

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

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

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

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

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

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

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

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

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

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Talbot

HCR No. 210

Urges and requests the Department of Insurance, in consultation with the Department of Health and Hospitals, to conduct a study of an alternative long-term care benefit option for Medicaid applicants with life insurance policies who enter into certain viatical settlement contracts and to report findings and recommendations to the legislative committees on insurance on or before Jan. 1, 2015.