SHB 1732 - H AMD **777**
By Representative MacEwen

SCOPE AND OBJECT 01/19/2022

On page 3, line 25, after "(a)" insert "(i) By April 1, 2023, perform and submit to the council and the legislature an actuarial analysis of the program to determine whether the program is able to maintain solvency, including the effects of extending partial benefits, for a period of 75 years from the beginning of the collection of the premium assessment under RCW 50B.04.080 while maintaining a premium assessment rate of .58 percent without reducing the value of benefit units. The analysis must consider the effects of other legislation related to the program as a whole, updates to the investment policy related to the program, and actual experience with exemptions for persons with private long-term care insurance. If the actuarial analysis finds that the program is not able to maintain solvency for 75 years from the beginning of the collection of the premium assessment at a rate of .58 percent without reducing the value of benefit units, the collection of premiums must be delayed for 18 months beyond July 1, 2023.

(ii) If the program is delayed for 18 months under (i) of this subsection, the office of the state actuary must submit to the council and the legislature a new actuarial analysis of the program using the same criteria three months before the premium assessment is to take effect. If the new actuarial analysis finds that the program is not able to maintain solvency for 75 years from the beginning of the collection of the premium assessment at a rate of .58 percent without reducing the value of benefit units, the collection of premiums must be delayed for an additional 18 months. The 18 month delay based upon an actuarial analysis submitted three months prior to the premium taking effect must be repeated until the actuarial analysis finds that the program is able to maintain solvency for 75 years from the beginning of the collection of the premium assessment at a rate of .58 percent without reducing the value of benefit units;

(b)"

On page 3, at the beginning of line 30, strike "(b)" and insert "((~~(b)~~))(c)"

On page 3, at the beginning of line 35, strike "(c)" and insert "((~~(c)~~))(d)"

On page 8, line 1, after "(2)" strike "A" and insert "(a) Subject to (b) of this subsection, a"

On page 8, after line 17, insert the following:

"(b) The provisions of (a) of this subsection must be suspended for 18 months if the results of the actuarial analysis in RCW 50B.04.020(5)(a) find that the program is unable to maintain solvency for 75 years from the beginning of the collection of the premium assessment at a rate of .58 percent without reducing the value of benefit units. The delay must be repeated in accordance with the provisions of RCW 50B.04.020(5)(a)."

On page 9, line 21, after "(1)" strike "Beginning ((~~January 1, 2022~~))" and insert "(a) ((~~Beginning January 1, 2022~~)) Subject to (b) of this subsection, beginning"

On page 9, after line 36, insert the following:

"(b) The premium assessment under (a) of this subsection must be suspended for 18 months if the results of the actuarial analysis in RCW 50B.04.020(5)(a) find that the program is unable to maintain solvency for 75 years from the beginning of the collection of the premium assessment at a rate of .58 percent without reducing the value of benefit units. The delay must be repeated in accordance with the provisions of RCW 50B.04.020(5)(a)."

EFFECT: Requires the Office of the State Actuary to perform an actuarial analysis of the Long-Term Services and Supports (LTSS) Trust Program to determine whether the Trust Program is able to maintain solvency for a period of 75 years while maintaining a premium assessment rate of 0.58 percent without reducing benefits. Requires the analysis to be completed and submitted to the LTSS Trust Council and the Legislature by April 1, 2023. Requires the analysis to consider the effects of the extension of partial benefits, other legislation, investment policy updates, and exemptions for persons with long-term care insurance. Requires that the collection of premiums be delayed for 18 months beyond July 1, 2023, if the actuarial analysis finds that the LTSS Trust Program is not able to maintain solvency for a period of 75 years while maintaining a premium assessment rate of 0.58 percent without reducing benefits.

Requires that, if the actuarial analysis finds that the LTSS Trust Program will not be able to maintain solvency, the actuarial analysis must be repeated every 18 months with continued implementation delays until the actuarial analysis finds that the LTSS Trust Program will be able to maintain solvency for 75 years while maintaining a premium assessment rate of 0.58 percent without reducing benefits.

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