

# Long-Term Care Assistance Act of 1988

## (S. 2305)

[See the original source](#) →

### Overview

---

**Type of Reform:** Expanding Medicare Coverage

**Description:**

- Establishes LTC benefits under Medicare Part B to cover chronic home care services, respite, and nursing care for eligible individuals.
- Provides chronic home and community-based care to severely disabled individuals under the existing Medicare program, with deductibles and cost-sharing for those who are not low-income.

### Sponsor/Cosponsors:

---

- Introduced by Sen. George Mitchell (D-ME) on April 17, 1988.
- Ten co-sponsors, including Republicans, Democrats, and an Independent.

### Impact and Action:

---

Referred to Senate Subcommittee on Health (Finance), Hearings held. Companion Bill H.R. 4763.

# Long-Term Care Assistance Act of 1988

## (S. 2305)

### Program Details

#### Participation Criteria:

All Medicare beneficiaries.

#### Conditions for Receiving Benefits

##### Scope of Services:

An individual who has dementia and cannot perform at least two ADLs. In addition, to receive respite care, the individual must also be receiving unpaid care from someone with whom they reside.

##### Scope of Services

Chronic home care services, including homemaker and chore aide services, respite care and nursing facility care.

##### Amount of Services

- Respite care is limited to the lesser of \$1,000 or 50% of respite care costs per year.
- Other benefit limits are not specified.

#### Participant Financial Responsibility

- HCBS: \$500 deductible and 20% co-pay.
- Nursing Facility Services: 30% copay

#### Elimination Period

Nursing facility services become available two years after an individual meets the functional/cognitive criteria for receiving benefits.

#### Provider Requirements

Not specified.

#### Provider Payment Levels

Payments for HCBS

#### Inflation Adjustments

Not specified.

# Long-Term Care Assistance Act of 1988

## (S. 2305)

### Financing & Implementation

#### Revenue Source(s)

- Adds a \$2 increase in the Medicare Part B premium.
- Adds a supplemental premium on each \$150 of federal income tax due from a Part B beneficiary.
- Eliminates the limit on wages or self-employment income subject to the Medicare hospital insurance tax.
- Imposes a 5% surtax on transfers by gift or inheritance of assets more than \$200,000.

#### Total Program Costs

Estimated \$12.7 billion public spending increase with a reduction in out of pocket spending of \$15 billion (in 1992 dollars).

#### Program Administration

The Department of Health and Human Services would administer new Medicare provisions.

Long-Term Care Assistance Act of 1988 (S. 2305)

[See the original source →](#)