

**§ 108A-70.4. Long-Term Care Partnership Program.**

- (a) The following definitions apply in this section:
- (1) Asset. – Resources and income.
  - (2) Department. – The Department of Health and Human Services.
  - (3) Division. – The Division of Health Benefits.
  - (4) Estate recovery. – The placing of a statutory claim on the estate of a deceased Medicaid recipient, as provided by G.S. 108A-70.5.
  - (5) Medicaid. – The federal medical assistance program established under Title XIX of the Social Security Act.
  - (6) Qualified long-term care partnership policy or qualified policy. – A long-term care insurance policy approved for use in North Carolina and that meets all the requirements of the federal Deficit Reduction Act of 2005, P.L. 109-171.
  - (7) Resource. – Cash or its equivalent and real or personal property that is available to an applicant or recipient.
  - (8) Resource disregard. – The amount of resources of an applicant for long-term care Medicaid that is equal to the amount of benefits paid to the applicant under a qualified long-term care partnership policy.
  - (9) Resource protection. – An amount equal to the resource disregard given to a Medicaid recipient during the long-term care Medicaid eligibility determination process.
- (b) There is established the North Carolina Long-Term Care Partnership Program (Partnership Program) to be administered by the Division with assistance from the Department of Insurance. The Partnership Program shall:
- (1) Provide a mechanism for individuals to qualify for coverage of the cost of their long-term care needs under Medicaid without first being required to substantially exhaust their resources.
  - (2) Provide counseling services to individuals planning for their long-term care needs.
  - (3) Reduce the financial burden on the State medical assistance program by encouraging individuals to obtain private long-term care insurance.
- (c) Under the Partnership Program, the Department shall:
- (1) Provide resource disregard to an applicant for long-term care Medicaid who has received benefits under a qualified long-term care partnership policy. The amount of the resource disregard shall be equal to the total insurance benefits paid to the individual under a qualified policy after the implementation of the Partnership Program and prior to the individual's first application for long-term care Medicaid.
  - (2) Provide resource protection by reducing any subsequent recovery by the State under G.S. 108A-70.5 from a deceased recipient's estate for payment of Medicaid paid services by the amount of resource disregard given under subdivision (1) of this subsection.
- (d) The Department shall adopt rules and amendments to the State Plan to allow for resource disregard at long-term care Medicaid eligibility determination and resource protection at estate recovery. The Department and the Department of Insurance shall adopt rules to implement the provisions of the Partnership Program and to provide for its administration.
- (e) Effective January 1, 2011, or 60 days after approval of the Medicaid State Plan amendment, whichever is later, a qualified long-term care partnership policy shall be accompanied by a Partnership Disclosure Notice detailing in plain language the current law pertaining to the Partnership Program, resource disregard, and resource protection.

(f) The Department may enter into a reciprocal agreement with other states that enter into a national reciprocity agreement to extend the resource disregard and resource protection to residents of the State who purchased, or purchased and used, a qualified long-term care policy in another state.

(g) G.S. 108A-70.5 applies to the estate of an individual who received benefits under a qualified long-term care partnership policy. (2010-68, s. 1; 2019-81, s. 15(a).)