

MARTIN O'MALLEY
Governor

ANTHONY G. BROWN
Lt. Governor



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Commissioner

BETH SAMMIS
Deputy Commissioner

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December 15, 2008

The Honorable Thomas M. Middleton, Chairman
Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St.
Annapolis, MD 21401

The Honorable Peter A. Hammen, Chairman
Health and Government Operations Committee
House Office Building, Room 241
6 Bladen St.
Annapolis, MD 21401

Dear Chairman Middleton and Chairman Hammen:

The Department of Health and Mental Hygiene (Department) and the Maryland Insurance Administration (MIA) are required to annually report certain information specified in §15-407 of the Insurance Article to you on the effectiveness of the Long-Term Care Partnership Program (Program) beginning January 1, 2009. We are not able to report this information to you because the Program is not yet operational and instead provide you with the following update about our progress in implementing this Program.

The MIA, in collaboration with the Department, proposed regulations for the Program on May 23, 2008. Based on comments received from health insurers, the regulations were amended and re-proposed on September 26, 2008. The final regulations were published December 5, 2008 and are effective December 15, 2008.

In addition, in the spring of 2008 the Department received a grant from the Long-Term Care Partnership Expansion Project sponsored by the Center for Health Care Strategies (CHCS) to enable the Department and MIA to participate in a Partnership Summit with other Partnership states and to receive enhanced technical assistance in developing its program. Also, during the months of October and November, 2008, the Department provided a brief training on the Long-Term Care Partnership program at 13 regional training sessions for Medicaid eligibility workers and representatives from long-term care facilities.

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Once the regulations are final, insurers will be in a position to file for certification from the MIA that they qualify for the Partnership program. Insurers may not sell Partnership policies until the Department has filed a State Plan Amendment with the Centers for Medicaid & Medicare Services (CMS). The State Plan Amendment is currently in review for submission to CMS, with an effective date planned for January 1, 2009.

We expect insurers will be able to begin selling long-term care policies under this Program in 2009 and thus anticipate providing you with the information required under §15-407 of the Insurance Article January 1, 2010.

Sincerely,



Beth Sammis
Deputy Insurance Commissioner

BS:mmh

cc: Marie L. Grant, Committee Staff, Senate Finance Committee
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