



Legislative Commission on Aging

A nonpartisan research and public policy office of the Connecticut General Assembly

Testimony of

Deb Migneault, Legislative and Community Liaison
Legislative Commission on Aging

Committee on Insurance and Real Estate

February 5, 2013

Senator Crisco, Representative Megna and esteemed members of the Insurance and Real Estate Committee. My name is Deb Migneault and I'm the Legislative and Community Liaison for the Legislative Commission on Aging. On behalf of the Commission, I thank you for this opportunity to comment on SB 813 today.

As you know, the Legislative Commission on Aging is the non-partisan, public policy office of the General Assembly devoted to preparing Connecticut for a significantly changed demographic and enhancing the lives of the present and future generations of older adults. For twenty years, the Commission has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities.

In these difficult budget times, research-based initiatives, statewide planning efforts, vision and creative thinking are all needed. The Legislative Commission on Aging is devoted to assisting you in finding solutions to our fiscal problems, while keeping our state's commitments to critical programs and services.

Senate Bill 813: An Act Establishing a Tax Credit for the Purchase of Long-Term Care Insurance ~ CoA Informs

This bill will provide a state income tax credit of \$500 for premiums paid for long-term care insurance policies. It is in the state's best interest to encourage residents to plan for their long-term services and supports (LTSS) needs. Data show that 1/3 of CT residents have NO PLAN on how they will pay for their long-term services and supports as they age. Over 50% of people over the age of 60 erroneously believe that Medicare will pay for the LTSS needs. The lack of Medicare and private health insurance coverage for long-term services has created a LTSS system that is overly reliant on Medicaid.

Long-term care insurance policies are an effective and important way for some older adults to plan for their future needs. These policies allow people to receive services and supports in the environment of their choice and protect them from spending all of their assets in order to qualify for Medicaid. Exploring various tax incentives for the purchase of long-term care

insurance is a recommendation of both the 2013 Long-Term Services and Supports Plan and the Aging in Place Task Force (SA 12-6).

The state should make every effort to balance the ratio of public and private resources on LTSS. Creating tax incentives like the one proposed in this bill may help to do this.

Thank you again for this opportunity to comment. As always, please contact us with any questions. It's our pleasure to serve as an objective, nonpartisan resource to you.