

# Claims & Underwriting



## Claims Among Younger Insureds

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14th Annual Intercompany Long Term Care Insurance Conference

# Claims Among Younger Insureds



- Overview
  - Underwriting requirements
  - Claims among those <65 yrs old
  - Claim management

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# Underwriting: Snapshot of Medical Requirements



	Company A	Company B	Company C	Company D
MIB	Yes For cause	Yes	No	No
Pharmacy Profile	Yes	Yes	Yes	Yes for cause
MVR	Yes For cause	Yes	No	No
APS	Yes 100%	Yes 100%	Yes age 70+ for cause < 70	Yes for cause
Telephone Interview	Yes ages 18-63	N/A	Yes 18-64	Yes
LTC exam	Yes ages 70-79	Yes ≥ 70	Yes, ages 72-79	Yes
Paramed w/ fluids	For cause	For cause	For cause	For cause

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# Claims Among Younger Insureds



**Figure 2: Incidence Rates by Issue Age Cohort and Policy Duration**

<b>Duration</b>	<b>&lt;50</b>	<b>50-59</b>	<b>60-69</b>	<b>70-79</b>	<b>80+</b>
1	0.03%	0.05%	0.15%	0.77%	2.63%
2	0.02%	0.06%	0.21%	1.00%	3.18%
3	0.02%	0.08%	0.27%	1.26%	3.85%
4	0.03%	0.09%	0.33%	1.54%	4.62%
5	0.03%	0.10%	0.39%	1.79%	5.19%
6	0.03%	0.12%	0.47%	2.09%	5.74%
7	0.04%	0.13%	0.56%	2.37%	6.18%
8	0.04%	0.15%	0.65%	2.65%	6.55%
9	0.04%	0.16%	0.75%	2.89%	7.02%
10	0.04%	0.19%	0.86%	3.12%	6.70%

Gray shading represents cells with less than 25,000 exposure years.

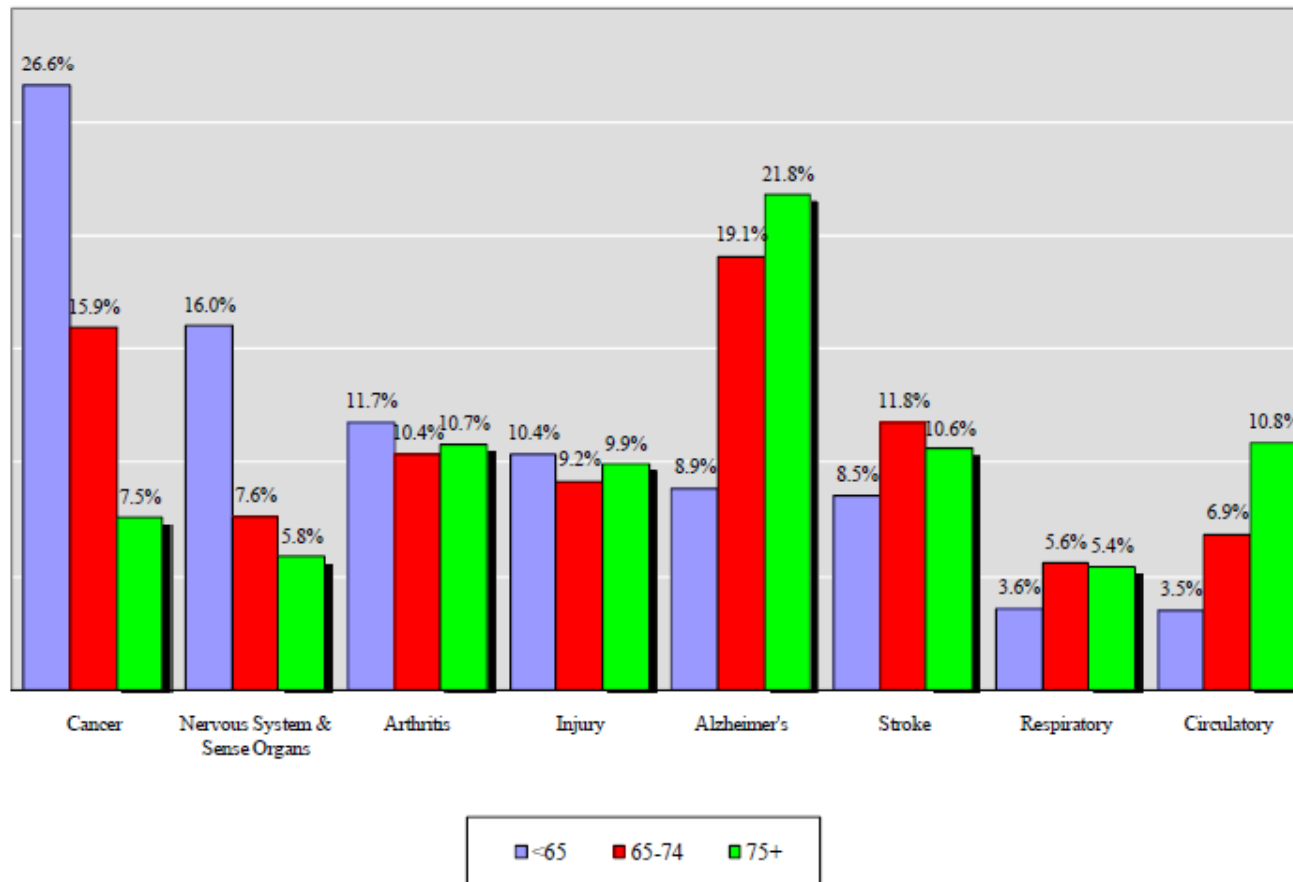
Source: Society of Actuaries Long-Term Care Experience Committee. Intercompany Study Report 6. 1984-2007.

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# Claims Among Younger Insureds



Total Claims - Percentage of Claims by Attained Age



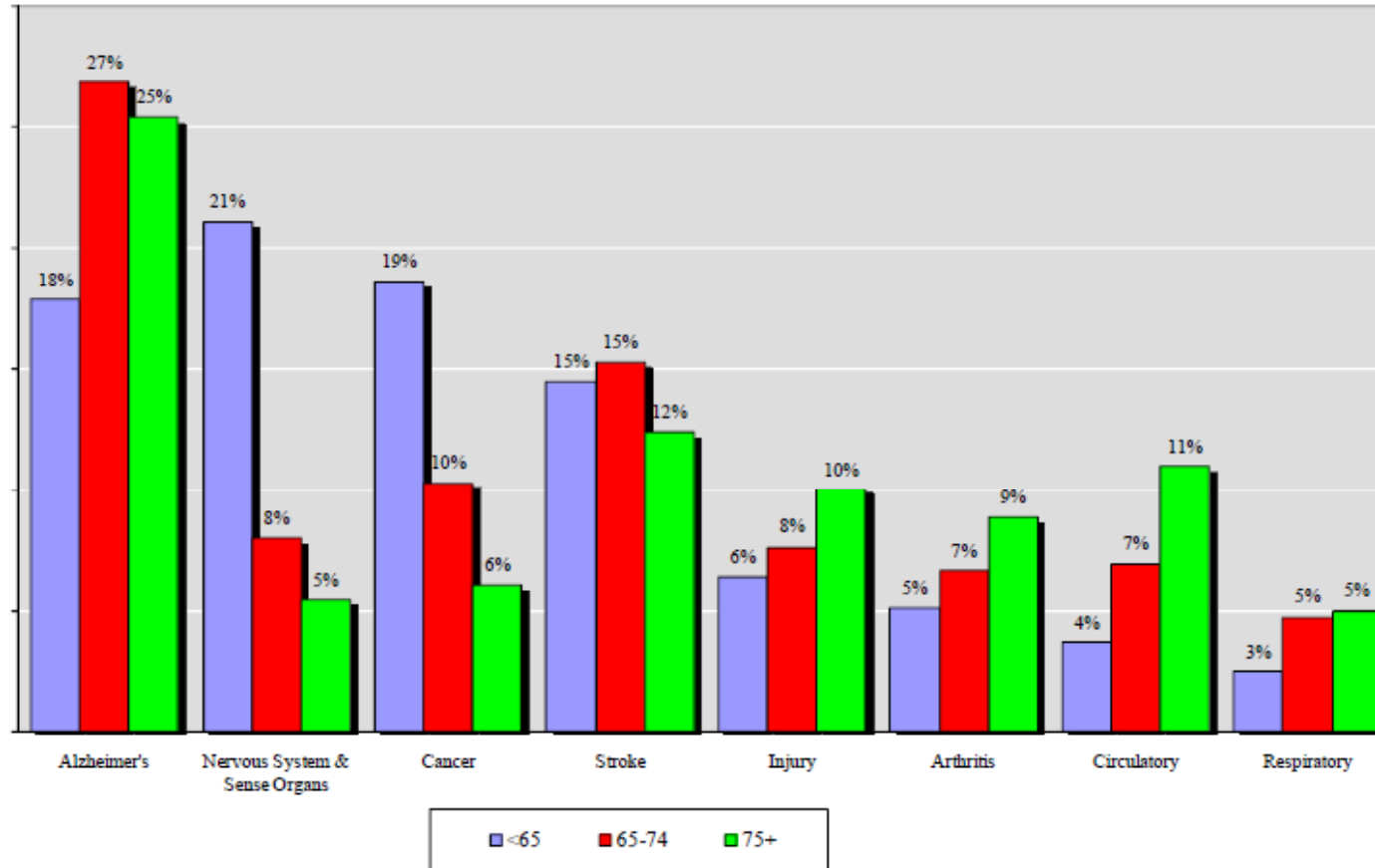
Source: Society of Actuaries Long-Term Care Experience Committee. Intercompany Study Report 6. 1984-2007

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# Claims Among Younger Insureds



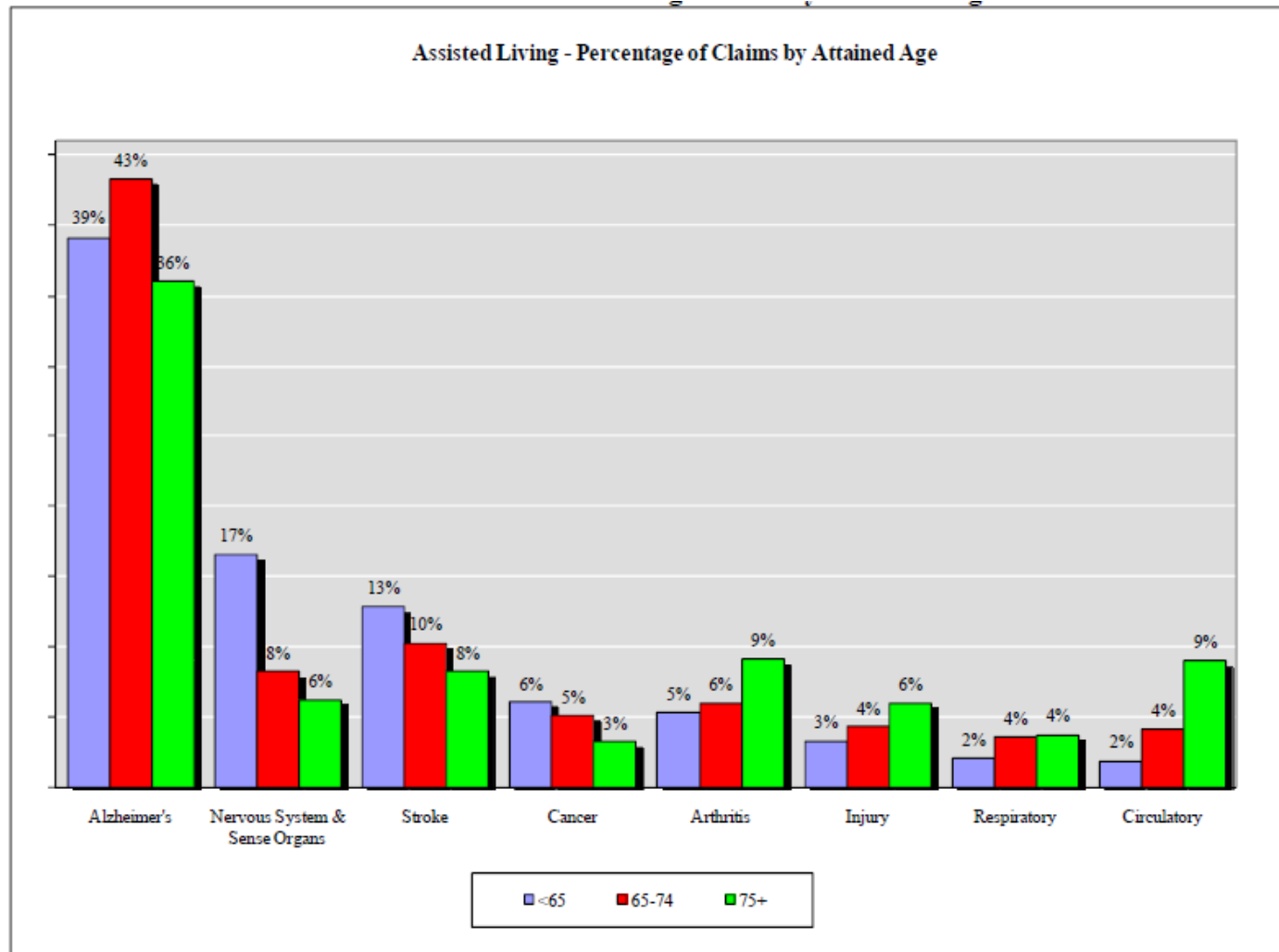
Nursing Home - Percentage of Claims by Attained Age



Source: Society of Actuaries Long-Term Care Experience Committee. Intercompany Study Report 6. 1984-2007

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# Claims Among Younger Insureds



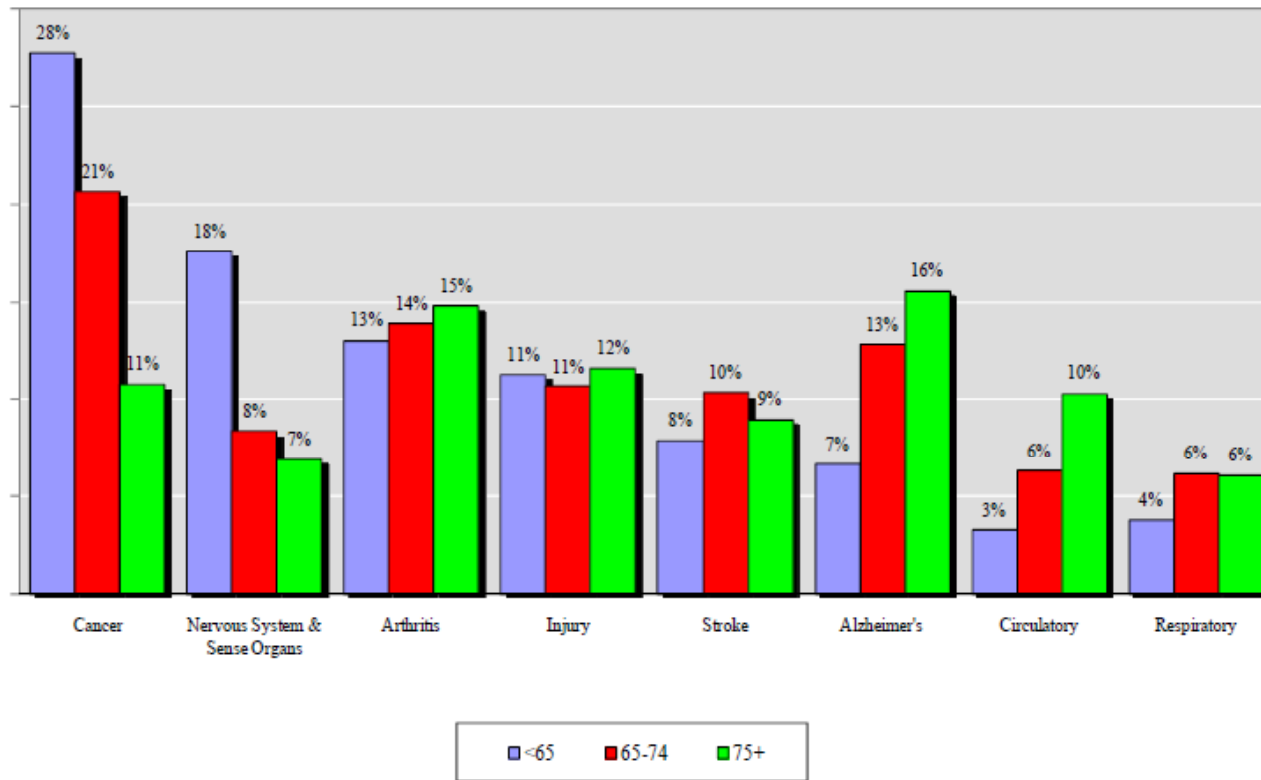
Source: Society of Actuaries Long-Term Care Experience Committee. Intercompany Study Report 6. 1984-2007

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# Claims Among Younger Insureds



Home Health Care - Percentage of Claims by Attained Age



Source: Society of Actuaries Long-Term Care Experience Committee. Intercompany Study Report 6. 1984-2007

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# Claims Among Younger Insureds



- Leading diagnoses at claim
  - Cancer
  - Nervous System and Sense Organs
  - Arthritis
  - Injury
  - Alzheimer's

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# Claims Among Younger Insureds



- Leading diagnoses at claim
  - Cancer
    - APS
  - Nervous System and Sense Organs
    - APS, Medication profile, MIB, Exam
  - Arthritis
    - APS, Medication profile, Exam
  - Injury
    - MVR, APS
  - Alzheimer's
    - Cognitive screen, APS

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# Claims Among Younger Insureds



- Initial claim decision
  - Explanation of process
  - Tools
  - Additional information
  - Establish review period

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# Claims Among Younger Insureds



- Explanation of claims process
  - Communications
    - Set expectations
    - Ongoing claim status
    - Claim determination

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# Claims Among Younger Insureds



- Tools
  - Intake
  - Onsite assessment
  - Medical records
- Additional information
  - Additional tools

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# Claims Among Younger Insureds



- Determine review period
  - Benefit eligibility effective date
  - Recoverability
- Ongoing claim management
  - Follow-up
    - Tools
  - Additional information
  - Determine review period
  - Appeal process

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# Claims Among Younger Insureds



Thank You

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