

Long-term care legislation: Where do we go from here?

Trustmark Voluntary Benefits



Excited to be your hosts!



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A little housekeeping...

- When sending questions in the chat, select:
To: All panelists
All hosts
- We will be answering questions throughout the presentation and leave time for Q&A at the end
- All your mics will be muted
- You'll be automatically directed to a survey at the end - please give us your feedback!
- The webinar is being recorded and will be shared for on-demand consumption
- Slides will also be available for download



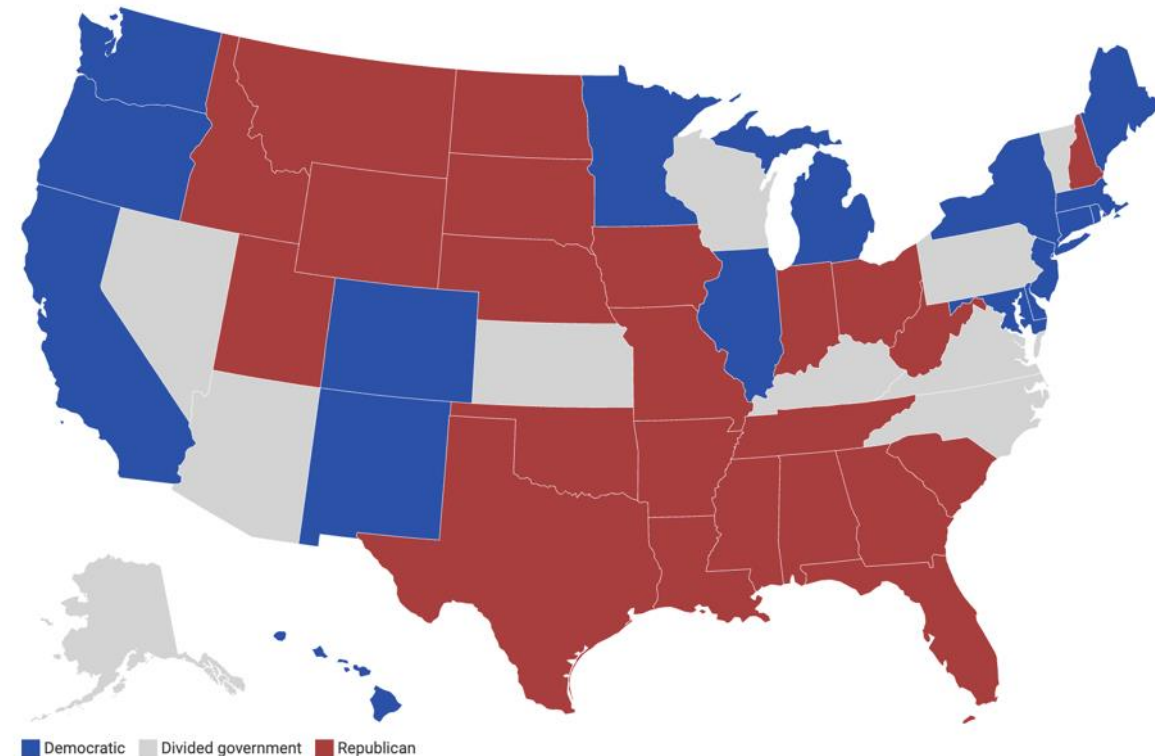
Today's topics

- How political conditions influence LTC legislation
- The status of state governments in states considering LTC legislation
- Key state elections and their impact on our industry
- Impacts of the federal election on the industry

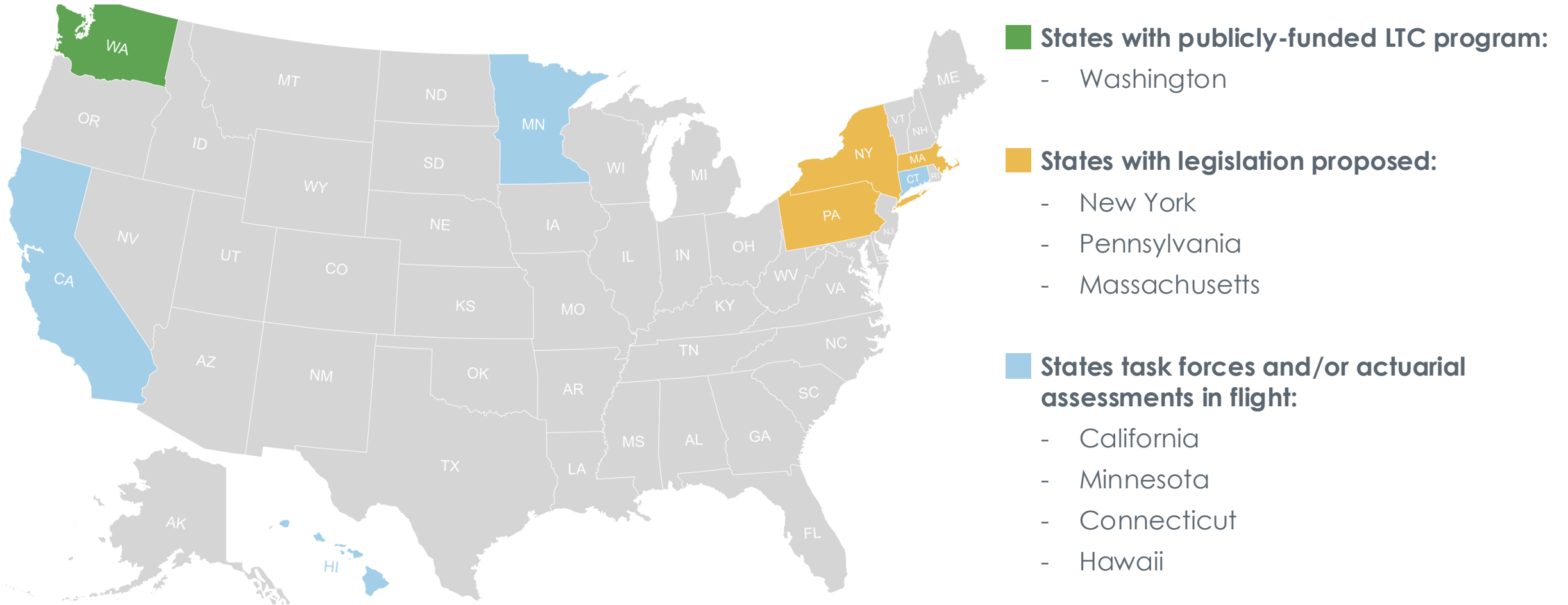


The state of the states

- As of 2024, the U.S. has 40 states with political trifectas – a historic number
 - 23 Republican
 - 17 Democratic
 - 20 trifectas are veto-proof supermajorities
- Often, the party in control advances its legislative agenda
- We are seeing significant increases in state legislation in recent years
- Results in varying and often conflicting state laws

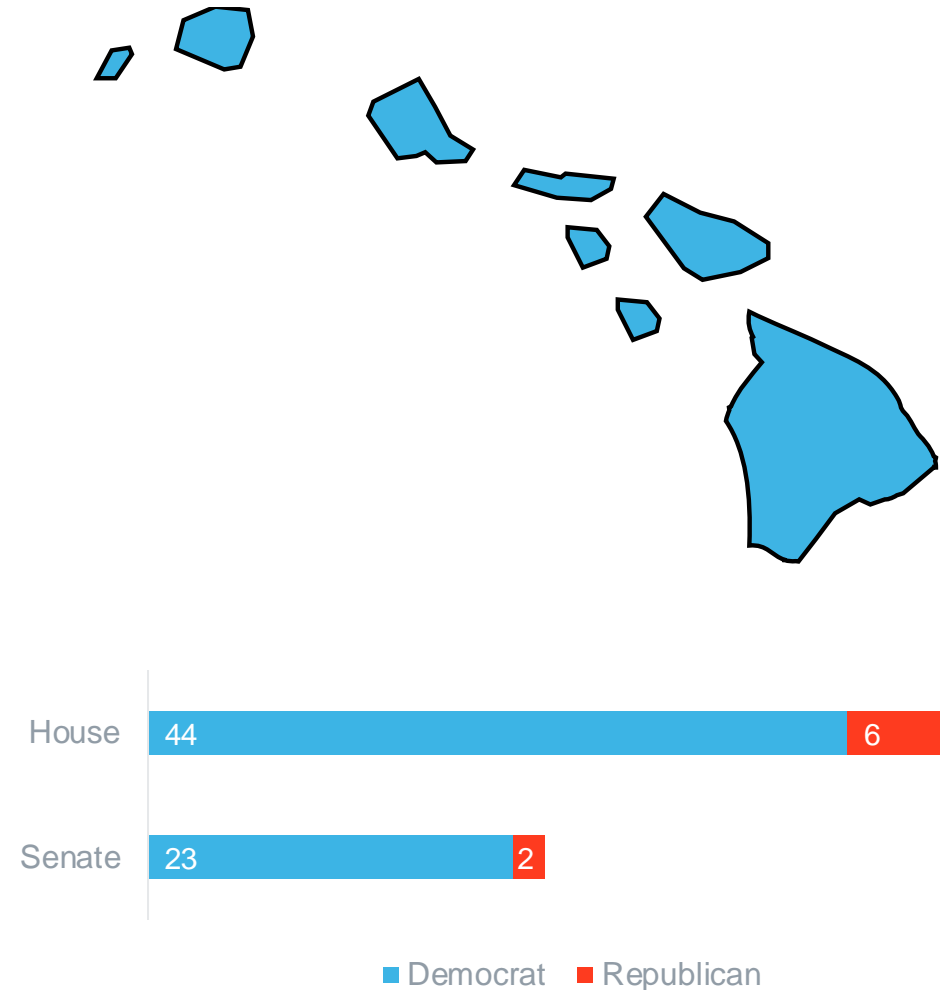


Setting the stage: The legislative landscape



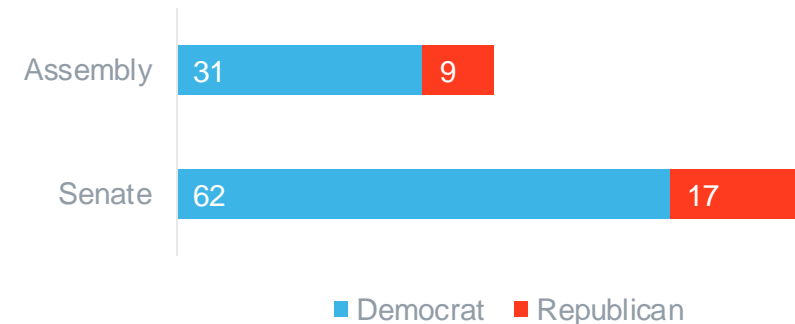
The electoral landscape for: Hawaii

- During the 2024 legislative session, HI passed H 2224 which requires the creation of a long-term care plan to achieve policy goals to ensure availability of LTC services
- 12 Senate seats up for election in 2024
- All 51 House seats up for election
- Hawaii is a Democratic trifecta (since 2011)
- Current governor, Josh Green, elected in 2022
 - Long time HI legislator



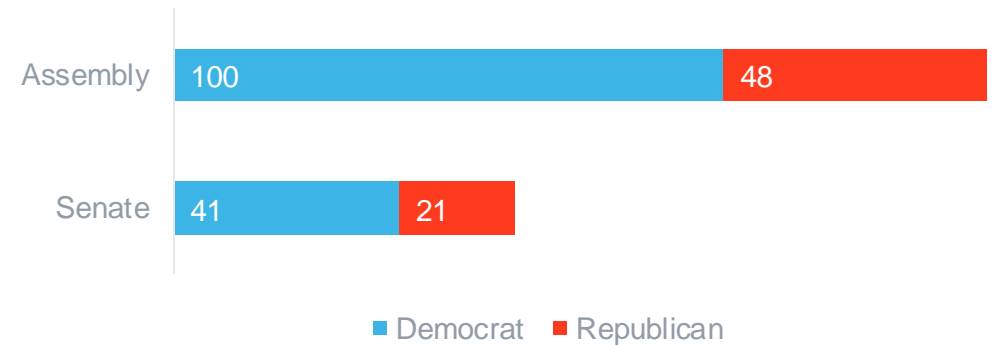
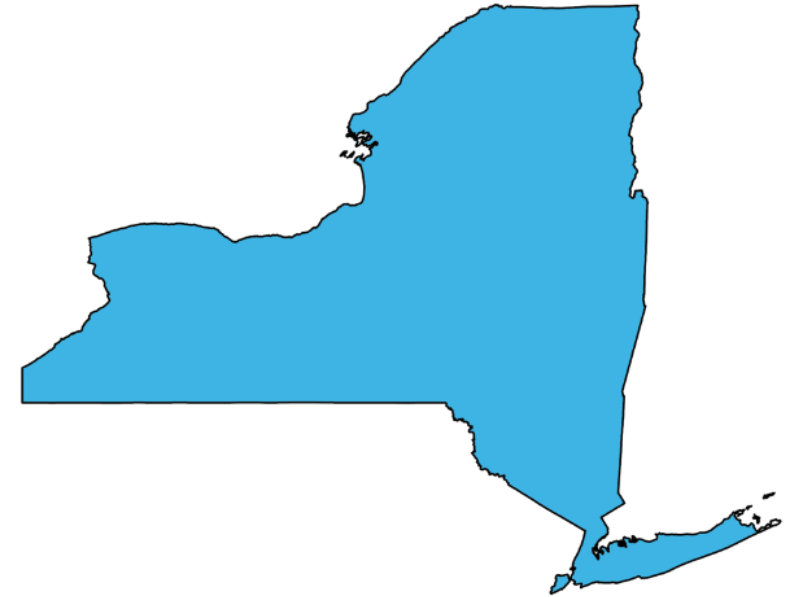
The electoral landscape for: California

- The work and recommendations of CA's LTC task force haven't progressed
 - Inactivity from legislature, DOI, Governor's office
- Democratic trifecta since 2011 (Republican governor from 2004-2010)
- All 80 Assembly seats up for election in 2024
- 20 Senate seats are up for election in 2024
 - Flip of 4+ seats jeopardizes Senate supermajority
- Significant turnover expected in the state legislature
- New members will be sworn in on December 2, 2024
- Expect committee leadership and legislative priorities to shift



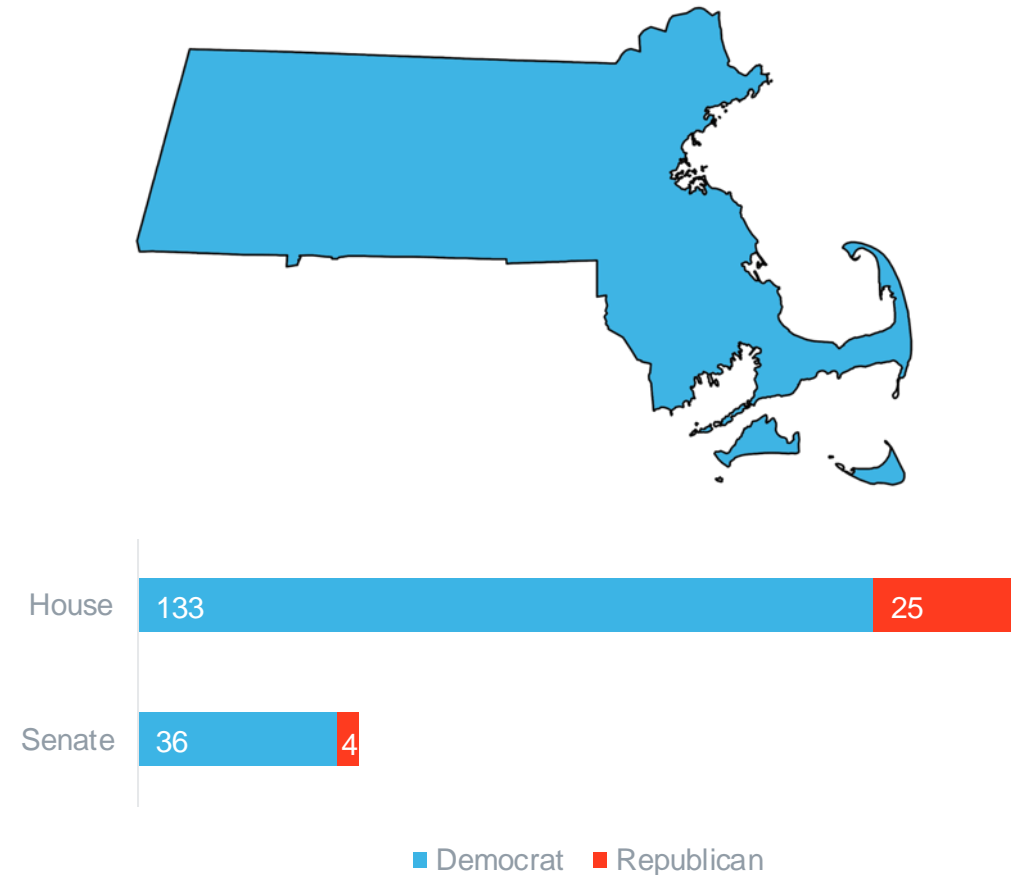
The electoral landscape for: New York

- LTC legislation establishing a comprehensive state-run LTC program introduced in recent sessions
- Democratic trifecta since 2019
- All 150 Assembly seats are up for election
- All 63 Senate seats are up for election
- Assembly Supermajority decreased by 5 democratic seats in 2022



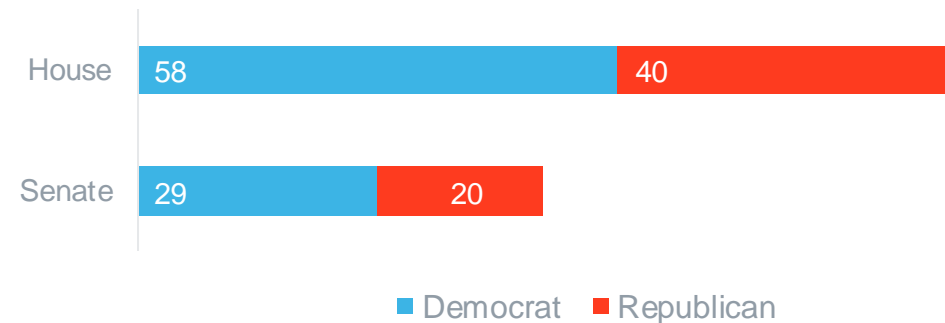
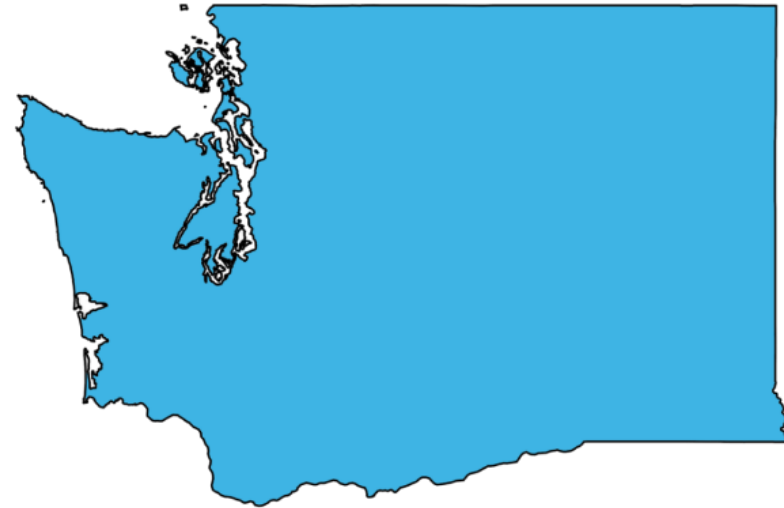
The electoral landscape for: Massachusetts

- Legislation introduced to create an LTC Study Commission, mirroring CA
 - Funds were appropriated to complete study, but the bill did not pass
- Democratic trifecta since 2023 when Governor Maura Healey assumed office
- All House and Senate seats are up for election in 2024
- House added 7 Democratic seats in 2022



The electoral landscape for: Washington

- WA Cares is on the ballot this year
 - Voters will determine if the mandatory program will become optional (initiative 2124)
- Democratic trifecta since 2017
- Long history of democratic control and Democratic trifecta – Democratic Governor since 1984
- 25 Senate seats up for election
- All House seats up for election
- In addition to Initiative 2124, WA voters will elect a new Governor in a race some consider to be competitive



What does this all mean for long-term care legislation?

Did you spot the trend?

- The states we're monitoring for potential long-term care legislation are all Democratic run states
- Republican policies are more conservative and often economically-driven
- Democratic policies are generally more progressive and favor more government-funded social programs like long-term care



2024 state executive office elections

Governor elections

State Governor elections

11 Governors

- DE, IN, MO, MT, NH, NC, ND, UT, VT, and WV (+ WA)

8 open seats (5 republican, 3 democrat)

- DE, NC, IN, MO, WV – incumbent term limit
- WA, NH, ND – incumbent not seeking re-election

3 republicans seeking re-election

WA AG, Bob Ferguson

- WA Cares supporter
- Front runner in the state's governor election

Insurance Commissioner elections - WA

Washington

- First Insurance Commissioner election in 24 years
- In WA, the two candidates with the most votes in the primary election qualify for the general election
- Two state senators won the recent primary
 - **Patty Kuderer** (45.23%) – WA Cares supporter, prioritizing cost of care/drug affordability
 - **Phil Fortunado** (28.49%) – Believes in privatized health insurance system/resists funding public health programs

Insurance Commissioner elections – Other states

North Carolina

Mike Causey

- 2nd term incumbent
- First republican Insurance Commissioner in history
- Former insurance agency owner

Natasha Marcus

- State Senator
- Favors affordable insurance
- Criticizes incumbent as “insurance insider”

Delaware

Trinidad Navarro

- Incumbent since 2017
- Launched the Delaware Department of Insurance Office of Long-term Care Insurance
 - A consumer resource for LTC insurance assistance

Ralph Taylor

- City councilman & police officer

Federal election impacts

Congress landscape entering 2024 election

U.S. House of Representatives

- Republicans have a 220-213 majority
- All 435 seats will be up for election in November
- 52 districts are considered battleground races:
 - 28 democratic seats
 - 24 republican seats

U.S. Senate

- Democrats have a 51-49 majority
- 33 seats are up for election in November
- 12 races considered battleground races
 - 4 democratic seats
 - 8 republican seats

Congress landscape entering 2024 election

- A divided Congress may impede movement on legislation at a federal level
- **Result**
 - States are prompted to act and introduce their own legislation
 - Laws that may be similar, but have state-specific requirements
 - Makes it difficult for our business to comply



Other insurance industry federal election impacts

Tri-Agency Proposal

- Issued by DOL, DOT, HHS
- Proposed to prevent consumers from confusing STLDI and other fixed indemnity products as replacements for comprehensive health coverage
- Rule finalized in March of 2024
 - Placed limitations on short-term limited-duration insurance (STLDI) products and added disclosure requirements to fixed indemnity products
- Potential for a democratic presidential administration to take further action to address proposed topics that were not included in the final rule

What does all this mean for you and your clients?

Navigating uncertainty

- Election years always bring a degree of uncertainty
 - This year in particular, more employers are hitting pause on implementing new benefits
- What we CAN be certain of is that when it comes to locking in life and long-term care rates – the time is now

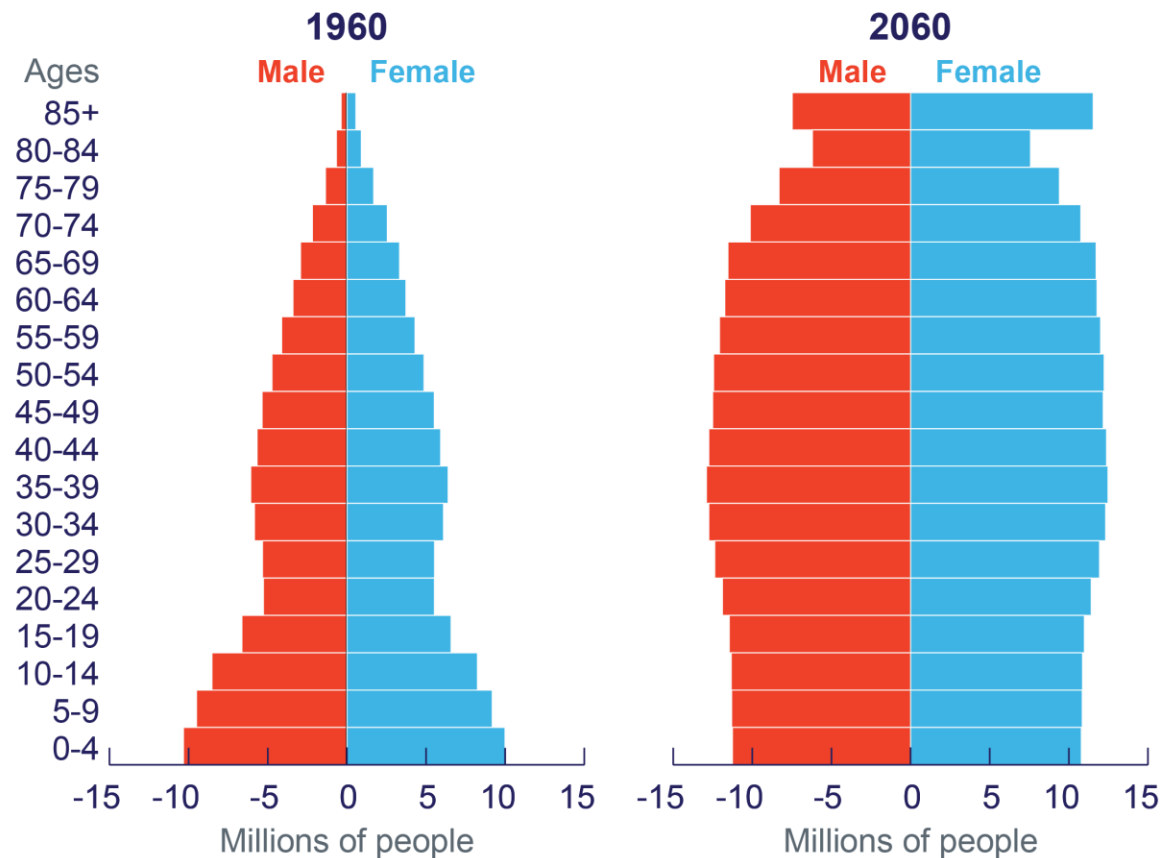


Who will support the elderly?

Between 2030-2035, there will be more people over the age of 65 than under the age of 18

From Pyramid to Pillar: A Century of Change

Population of the United States

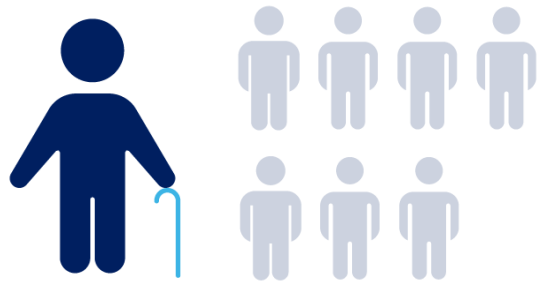


The Caring Company. Harvard Business School. How employers can help employees manage their caregiving responsibilities- while reducing costs and increasing productivity. 2018.

National Population Projections, 2017 www.census.gov/programs-surveys/popproj.html

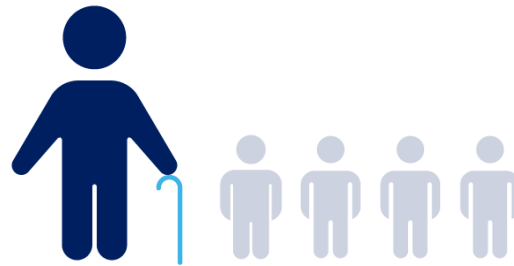
Why does long-term care coverage matter?

Unaffordable professional care often shifts the responsibility to family members



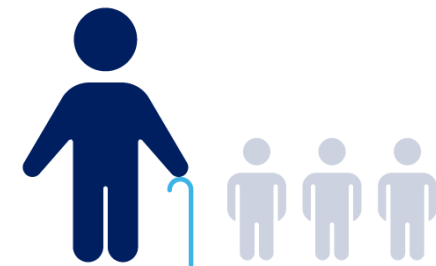
2010

In 2010, every person over 80 years old had
7+ potential family caregivers



2030

By 2030, that ratio is expected to
fall to 4:1

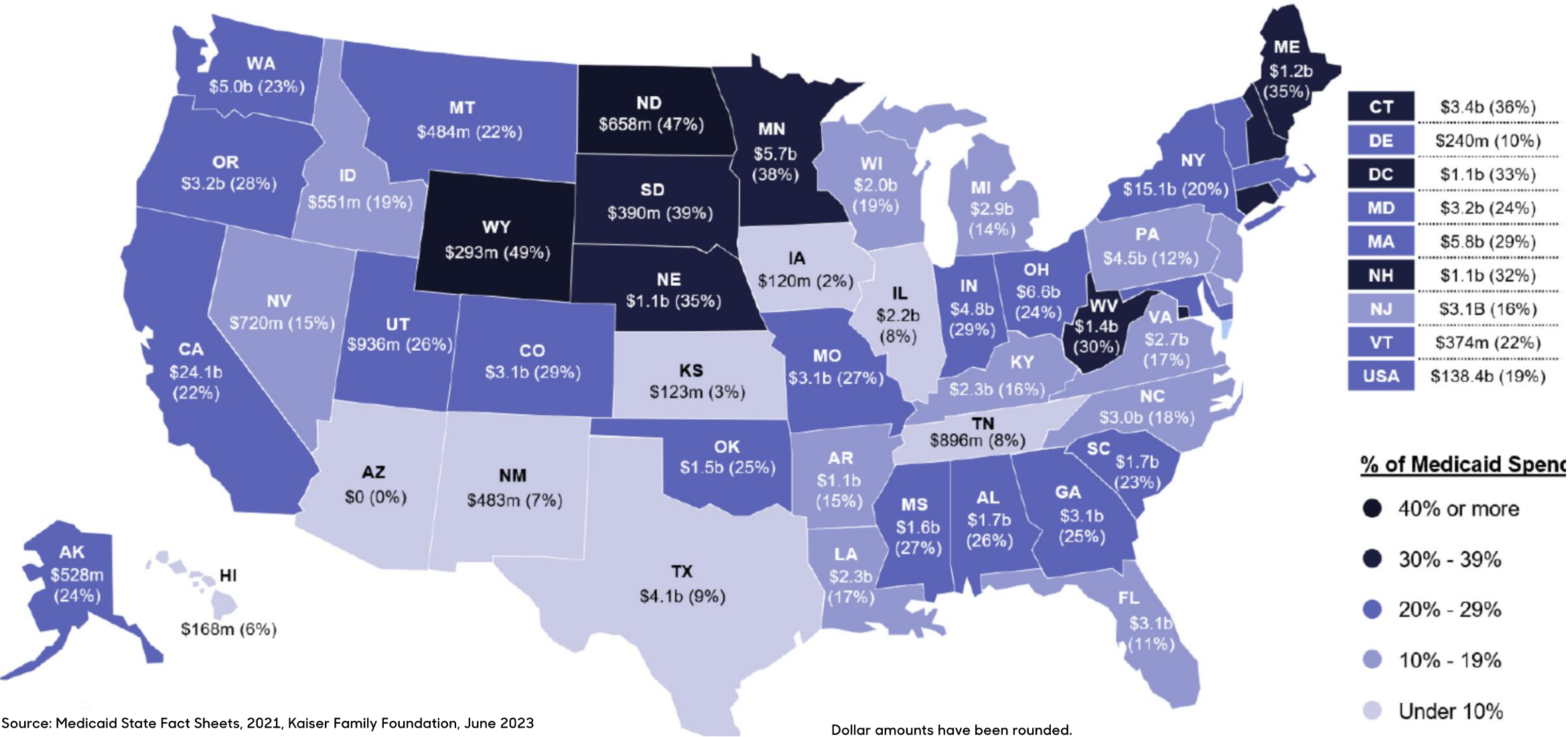


2050

By 2050, the ratio will fall to less
than 3:1

Medicaid Spend on LTC by State

Total spent on LTC (percentage of Medicaid budget)



Source: Medicaid State Fact Sheets, 2021, Kaiser Family Foundation, June 2023

Dollar amounts have been rounded.

Where to go from here...

- Explain to your clients the real-life impact of not offering coverage
 - Employers don't want to deny an employee in an unfortunate situation the opportunity to protect themselves with long-term care coverage
- Without access through the employer, there's likely no access to LTC coverage at all – certainly not on a guaranteed issue basis
- Start the conversation about the need for long-term care early
 - Can take years before an employer is ready to implement

Always remember...

Legislation is a symptom of a larger need for care

- Staying informed and prepared to react to legislation is important, BUT
 - The need for care exists regardless of legislation passing
- Your clients need solutions **today**



Our invitation to you:

- **Follow legislative updates and get engaged** – we will continue with this webinar series
- **Guide the conversation about long-term care** – it shouldn't be strictly legislation-driven
- **Explore hybrid life and long-term care** products as a solution to the care crisis
- **Take advantage of Trustmark's tools** that can keep you informed and prepare you for success



Additional resources

- [Long-term care legislation webpage](#)
- [Trustmark Life + Care product page](#)
- [Your long-term care legislation playbook](#)
- [White paper: A complete guide to the care crisis](#)
- [The need for long-term care flyer](#)

Note: These slides will be shared after the webinar.





We're opening the floor – send your questions in the chat!