United States Government Accountability Office
Washington, DC 20548

September 9, 2005

The Honorable Charles E. Grassley
Chairman
The Honorable Max Baucus
Ranking Minority Member
Committee on Finance
United States Senate

The Honorable John D. Rockefeller, IV
United States Senate

Subject: *Overview of the Long-Term Care Partnership Program*

In 2003, the most recent year for which data are available, national spending on long-term care totaled $183 billion,[1] and nearly half of that was paid for by the Medicaid program, the joint federal-state health care financing program that covers basic health and long-term care services for certain low-income individuals. Private insurance paid a small portion of long-term care expenditures—about $16 billion or 9 percent in 2003. With the aging of the baby boom generation, long-term care expenditures are anticipated to increase sharply in coming decades. The projected spending on long-term care presents a looming fiscal challenge for federal and state governments. As a result, some policymakers are looking for ways to reduce the proportion of long-term care spending financed by Medicaid and promote private insurance as a larger funding source.

The Long-Term Care Partnership Program is a public-private partnership between states and private insurance companies, designed to reduce Medicaid expenditures by delaying or eliminating the need for some people to rely on Medicaid to pay for long-term care services. Individuals, who buy select private long-term care insurance policies that are designated by a state as partnership policies and eventually need long-term care services, first rely on benefits from their private long-term care insurance policy to cover long-term care costs before they access Medicaid. To qualify for Medicaid, applicants must meet certain eligibility requirements, including income and asset requirements. Traditionally, applicants cannot have assets that exceed certain thresholds and must "spend down" or deplete as much of their assets as is required to meet financial eligibility thresholds. To encourage the purchase of private partnership policies, long-term care insurance policyholders are allowed to

[1]Long-term care includes nursing home services, home health, personal care services, assisted living, and noninstitutional group living arrangements.

protect some or all of their assets from Medicaid spend-down requirements during the eligibility determination process, but they still must meet income requirements.[2]

You asked that we provide summary information about the Long-Term Care Partnership Program. As agreed with your staff, we examined the demographics of program participants, the types of policies purchased, and the benefits accessed by policyholders. On August 18, 2005, we briefed your staff on this information, and this letter formally conveys our findings. Enclosure I contains the slides we provided during our briefing with some revisions to incorporate updated information.

To do our work, we interviewed officials from the four states that offer Long-Term Care Partnership Programs—California, Connecticut, Indiana, and New York—and reviewed their quarterly reports and other official documents. While all four of the states with partnership programs collect some information on their programs, the states do not all collect the same information. The programs began in different years and data reported by the states are based on different time periods. Therefore, in some cases, we report information only for those states that had available data. Based on discussions with state officials and reviewing documentation on uniformly collected insurer data and surveys of policyholders, we determined that the information we report was sufficiently reliable for our purposes. We also examined reports on the program from the Congressional Budget Office, the Congressional Research Service, and other research organizations. We provided a draft of the enclosure to officials in the four partnership states for their review. They provided us with technical comments that we incorporated as appropriate. We conducted our work from July through September 2005 in accordance with generally accepted government auditing standards.

Background

The Long-Term Care Partnership Program began in 1987 as a demonstration project funded through the Robert Wood Johnson Foundation. As part of the demonstration project, four states—California, Connecticut, Indiana, and New York—developed partnership programs.[3] These programs are designed to encourage the purchase of private long-term care insurance, especially among moderate income individuals, thereby potentially reducing future reliance on Medicaid as a funding source for long-term care services. Based on the most recently available data, there are over 172,000 active partnership policies in the four states.

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[2]The definition of assets differs between the Long-Term Care Partnership Program and Medicaid. The Long-Term Care Partnership Program uses the term assets to denote savings and investments, and excludes income. For purposes of Medicaid eligibility, assets include both income, which is anything received during a calendar month that is used or could be used to meet food, clothing, or shelter needs, and resources, which are anything owned, such as savings accounts, stocks, or property.

[3]In general, federal statute limits most states from implementing new partnership programs. To protect assets under the Long-Term Care Partnership Program, participating states exempt some or all assets from Medicaid's estate recovery requirement, which generally requires adjustment or recovery from an individual's estate for the costs of medical assistance provided. With the enactment of the Omnibus Budget Reconciliation Act of 1993, states were no longer allowed to disregard estate assets from recovery unless the practice had been approved as of May 14, 1993.

The four states vary in how their partnership programs protect policyholders' assets. The programs in California and Connecticut have dollar-for-dollar models, in which the dollar amount of protected assets is equivalent to the dollar value of the benefits paid by the long-term care insurance policy. For example, a person purchasing a long-term care insurance policy with $300,000 total coverage would have $300,000 of assets protected if she were to exhaust the long-term care insurance benefits and apply for Medicaid. New York's program requires the purchase of a comprehensive long-term care insurance policy, covering a minimum of 3 years of nursing home care and 6 years of home and community-based care, but offers total asset protection for all of the purchaser's assets at the time of Medicaid eligibility determination. Indiana's program uses a hybrid model that allows purchasers to obtain dollar-for-dollar protection up to a certain benefit level as defined by the state; all policies with benefits above that threshold provide total asset protection for the purchaser.

Demographics of Program Participants

The average age of partnership policyholders at the time of purchase ranged from 58 to 63 in Connecticut, Indiana, and New York. The median age of partnership policyholders in California was 60. Most partnership policyholders were female, married, and purchasing long-term care insurance for the first time. In California and Connecticut surveys of persons who purchased a partnership policy, most policyholders reported being in good or very good health. In the three states that surveyed a sample of partnership policyholders—California, Connecticut, and Indiana—the majority of policyholders in each of these states reported that their total assets were greater than $350,000.[4] About half or more of the policyholders in each of these three states also reported average monthly household incomes of greater than $5,000.

Policies Purchased

In 2004, the number of partnership policies purchased ranged from about 4,000 in Indiana to nearly 10,000 in California. The number of partnership policies purchased each year has increased significantly since the programs began in the early 1990s, though there has been a decline or leveling off in the number of policies purchased in recent years. State partnership officials from two states reported that the reason for the decline in sales of partnership policies in recent years is not specific to partnership policies but is reflective of overall trends in the long-term care insurance market. Most partnership policies are comprehensive, covering both nursing home care and home and community-based care, and are bought individually rather than through group or organization-sponsored programs. While most applications for partnership policies were approved, approximately 16 percent were denied.

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[4]In a policyholder survey, California and Connecticut instructed policyholders to exclude the value of homes and cars when reporting their assets. Indiana instructed policyholders to include the value of their homes.

The amount of coverage purchased by partnership policyholders varies across the four states. The average daily benefit amount for nursing home care in Connecticut was approximately $188 per day. The most common daily benefit amounts purchased for nursing home care in Indiana were $110 and $120 per day. These amounts were calculated using the daily benefit amounts at the time of purchase and are not adjusted for inflation.[5]

Average premiums for partnership policies differ across states and are based on age and benefits purchased. For example, in Connecticut average annual premiums for a comprehensive policy covering 1 year of care with a $200 daily benefit amount range from $1,500 for a 55-year-old purchaser to $3,400 for a 70-year-old. If the 55-year-old purchased the same policy with a 3-year benefit period rather than a 1-year benefit period, the annual premiums would have been $2,500.

Data from Indiana suggest that when consumers are given the incentive of total asset protection, they are likely to purchase more insurance coverage. Prior to 1998, when Indiana introduced total asset protection as an option in addition to dollar-for-dollar asset protection policies, only 29 percent of policies purchased had total coverage amounts large enough to trigger total asset protection. In contrast, in the first quarter of 2005, 87 percent of policies purchased were large enough to trigger total asset protection.

Benefits Accessed by Policyholders

Less than 1 percent of active partnership policyholders are currently accessing their long-term care insurance benefits. Since the programs began, 251 policyholders in all four states have exhausted their long-term care insurance benefits. Of those 251 policyholders, 119 (47 percent) have accessed Medicaid. The remaining 53 percent have not accessed Medicaid. According to interviews with state officials, this may be because they are spending down income or unprotected assets, their health has improved, or their families provide informal care. More policyholders have died while receiving long-term care insurance benefits (899 policyholders) than have exhausted their long-term care insurance benefits (251 policyholders), which could suggest that the Long-Term Care Partnership Program may be succeeding in eliminating some participants' need to access Medicaid. However, it is difficult to determine whether and to what extent the Long-Term Care Partnership Program has resulted in cost savings to the Medicaid program because there are insufficient data to determine if those individuals who have purchased partnership policies would have accessed Medicaid had they not purchased long-term care insurance benefits.

Comments from Partnership States

We provided a draft of the enclosure to officials in the four partnership states for their review. They provided us with technical comments that we incorporated as appropriate.

[5]Most partnership policies are required to have inflation protection. For example, New York generally requires inflation protection; however, purchasers age 80 or older are not required to have inflation protection as part of their policies.

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As agreed with your offices, unless you publicly announce the contents earlier, we plan no further distribution of this report until 30 days after its date. We will then provide copies of this report upon request. In addition, the report will be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staff have any questions about this report please contact me at (202) 512-7119 or dickenj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are Krister Friday, Clare Mamerow, and Anna Theisen-Olson.

John E. Dicken
Director, Health Care

Enclosure – 1

The Long-Term Care Partnership Program: An Overview

Briefing to Congressional Staff

1

Briefing contents

- This briefing provides information about the Long-Term Care Partnership Program:
  - Background and overview
  - Demographics of program participants
  - Policies purchased
  - Benefits accessed by policyholders

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Background and overview

- The Long-Term Care Partnership Program is a public-private partnership designed to encourage persons with moderate income to purchase private long-term care insurance to fund their long-term care needs rather than relying on Medicaid
    - Individuals who buy a partnership policy and eventually need long-term care services first rely on benefits from their private long-term care insurance policy to cover long-term care costs
    - If the policyholders exhaust private long-term care insurance benefits and need assistance from Medicaid to fund long-term care, they may protect some or all of their assets[1] from Medicaid spend-down requirements during the eligibility determination process;[2] however, they are still subject to Medicaid income requirements
- One goal of the Long-Term Care Partnership Program is to save money for Medicaid by delaying or eliminating the need for participants to access Medicaid for long-term care services

[1] The Long-Term Care Partnership Program uses the term assets to denote savings and investments, and excludes income. For purposes of Medicaid eligibility, assets include both income, which is anything received during a calendar month that is used or could be used to meet food, clothing, or shelter needs, and resources, which are anything owned, such as savings accounts, stocks, or property.

[2] In some cases, policyholders can access Medicaid before exhausting their private insurance benefits if their actual assets are less than or equal to the amount of insurance benefits paid.

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Background and overview (continued)

- As a result of a Robert Wood Johnson Foundation demonstration project, four states have operated partnership programs since the early 1990s (California, Connecticut, Indiana, and New York)

- Over 172,000 partnership policies are active in the four states

- The Omnibus Budget Reconciliation Act of 1993 limits most states from implementing partnership programs

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Background and overview (continued)

- The four states with partnership programs offer one of three program models (see table 1). These models exempt different levels of assets from Medicaid spend-down requirements
    - **Dollar-for-dollar:** Assets are protected up to the amount of the private insurance benefit paid
    - **Total asset protection:** All assets are protected when a state-defined minimum benefit package is paid
    - **Hybrid:** Program offers both dollar-for-dollar and total asset protection. The type of asset protection depends on the initial amount of coverage purchased. Total asset protection is available for policies with initial coverage amounts greater than or equal to a coverage level defined by the state

Background and overview (continued)

Table 1: Overview of Partnership Programs

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Year implemented	1994	1992	1993	1993	-
Partnership model	Dollar-for-dollar	Dollar-for-dollar	Hybrid	Total asset protection	-
Number of participating insurance companies	5	8	13	8	17[c]
Number of active partnership policies	64,915	30,834	29,189	47,539	172,477

Sources: GAO analysis of data from
Robert Wood Johnson Foundation
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] Some insurers participate in more than one state

Demographics of program participants

- Average age of partnership policyholders at time of purchase ranges from 58 to 63 in Connecticut, Indiana, and New York. The median age of partnership policyholders in California is 60 (see table 2)
- More partnership policyholders are female than male
- Most partnership policyholders are married
- Most partnership policy purchasers are buying long-term care insurance for the first time

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Demographics of program participants (continued)

Table 2: Demographics of Partnership Policyholders at Time of Purchase

	California[a]	Connecticut[a]	Indiana[a]	New York[b]
Age	Median age: 60	Average age: 58	Average age: 62	Average age: 63
Age range	18 – 92	20 – 89	19 – 90	19 – 96
Sex				
Female	59%	56%	57%	59%
Male	41%	44%	43%	41%
Marital status				
Married	70%	76%[c]	78%	72%
Not married	29%	23%[c]	21%	25%
Unknown	1%	0%[c]	1%	3%
First time purchasers	94%	92%	94%	95%

Sources: California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] Based on data through June 2004

Note: Percentages may not add to 100 due to rounding

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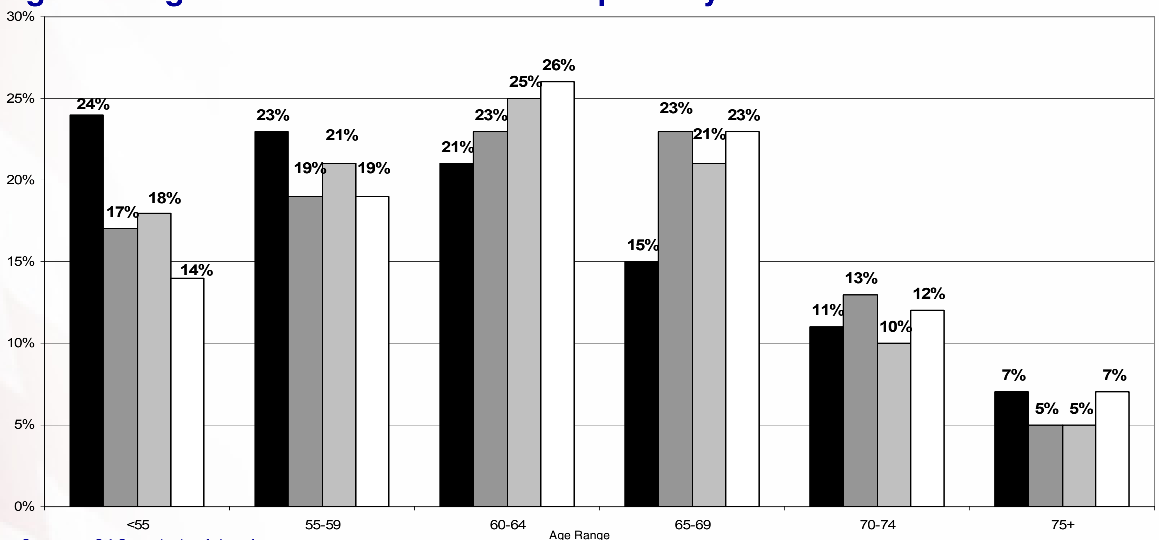
Demographics of program participants (continued)

Figure 1: Age Distribution of Partnership Policyholders at Time of Purchase



Sources: GAO analysis of data from
California Partnership for Long-Term Care, data through March 2005
Connecticut Partnership for Long-Term Care, data through June 2004
Indiana Long-Term Care Insurance Program, data through March 2005
New York State Partnership for Long-Term Care, data through December 2004

Note: Percentages may not add to 100 due to rounding

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Demographics of program participants (continued)

- California, Connecticut, and Indiana surveyed a sample of policyholders at the time they purchased their policies[1]
- The majority of policyholders in each of the three states reported having total assets greater than $350,000 (see figure 2)[2]
- About half or more of policyholders in each of the three states reported average monthly household incomes of greater than $5,000 (see figure 3)

[1] Recent income and asset information is not available from New York

[2] California and Connecticut instructed policyholders to exclude the value of homes and cars when reporting their assets. Indiana instructed policyholders to include the value of their homes.

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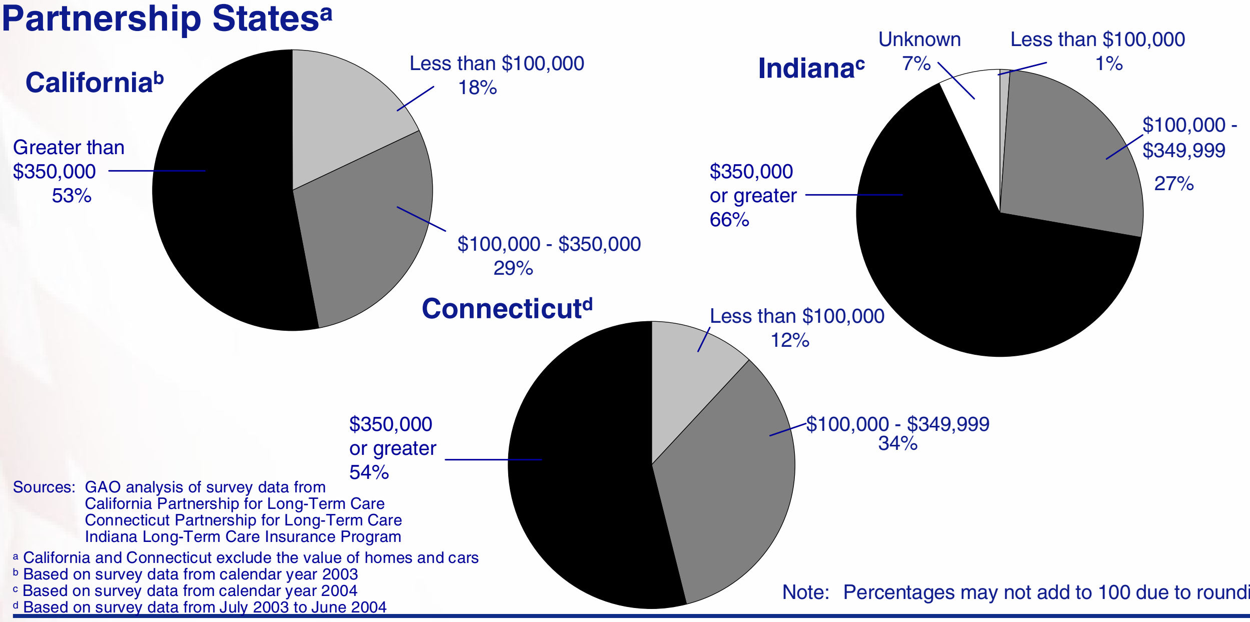
Demographics of program participants (continued)

Figure 2: Distribution of Policyholders' Reported Assets in Three Partnership States[a]



Sources: GAO analysis of survey data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program

[a] California and Connecticut exclude the value of homes and cars
[b] Based on survey data from calendar year 2003
[c] Based on survey data from calendar year 2004
[d] Based on survey data from July 2003 to June 2004

Note: Percentages may not add to 100 due to rounding

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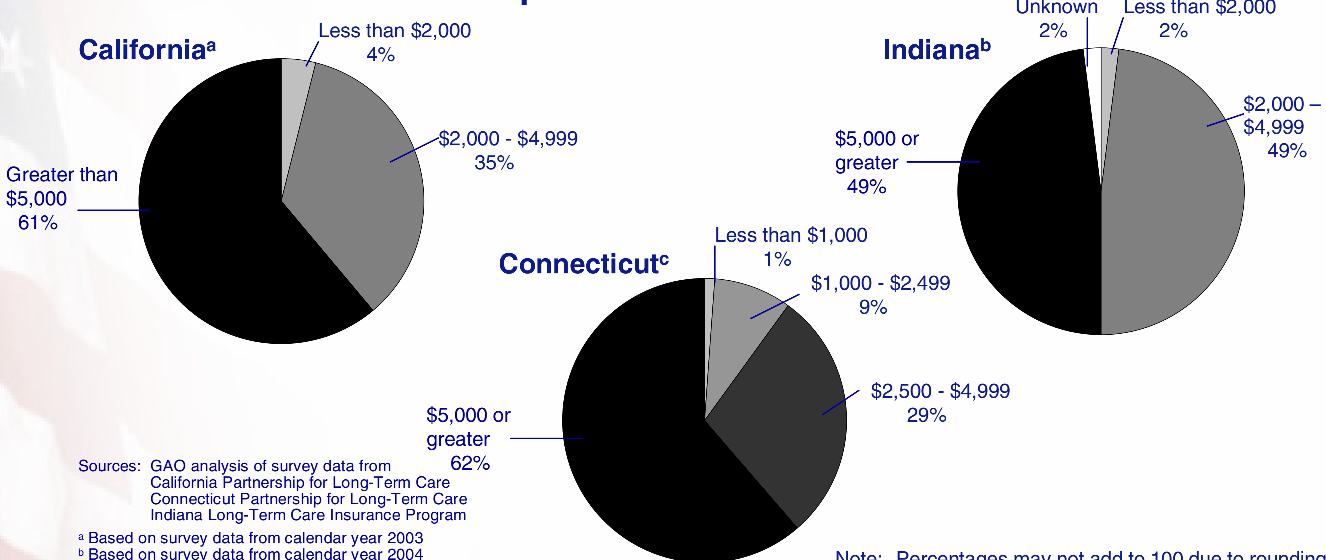
Demographics of program participants (continued)

Figure 3: Distribution of Policyholders' Reported Monthly Household Income in Three Partnership States



Sources: GAO analysis of survey data from California Partnership for Long-Term Care, Connecticut Partnership for Long-Term Care, Indiana Long-Term Care Insurance Program

[a] Based on survey data from calendar year 2003
[b] Based on survey data from calendar year 2004
[c] Based on survey data from July 2003 to June 2004

Note: Percentages may not add to 100 due to rounding

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Demographics of program participants (continued)

- In California and Connecticut surveys of persons who purchased a partnership policy, most policyholders reported being relatively healthy (see table 3)

Table 3: Reported Health Status of Partnership Policyholders in California and Connecticut[a]

	California[b]	Connecticut[c]
Average age of respondents	58	59
Respondents who reported health status as:		
Excellent	61%	63%
Good	37%	36%
Respondents who reported needing assistance with one or more:		
Activities of daily living[d]	0.3%	0%
Instrumental activities of daily living[e]	1.4%	0.6%

Sources: California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care

[a] Comparable data are not publicly available from Indiana and New York
[b] Based on survey data from calendar year 2003
[c] Based on survey data from July 2003 through June 2004
[d] Activities of daily living include such activities as dressing, bathing, transferring, toileting, and eating
[e] Instrumental activities of daily living include such activities as preparing meals, shopping for groceries, managing money, doing laundry, and taking medications

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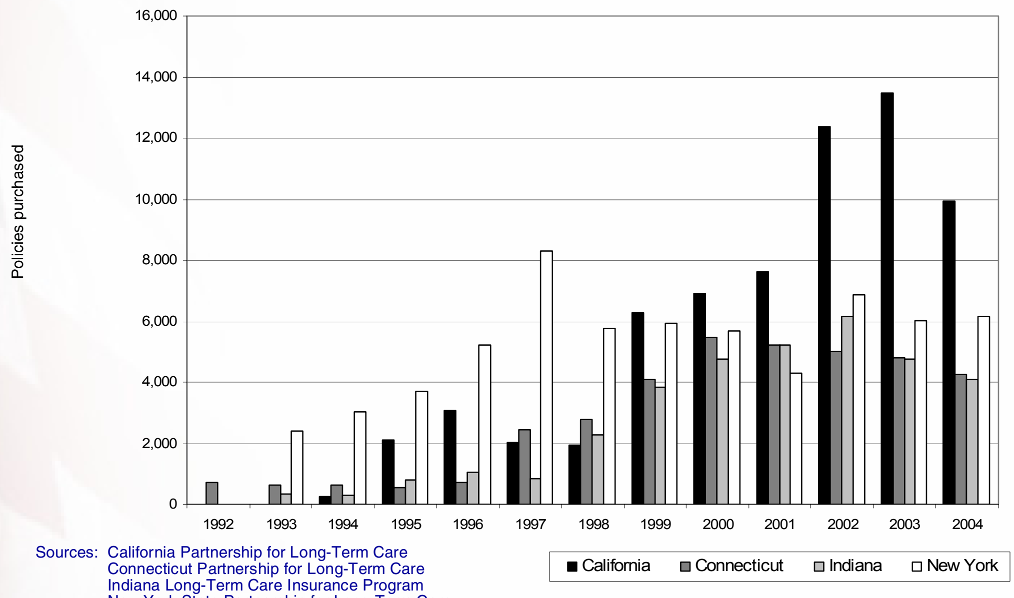
Policies purchased

- The purchase of partnership policies has increased significantly since the programs began (see figure 4)
- However, the partnership states have seen a decline or leveling off in the number of policies purchased in recent years
  - State partnership officials from two states reported that the reason for the decline in sales of partnership policies in recent years is not specific to partnership policies but is reflective of overall trends in the long-term care insurance market

Enclosure 1

Policies purchased (continued)

Figure 4: Number of Partnership Policies Purchased by State



Sources: California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

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Policies purchased (continued)

- Like other long-term care insurance, partnership policies are subject to medical underwriting[1]
  - While most applications for partnership policies were approved, approximately 16 percent were denied (see table 4)

Table 4: Status of Partnership Applications

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Applications					
Number received	93,577	46,564	41,495	83,973	265,609
Number denied	16,076 (17%)	5,815 (12%)	6,324 (15%)	14,096 (17%)	42,311 (16%)
Number pending or withdrawn	0 (0%)	2,605 (6%)	202 (0.5%)	8,519 (10%)	11,326 (4%)

Sources: GAO analysis of data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004

[1]Insurance companies evaluate applicants' health status and possibly deny coverage, offer more limited benefits, or charge higher premiums to applicants with certain health conditions. However, in some cases, such as with a large group offering, medical underwriting requirements may be relaxed or eliminated completely.

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Policies purchased (continued)

- Most partnership policies are comprehensive, covering both nursing home care and home and community-based care (see table 5)
- Most purchasers buy partnership policies individually
  - Few policies are purchased on the group market or through organization-sponsored programs

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Policies purchased (continued)

Table 5: Types of Policies Purchased

	California[a]	Connecticut[a]	Indiana[a]	New York[b]
Type of coverage				
Comprehensive	95%	99%	88%	100%[c]
Nursing home only	5%	1%	12%	0%[c]
Percent of policies purchased				
Individual market	100%[d]	84%	96%	90%
Group market or organization-sponsored	0%[d]	16%	4%	10%

Sources: California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] Comprehensive coverage is a requirement of the New York State Partnership for Long-Term Care
[d] California partnership policies are only available on the individual market

Policies purchased (continued)

- The amount of coverage purchased by partnership policyholders varies across the four states
  - The average daily benefit amount for nursing home care in Connecticut was approximately $188 per day. The most common daily benefit amounts purchased for nursing home care in Indiana were $110 and $120 per day
- The daily and total benefit amounts on the following pages are calculated using the daily and total benefit amounts at the time of purchase and are not adjusted for inflation[1]
  - For example, a $150 per day policy purchased in 1995 with 5 percent inflation protection is worth approximately $244 per day today

[1] Most partnership policies are required to have inflation protection. For example, New York generally requires inflation protection; however, purchasers age 80 or older are not required to have inflation protection as part of their policies.

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Policies purchased (continued)

- California (policies reported in the first quarter of 2005)
  - **Daily benefit amount:** $150 per day most common
  - **Benefit coverage period:** Lifetime coverage most common
- Connecticut (all active policies with fixed daily benefit amounts)
  - **Average daily benefit amount for nursing home care:** $187.60 per day
  - **Average daily benefit amount for home and community-based care:** $166.91 per day
  - **Benefit coverage period:** 2 to 3 years of coverage most common
  - **Total benefit amount:** median of $200,000

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Policies purchased (continued)

- Indiana (all active policies)
  - **Nursing home daily benefit amounts:** $110 and $120 per day most common
  - **Home and community-based care daily benefit amounts:** $120 and $130 per day most common
  - **Benefit coverage period:** 6 years or greater, excluding lifetime coverage, most common

- New York (policies reported in the last half of 2004)
  - **Nursing home daily benefit amount:** median of $200 per day
  - **Home and community-based care daily benefit amount:** median of $100 per day
  - **Benefit coverage period:** 3 years of nursing home care, 6 years of home and community-based care, which is the minimum required coverage in New York, most common

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Policies purchased (continued)

- Average annual premiums in Connecticut for long-term care insurance coverage based on the following coverage options and purchaser age (see table 6)[1]
  - $200 per day nursing home coverage
  - $200 per day home and community-based care coverage
  - 90 or 100 days of care paid for by consumer before long-term care insurance benefits begin (elimination period)
  - 5 percent compounded inflation protection

Table 6: Average Annual Premiums in Connecticut for Long-Term Care Insurance Coverage by Age

	Purchaser age			
Minimum duration	**55**	**60**	**65**	**70**
1 Year	$1,500	$1,800	$2,400	$3,400
2 Years	$2,000	$2,400	$3,300	$4,700
3 Years	$2,500	$3,100	$4,100	$5,900

Source: Connecticut Partnership for Long-Term Care

[1]Comparable premium information for California and Indiana is not available

Enclosure 1

Policies purchased (continued)

- Average annual premiums in New York for long-term care insurance coverage based on the following coverage options and purchaser age (see table 7)1
  - 3 years of nursing home care ($180 daily benefit in 2005)
  - 6 years of home and community-based care ($90 daily benefit in 2005)
  - 100 days of care paid for by consumer before long-term care insurance benefits begin (elimination period)
  - 5 percent compounded inflation protection
  - No nonforfeiture benefit (no refund or coverage if consumer fails to pay premiums)

Table 7: 2005 Average Annual Premiums in New York for Basic Long-Term Care Insurance Coverage by Age

	Purchaser age			
	55	60	65	70
Average premium amount	$1,531	$1,968	$2,587	$3,817

Source: New York State Partnership for Long-Term Care

[1]Comparable premium information for California and Indiana is not available

Enclosure 1

Policies purchased (continued)

- In Indiana, since the hybrid model was introduced in 1998, consumers have purchased more long-term care insurance coverage to get total asset protection rather than less coverage to get dollar-for-dollar protection
    - To trigger total asset protection in 2005, policyholders must purchase a policy valued at $196,994 or greater
    - Prior to 1998, 29 percent of policies purchased had total coverage amounts large enough to trigger total asset protection
    - In contrast, in the first quarter of 2005, 87 percent of policies purchased had total coverage amounts large enough to trigger total asset protection

Source: Indiana Long-Term Care Insurance Program

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Policies purchased (continued)

- Most partnership policies remain active (see table 8)

Table 8: Status of Partnership Policies

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Number of policies					
Purchased	77,501	38,144	34,969	61,358	211,972
Dropped (within 30 days)	4,458	2,789	2,557[c]	5,917	15,721[c]
Dropped (after 30 days)[d]	8,092	3,999	3,802[c]	6,236	22,129[c]
Active	64,915	30,834	29,189	47,539	172,477
Policies that remain active	84%	81%	83%	77%	81%

Sources: GAO analysis of data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] Some policies may be counted in each of the dropped categories
[d] Does not include drops reported as deaths, rescissions, or exhausted benefits

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Benefits accessed by policyholders

- Relatively few partnership policyholders have accessed their long-term care insurance benefits (see table 9)

Benefits accessed by policyholders (continued)

Table 9: Policies Purchased and Benefits Received in the Partnership Program

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Number of policies ever purchased	77,501	38,144	34,969	61,358	211,972
Number of policyholders who have ever received long-term care insurance benefits	913 (1.2%)	351 (0.9%)	249 (0.7%)	1,248 (2.0%)	2,761 (1.3%)
Number of currently active policies	64,915	30,834	29,189	47,539	172,477
Number of policyholders currently receiving long-term care insurance benefits	343 (0.5%)	141 (0.5%)	83 (0.3%)	642 (1.4%)	1,209 (0.7%)

Sources: GAO analysis of data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004

Benefits accessed by policyholders (continued)

- Few partnership policyholders have accessed Medicaid (see table 10)

Benefits accessed by policyholders (continued)

Table 10: Medicaid Usage by Partnership Policyholders

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Number of active policyholders who have exhausted long-term care insurance benefits	89	35	31	96	251
Have accessed Medicaid	25 (28%)	19 (54%)	16 (52%)	59 (61%)	119 (47%)
Have not accessed Medicaid	64 (72%)	16 (46%)	15 (48%)	37 (39%)	132 (53%)
Cumulative asset protection earned by policyholders who have exhausted long-term care insurance benefits	$4,958,421	$4,200,808	$2,160,180	Not available[c]	$11,319,409[d]
Have accessed Medicaid	$1,232,013	$2,018,732	$912,067	Not available[c]	$4,162,812[d]
Have not accessed Medicaid	$3,726,408	$2,182,076	$1,248,113	Not available[c]	$7,156,597[d]
Per capita asset protection earned by policyholders who have exhausted long-term care insurance benefits	$55,713	$120,023	$69,683	Not available[c]	$73,028[d]
Have accessed Medicaid	$49,281	$106,249	$57,004	Not available[c]	$69,380[d]
Have not accessed Medicaid	$58,225	$136,380	$83,208	Not available[c]	$75,333[d]

Sources: GAO analysis of data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] New York does not collect asset protection information
[d] Based on data from California, Connecticut, and Indiana

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Benefits accessed by policyholders (continued)

- 899 partnership policyholders died before exhausting their long-term care insurance benefits (see table 11)

Table 11: Mortality Statistics for Partnership Policyholders

	California[a]	Connecticut[a]	Indiana[a]	New York[b]	Total
Number of policyholders who died while receiving benefits	339	123	72	365	899
Cumulative asset protection earned that will not be accessed due to policyholder dying while receiving benefits	$5,248,657	$3,699,361	$1,921,351	Not available[c]	$10,869,369[d]
Per capita asset protection earned that will not be accessed due to policyholder dying while receiving benefits	$15,483	$30,076	$26,685	Not available[c]	$20,355[d]

Sources: GAO analysis of data from
California Partnership for Long-Term Care
Connecticut Partnership for Long-Term Care
Indiana Long-Term Care Insurance Program
New York State Partnership for Long-Term Care

[a] Based on data through March 2005
[b] Based on data through December 2004
[c] New York does not collect asset protection information
[d] Based on data from California, Connecticut, and Indiana

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