Claims & Underwriting

The Great Debate

15th Annual Intercompany Long Term Care Insurance Conference

Moderator and Speakers

– Joan Stear

Director of LTC Operations

CNA

– Gina Besz

Director, Process Re-engineering

Penn Treaty Network America Insurance Co.

– Mark Schwallie

Assistant Director, Long Term Care Claims

Northwestern Mutual

The Great Debate: Purpose

- The purpose of this session is to promote thought and discussion regarding the benefit eligibility tools currently utilized in the LTC industry.

The Great Debate: Session Objectives

- Gain better insight regarding the types of tools used for initial and ongoing benefit eligibility within the industry from survey results.
- Discuss advantages and disadvantages of the tools used for initial and ongoing benefit eligibility determinations.
- Provoke discussion within the audience leading to re-evaluation of tools currently utilized by participant's claim departments.

The Great Debate Survey Results

- How many tools do you use on a regular basis to determine initial claim eligibility?

The Great Debate Survey Results

- What is the primary tool that you utilize to assist with determining initial benefit eligibility?
  - 18.5% Medical Records
  - 48.1% Face to Face Assessment
  - 0% Attending Physician Statement (Only)
  - 18.5% Attending Physician Statement and MR
  - 0% Other

The Great Debate Survey Results

- What is the main reason for using this tool?
  - 3.7% Cost
  - 85.1% Accuracy of Information
  - 11.1% Quick turn-around time with receiving information.

The Great Debate Survey Results

- What is the primary tool that you utilize to assist with determining ongoing benefit eligibility?
  - 11.1% Medical Records
  - 22.2% Face to face assessment
  - 7.4% Attending Physician Statement (Only)
  - 18.5% Attending Physician Statement and MR
  - 40.7% Other

The Great Debate Survey Results

- What is the main reason for utilizing this tool?
  - 7.4% Cost
  - 66.6% Accuracy of Information
  - 25.9% Quick turn-around time with receiving information

The Great Debate Survey Results

- What is the average cost of the primary tool per claimant that you use?

The Great Debate Survey Results

- Have you ever utilized an Independent Medical Evaluation (IME) performed by a physician to determine initial benefit eligibility?

  – 40.7% Yes

  – 59.2% No

The Great Debate

- Debate Issues
  - APS and Medical Records versus APS and Face to Face assessment to determine initial benefit eligibility.
  - TQ versus NTQ. Should the tools be different?
  - Initial versus Ongoing Benefit Eligibility determinations. Should the tools be different?

The Great Debate

- Case Study # 1
  - 56 year old male at claim
  - Medical Conditions
    - Cardiomyopathy
    - A fib with Pacemaker Control
    - Diabetes Mellitus II
    - Right Foot Amputee
    - Gastric Bypass
    - Sleep Apnea
    - Cognitive Impairment
  - Tools utilized to determine benefit Eligibility: Benefit Eligibility Assessment (BEA)

The Great Debate

- September 2010
  - BEA showed assistance with all but 1 Activity of Daily Living (ADL). Claim approved.
- September 2011
  - BEA showed bathing, toileting, incontinence and dressing required. MMSE: 18/30
- September 2014
  - BEA showed policyholder required assistance with bathing, dressing and toileting. MMSE: 19/30

The Great Debate

- Because medical conditions could be or become more stable, medical records were ordered.
- Medical records indicated the following:
  - Claimant noted to be walking independently and tending to a personal business.
  - Medical conditions stable
  - Claimant walking 2-3 miles/day
  - Claimant had high cognitive skills
  - Claimant independent with ADL's

The Great Debate

- Medical Records contradicted both BEA and Home Care records
- Surveillance ordered
  - Claimant noted to be walking independently and attending to personal business.

The Great Debate

- Case Study # 2
  - 75 year old male at time of claim
  - Medical Conditions
    - A fib with Pacemaker inserted 2009
    - Diabetes Mellitus II
    - Left eye sight loss due to ischemic neuropathy
  - Tools utilized to determine Benefit Eligibility: BEA and Medical Records
    - BEA indicated claimant required assistance with transfers, bathing, dressing and toileting.
    - Medical records reflected all conditions stable and no indication of cognitive impairment.

The Great Debate

- Medical Records and BEA conflicting
- Physician Information Request sent. Information received from claimant's physician stating that claimant independent with all ADL's and no severe cognitive impairment.

The Great Debate

- Case Study #3
  - 75 year old claimant recently admitted to ALF
  - TQ policy
  - Medical Conditions
    - Spinal Stenosis
    - Osteoporosis
  - Tools utilized to determine Benefit Eligibility:
    - BEA
    - Chronically Ill Certification from MD
    - Facility Resident's Agreement
    - Facility Provider Information
    - Policyholder Information/Caregiver Information

The Great Debate

- Chronically Ill Certification completed by MD certifying policyholder under diagnosis of Spinal Stenosis and Osteoporosis.
- BEA indicated HOA with bathing only. Occasional assistance with socks and shoes. MMSE: 29/30
- Claimant confirmed assistance with bathing, occasional assistance with socks and shoes and changing briefs.
- Resident Service Plan indicated ambulation with walker, medication administration and occasional shower assistance.

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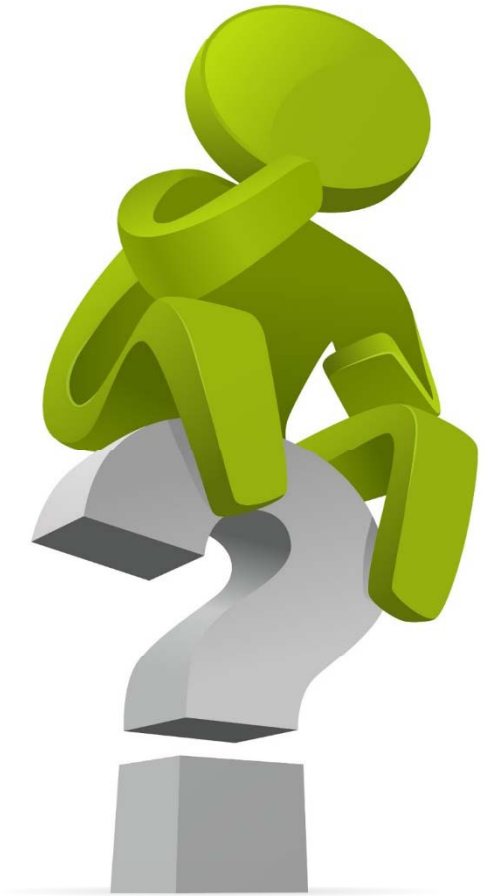
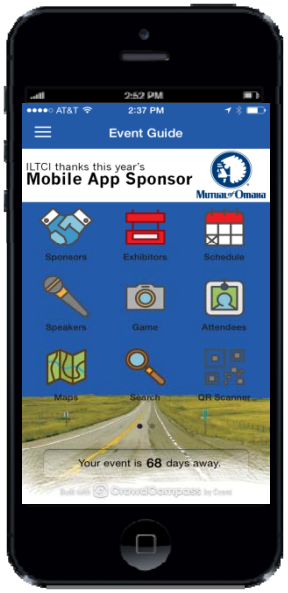
- Conflicting information between Resident Plan, BEA, Chronically ill Certification and claimant self reported care needs.
- Case Management intervention required to clarify conflicting information. Facility staff did not identify that claimant was receiving assistance from Private Caregiver (PCG) and were not clear regarding the types of services or the frequency claimant was receiving assistance. Case Manager contacted PCG to obtain additional information which was then validated with claimant.

The Great Debate



Don’t forget to fill out the survey



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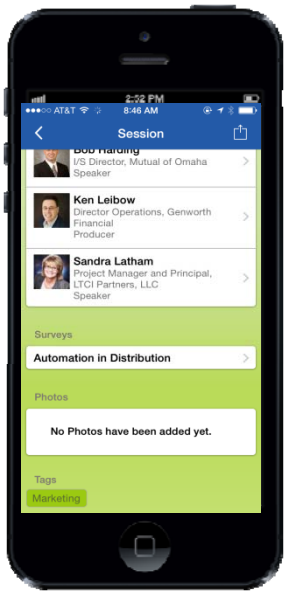
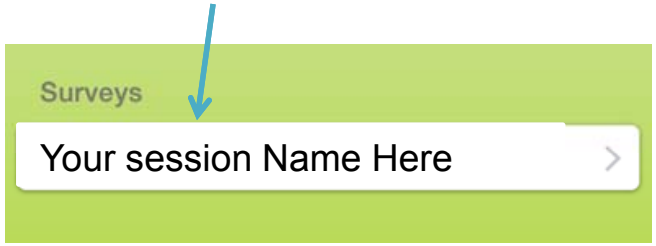
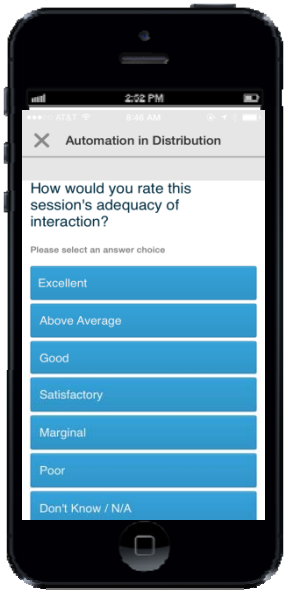
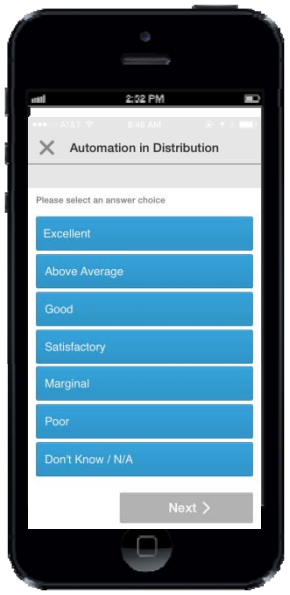
1. **Find the session**
2. **Scroll to the bottom**
3. **Tap on the session name below the survey**







Tap on the answer you wish to submit



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