



## CLASS Act Dismissed

### What is/was the CLASS Act?

The Community Living Assistance Services and Supports (CLASS) Act; a national voluntary long-term care insurance program included in the 2010 health reform law. The CLASS Act was established through the Patient Protection and Affordable Care Act (PPACA) to be an optional, government-backed, long-term care insurance program that requires a five-year vesting period before subscribers can collect benefits. The CLASS program was similar to long-term care plans available in the private sector in which workers sign up and pay a monthly premium.

### What happened?

Speculation circled the news and last week was confirmed; the CLASS Act was dismissed, as announced by Health and Human Services Secretary Kathleen Sebelius. In a letter to Congress (as reported by CNN), Sebelius wrote "Despite our best analytical efforts, I do not see a viable path forward for CLASS implementation at this time." Secretary Sebelius communicated that premiums would be so high that few healthy people would sign up, which would lead to an unsustainable cycle of premium increases.

### What should you know about long term care insurance?

The best way to ensure that you'll have access to high-quality long-term care services is to purchase long-term care insurance coverage. There are two ways to obtain coverage; buy it as an individual or through an employer-sponsored plan. There are many types of plans, a number of companies to choose from and many factors to consider when purchasing long-term care insurance. Contact our office if you'd like assistance in this area. The [Life Foundation](#) website also offers great educational materials.

*Doing business the "old fashioned, personal way".*

*Please contact our office for a thoughtful conversation, to discuss ways to save your plan money, or with any questions you may have. We're here to help!*

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