Universal LTSS Could Support and Strengthen 21st Century Families

Social insurance could provide universal, affordable LTC coverage

Would address core problem: Lack of affordable insurance mechanism for vast majority of Americans to protect against financial risks of LTSS

Only about 7 percent of adults 50 or older have private LTCI today.

96% of all adults are projected to enroll in a universal LTSS program. Only those who fail to meet the work requirement (if applicable) would not qualify for benefits.

In an LTSS social insurance program, coverage could be designed to be nearly universal for the workforce, for all adults, or for society as a whole.

Social insurance contributions would be generally more affordable than private insurance premiums today because:

- Universal coverage pools risk broadly
- Contributions would be paid into a social insurance program much longer (across entire working life) than premiums paid to an insurance company
- Eliminates underwriting, marketing, and sales expenses associated with private insurance

All workers contribute

Contribution is less than $40 from the average worker’s monthly earnings

Trust fund invests contributions and pays benefits

How stakeholders could benefit from universal LTSS

Enabling SENIORS to age in place

Bolstering CARE ECONOMY by infusing new funding that will spur its growth

Supporting PEOPLE WITH DISABILITIES to live in the community

Enabling WORKERS who are family caregivers to work full time and pursue careers

Allowing FAMILIES to keep loved ones at home, providing peace of mind regarding LTSS needs, and reducing out-of-pocket spending

Helping EMPLOYERS by reducing need for employees to miss time or quit job to care for family members

INSURERS

- Provides significant boost to private insurance industry as public awareness increases
- With establishment of new social insurance program, private insurers could offer wraparound or top-up LTC coverage (like Medigap)

STATE

- Reducing Medicaid LTSS spending
- Stimulating economic growth by creating quality care jobs that cannot be outsourced or automated and making it easier for family caregivers to work full time
- Using dedicated financing to address LTSS needs in fiscally sustainable way