

105TH CONGRESS
2D SESSION

S. CON. RES. 95

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

IN THE SENATE OF THE UNITED STATES

MAY 12, 1998

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.—The Congress finds the following:

6 (1) As the baby boom generation begins to re-
7 tire, funding Social Security and Medicare will put
8 a 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 up to 20 percent or more of the popu-
7 lation, and the proportion of the population com-
8 posed of individuals who are over age 85, who are
9 most likely to be in need of long-term care, may dou-
10 ble or triple.

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

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

21 (6) Widespread use of private long-term care
22 insurance has the potential to protect families from
23 the catastrophic costs of long-term care services
24 while, at the same time, easing the burden on Medic-
25 aid 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 the
12 Congress 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 employees 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 encourag-
9 ing Americans to plan for their own long-term care
10 needs;

11 (5) the congressional tax-writing committees,
12 together with the Department of the Treasury
13 should determine whether the tax rules for long-term
14 care insurance need to be modified to ensure that
15 the rules adequately facilitate the affordability of
16 long-term care insurance; and

17 (6) the National Summit on Retirement Income
18 Savings should consider the importance of planning
19 for long-term care in its discussion of retirement se-
20 curity.

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