

For immediate release:
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Tennessee Introduces Long-Term Care Partnership Insurance Policies and Producer Training Requirement

Nashville, Tennessee: October 1, 2008 is a landmark day in Tennessee history. Today is the effective date of the Tennessee Long-Term Care Partnership that rewards Tennesseans for buying even a small long-term care insurance policy. By encouraging the purchase of long-term care insurance, Medicaid becomes the payer of last resort not first resort. This means that families have more choices as a private-pay patient, and the state Medicaid budget saves money.

Tennessee joins 24 other states in being part of the solution, not the problem, in helping baby boomers solve their long-term care financing needs. These special policies allow policyholders to protect one dollar of assets for every dollar of benefits received under the policy as payment for long-term care services at time of application for Medicaid eligibility. The Partnership has been operating in four states (Connecticut, New York, Indiana and California) since 1992 and the Deficit Reduction Act of 2005 expanded the opportunity to other states. In the original states, only about 250 policyholders have had to turn to Medicaid for help after receiving benefits from their long-term care insurance policy first, so the Partnership is a phenomenal success.

What are long-term care services? Long-term care is the care needed for help with basic activities of daily living like bathing, dressing, and moving from one place to another. Long-term care insurance policies pay when help is needed with at least two of these basic functions for at least 90 days or when someone has a severe cognitive impairment, such as Alzheimer's. Injuries from accidents (auto, water or snow skiing, horseback riding, construction, etc.) or health conditions like brain tumors, Lou Gehrig's disease or strokes) can cause people to need this kind of help.

A common misconception is that this care is only needed by older people and that care is mostly delivered in nursing homes. It's just the opposite. Over 40% of extended care is needed by people under age 65 and less than 15% of care is provided in nursing homes. Some care is provided in assisted living facilities and adult day care, but most care is provided at home by families at a tremendous sacrifice. Long-term care insurance provides money to help families take better care of their loved ones by hiring caregivers to help with home care.

Tennessee insurance agents already licensed to sell health insurance by 7/1/08 must complete at least 8 hours of initial training to sell Partnership policies by 7/1/09 and at

least four hours of ongoing training every 24 months. (Agents licensed after 7/1/08 must complete the initial 8 hour course before selling long-term care insurance.)

This required training is available at www.LTCITraining.com. The course was developed by national long-term care insurance trainers Phyllis Shelton and Phil Sullivan, who together have trained over 85,000 insurance professionals. Phyllis Shelton is a native Tennessean whose company, *LTC Consultants*, has worked with 10 of the top long-term care insurance carriers in the nation. “We only have a short window to be sure most of the baby boomers don’t wind up on the Medicaid system for long-term care as this would cause unprecedented taxation in our country.” said Shelton. “I believe that Partnership policies have tremendous potential as the private sector’s solution to the real health care crisis in America which is long-term care. Our course goes above and beyond to offer 12 CE credits, not 8. More importantly, it teaches producers what they need to know to sell long-term care insurance to families ethically and professionally.”

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