

The New York Times

## The New Old Age

Caring and Coping

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MARCH 17, 2011, 10:50 AM

### The Curtain Rises on the Class Act

By [PAULA SPAN](#)

It probably tells us something that the hearing that began in Washington this morning, before the health subcommittee of the House Energy and Commerce Committee, is the very first congressional hearing on the Class Act.

You haven't read much about the Class Act here lately — or anywhere, I'll bet. In the year since it quietly became law, a little-remarked-on part of the health care package, it's become even less remarked on. But that seems about to change.

Class, a legacy of Senator Edward M. Kennedy, establishes [the first national system of long-term care insurance](#) for working people. It's voluntary; it will pay a cash benefit that each recipient can decide how to use; it cannot disqualify participants with pre-existing disabilities or charge them more; and it must pay for itself without relying on taxpayer dollars. The program is not meant to shoulder the whole cost of long-term care, for either the elderly or younger people with disabilities, but it could make a great difference to strapped families.

Beyond those basic points, there hasn't been much to say. Both Class partisans (including the major aging advocacy groups, organizations for the disabled and health care providers) and opponents (largely the private insurance industry) recognized that the law gave great discretion to the secretary of health and human services, Kathleen Sebelius. Until she and her staff figured out eligibility, premiums and benefits — the law itself set few of those requirements — most interested parties have been holding their fire, at least in public. And of course, most Americans probably didn't know about the program at all.

But we're starting to hear more about how Class will work and how earlier assumptions may change. Last month, at a Kaiser Family Foundation conference, [Ms. Sebelius provided some clues](#) as to the changes her planners are weighing to ensure the program's long-term sustainability. (You'll find her remarks at the end of the transcript, bottom of the page.)

Meanwhile, [an advocacy group called Advance Class](#) has formed to lobby for “a strong and vital long-term services and supports program.” It's headed by Connie Garner, Mr. Kennedy's right-hand woman on this issue for years. Class may be edging back onto the public agenda, or at least Washington's.

“This is not a ‘friends of Class’ hearing,” one supporter griped on Wednesday. That's not surprising; the Republicans who opposed the health care act have since gained the majority in the House. A memorandum from the committee staff makes pointed reference to “concerns around the Class program's long-term insolvency” and “the unnecessary administrative burden

on employees.” And of course, Republicans are still vowing to repeal the entire health care act, including Class.

But Class, a recent survey by Kaiser and the Harvard School of Public Health reported, appears to be **one of the health care act’s more popular provisions**: 76 percent of the adults polled had a favorable or very favorable response when the plan was described.

For both friends and foes, there’s a lot still to debate about the program’s details. The big question has always been what’s called “adverse selection” — the possibility that not enough healthy young people would agree to have premiums deducted from their paychecks, leading to a disproportionate number of disabled people who would claim their benefits quickly, leading to either higher premiums or lower benefits, leading to even fewer healthy people participating. This scenario is cheerfully referred to as “the death spiral.”

In a recent article in *The Gerontologist*, Edward Alan Miller, an analyst and researcher at the University of Massachusetts Boston, discusses a number of fairly minor **changes policy makers could adopt** to prevent that catastrophe, like instituting slightly higher work requirements for eligibility and adding penalties for those who stop paying premiums, then later re-enroll.

In this charged political environment, he’s wavering between optimism and gloom about Class. “I certainly think changes can be made to enhance its long-term viability,” he said. “The tools to make it work are there; the question is whether those responsible for making the decisions can work together to adopt those solutions.”

A year ago, though various actuaries were running the numbers and disagreeing with one another, the Obama administration postponed real fireworks by delegating so much of the law’s implementation to Ms. Sebelius, who has to be the most overworked woman in Washington.

Now, the time to unveil and debate some crucial decisions looms. Stay tuned.

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*Paula Span is the author of “When the Time Comes: Families With Aging Parents Share Their Struggles and Solutions.”*