

Health law includes novel long-term care insurance

By Harris Meyer, Kaiser Health News

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WASHINGTON — A provision in the health care overhaul law signed by President Barack Obama last month could help people care for the disabled. The law establishes **a voluntary, long-term care program that will provide cash to enrollees who suffer at least two limitations in daily activities, such as eating, bathing and dressing.**

Supporters say the program, known as the Community Living Assistance Services and Supports, or CLASS Act, will give families greater means to care for disabled relatives. There are about 10 million Americans who need long-term care services, including **4 million under age 65.**

"This will empower consumers by putting money in their hands. Then entrepreneurial organizations will come to them and ask, 'What can we do to help you?' " said Larry Minnix, president of **the American Association of Homes and Services for the Aging, which lobbied for the CLASS Act.**

Millie Toda of Toledo, Ohio, takes care of her husband Richard, 83, who is severely disabled from Parkinson's Disease. She's grateful that with the help of government-paid home health aides and adult day care, he's able to continue living at home rather than move to a nursing home.

Even with that aid, Toda, 75, said extra money would be a big help. She could use the cash to help replace the broken lift on the front porch so she wouldn't have to pull and push him up and down the front steps of their trailer home to get to his wheelchair.

Some business and insurance groups argue that the CLASS program won't be financially sustainable. The key is getting enough Americans to sign up for CLASS, advocates respond.

James Gelfand, senior manager of health policy at the U.S. Chamber of Commerce, which opposed the CLASS Act, doubts that participation will be adequate. Only about 5 percent of eligible employees choose to participate in employers' private long-term care insurance benefit programs and about 7 million Americans own private long-term care policies.

The CLASS program will be run by the U.S. Department of Health and Human Services. After contributing for five years, participants who are disabled and meet criteria set by HHS will be eligible for a cash benefit of at least \$50 a day. There will be no screening for preexisting conditions and no lifetime benefit limit.

The CLASS cash benefit will be flexible. It can be used to pay for a home health aide, transportation, assistive technology such as wheelchairs, lifts, text telephones and sensors with alarms, adult day care, respite care to give the family caregiver a break, household modifications to accommodate the disabled person — or even to pay a family member to provide the care. Alternately, it can be used to help pay for assisted living or a nursing home.

Such care, of course, can be extremely expensive. Nursing home costs average **more than \$70,000 a year**, and **home health expenses average just under \$30 an hour.** However, Nancy King, chief operating officer of Senior Independence, a nonprofit service agency in Columbus, Ohio, said that even **\$50 a day — \$18,250 a year — would help people trying to pay for a home health aide, adult day care, or assisted living.**

HHS has to write the rules for the program, including setting the premium and benefit levels and the disability triggers for receiving benefits. That process will determine when the program can begin.

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