

September 14, 2009

MEMORANDUM

TO: Chapter Presidents and Legislative Coordinators

RE: Federal Long Term Care Insurance Program (FLTCIP)

SUMMARY: I wrote to Senate Aging Committee Chair Herb Kohl (D-WI) and Senator Ron Wyden (D-OR) in favor of consumer protections in Senate legislation on long-term care.

On September 11, 2009, I wrote to Senator Herb Kohl (D-WI), Chairman of the Senate Special Committee on Aging, and Senator Ron Wyden (D-OR) in favor of greater consumer protections for those purchasing long-term care insurance policies. Chairman Kohl and Senator Wyden recently introduced legislation (S. 1177) to offer greater consumer safeguards for long-term care insurance customers, including federal employees and retirees who purchase through the government plan.

The legislation seeks to strengthen rate standards in the future so when consumers purchase plans they will have a better sense of their costs and the protections they offer. I pointed out in my letter that better standards combined with greater overall transparency and improved marketing is necessary. While this legislation will not affect the expected increases in the Automatic Compound Inflation (ACI) policies currently in place, it will hopefully address the problems for those who buy policies in future years.

I have attached a copy of S.1177 and my letter of support.

Colleen M. Kelley
National President

Attachments