

Deficit Reduction Act of 2005 Expansions in Programs

AARP

Government Relations and Advocacy

DRA Expansions

- Option to Provide HCBS without a waiver
 - Expansion of long-term care insurance partnership option
 - Money Follows the Person
 - Cash and Counseling
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HCBS Option in DRA 05

- ❑ States can provide HCBS without a waiver
 - ❑ Available to people below 150% of poverty
 - ❑ Functional eligibility criteria must be less restrictive than institutional criteria
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HCBS in the DRA 05

- Not an entitlement: states can establish waiting lists
 - Defined lists of services
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LTCL Partnership in DRA 05

- ❑ All states may now establish long-term care insurance partnership programs
 - ❑ These programs allow people who purchase “partnership” LTCL policies to retain a specified level of assets, should they subsequently qualify for Medicaid
 - ❑ Purchasers must still meet Medicaid’s income and functional eligibility criteria
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Partnership Purpose

- ❑ The original purpose of the Partnership policies was to delay Medicaid eligibility for people who could afford to buy a modest insurance policy
 - ❑ The four original partnership states have appealed to wealthy individuals: a majority of purchasers had over \$350,000 in assets
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New Partnership Requirements

- ❑ Partnership policies must include HCBS and nursing home services
 - ❑ State Medicaid programs do not guarantee availability of HCBS, even for those who meet income and disability criteria
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Consumer Advocacy

AARP advocates for:

- ❑ Limiting cost sharing and access to services among the poorest and frailest beneficiaries
 - ❑ The development of hardship waivers
 - ❑ A well thought out and planned process before implementing the LTCI Partnership
 - ❑ A strong consumer education component for the LTCI Partnership
 - ❑ Ensure HCBS is accessible and affordable
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