MassMutual
FINANCIAL GROUP

Testimony in Support of
Senate Bill 557 - An Act Concerning a Deduction on the Personal Income Tax for Premiums Paid for Long-Term Care Insurance
before the
Human Services Committee
March 4, 2007

MassMutual Financial Group respectfully submits the following testimony in support of **Senate Bill 557 - An Act Concerning a Deduction on the Personal Income Tax for Premiums Paid for Long-Term Care Insurance**. Senate Bill 557 would allow Connecticut consumers a deduction from their personal income tax equal to their annual long-term care premium amount. This legislation is necessary to encourage Connecticut residents to plan for their future long term needs.

Long term care insurance is a product that is designed to pay for services related to a long term care needs that many families are not prepared for, or incapable of providing. These may include personal care, health, social as well as other support services. Long term care insurance provides funds for the help that a person may need when they are not able to perform daily activities such as eating, bathing and dressing due to a lengthy illness, disability, or cognitive disorder. Typical long term care products pay a daily amount that will cover care at home, in the community, in a nursing home, or in another residential setting.

Many Connecticut consumers significantly under-estimate the financial consequences of the need for long term care. Consequently, there is a heavy reliance on the public financing of long term care. This lack of awareness of the cost of a long term illness can be devastating to consumers, their families and ultimately society. We believe that an increase in the proportion of long term care that is financed through private insurance will ultimately lessen the burden on public financing sources. A tax deduction for premium payments for long term care is one of the most effective ways to encourage consumers to invest in their future.

We urge passage of **Senate Bill 557 - An Act Concerning a Deduction on the Personal Income Tax for Premiums Paid for Long-Term Care Insurance**.

Thank you for your consideration.

Please contact Kate Kiernan-Pagani at 413-744-4026 with any questions.