

STAND. COM. REP. NO. 877 -12

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 1689  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1689, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE,"

begs leave to report as follows:

The purpose of this measure is to reduce medicaid costs for long-term care by encouraging individuals to purchase private long-term care insurance plans. Specifically, this measure implements the Long-Term Care Partnership Program, which allows individuals to qualify for medicaid coverage for continued long-term care prior to exhausting their assets.

The American Council of Life Insurers, the National Association of Insurance and Financial Advisors, and a concerned individual supported the measure. The Department of Human Services and the Policy Advisory Board for Elder Affairs opposed the measure. The Attorney General offered comments on the measure.

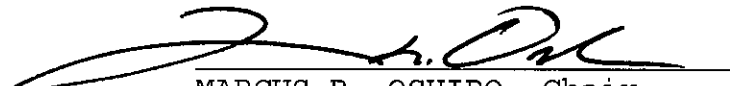
Your Committee notes that the Long-Term Care Partnership Program allows individuals to benefit from a dollar for dollar asset disregard, for the purposes of medicaid spend down requirements, for benefits paid under their qualified long-term care insurance plans. Your Committee respectfully requests as this bill moves forward in the legislative process that future



discussions on this bill consider a dollar for fifty cents asset disregard, rather than the current dollar for dollar asset disregard.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1689, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



