

Maryland Commission on Aging  
North Laurel Community Center, Laurel, Maryland  
June 8, 2016  
10:00 AM—12:00 PM  
Minutes

**Members Present:** Stuart Rosenthal, Chair; Sharonlee Vogel, Vice-Chair; Honorable Jordan Harding; Helen Kimble; Rose Maria Li; Louise Lynch; Dot Principe; George Rebok; Mary Ellen Thomsen

**Members Absent:** Hon. Barbara Frush

**Staff Present:** Dina L. Gordon, Deputy Secretary of Aging; Rosanne B. Hanratty, Staff to the Commission

**Speaker:** Al Redmer, Maryland Insurance Commissioner

**Greetings and Introduction of New Commissioner--Stuart Rosenthal, Chair:**

Mr. Rosenthal extended greetings to the speaker, Maryland Insurance Commissioner, Al Redmer, and to George Rebok, who was appointed to the Commission by Governor Larry Hogan on June 2, 2016. Mr. Rosenthal also announced that Commissioner Maria Jimenez had submitted her resignation because she has taken a position at the federal Department of Health and Human Services.

Dr. Rebok, said he has been associated with Johns Hopkins University—starting as a post-doc—for thirty years. He said that he is a life span developmental psychologist and, as such, analyzes the process of aging through a developmental lens. He said that he has been involved with several large-scale community-based interventions including the ACTIVE trial and the Experience Corps.

**Deputy Secretary's Remarks—Dina L. Gordon, Deputy Secretary of Aging:**

Deputy Secretary Gordon reported on the development of the Department's four-year State Plan to be submitted to the federal Administration on Community Living. She said that four town-hall meetings had been held across the state to obtain input on the plan and that the draft plan had been made available for comment on the Department's website. In addition, a survey, which yielded over 1000 responses, had been available on the website.

(N.B. The approved 2017-2020 State Plan may be found at <http://aging.maryland.gov/Pages/StatePlanonAging.aspx>).

Ms. Gordon also said that Secretary Kramer is in the process of meeting with County Executives across the state. She encouraged Commission members to continue, or initiate, actions in their

own jurisdictions to ensure that contributions and needs of the aging population are recognized and become a priority for county leaders and the community as a whole. She encouraged Commissioners to participate in events recognizing designated months, such as Older Marylanders' Month and designated days such as the World Elder Abuse Day to be held on June 15<sup>th</sup>. She reported that the Department will not be moving to Crownsville (The Department's move subsequently was put on hold pending a statewide study of Maryland government offices' current locations and real estate holdings and agency space needs.)

Ms. Vogel inquired about the local area plans prepared by individual Area Agencies on Aging. Ms. Gordon stated that those area plans were being updated so as to be approved by the start of the State Fiscal year on July 1<sup>st</sup>. Several Commissioners inquired about specific legislative proposals that had been proposed but not enacted in prior sessions of the General Assembly, such as the proposed Senior Call Check bill (HB 744) from the 2016 session. Mr. Rosenthal reminded Commissioners that, while they can take a position on and work for, passage of proposed legislation as individuals, the Commission as a whole is precluded from taking a position on the proposed legislation if the Administration through the Department of Aging has not taken a position.

#### **Approval of the Minutes of the May 11, 2016 Meeting:**

The minutes of the May 11, 2016 meeting were approved without change.

#### **Presentation on the Roles of the Maryland Insurance Administration (MIA)—Al Redmer, Maryland Insurance Commissioner :**

Mr. Redmer explained that the MIA regulates long-term care insurers as part of its charge as regulator for most aspects of the insurance industry in Maryland. In general, insurance regulation is done at the state level, though there is some regulation by the federal government, for example of the federal flood insurance program and the Employment Retirement Income Security Act (ERISA) provisions. The MIA is charged with ensuring that insurance carriers and producers follow statute enacted by the Maryland General Assembly. It has approximately 260 employees and a budget of \$31 million, which is funded entirely by fees collected from the insurance entities that the MIA regulates. No taxpayer money is utilized to fund operations of the MIA.

The MIA promulgates regulations to implement state law on such insurance categories as life and health (of which long-term care is a part) and property and casualty. As well, it issues operational bulletins with more detailed guidance for the entities it regulates. In addition, the MIA has a team of financial professionals who periodically audit insurers to ensure that carriers are financially secure and have sufficient reserves set aside to pay claims. The MIA also responds to consumer inquiries and complaints about insurers and policies and processed approximately 15,000 complaints in 2015. If the MIA takes an adverse action against an insurer, the insurer may appeal that decision to an Administrative Law Judge (ALJ) and if the insurer disputes the decision of the ALJ, the insurer may appeal to the Circuit Court.

The MIA also investigates allegations of fraud. Among the resources that the MIA may use in these efforts are investigators, who are often retired police officers, and auditors on the MIA's own staff and if necessary, the Maryland State Police, as well as the Office of the Attorney General (AG). The MIA has an attorney from the AG's Office embedded in the MIA fraud unit. Both civil and criminal fraud may be investigated by the MIA. Fines assessed for violations are deposited in the Maryland general fund, after any restitution due to consumers resulting from regulatory action or fraud judgments are paid.

With regard to long-term care insurance, Mr. Redmer said that the MIA is monitoring the rapid and sizable increase in premiums for such policies—which is a national trend. The increase is largely a result of an underestimate of claims costs on policies that were written in the past. This underestimate is largely due to increased life expectancies and resulting longer periods of morbidity of those insured under such policies. Long-term care policies, as relatively new products, were written with limited claims experience with the amount of benefits to be paid and the level of premiums required to fund those benefits. Mr. Redmer said that the MIA had held a hearing on long-term care insurance at which it received input from stakeholders, including consumers who were uniformly concerned about increasing premiums and their abilities to continue to pay such premiums.

Mr. Redmer noted that multiple insurers are withdrawing from the long-term care market and that this trend is also a concern of the MIA. Ms. Kimble asked if the MIA had information on the percentage of people who have long-term care insurance and Dr. Li asked if consumers are able to essentially self-insure through investments to cover their future long-term care needs. Mr. Redmer said that individuals should identify their estimate of exposure to future risk—such as expected use of long-term care services specifically and insurance in general—in order to make decisions on purchasing long-term care policies.

Mr. Redmer said that the MIA has a Division of Consumer Education and Advocacy, which educates Marylanders about various insurance products and consumers rights and obligations under the terms of their insurance policies. Division staff travel to events across the state to provide educational materials to consumers. They answer questions on various insurance issues, including: automobile, homeowners, health and life insurance. He noted that the State Health Insurance Program (SHIP), a national program for which the Department of Aging receives funds from the federal Centers for Medicare and Medicaid Services, the state of Maryland and local governments, uses trained staff and volunteer counselors to provide in-person and telephone assistance to Medicare beneficiaries about such issues as: Medicare prescription Drug Coverage, Medicare Supplemental Insurance plans (Medigap), and assistance for low income beneficiaries.

In response to a question from Mr. Rosenthal, Mr. Redmer stated that the MIA does not have regulatory authority over the level of compensation for insurance company CEOs and other upper level management. He also said that the MIA is very interested in financial abuse of vulnerable adults, including older adults, and extended an offer to the Commission to provide assistance for its future endeavors.

**Training Subcommittee Update—Rose Maria Li:**

Dr. Li distributed an updated draft agenda for the joint state commission and local commission training on *Translating Healthy Aging Research Findings into Practice*, to be held on September 22<sup>nd</sup>. She said that she had confirmed all speakers and is working closely with Ms. Hanratty on training content, costs, and logistics.

**Other:**

Mr. Rosenthal asked that the Commission have a follow-up discussion on the Baby Boomer Initiative, about which the Commission was briefed at its May 11<sup>th</sup> meeting, and that this item be placed on a future agenda.

**Adjournment:**

The meeting was adjourned at 12:00 PM.

Minutes prepared by Rosanne B. Hanratty