

## ***A New Vision for Long-Term Services and Supports Talking Points***

1. In this report, LeadingAge recommends a flexible, dignity-driven, and universal LTSS insurance program grounded in the principles of shared risk and consumer flexibility. That system has three essential features:
  - a. **A universal approach to coverage:** The mandatory program would spread risk over a large population, thus lowering expenses for individuals, and increasing overall funding for LTSS.
  - b. **A catastrophic benefit period:** The program would finance care for individuals with high needs for LTSS. Benefits would begin after individuals had financed their own care for two years through private long-term care insurance or out-of-pocket spending.
  - c. **A “managed cash” benefit structure:** Beneficiaries would use a cash payment to purchase services and supports related to an LTSS need. This flexible approach would ensure that services and supports were tailored to individual needs and preferences.
2. More than half (52%) of lifetime LTSS costs are financed, on average, through out-of-pocket payments, with Medicaid paying 34% and other sources covering the rest.
3. LeadingAge believes an LTSS financing system that promotes consumer choice and flexibility will stimulate and reward innovation, quality improvement, and the development of products and services consumers want and need, so that we may all age with dignity.