

1 SENATE JOINT MEMORIAL 66

2 45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

3 INTRODUCED BY

4 Linda M Lopez

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10 A JOINT MEMORIAL

11 REQUESTING A STUDY OF POSSIBLE TAX INCENTIVES FOR THE PURCHASE
12 OF LONG-TERM CARE INSURANCE.

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14 WHEREAS, there are more than one hundred fifty thousand
15 New Mexicans supporting and providing care for disabled adults,
16 frail elders and children who have chronic health care needs;
17 and

18 WHEREAS, a significant percentage of the persons with
19 chronic care needs receive care through both private resources
20 and public assistance; and

21 WHEREAS, this chronic care population, due to unexpected
22 catastrophic illness or the increasing cost of private
23 insurance, has not planned ahead to finance and acquire private
24 long-term care insurance; and

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1 WHEREAS, failure to maintain long-term care insurance is
2 primarily due to the high cost of such insurance, a preexisting
3 condition making one ineligible or the lack of coverage of a
4 specific condition; and

5 WHEREAS, if there were incentives for purchasing long-
6 term care insurance, the chronically ill population would
7 acquire such coverage, saving taxpayers millions of dollars and
8 reducing dependence on publicly funded assistance; and

9 WHEREAS, the chronically ill population would much prefer
10 the independence provided by private insurance than limited
11 public assistance programs; and

12 WHEREAS, long-term care insurance can be designed to
13 include meaningful home and community-based noninstitutional
14 care as well as residential care; and

15 WHEREAS, the general population as well as the chronically
16 ill must have opportunities and incentives such as appropriate
17 tax relief to facilitate acquisition of private long-term care
18 insurance, thereby eliminating higher tax revenue needs to
19 support public assistance programs;

20 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
21 STATE OF NEW MEXICO that the state agency on aging and the
22 interagency committee on long-term care study the advisability
23 of establishing tax incentives for the purchase of long-term
24 care insurance; and

25 BE IT FURTHER RESOLVED that the insurance division of the

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1 public regulation commission, the taxation and revenue
2 department, the human services department and the department of
3 health provide assistance and information as needed in the
4 study; and

5 BE IT FURTHER RESOLVED that the state agency on aging and
6 the interagency committee on long-term care report findings and
7 recommendations to the interim legislative health and human
8 services committee, the revenue stabilization and tax policy
9 committee and the legislative finance committee at their
10 October 2001 meetings; and

11 BE IT FURTHER RESOLVED that copies of this memorial be
12 transmitted to each of the public bodies mentioned.

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