

HEALTH ISSUES

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Federal Long-term Care WISH Act Introduced in U.S. House of Representatives

On Wednesday U.S. Representative Thomas Suozzi (D-NY-3) introduced the Well-Being Insurance for Seniors to be at Home (WISH) Act ([H.R. 4289](#)) to create a public catastrophic long-term care insurance program. The program would be financed by a payroll tax of 0.3 percent for workers and 0.3 percent for employers, or about \$300 per year for a median wage worker. The program would pay out a monthly cash benefit of about \$3,600 (indexed to inflation) which is estimated to be enough to pay for six hours of in-home care daily, but would be flexible for other long-term services and supports.

To be eligible for benefits, participants must reach full Social Security retirement age and be severely cognitively impaired (or need assistance in at least two activities of daily living (ADLs)). Full benefits would be paid to those who contributed to the program for at least 10 years. People would be eligible for partial benefits once they paid into the system for 1.5 years. The program will pay benefits only after an enrollee required a high level of care for a varying amount of time based on a beneficiary's average lifetime earnings. Those with the lowest incomes could receive benefits after one year. A median income worker would be eligible after twenty months, and the highest income workers would begin to receive benefits after five years.

The sponsor of the bill has said he is hopeful it will also have an effect on the private long-term care insurance market, creating opportunity to offer policies to supplement the federal program. As a part of their 2021 Hill Visits, members of the Academy's Health Practice Council met with Rep. Suozzi's office to discuss the legislation during its development.

If you have any questions regarding this *Academy Alert*, please contact Matthew Williams, senior health policy analyst (williams@actuary.org; 202-868-7001).

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