

Regular Session, 2014

HOUSE CONCURRENT RESOLUTION NO. 210

BY REPRESENTATIVE TALBOT

A CONCURRENT RESOLUTION

To urge and request the Department of Insurance, in consultation with the Department of Health and Hospitals, to study an alternative long-term care benefit option for Medicaid applicants with life insurance policies who enter into certain viatical settlement contracts and to report its findings to the legislative committees on insurance.

WHEREAS, Senate Concurrent Resolution No. 104 of the 2012 Regular Session of the Legislature established an advisory work group within the Department of Insurance, with the assistance of the Department of Health and Hospitals, to examine options that may be available to allow an insured under a life insurance policy to fund long-term care benefits; and

WHEREAS, such work group considered a number of options, including enacting legislation on this subject, and the feasibility of such options but did not recommend specific action; and

WHEREAS, an aging population of "baby boomers" who began reaching the age of sixty-five on January 1, 2011, presents the potential for enormous burdens on the Medicaid system that currently provides substantial last-resort funding for both facility and community-based long-term care; and

WHEREAS, it is feasible that the proceeds of life insurance policies of such individuals could be utilized to supplement the state's expenditures for long-term care if a mechanism could be found to access those proceeds; and

WHEREAS, a statutory and regulatory framework, similar to what governs the viatical settlement industry, could be designed to assure the protection of consumers who choose to settle their insurance policies in order to obtain a payment source for their long-term care; and

WHEREAS, other states are currently considering legislation to enact such a statutory and regulatory framework, particularly one which will assure the protection of the interests of both consumers and the state; and

WHEREAS, this issue is especially timely not only because of the size of the state's rapidly aging population but also because it is anticipated that the younger members of this population will have longer life expectancies and life insurance policies of greater value.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Department of Insurance, in consultation with the Department of Health and Hospitals, to study an alternative long-term care benefit option for Medicaid applicants with life insurance policies who enter into certain viatical settlement contracts.

BE IT FURTHER RESOLVED that the Department of Insurance, in consultation with the Department of Health and Hospitals, may submit its findings from the study in the form of a report to the House Committee on Insurance and the Senate Committee on Insurance on or before January 15, 2015.

BE IT FURTHER RESOLVED that such a study include a review of other states to determine what actions, particularly the consideration or enactment of legislation, have been taken on this subject by any other state.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the commissioner of insurance and the secretary of the Department of Health and Hospitals.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE