b>	<b>11.5%</b>
<b>Private Insurance</b>	<b>2.7%</b>
<b>All other</b>	<b>3.9%</b>

# The Myth of Medicare

You get **100 day** of  
nursing home days

- Three continuous nights requirement
- Observation vrs. Admission

The average # of Medicare  
days in a SNF = **18 Days**



# **With a 90 day Exclusionary Period**

**In 2015,**

**83.5 percent of nursing home residents were discharged after a stay of three months or less.\***

**\*California Association of Health Facilities**

**Here, the LTC policy pays ZERO.**

# What happens after 90 days?

## Policies pay a per diem

Average Private Pay Rate

California 2017

\$283 per day

Typical LTCi Policy pays - \$150 per day

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\$133 per day

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**Resident makes up any short fall**

# Medi-Cal – If you qualify you don't need LTCi

## Exempt Assets:

**House**

**All personal property**

**IRAs, 401Ks, Pensions**

**Community Spouse Resource  
Allowance \$120,900**

# Medi-Cal Qualification

## Income

The resident keeps **\$35** of income

– All the rest goes to share of cost

**Minimum Monthly Maintenance Needs Allowance**

**\$3,023**

- If there is a Spouse or Registered Domestic Partner

# Welfare and Institutions Code

## Section 14019.7

(a) Notwithstanding Section 14019.4 and if permitted by federal law, **a relative of a skilled nursing facility resident** who is a beneficiary under this chapter **may pay an additional amount to the facility to enable the resident to obtaining requested non-covered services, such as a private room, telephone, or television**, or for bed hold days that exceed a period paid for under the state plan.

# Medi-Cal Recovery

## The New Medi-Cal Recovery Laws

Effective January 1, 2017



**CANHR**  
*Long Term Care Justice and Advocacy*  
650 HARRISON STREET, 2ND FLOOR  
SAN FRANCISCO, CA 94107