

**Excerpted from the Senate HELP Committee July 15, 2009 press release
and bill summary for
The Affordable Health Choices Act**

**Subtitle H. COMMUNITY LIVING ASSISTANCE SERVICES AND
SUPPORTS (CLASS)**

**Establishment of National Voluntary Insurance Program for Purchasing
Community Living Assistance Services and Supports**

Synopsis: This section creates a new national insurance program to help adults who have or develop functional impairments to remain independent, employed and stay a part of their communities. Financed through voluntary payroll deductions (with opt-out enrollment similar to Medicare Part B), this program will remove barriers to independence and choice (e.g., housing modifications, assistive technologies, personal assistance services, transportation) by providing a cash benefit to individuals unable to perform two or more functional activities of daily living. The large risk pool created will make added coverage more affordable and reduce incentives for people with severe impairments to spend down to Medicaid.

Purposes. The intent is to establish a national voluntary insurance program for purchasing community living assistance services and support in order to provide individuals with functional limitations with tools that will allow them to maintain their personal and financial independence and live in the community through a new financing strategy for community living assistance services and supports, establish an infrastructure that will help address the Nation's community living assistance services and supports needs, and alleviate burdens on family caregivers. (§ 3201)

Definitions. "Active enrollee" means an individual who has enrolled and paid premiums to maintain enrollment.

"Activities of daily living" include eating, toileting, transferring, bathing, dressing, and continence or the cognitive equivalent. An "eligible beneficiary" has paid premiums for at least 60 months and for at least 12 consecutive months. (§ 3203)

CLASS Independent Benefit Plan. The Secretary of Health & Human Services will develop two alternative benefit plans within specified limits. The monthly maximum premiums will be set by the Secretary to ensure 75 years of solvency. For individuals with family incomes below 100 percent of the federal poverty line, and for individuals under age 22 who are active workers or full-time students, the premium cannot exceed \$5, also to be inflation adjusted. There is a five-year vesting period for benefit eligibility. The benefit triggers when an individual is unable to perform not less than two activities of daily living for at least 90 days. The cash benefit will be not less than \$50 per day. Not

later than October 1, 2012, the Secretary will designate a CLASS benefit plan, taking into consideration the recommendations of the CLASS Independence Advisory Council. (§ 3203)

Enrollment and Disenrollment. The Secretary will establish procedures to allow for voluntary automatic enrollment by employers, as well as alternative enrollment processes for self-employed, employees of non-participating employers, spouses and others. Individuals may choose to waive enrollment in CLASS in a form and manner to be established by the Secretary. Premiums will be deducted from wages or self-employment income according to procedures established by the Secretary. (§ 3204)

Benefits. Eligible beneficiaries will receive appropriate cash benefits to which they are entitled, advocacy services, and advice and assistance counseling. Cash benefits will be paid into a Life Independence Account to purchase nonmedical services and supports needed to maintain a beneficiary's independence at home or in another residential setting, including home modifications, assistive technology, accessible transportation, homemaker services, respite care, personal assistance services, home care aides, and added nursing support. (§ 3206)

CLASS Independence Fund. The CLASS Independence Fund will be located in the Department of the Treasury and the Secretary of the Treasury will act as the Managing Trustee. The fund shall have "lock-box" protection such that neither the Senate nor the House of Representatives will be able to authorized use of funds in the Trust for any purpose not explicitly authorized in this Title. A CLASS Independence Fund Board of Trustees will include the Commissioner of Social Security, the Secretary of the Treasury, the Secretary of Labor, the Secretary of Health & Human Services, and two members of the public. (§ 3206)

CLASS Independence Advisory Council. The CLASS Independence Advisory Council, created under this Title, will include not more than 15 members, named by the President, a majority of whom will include representatives of individuals who participate or are likely to participate in the CLASS program. The Council will advise the Secretary on matters of general policy relating to CLASS. (§ 3207)