

An individual's CLASS cash benefits may not be considered for the purpose of determining eligibility for any other public benefit programs, including Social Security, SSI, Medicare, or Medicaid. However, once a Medicaid beneficiary is determined to be eligible for CLASS payments, some of the payments may be counted as part of the Medicaid patient's patient pay contribution.

For tax purposes, the CLASS program will be treated like a qualified long-term care insurance contract for qualified long-term care services.

### Advantages of CLASS

- CLASS will not deny coverage or charge a higher premium based on health status, like private insurance can.
- It is a lifetime benefit, so it pays as long as you need it; private insurance often limits the dollars or time period covered.
- Although the CLASS cash benefit may not cover all of the care that an individual needs, it can make a substantial contribution.
- CLASS will assist participating individuals to remain in their homes and may keep some people from spending their assets to the point of poverty in order to become eligible for Medicaid.

### About the National Academy of Elder Law Attorneys (NAELA)

NAELA, founded in 1987, is a national association of Elder and Special Needs Law attorneys devoted to the education and training of attorneys who can meet the needs of seniors and people with disabilities, and who advocate for the needs of such individuals.

While NAELA Elder and Special Needs Law attorneys work one-on-one with clients in their local areas, NAELA also examines and advocates on national public policy issues facing seniors and people with disabilities in America including long-term health care; planning for retirement; estate planning and probate; guardianship and conservatorship; health care decision making; and elder abuse and neglect.

This informational brochure is provided as a public service and is not intended as legal advice. Such advice should be obtained from a qualified Elder and Special Needs Law attorney.

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**For more information about CLASS and how to plan for your future, contact:**



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# The CLASS Program

Community Living Assistance Services and Supports



National Academy of  
Elder Law Attorneys, Inc.

*Leading the Way in  
Special Needs and Elder Law™*

Health Care Reform Series

Most people who need long-term care prefer to receive the care that they need at home, rather than having to move into a nursing home or other institution to receive care. However, few people currently have long-term care insurance to help pay for the exceedingly high cost of long-term care if they need it.

The Patient Protection and Affordable Care Act includes a new, national, voluntary, public long-term care insurance program, called CLASS (Community Living Assistance Services and Supports), to help people pay for a portion of their long-term care expenses.

### When Will CLASS Start?

The program starts in 2011, but initial enrollment is not expected until 2012 or 2013.

### Who Can Enroll?

CLASS will be available to working adults. Employed individuals age 18 or older, whose employer participates in the program, will be automatically enrolled in CLASS and pay the premiums through payroll deductions. Individuals who choose not to participate will be able to “opt out,” although they may pay a penalty if they enroll later. Employer participation is voluntary. Individuals whose employer doesn’t participate or who are self-employed will still be able to enroll.

People who are patients in hospitals or mental institutions or residents of nursing homes or intermediate care facilities for individuals with mental retardation (ICFs/MR) and who are Medicaid recipients are not eligible to enroll.

### How Much Will It Cost?

Federal officials will determine premium costs when CLASS is implemented. Premiums will likely vary by age at enrollment. Initial assessments indicate that, if the average benefit level is set at \$75 per day, monthly premiums will average \$123. For full-time students between ages 18 and 22 and those with incomes below the poverty level, premiums will be \$5 a month. Once an individual is enrolled, the premium will not change as long as he or she remains enrolled. The CLASS program will be fully financed by enrollee premiums, so it will not add to the deficit.



### What Are the Benefits?

CLASS will provide a cash benefit to enrollees who:

- Have or develop a qualifying disability (based on inability to perform activities of daily living — ADLs);
- Have paid premiums for at least five years; and
- Have worked at least three of those initial five years.

Federal officials will determine benefit levels when the CLASS program is implemented. Benefits will vary by level of disability, with a minimum of \$50 a day (adjusted over time for inflation).

The cash benefit can be used to help pay for non-medical services and care such as home modification, assistive technology, transportation, and personal care. It can also be used to pay part of the cost of assisted living or nursing home care.

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