



United Seniors of Maryland

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December 1, 21017

The Honorable Larry Hogan
State House
100 State Circle
Annapolis, Maryland 21401

The Honorable Thomas V. "Mike" Miller, Jr.
President
Senate of Maryland
State House, H-107
Annapolis, Maryland 21401

The Honorable Michael E. Busch
Speaker
Maryland House of Delegates
State House, H-101
Annapolis MD 21401

RE: Report required by SB 696/Ch. 212, 2017 and HB 953/Ch. 213, 2017
(MSAR # 11102)

Gentlemen:

The Task Force on Long Term Care Education and Planning respectfully submits our December 1, 2107 interim report. The Task Force began meeting in November, 2017 through June 30, 2018. Meetings are held at the Heritage Complex 2664 Riva Road Chesapeake Room, Annapolis, Maryland every 3rd Monday monthly from 10am-12pm.

The Task Force was appointed by the Governor's Appointments Office for its composition, chair, and staffing. A membership list is located in the addendum.

Composition of the Task Force:

Secretary of Aging, or the Secretary's designee

Secretary of Health, Secretary's designee

Maryland Insurance Commissioner, or the Commissioner's designee

- o one representative of the Maryland Association of Certified Public Accountants;
- o one representative of the Maryland Bar Association;
- o one representative of the Financial Planning Association of Maryland;
- o one representative of the Maryland Association of Health Underwriters;
- o one representative of the National Association of Insurance and Financial Advisors of Maryland

- one representative of the Maryland Association of Private Colleges and Career Schools
- one representative of the Health Facilities Association of Maryland
- one representative of a long term care insurer or a trade association that includes long term care insurers
- ✚ United Seniors of Maryland is providing staff to the Task Force.

Special Note: The Maryland Association of Private Colleges and Career Schools did not respond to repeated outreach from the Governor’s Appointments Office and the United Seniors of Maryland.

The Task Force is prohibiting from receiving certain compensation, but it is authorized receive reimbursement of travel expenses.

Baby boomers represent 15% of the U.S. population and Maryland is home to 1.5 million baby boomers. About one-quarter of the 1.5 million baby boomers in the State will require long-term care that will cost at least \$100,000 over the course of their lifetimes, with nearly two-thirds of this population having to pay for this care out of pocket. A number of Maryland residents may not understand that they may not be able to rely on the State and federal government to pay for their long-term care needs. Many Maryland residents may be under a misconception that the Maryland Medical Assistance Program and other State programs will sufficiently cover the costs of their long term care.

The Task Force will examine and study:

- (1) examine the status of long-term care education in the State;
- (2) consider options for improving efforts to educate residents of the State about planning for long-term care; and
- (3) make recommendations regarding long-term care education, including recommendations regarding education methods that will:
 - ensure that no Maryland resident reaches the age of 50 without having received complete information about the risk of needing long-term care and the private options available to pay for long-term care; and
 - include information about the Maryland Medical Assistance Program, how the Program is funded, and whom the program is intended to serve.

The purpose of the Task Force is to consider options to educate and make recommendations regarding education methods that will “ensure that no Maryland resident reaches the age of 50 without having received complete information about the risk of needing long-term care and the private options available to pay for long-term care; and include information about the Maryland Medical Assistance Program (Maryland Medicaid), how the Program is funded, and whom the Program is intended to serve.

The makeup of the Task Force deliberately includes public and private sector representatives. In putting together the verbiage that was then drafted into legislation that has become law, the intent is to have a clear message come with one voice from both the public and private sectors. Too often in the past there have been confusing, conflicting, changing messages that have made the information misinterpreted and often ignored altogether. The easy alternative is to ignore the need to have a long term care plan. However, “a failure to plan is a plan to fail”.

The Long Term Care crisis at the federal and state level can no longer be responsibly ignored. The impact of the ever swelling Medicaid budgets are increasingly smothering other necessary state responsibilities such as education, transportation and infrastructure. Maryland, with bipartisan support, has created the opportunity, a conduit, not for a complete answer but for a necessary step to assist finding answers, by education through clear messaging with one voice of the Public and Private sectors in unison.

If successful, Maryland can be providing a model for other states to follow. Assistance from the federal level could be most helpful, and it is hoped that success at the state level will spill over to having the federal level lend assistance to be able to achieve higher levels of success. Then there will be the opportunity for a crisis to evolve to a manageable program.

For this Task Force to function, there had to be administrative support. United Seniors of Maryland was designated staff for the crucial responsibility for the Task Force to function. United Seniors of Maryland is a non-partisan consortium of organizations and individuals that help promote senior issues, causes, laws and programs representing 3 million Maryland seniors.

Our initial discussions focused on:

- What is the current level of knowledge in various age groups?
- What goals should be created to meaningfully reach various age groups so they all will have had the opportunity to receive complete information by age 50 regarding:
 - Risk of needing long term care
 - Private options available to pay for long term care
 - Understanding the Maryland Medical Assistance Program including how it is funded and who it is intended to serve.
- How can Public Sectors be reached to consider and incorporate effective messaging to relay to the residents of Maryland the importance of understanding LTC risk and the importance of LTC Planning.
- What is the Department on Aging already doing?
- See if the MD CASH Program could be a conduit for information somehow.
- How to address the teenagers or young 20's who do not realize the impact that it has on some family members such as parents with work related stress, financial contributions and not having time for themselves. Parents often do not discuss these important impacts trying to shelter children.
- How to promote LTC terminology into financial literacy at the High School age as a beginning.
- Maybe children's books with theme of multigenerational interaction and the need for caregiving for young and old.
- How do you get people to listen? Perhaps by including in a financial package.
- What is the best way to introduce to a group?
- When professional sits down to review a 401K, there just is not enough time to also include LTC planning.
- What Programs in MD currently exist?
 - Dept. of Health Transitional unit re genetics
 - Dept. of Aging targets age 50 plus
 - MD Access Points (MAP) which is a referral for resources should be studied. Provides information about existing state programs to enable people to stay at home longer.
 - Check the Federal educational web sites. One site is www.longtermcare.gov.
 - EAP programs
 - Chamber of Commerce's to reach employers. Ask Chambers how they are preparing their members for LTC.
- Use "Long Term Care Choices" as well as "LTC Planning".
- How to encourage Associations to spread the need for LTC planning to members.

- Could Maryland should try to implement for LTC something like the 501K for college education savings. Even if only one year with a sunset."
- Maryland is starting a 529A plan for those disabled by the age of 26 with a limit of \$14,000 per year contribution.

- How to educate the veterans? They do qualify for Aid and Attendance Veterans Allowance Pension if have served during a period of war even if no disability from that service.
- Need to compile a list of possible assets available to MD residents e.g. from Dept. of Veterans Affairs and the Dept. of Health and Mental Hygiene.

FEDERAL ASSISTANCE TO STATES

- From 2005 through 2010, there was strong federal support for LTC awareness education. The federal government offered to states, with some funding, the “Own Your Future” campaign. Twenty-six states participated at various levels. During this time, the federal government created a web site, www.longtermcare.gov. This website continues to provide a broad focus on planning with insurance treated as one option for planning.
- “Own Your Future” materials are in public domain. Perhaps the Task Force should access to see if items could be modeled to assist Maryland in an education campaign.
- However, other activity at the federal level including research, and consumer education, have ceased. ACA activities have created a HUGH diversion over the period of the last several years.
- Maryland was one of the 26 states who did use aspects of the “Own Your Future” campaign. Namely a letter was sent out from then Governor Ehrlich’s office in 2006. Unfortunately, instead of being perceived as a strong message from the public sector that residents of Maryland need to accept personal responsibility and have a plan for long term care, it was looked on as a political move in an election year or ignored due to lack of additional support activities.

STATES ACTIVITIES ON THEIR OWN

- Prior to 2005, four states pioneered the concept of LTC Partnership programs, California, Connecticut, Indiana, and New York. The federal government then froze this program again allowing it to expand under the Deficit Reduction Act of 2005.

NEW YORK STATE

- New York State established their program in 1989 to encourage more New Yorkers to purchase LTC Insurance and become less reliant on the Medicaid system. As of December 31, 2014, 71,925 persons “were enrolled” in NYS LTC Partnership. 346,286 “were enrolled in non-Partnership Policies. Actual factors of successful marketing are not available on the Internet. Goal to contact the NYS department who manages the program for further information.

MINNESOTA

- Minnesota has continued on with “Own Your Future” consumer awareness since 2013. The state is using social media and traditional outreach as well as grassroots partnerships.
- In addition, Minnesota is actively working on finding a product component to add to the awareness campaign. Minnesota is in the testing phase for two innovative products: 1-LifeStage Protection 2-Adding enhanced home care into Medicare supplement plans.
- MIA may model off of MN since they have approval for a test market.

WASHINGTON STATE

- Washington has explored the financial impact of a mandatory front-end program funded through small employer paid payroll tax. The effort has included stakeholder interviews and actual modeling. To date, Industry has informally supported. The next step for moving forward is to get support for a legislative proposal.

HAWAII

- Hawaii has had an effort since 2008 with the establishment of the State of Hawaii Long Term Commission. It is unclear at what stage the Hawaii effort has reached. Follow up is needed with three contacts in Hawaii, two at the U of Hawaii at Manoa and one with the Maui County Office on Aging.
- However, through available material, “The highest level of concern seemed to be weighted toward a lack of public awareness of the upcoming LTC crisis”. “The community must wake to the problem”. “Hawaii must convince the public that long term care will affect their future and “warn the community that a train wreck is coming.”
- Kakuna Caregivers Act – enacted 2016 – up to \$70 a day from the state.

NEBRASKA

- Nebraska tried a one of a kind savings plan to come to an end Jan. 1/2018 due to low participation. Created by the legislature in 2006, the program was intended to give Nebraskans “another option in considering their future health care needs and hopefully encourage more Nebraskans to plan ahead”.

RESEARCH STUDY BY GENWORTH –The Long Term Care LTC Ripple Effect –

- Fear of lack of money, loss of independence, inability to care for yourself, not having loved ones to help take care of you and finally not being able to stay in your home.
- Important to not just consider insurance as the only way to plan –
- Personal cost of insurance – Only 11% own their own insurance, 18% believe gov’t will pay costs and 54% don’t take action due to their perception that cost of insurance too high.
- 2017 Genworth Cost of Care Study.
- NAIC has a publication
- Shoppers Guide on LTC (currently being revised).
- Note: Al Redmer, Commissioner, Maryland Insurance Commission, is on Task Force for NAIC

Task Force Subcommittees

The Task Force formed four subcommittees. Each Task Force member is to serve on one of these committees, excluding Logistics. The four are:

- ✚ 1-Logistics
- ✚ 2-Education
- ✚ 3-Communication and Advocacy
- ✚ 4-Research

Logistics Workgroup is comprised of the United Seniors of Maryland and Task Force members to successfully support the Task Force.

Advocacy Workgroup

- Identify the stakeholders – For example: gov’t agencies (Office on Aging, branch to community and non-profits, Chambers of Commerce, Professional organizations and Associations, Young Professional Groups of various organizations, Labor organizations, etc.
 - Messaging is key
- Age groups – younger the better – progression by age – limited to greater so by age 50 understand topic

Education Workgroup

- What has been done in the past for Own Your Future campaign
- Research existing videos available to educate
- Limitations of Medicare and Medicaid –

Communication Workgroup ¶

- What tools to be used – all types of social media – YouTube, newsletters, news media, PSAs, presentations to various groups, get celebrity to be spokesperson, APP for phone
- Website – with links to get information
- MAPP – one portal gateway – how can we use it for people to get information before they need care.
- MarylandAccessPoint.info Options [for](#) counseling at the time of need - reached 2016 in ages – 18-59 (disability) – 5000, ages 60 plus reached 3500. ~~Provided~~ [Provides](#) options for counseling on site.
- SHIP – Individuals that already have a need – not reaching the right population for Task Force.

Research Workgroup

- Look at national and state activities for developing and existing information.
- Identify potentially helpful research relating to State of MD.
- Identify potential funding partners to help launch the effort
 - Robert Wood Johnson Foundation
 - Johns Hopkins University
 - U of MD
 - How did other states fund programs?
- Develop research to pass the messaging after it is created to test messaging and content of campaign

The Task Force will continue its mission and study from December, 2017 till the end of June, 2018. A full report and its recommendations will be provided in July, 2018. The Task Force is committed to make a positive impact on Maryland's citizen to better prepare for their Long Term Care needs.

A special thank you to Sally Leimbach and Melissa Barnickel for their initial development of the legislation, documentation, leadership and expertise.

Respectfully submitted,

Elizabeth Weglein, President
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Cc: Sarah Albert, Department of Legislative Services, 5 copies

ADDENDUM

Governor Task Force Membership Appointments

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