

Well Being Insurance for Seniors to be at Home (WISH) Act

Section-by-Section Summary

Section 1. Short Title

The stated purpose of the “Well-Being Insurance for Seniors to be at Home Act” or the “WISH Act” is to amend Title II of the Social Security Act to provide for long-term care insurance benefits for seniors and individuals with disabilities. In addition, the act would enable most Americans to plan for long-term care needs, empower disabled older adults to remain in their communities during serious periods of disability, to support the workforce that provides essential caregiving services to seniors with disabilities, and to reduce reliance on Medicaid.

Section 2. Findings and Purpose

This section sets forth the findings of Congress regarding the challenges faced by older Americans in meeting the high costs of long term services and supports.

Congress finds that a majority of seniors will face significant out of pocket expenses for extended periods of disability and that the nation must develop a federal solution to help individuals plan for such risks. In addition, the findings highlight the rapid growth of the population age 85 and older and the consequent strain on family support systems.

Section 3. Long Term Care Insurance Benefits

This section would amend Title II of the Social Security Act (42 U.S.C. 401 et seq.) by adding at the end of Sec. 235. the following described below.

Sec. 235. Long Term Care Insurance Benefits

This section amends Title II of the Social Security Act by adding new provisions that establish eligibility and benefit criteria for long term care insurance benefits. An individual becomes eligible upon reaching retirement age, filing an application, and meeting specific criteria that include having a prescribed number of quarters of coverage and sustaining a continual serious functional disability for a substantial period.

The monthly benefit is computed based on an estimate, determined by the Secretary of Health and Human Services in consultation with the Department of Labor, of the median cost for six hours per day of paid personal assistance. This estimate is adjusted by the ratio of the quarters of coverage attained during the applicable base period to a full period of coverage.

The section also imposes requirements for compliance with state and federal wage and payroll tax laws when an individual employs a paid care provider and mandates an annual statement to confirm ongoing disability and adherence to the benefit conditions. Benefit payments shall not be treated as income for the purpose of determining eligibility for other federal or state assistance programs.

Section 4. Establishment of Federal Long Term Care Insurance Trust Fund

This section creates a trust fund within the Treasury of the United States known as the Federal Long Term Care Insurance Trust Fund. The fund will be financed through gifts, bequests, and appropriations. It provides for an initial appropriation for the establishment of the long-term care insurance program and the payment of benefits during fiscal years 2025, 2026, and 2027, as well as a separate allocation for public education regarding the program. The management and administration of the trust fund are governed by provisions similar to those applicable to other Social Security trust funds, and the Managing Trustee is authorized to invest a portion of the funds in conservative market securities. In addition, the section authorizes that gifts may be directed to the trust fund.

Section 5. Education and Outreach

This section directs the Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, to publish within 90 days a 10 year plan in the Federal Register. The plan is intended to educate the public about the likelihood of needing long term care, the various experiences of receiving care in different settings, the costs involved, and the availability of long-term care insurance benefits. The plan also stresses the importance of considering private insurance coverage alongside family support and personal savings. In addition, the Commissioner of Social Security is required to provide individual notices to eligible persons. These notices must include detailed information such as the individual's average indexed monthly earnings for long term care, the number of quarters of coverage attained, and for those with a continual serious functional disability, the date when the disability began. Notice will be provided by mail and made available online for individuals meeting specified age criteria.

Section 6. GAO Report on Performance of the WISH Program

This section mandates that the Comptroller General submit a report to Congress no later than 5 years after enactment and every 3 years thereafter. The report must evaluate the potential for manipulation of the eligibility criteria by beneficiaries or their advisors, assess the risk of financial exploitation or elder mistreatment, and review the marketplace and consumer understanding of long-term care insurance offerings. The report is also required to include recommendations for addressing any identified vulnerabilities and for standardizing insurance offerings to improve consumer clarity.

Section 7. Report on Remaining Long Term Supports and Services Needs

This section requires the Secretary of Health and Human Services, acting through the Administrator of the Administration on Community Living and in consultation with the Commissioner of Social Security, to submit a plan to Congress no later than 3 years after enactment and every 3 years thereafter. The plan must include estimates of the long-term services and supports needed by individuals who are not eligible for benefits under section 3, including those disabled during childhood, individuals living with disabilities before reaching retirement age, and others who do not meet the insured criteria. In addition, the plan must propose strategies and outline the projected costs for addressing any unmet long term care needs.