There's an App for That!

Leveraging Innovation and Technology in
Product Development, Sales, and Claims

Donna Peeples, Pypestream, Chief Customer Officer

Nicole Pittman, Nationwide, Counsel

Moderated by Laura Moore, TriPlus Services, Chief Commercial Officer

ILTCI

18th Annual Intercompany Long Term Care Insurance Conference

ILTCI Mobile App Download Instructions

iPhone
iPad

1) Type **https://crowd.cc/s/1flyo** in web browser

2) Click "Download iPhone/iPad App" to load Apple's App Store and download the app.

android

1) Type **https://crowd.cc/s/1flyo** in web browser

2) Click "Download Android App" to load the Google Play Store and download the app.

BlackBerry

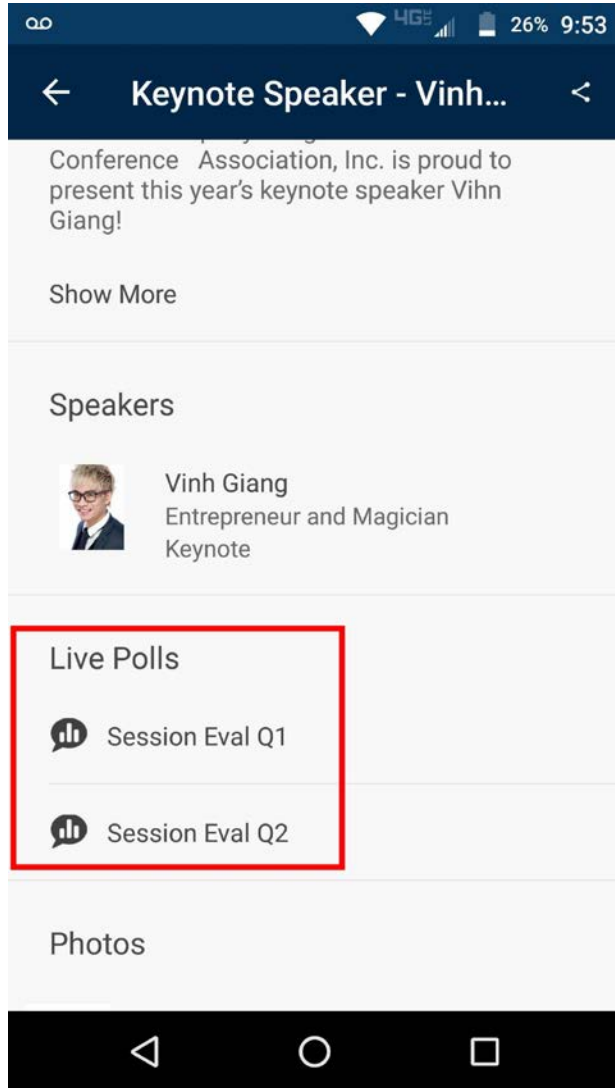1) You'll be using the web version of the app. Open the web browser, click the BlackBerry menu button, select "Go To" and type **https://crowd.cc/s/1flyo**.
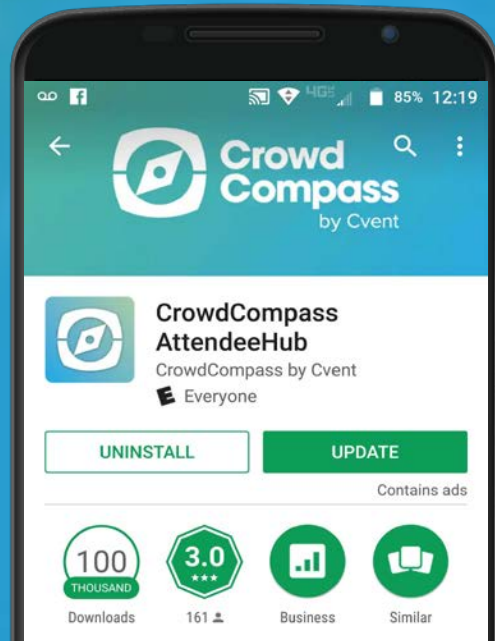
You can also just go to your app store and search 'AttendeeHub'. Once installed search 'ILTCI' and you'll find our app.
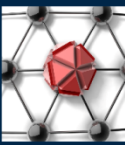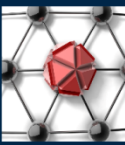
Session Survey Instructions

Once you are in the app go to the schedule and the session you are in.

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What type of products are possible?
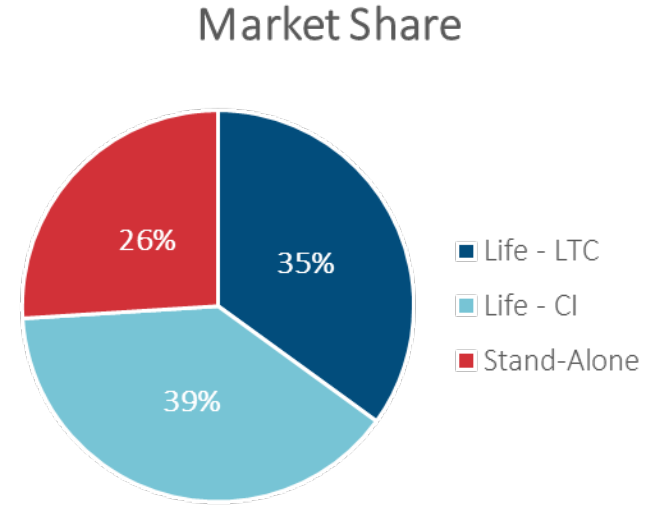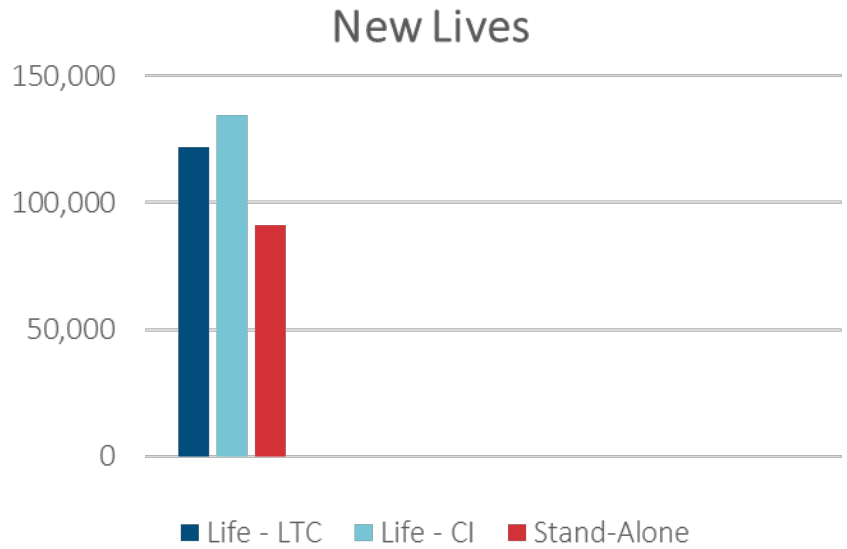
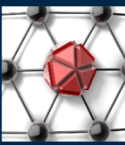**Combination**

Asset-Based

Hybrid

Linked Benefit

2016 Sales Data - LIMRA

Combination products made up 74% of the $3.8B in total LTC sales

Stand-alone qualified
long-term care insurance contract

Stand-
alone
LTC
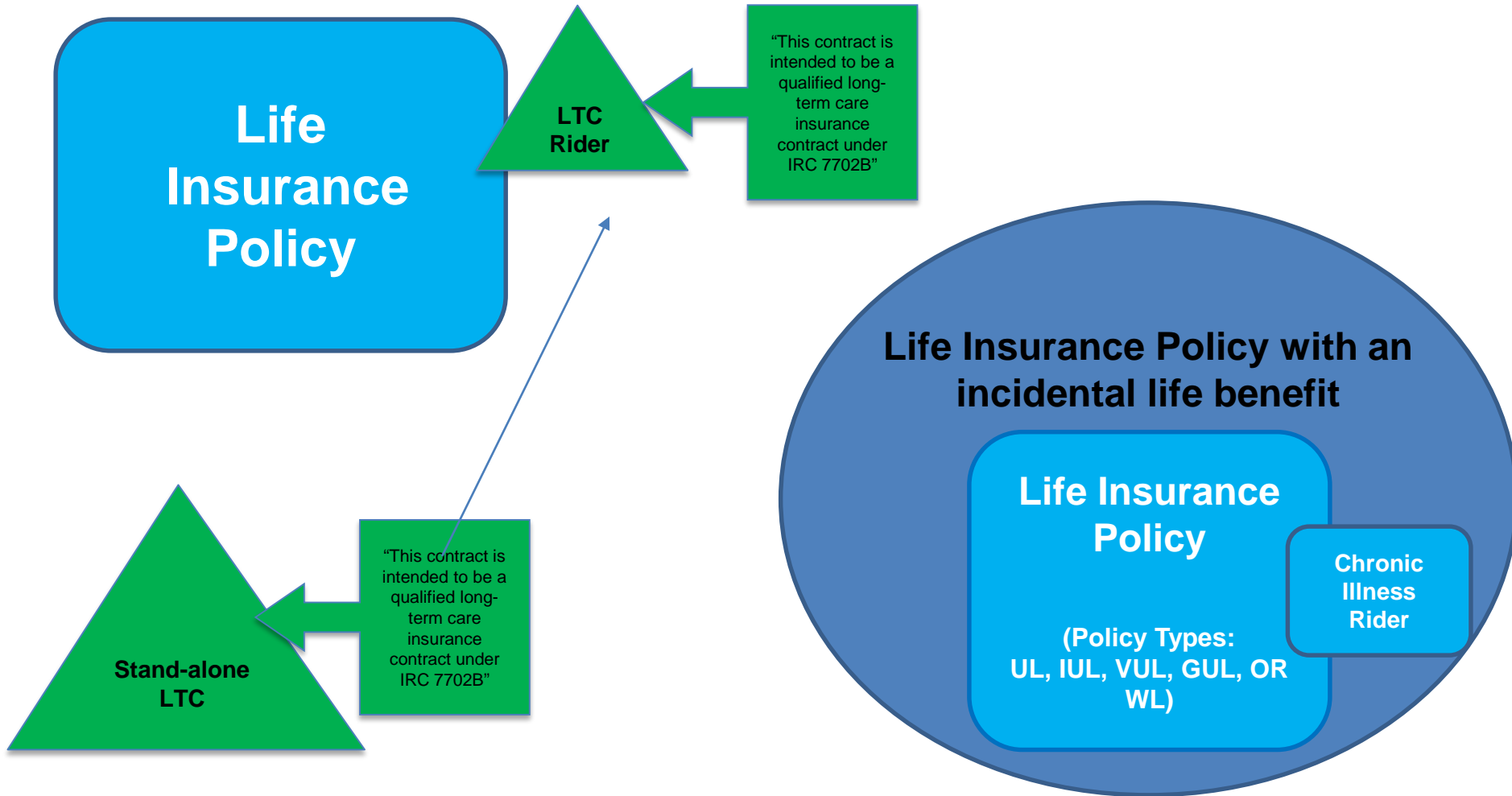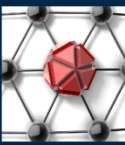
"This contract is intended to be a qualified long-term care insurance contract under IRC 7702B"
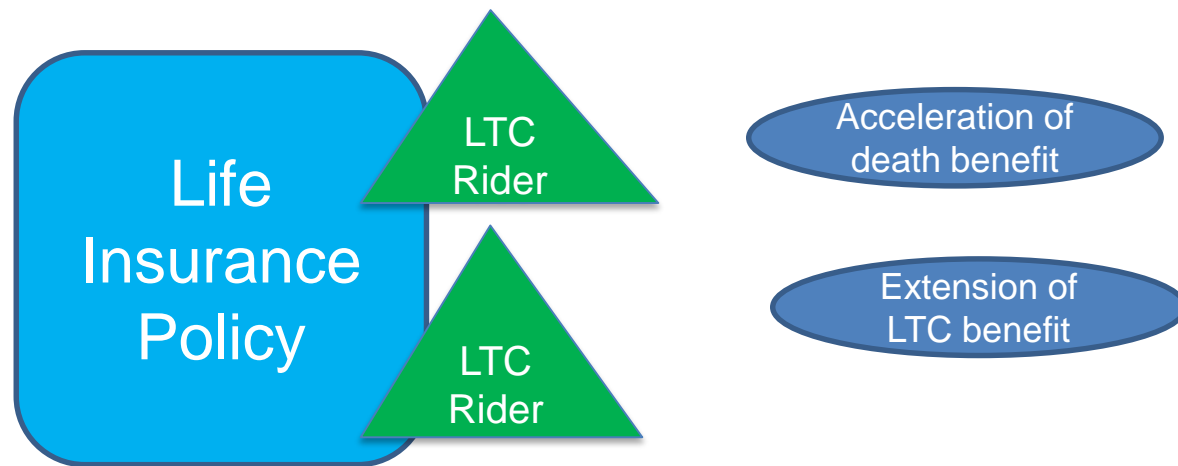
Life insurance *with* a qualified long-term care insurance contract, in the form of an LTCI rider

Life Insurance Policy

LTC Rider

"This contract is intended to be a qualified long-term care insurance contract under IRC 7702B"

Stand-alone LTC

"This contract is intended to be a qualified long-term care insurance contract under IRC 7702B"

Life Insurance Policy with an incidental life benefit

Life Insurance Policy

(Policy Types: UL, IUL, VUL, GUL, OR WL)
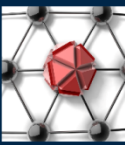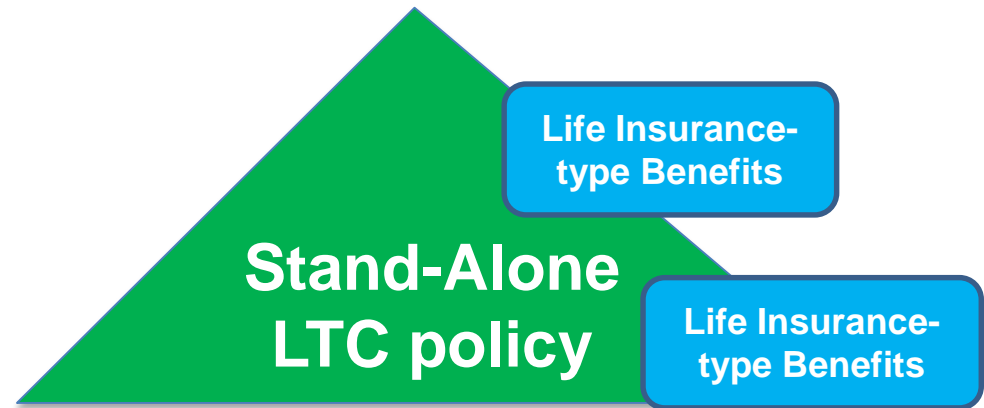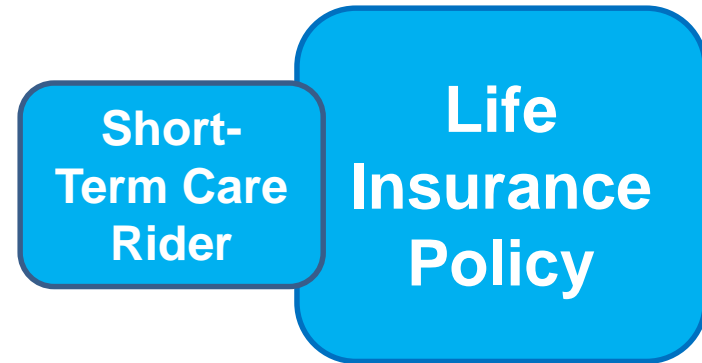
Chronic Illness Rider

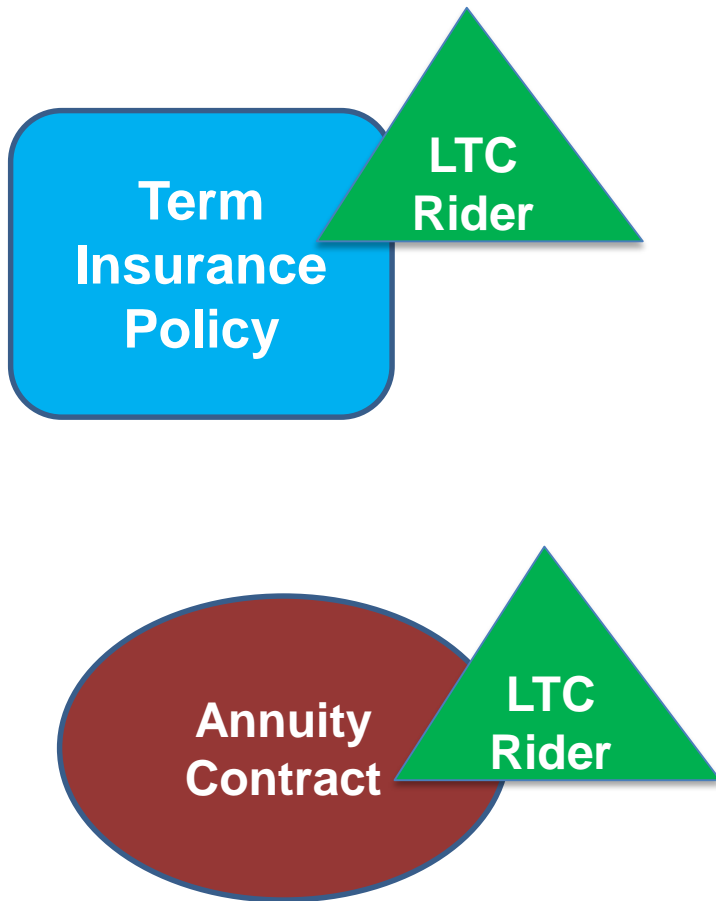# Life insurance *with TWO* qualified long-term care insurance contracts, in the form of long-term care riders

Life Insurance Policy

LTC Rider

LTC Rider

Acceleration of death benefit

Extension of LTC benefit

Often referred to as a true Hybrid Product

Even Newer Products . . .

Short-Term Care Rider

Life Insurance Policy

Term Insurance Policy

LTC Rider

Annuity Contract

LTC Rider

Stand-Alone LTC policy

Life Insurance-type Benefits

Life Insurance-type Benefits
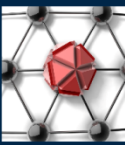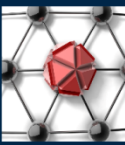
Financing Options
What type of LTCi is needed?

Options to fund long-term care needs in retirement

Key Features	Self-Fund LTC Care	Traditional LTC Insurance	Asset-based LTC Insurance
Out of pocket costs for care	Greatest risk	Low to Moderate Risk	Lowest Risk
Premium Increases	N/A	Greatest Risk	Low to No Risk
Death Benefit	N/A	N/A	Available (may be reduced by LTC benefits paid)
Investment Return, if LTC not used	N/A	N/A	Available
Target Demographic	Mass Affluent	Mid-range, No Couples	Mid-High Net Worth, Couples

# 70% of individuals over 65 years require some form of LTC

Estimated Costs for Care:
- Home Health Care (HHC) - $45k annually
- Assisted Living Facility (ALF) - $43k annually
- Nursing Home (NH) - $80k annually

Example: Dan, 83 years, has total LTC expenses $375k/$500k
(3 yrs – HHC (family/skilled), 5 yrs - ALF, 2 yrs – NH)

HYPOTHETICAL ILLUSTRATION – NOT BASED ON ACTUAL CASE

Retirement Assets	Self - fund	Traditional LTC	Asset-based LTC	Something else?
< $400k	No	Yes	No	?
$400k – $1M	No (maybe)	Yes	Yes	?
> $1M	Yes	Yes	Yes	?

Covered Services	All	ALS, NH only	All	
Premium	No	+/- $53k	+/- $275k	?
Death Benefit	No	No	$50k - 500k	?
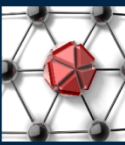
The On-Demand Economy

What do consumers universally dislike?

Websites and Apps • IVR's • Calls • Search

Navigating complexity	
Waiting too long	
Not getting resolution	
Having to relay context	
Interacting with uninformed strangers	

What do consumers universally like?

Messaging

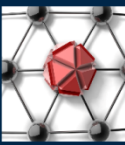|	
Simplicity	
Immediacy	
Resolution	
Minimal to no context relaying	
Interacting with informed helpers	

What Is The On-Demand Economy?
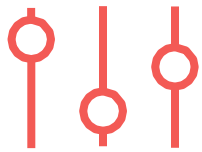
Customers have control

Fast, seamless experiences are essential

Messaging is the channel of choice

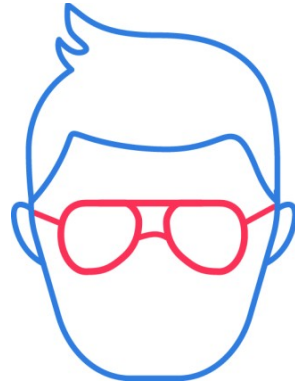**Simplicity drives satisfaction**

Today's Reality

Today's tools don't create the engagement that businesses crave and customers demand

$6 Cost per call handled through a live call center agent

58% of millennials expect to engage with a company whenever they want to

People aged 45-64 are the fastest growing demographic on the mobile frontier

80% of contact centers say their current customer service systems won't meet future needs

Less than 20% of email gets opened and responded to

$41 Billion total loss to businesses due to call center inefficiencies

68% of U.S. adults now own a smartphone

36% of people will publicly shame companies on social media

Messaging: The Solution

Businesses are entering the messaging era. Messaging is the fastest adoption of a communication technology in history. From your customer's perspective, it's the optimal solution that drives engagement, satisfaction and loyalty.

$29 Billion
estimated cost savings to customer service industry due[1] to chatbots

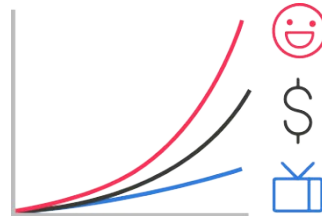## 8.3 Trillion
mobile messages sent in 2017[2]

98%
Open rate for text messages[3]

90%
of global consumers want to message brands[4]

2020
The year customer experience will surpass price and product as key competitive differentiator
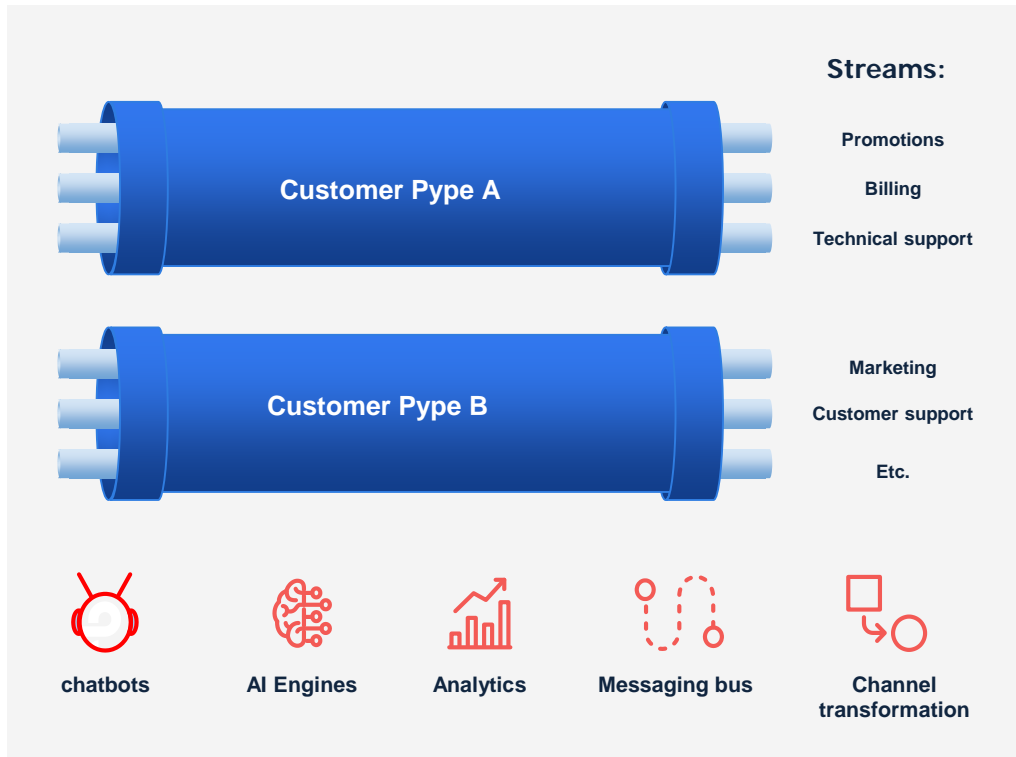
3
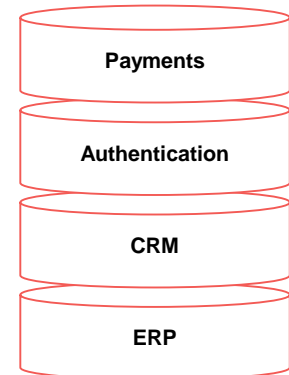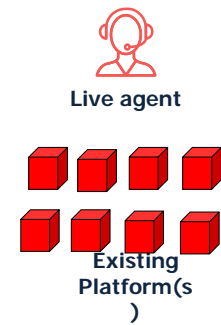No. of social messages sent per hour by avg consumer

Messaging Platform
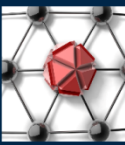
Customer Channels

- Brand apps
- Web chat
- Messenger
- Text
- IOT

Smart Messaging Platform
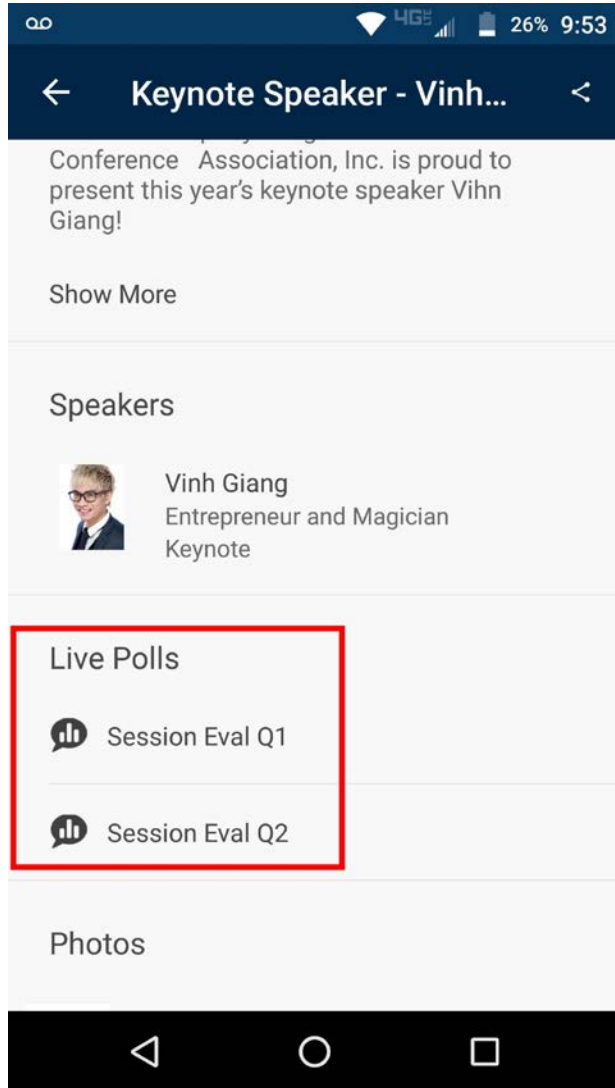
Customer Pype A

Customer Pype B

Streams:
- Promotions
- Billing
- Technical support
- Marketing
- Customer support
- Etc.

- chatbots
- AI Engines
- Analytics
- Messaging bus
- Channel transformation

Business

- Live agent
- Existing Platform(s)
- Payments
- Authentication
- CRM
- ERP

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Questions?