



Maryland Continuing Care Residents Association
Protecting the Future of Continuing Care Residents
The Voice of Continuing Care Residents at Annapolis

SUBJECT: House Bill 303 Long-Term Care Insurance - Prohibition on Premium Increases (Long Term Stability for Seniors Act)

COMMITTEES: House Appropriations Committee
The Honorable Maggie McIntosh, Chairwoman

DATE: Wednesday, February 3, 2021

POSITION: FAVORABLE

The **Maryland Continuing Care Residents Association (MaCCRA)** is a not-for-profit organization representing the residents in continuing care retirement communities (CCRCs). Maryland has over 18,000 older adults living in CCRCs. The principal purpose of MaCCRA is to protect and enhance the rights and financial security of current and future residents while maintaining the viability of the providers whose interests are frequently the same as their residents. MaCCRA SUPPORTS efforts to:

- Enhance: Transparency, Accountability, Financial Security; and
- Preserve existing protections in law and regulation for current and future CCRC residents statewide.

On behalf of the Maryland Continuing Care Residents Association, we support House Bill 303. As drafted, House Bill 303 will “prohibit a carrier from increasing a premium rate charged under a policy or contract of long-term care insurance issued to an insured or entered into by a contract holder who is 85 years of age or older.”

Continuing Care Retirement Communities typically operate a complex or campus where residents start in independent living and move to other levels of care as needed. CCRCs have assisted living, typically a memory-care unit, and skilled nursing if their health and mobility decline. CCRCs are classified into three types:

- Type A (“extensive contracts” including long-term care at no monthly fee increase in cost)
- Type B (“modified contracts”, including a limited amount of long-term care services at no monthly fee increase)
- Type C (“fee-for-service”; they charge much higher monthly fees to someone who moves to long term care (i.e. into the community’s assisted living or comprehensive nursing care facilities).

Many CCRC residents, particularly those that live in Type C facilities maintain LTC insurance. It is an important tool that allows residents to afford their accommodations and cover the care that is needed as they age in place. **We support efforts to limit and/or cap premiums on LTC insurance for seniors relying on the coverage and who often live on a fixed income.**

For these reasons we support House Bill 303 and ask for a favorable report.

For further information please contact:
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