

Catherine A. Cooper
Authorized Signature

Number: SPD-PT-06-004
Issue Date: 01/25/2006

Topic: Long Term Care

Transmitting (check the box that best applies):

- New Policy
 Policy Change
 Policy Clarification
 Executive Letter
 Administrative Rule
 Manual Update
 Other: _____

Applies to (check all that apply):

- All DHS employees
 County Mental Health Directors
 Area Agencies on Aging
 Health Services
 Children, Adults and Families
 Seniors and People with Disabilities
 County DD Program Managers
 Other (please specify):

Policy/Rule Title:	Long Term Care (LTC) Insurance		
Policy/Rule Number(s):	461-120-0315	Release No:	
Effective Date:	upon receipt	Expiration:	
References:			
Web Address:	http://www.dhs.state.or.us/spd/tools/index.htm		

Message:

Over the past few months, the Department has been trying to develop a simpler way to deal with LTC insurance payments. Unfortunately, the circumstances around these payments vary greatly from insurance company to insurance company. Some policies start payment immediately upon placement and others must have a waiting period before payments begin. Policies pay different rates depending on the type of care and all types of care are not always covered. Policies most often pay by the day, resulting in payment amounts that vary from month to month. Most policies pay directly to the client, while others pay to the facility. Due to all of these variables and the limitations of our mainframe systems, we have concluded that we will not be able to change the procedure for dealing with LTC insurance payments until the new MMIS is implemented. This transmittal is a reminder of the current process for dealing with LTC insurance; it is not a change. Continue to use this procedure until notified otherwise.

Clients report that they have LTC insurance on question 12 of the *Application Form* (SDS 539A). Eligibility workers record any cost of the insurance, policy number, insurance company, etc., in Oregon ACCESS on the Health Insurance tab. The eligibility worker prints the *Medical Resources* form (SDS 415H) showing details of the policy and forwards it to the central office Health Insurance Group along with a copy of the policy. They also send a front and back copy of the insurance card, if there is one. Although the 415H notifies central office of the LTC insurance, payment to the facility for the client's care is not interrupted. The Department continues to pay for the client's services, less any liability for the client's share.

By signing the *Application Form* (SDS 539A), the client has assigned his or her rights to medical insurance payments to the Department, as required by Oregon Administrative Rule 461-120-0315. When the client is placed in a care setting covered by the client's LTC insurance policy, the worker must make sure the client applies for all insurance payments. It may be helpful to create a tickler in Oregon ACCESS as a reminder to follow up on the client's payments on a monthly basis. Because most LTC insurance payments are made directly to the client or the client's family, the client must turn the payment over to the Department when it is received. The Department receipts the payment in as a reimbursement of past assistance, per the procedure described in the Support Staff Assistance Manual, Section II-G-3. The receipt code is 121. This code ensures that the payment will be credited against the client's estate claim.

In the few instances where the LTC insurance payment is made directly to the facility, it is the facility's responsibility to adjust the Department's bill as payments are received.

Implementation/Transition Instructions:

None required.

Training/Communication Plan:

Policy Transmittal only.

Local/Branch Action Required:

Continue current procedure.

Central Office Action Required:

Policy Transmittal only.

Field/Stakeholder review: Yes No

If yes, reviewed by: Operations Committee

Filing Instructions: None

If you have any questions about this policy, contact:

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