ANTHONY G. BROWN Lt. Governor BETH SAMMIS Deputy Commissioner

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December 27, 2007

The Honorable Thomas McClain Middleton Chair, Senate Finance Committee Miller Senate Office Building, 3 East Wing 11 Bladen Street Annapolis, MD 21401-1991

The Honorable Peter A. Hammen Chair, House Health and Government Operations Committee Lowe House Office Building, Room 161 84 College Avenue Annapolis, MD 21401-1991

Dear Chairman Middleton and Chairman Hammen:

The Department of Health and Mental Hygiene (Department) and the Maryland Insurance Administration (MIA) are required to report to you on the implementation of the Long-Term Care Partnership Program (Program) on or before January 1, 2008. Specifically, we are required to report: (1) the measures undertaken by the MIA's Consumer Education and Advocacy Program to educate the public; and (2) the number of long-term care policies approved by the Department for inclusion in the Program.

We have made considerable progress in implementing this Program. The MIA updated the longterm care insurance regulations to make these regulations consistent with the National Association of Insurance Commissioners (NAIC) model act updating producer training requirements. Together, the Department and the MIA have met with interested parties to draft proposed regulations to certify certain long-term care policies for the Program. We anticipate finalizing the content of these regulations and publishing proposed regulations early in 2008. The Department is completing the State Plan Amendment that must be submitted to the Centers for Medicare and Medicaid Services (CMS) to operate the Program. The Honorable Thomas McClain Middleton The Honorable Peter A. Hammen December 27, 2007 - Page 2

Because we are still working collaboratively to implement this Program, we have not taken any steps to educate the public and no policies have been sold.

We anticipate having more information to share with you about the Long-Term Care Partnership Program next year.

Sincerely,

Beth Sammis Deputy Commissioner Maryland Insurance Administration

John G. Folkemer Deputy Secretary for Health Care Financing Maryland Department of Health and Mental Hygiene

cc: Linda Stahr, Committee Staff, House Health & Government Operations Marie L. Grant, Committee Staff, Senate Finance Committee Sarah T. Albert, Department of Legislative Services (5 copies)