



TENNESSEE Long Term Care PARTNERSHIP PROGRAM

*Encouraging You to Plan
for Your LTC Needs*



Tennessee Long Term Care Partnership Program

The Long Term Care Partnership (LTCP) Program is a joint effort between the federal Medicaid Program and Long Term Care (LTC) insurers. The Long Term Care Partnership was developed to encourage people to plan for their future LTC needs, such as residing in a nursing facility or assisted living facility, or receiving LTC services in a home or community-based setting.

TennCare is Tennessee's name for the federal Medicaid program. In order to participate in TennCare's LTCP program, a person must have purchased and received the benefits of a qualified Partnership policy.

A person who requests TennCare payment of LTC services after exhausting some or all benefits of a qualified LTCP policy may have certain assets "disregarded" equal to the benefits paid by the qualified LTCP policy at the time the person is determined eligible for TennCare. These assets are not counted when the person's TennCare eligibility is determined and will not be recovered during estate recovery when the person dies. *This means that with the Partnership's dollar-for-dollar asset protection, Tennesseans can protect personal assets if there is a need to apply for TennCare.*

How the LTCP Program and TennCare Work Together

- 1) A LTCP participant in Tennessee is someone who either:
 - Requests TennCare payment of LTC services after exhausting all benefits of a qualified LTCP policy, OR
 - Exhausts all benefits of a LTCP policy while receiving TennCare payment of LTC services, OR
 - Receives TennCare payment of LTC services and dies before the LTCP policy benefits are exhausted.
 - 2) When determining TennCare eligibility, the Department of Human Services (DHS) shall disregard an individual's assets in an amount equal to the amount of payments made by the individual's qualifying LTC policy for services covered under the policy.
- It is the responsibility of the LTCP policyholder to inform the DHS eligibility worker that he or she has a Partnership policy. A TennCare applicant will also be required to submit written proof of benefits paid from his or her LTCP policy.
- 3) A LTCP participant receives the following benefits during his or her lifetime:
 - Assets may be designated for disregard in an amount equal to the benefits paid out by the qualified LTCP policy as of the date of application for Medicaid eligibility.
 - Designated assets are not counted toward the TennCare asset limit for eligibility purposes.
 - The designated assets may be transferred to any other person without penalty.
 - Additional benefits paid by the qualified LTCP policy after application for Medicaid eligibility shall not be disregarded in future review and/or determination of Medicaid eligibility.
 - 4) After the LTCP participant is deceased:
 - Assets which were disregarded for purposes of Medicaid eligibility determination during the person's lifetime are also protected from estate recovery.
 - When the amount of assets disregarded during the person's lifetime was less than total benefits paid by the LTCP policy, additional assets may be protected in the estate recovery process up to the amount of payments made by the individual's qualifying LTC policy for services covered under the policy
 - If no assets were disregarded during the person's lifetime, the personal representative may designate assets to protect from estate recovery up to the lesser of the two options specified above - even if LTCP policy benefits were not completely exhausted.

- 5) When should an individual apply for TennCare?
- If the LTCP policyholder exhausts the benefits of his or her LTCP policy.
 - When the Partnership policyholder/spouse/family/friend feels that the policyholder can no longer afford to pay for the cost of care.
- 6) Does a LTCP policy guarantee access to TennCare?
NO! Owning a LTCP policy does NOT guarantee access to TennCare – even if the policyholder exhausts his or her benefits. Individuals still must meet all other TennCare eligibility requirements in order to be eligible.

REMEMBER: Only DHS can determine whether a person will qualify for TennCare.

General Criteria for TennCare LTC Eligibility

To be eligible for TennCare, a person must qualify in one of the eligibility groups that are covered under the TennCare Medicaid program and meet specific requirements relating to residency, citizenship, income and resources. To be eligible for TennCare payment of LTC services, a person must meet all of the following criteria:

- a) Have a Pre-Admission Evaluation (PAE) that determines a need for a level of care provided in one of these settings:
 - 1) Nursing facility
 - 2) Intermediate Care Facility for people with Mental Retardation (ICF-MR)

A person who meets the level of care and eligibility requirements for care in a nursing facility or ICF-MR may then be able to choose to receive LTC services in an alternative home- and community-based setting, such as an HCBS Waiver program.

- b) Reside in a TennCare-certified Long Term Care facility or receive TennCare home-and community-based LTC services under a federally approved waiver program.
- c) Meet income and resource guidelines.
- d) Disclose an interest in an annuity for self and spouse, if married. The state must be named as remainder beneficiary of annuities owned by the person or spouse.
- e) Not be in a penalty period for an uncompensated transfer of income or assets. During a penalty period, TennCare will not pay the cost of LTC services.
- f) Have home equity of \$500,000 or less unless a spouse, child under the age of 21, or blind or disabled child is lawfully residing in the home.

How to Apply for TennCare

In Tennessee, the Department of Human Services (DHS) accepts applications for TennCare through the county DHS offices. To locate local DHS offices, call DHS's Family Assistance Service Center at 1-866-311-4287 or visit the DHS website at http://www.tennessee.gov/humanserv/st_map.htm.

Those interested in applying do not need an appointment at the county office to receive an application. One can be picked up at their county DHS office or they can have one mailed to them or they can apply online. To request an application, call the county office or the Family Assistance Service Center. Individuals can also apply online by visiting TennCare's website: <http://tennessee.gov/tenncare/mem-apply.html>.

If the person does not apply online, the application must be returned to the county DHS office for processing, by mail, fax or personal delivery. DHS recommends scheduling an intake appointment with a county DHS worker once the individual has completed the application. A face-to-face interview is not required but applicants should be sure to mention that they are in need of LTC services.

Disclaimers

- *This document is solely intended to provide a general overview of how the Long Term Care Partnership Program works in Tennessee. It is **not** an endorsement of a particular long term care insurer or long term care insurance policy.*
- *Information in this document is up-to-date as of February 10, 2009.*