

The 2017 Wyoming Buyer's Guide to Long-Term Care Insurance, produced by the Wyoming Department of Insurance and the Wyoming State Health Insurance Information Program, provides crucial insights into long-term care (LTC) and LTC insurance. It clarifies that LTC includes a variety of services beyond nursing home care, such as home health care, adult day care, and custodial care. The guide discusses the financial aspects of LTC, noting that many individuals pay for care out-of-pocket, while Medicaid covers a significant portion of costs for those who meet specific income and asset criteria. It also highlights that Medicare and Medicare Supplement policies generally do not cover extensive LTC expenses. LTC insurance is designed to protect individuals from depleting their assets while ensuring coverage for various care types, including skilled, intermediate, and custodial care. The guide explains that life insurance and annuities may include benefits for LTC expenses, which can impact death benefits and cash values, and outlines the tax implications of qualified LTC insurance, allowing for certain tax deductions and exclusions for benefits received.

The guide introduces Long-Term Care Partnership Policies, which enable consumers to protect personal assets while receiving Medicaid benefits, provided they have a qualifying policy that includes inflation protection. Benefits from LTC insurance are typically expressed as a daily dollar amount, with options for deductibles or elimination periods that can influence premium costs. Covered facilities must be licensed and meet specific criteria, and the length of benefits can be defined by a maximum dollar amount or duration of time. Consumers are encouraged to thoroughly review policies, utilize the 30-day free-look period for refunds, and consult knowledgeable resources to make informed decisions about their long-term care needs.

Key features of the insurance policy include a benefit period ranging from one to five years, with longer periods resulting in higher premiums. Inflation protection is available, allowing the benefit amount to increase annually by a specified percentage or fixed amount. A "free-look period" of 30 days is provided for policyholders to cancel the policy for a full refund if they notify the company and

return the policy as specified. Pre-existing conditions may affect coverage, as benefits for care related to such conditions are generally not payable if medical advice or treatment was received within six months prior to the policy's effective date. Eligibility for coverage typically requires that the applicant is in good health and able to care for themselves, with policies usually available to individuals aged 50 to 79. Policyholders must meet specific criteria, or "triggers," to qualify for benefits, which may include the inability to perform Activities of Daily Living (ADLs), medical necessity, cognitive impairment, or disability requiring care.

The policy includes provisions for unintentional lapse protection, allowing policyholders to designate a third party to be notified if premiums are unpaid, thus preventing lapses in coverage. Non-forfeiture benefits are also available, providing some benefits if the policy lapses, such as a paid-up policy with reduced benefits. Most policies are guaranteed renewable, meaning they cannot be canceled as long as premiums are paid on time, although misrepresentation on the application can lead to cancellation. Certain conditions are excluded from coverage, including benefits for pre-existing conditions, mental disorders (except Alzheimer's), substance abuse, government-paid treatments, self-inflicted injuries, and care that does not meet medical necessity. The waiver of premium provision allows policyholders to stop paying premiums while receiving Long-Term Care benefits, with some policies requiring a waiting period before this provision takes effect.

The document emphasizes the importance of researching insurance companies, including checking A.M. Best ratings for financial strength, and provides tips for shopping for Long-Term Care Insurance, such as comparing multiple policies, understanding coverage details, and ensuring accurate health information is provided on applications. It advises against paying agents in cash and encourages keeping the policy in a secure location. The document also lists various insurance companies along with their respective A.M. Best ratings as of March 2017, indicating their financial strength and ability to meet insurance obligations. Companies listed include Loyal American Life Insurance Co. (A-), Massachusetts Mutual Life (A++), and others. It notes that A.M. Best's ratings do

not imply an endorsement by the Wyoming Insurance Department and that these ratings are proprietary. Additionally, it mentions Long Term Care Partnership-Certified Plans available from several listed companies, including Allianz Life Ins. Co. of N. America and Genworth Life Insurance Company. The publication was supported by a grant from the Administration for Community Living, with a disclaimer that the contents do not necessarily reflect the official views of the agency.