

THE HILL

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Lawmakers, industry groups push to pass long-term-care bill Price tag, not politics, holding up bipartisan bill By [Klaus Marre](#)

Lawmakers, industry lobbyists and governors are working together in a last-minute push to do something that rarely happens a month before a presidential election: pass healthcare legislation.

With time running out in the 108th Congress, sponsors of legislation that would allow states to engage in long-term-care partnerships hope to overcome a somewhat controversial Congressional Budget Office (CBO) cost estimate on the measure and send their bill to the president.

Rep. John Peterson (R-Pa.) introduced the bill last year. It has 38 bipartisan co-sponsors, including Rep. Nancy Johnson (R-Conn.), chairwoman of the Ways and Means Subcommittee on Health, and would allow states to enter into long-term-care partnerships to promote the use of long-term-care insurance.



file photo

Rep. John Peterson (R-Pa.) introduced healthcare legislation last year.

Peterson and other supporters of the legislation are lobbying the CBO to change its \$100 million cost estimate of the bill. The reason that the bipartisan bill has not moved is because it has not been deemed revenue-neutral.

Because the legislation has not been reported out of committee, it does not have a formal CBO score.

Proponents of the legislation say it would save Medicaid funds because the private sector will assume a greater role in providing long-term care. Currently, private insurers pay for only a fraction of long-term care while Medicaid assumes a large part.

In a “Dear Colleague” letter on the legislation, Peterson and Rep. Earl Pomeroy (D-N.D.) said: “As we all know, state Medicaid budgets are currently under great strain, and every dollar that can be saved is critical. Demand for long-term-care services is already consuming an ever-

greater proportion of Medicaid funding and is expected to rise dramatically over the next decade as baby boomers age.”

The legislators added that the measure would boost the long-term-care insurance market, saying such growth in the industry is “badly needed in anticipation of a dramatic increase in the number of elderly requiring such care.”

Sen. Larry Craig (R-Idaho), chairman of the Special Committee on Aging, has introduced bipartisan companion legislation.

Matt Salo, director of the Health and Human Services Committee of the National Governors Association (NGA), said the legislation is a “win-win” bill. He pointed to support for the bill from the insurance industry and the NGA, as well as lawmakers from both sides of the aisle.

Jeff Vorberger, Peterson’s legislative director, said that, as far as he can tell, the legislation has no opposition.

Salo said he hopes the legislation can still pass this year, despite the CBO cost estimate. He added that anybody who has ever dealt with the issue believes the legislation to be “cost neutral at worst.” Salo noted that it would be more difficult for the bill to pass this year if the CBO does not revise its score. However, if discussions between the legislation’s sponsors and the CBO on the cost of the bill are successful, it could “breeze through” Congress before the session ends, he said.

Vorberger also is hopeful that the legislation could pass soon.

Salo said that existing partnerships in California, Connecticut, Indiana and New York have had a lot of success and that “many states” have passed legislation that would allow them to engage in similar partnerships as soon as Congress acts.

The Omnibus Budget Reconciliation Act of 1993 prohibited the establishment of long-term-care partnerships beyond those in the four states. “Long-term-care policies are a great way for Americans to take control of their healthcare needs, and the federal government should be encouraging these partnerships rather than forcing our nation’s elderly to spend down their entire life savings before receiving the help they need,” Peterson said.

Jodi Anatole, vice president of insurance company MetLife, said earlier this year at a briefing on the issue that partnership programs would encourage greater insurer participation and help the middle-income population to purchase long-term-care insurance.

At the same event, which MetLife and the National Association of Health Underwriters sponsored, Hunter McKay from the Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation also strongly endorsed long-term-care partnerships.