



Support Testimony

HB25-1045

Modifying the Long-Term Care Insurance Income Tax Credit

Mr. Chair, Members of the House Finance Committee and Representative Joseph, my name is Brent Jones and I am submitting this testimony in support of HB25-1045, modifying the long-term care income tax credit on behalf of NAIFA Colorado—the Colorado Chapter of the National Association of Insurance and Financial Advisors (NAIFA).

From its founding in 1890, NAIFA and NAIFA Colorado have been a cornerstone of financial literacy, stability, and opportunity for families and businesses across our state. Our 75,000 members represent the heart of our communities—helping Coloradans plan, protect their loved ones, and achieve their financial goals. NAIFA members don't just provide guidance and expertise; they build trust, foster relationships, and empower individuals to navigate life's uncertainties with confidence.

NAIFA Colorado's advocacy on behalf of Main Street America ensures that we have policies that promote financial security, access to insurance, retirement, education, Medicare, Social Security planning and ethical, client-focused service. With over a million clients in our state that live in every legislative district and congressional district, NAIFA Colorado members are dedicated to education, both for their members and the public and in doing so strengthens our economy and our communities.

NAIFA strongly supports HB251045. Long-term care insurance income tax credits have been available in Colorado for some time. Long-term care insurance helps pay for long term care including everyday tasks like bathing, eating, or dressing, whether you or a loved one is at home, in a community program, an assisted living residence or a nursing home. The top four reasons consumers purchase long term care insurance is to protect assets and inheritances, make long term care affordable, provide options other than nursing home care, and to afford and pay for nursing home care when it's needed .

HB25-1045 doubles the maximum credit amount allowable from \$150 per policy to \$300 and adjusts this amount for inflation annually beginning in 2026. By increasing the amount of the income tax credit, Coloradoans are offered additional incentive to secure the health care coverage they may need as they age. HB25-1045 helps all Colorado plan for their future.

Thank you for your time and please support HB25-1045.

Brent A. Jones LUTCF, LACP
NAIFA – Colorado
Government Relations Committee Co-Chair

Owner/Principal: JONES FINANCIAL DESIGN LLC.

Testimony of Leslie Kalechman, Legislative Advocacy Volunteer

AARP Colorado

House Finance Committee, 1/27/2025

In **SUPPORT** of: HB25-1045: Modify Long-Term Care Insurance Income Tax Credit

Representative Lindstedt, Chair; and Members of the House Finance Committee: My name is Leslie Kalechman, and I am a retired Clinical/Medical Social Worker and currently a Volunteer Advocate for AARP Colorado. I live in Broomfield within House District 33.

AARP is a nonpartisan, social mission-driven organization that advocates for individuals aged 50 and older. We have a membership of nearly 670,000 in Colorado and 38 million nationwide. We advocate for policies that help Colorado residents age safely in their homes, care for their loved ones and live with dignity. We believe that HB25-1045 would provide financial relief for individuals who wish to prepare themselves in advance for the very real prospect of needing caregiving help through times of serious acute and chronic illness, disability, and at end-of-life.

Colorado has one of the fastest growing older adult populations in the nation. The age cohort 65+ is now over 962,000 in the state and is now both the largest and fastest growing cohort.¹ The implications of this in terms of the current and future need by aging Coloradans for some type of caregiving assistance cannot be understated.

This bill substantially strengthens the current law regarding Tax Credit for Long Term Care Insurance (LTCi); which because of its low-income qualifying levels makes the number of consumers who can realistically afford this type of insurance quite low. I believe the increased income levels, the increase in the amount of the tax credit, and the inflation adjustment will substantially improve the likelihood of purchase of LTCi.

Our State would benefit from providing incentives for citizens to think about and prepare for the eventual disability that most of us will experience with age. Purchase of LTCi is one type of preparation. Not all of us have children or family (local or otherwise,) to depend on for caregiving. This bill, if passed would not only incentivize consumers to purchase LTCi but would also provide relief to individuals who have been paying into policies for many years but who are feeling the pinch of increasing premiums coupled with fixed incomes that typically are lower than incomes while working. In the absence of LTCi, many individuals eventually rely on Medicaid to pay for their long-term care; Medicaid is the primary payer of long-term care expenses across the nation² and in Colorado³, and Medicaid Long-Term Services and Supports accounts for a significant portion of HCPF's budget. It is in the State's interest to incentivize people to pursue private pay options for long-term care.

Thank you for this opportunity to share my comments in support of this legislation.

Respectfully,

Leslie Kalechman, LCSW (retired)

AARP Colorado Legislative Advocacy Volunteer

¹2023 Population Summary, 1/15/2025 State Demography Office, Division of Local Government, Colorado Department of Local Affairs

²Paying for Long-Term Care, 10/12/2023, National Institute on Aging (<https://www.nia.nih.gov>.... Long-term care

³Medicaid's Role in Colorado, 7/21/2017, KFF (<https://kff.org> – medic aids-role-in-colorado)

House Finance

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HB25-1045 Mod Long-Term Care Insurance Income Tax Credit

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Ingrid Moore For themselves	<p data-bbox="565 510 1419 541">Please vote to approve moving this bill out of committee and to the House floor.</p> <p data-bbox="565 615 1425 678">We should help and reward people who are trying to pay for their own long-term care.</p> <p data-bbox="565 758 1466 863">I have a long-term care insurance plan and the premiums are very high. Now that I'm retired they are an even larger percentage of my income. Being able to deduct some of the premium would help immensely!</p> <p data-bbox="565 936 854 968">Please vote YES on this bill!</p>