A 2006 Report

LONG-TERM CARE INSURANCE PERSISTENCY EXPERIENCE

A JOINT STUDY SPONSORED BY LIMRA INTERNATIONAL AND THE SOCIETY OF ACTUARIES LTC EXPERIENCE COMMITTEE

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EXECUTIVE SUMMARY

This report represents the second in a series of studies conducted jointly by LIMRA International and the Society of Actuaries (SOA) Long-Term Care Experience Committee and focuses on recent long-term care insurance (LTCI) industry persistency results. The study examines persistency experience by reporting on changes in both voluntary lapse and total termination activity for all participating companies during calendar years 2002 through 2004. Overall, the results indicate that LTCI persistency continues to increase. However, recent increases have occurred on the group side of the business more than the individual side.

- Voluntary lapses continue to decrease with overall results for calendar years 2002-2004 at 5.2 percent down slightly from the 2000-2001 level of 5.4 percent for all policy years combined.
- The average issue age for LTCI business is 62 for individual insureds and 46 for group certificate holders included in the current study. This is down from an average issue age of 66 for individual LTCI buyers and 47 for those covered by group plans in 2000-2001. This study indicates that customers may be starting to understand the advantage of purchasing coverage at a younger age when it is more affordable.
- Individual LTCI lapse rates basically held steady for the 2002-2004 experience period at 4.3 percent versus 4.2 percent in 2001-2002.
- The voluntary lapse rate for employer sponsored business in the current study is 7.5 percent for all policy years combined — also lower than the 2000-2001 level of 8.9 percent. It is important to keep in mind that as in previous studies, results for group business are based on a relatively small number of companies.
- Policies with lower annual premiums exhibited higher rates of voluntary lapse than those with greater annual cost.
- On average, individual policies sold without a marital discount experienced voluntary lapse rates 30 percent higher than those sold with a marital discount.
- Looking at total termination rates, including both voluntary lapses as well as deaths, individual and group LTCI business continue to exhibit different patterns by policy year. The group plans experienced higher rates of termination in the early policy years, corresponding with their higher rates of voluntary lapsation. And, in the later policy years, group LTCI total terminations level off to approximately 2 percent.

DATA USES

This study can be used for industry benchmarking as well as for background information for the long-term care insurance product development and planning process.

The data contained in this report can help companies to identify factors that impact LTCI product persistency as well as to validate pricing assumptions. However, since the participants do not represent the entire LTCI industry, these results should be used only as a supplement to the experience of the individual carrier.

Companies should consider underlying differences in distribution, product design, product development, and market strategy between their own organization and current study participants. Voluntary lapse results continue to suggest that a few companies are coding unreported deaths as lapses and therefore care should be taken when comparing study results with your own company experience.

METHODOLOGY AND DATA

This report represents the second in a series of continuing studies that examine trends in long-term care insurance persistency experience, including both individual and group business. Fourteen organizations submitted data representing experience for calendar years 2002, 2003 and 2004. Thirteen participants provided individual data, and three participants provided group data.

As a result of recent product profitability concerns, carriers continue to closely monitor the persistency results for this line of business. This report provides inter-company data for individual and group persistency experience that carriers can use as part of the benchmarking process.

METHODOLOGY

For purposes of this report, voluntary lapse includes termination for any reason other than death. This includes termination for nonpayment of premium, expiration of benefits, transfers to reduced paid-up or extended term status, and terminations for an unknown reason. This is consistent with the definition of voluntary lapse applied for past Society of Actuaries and LIMRA LTCI experience studies and allows for reasonable comparison of results over time.

Study participants provided information on their entire in-force block. In those cases where a company's volume of business was large relative to other submissions, a sample of the participant's total in force was included in the study so that industry results had appropriate company representation.

Voluntary Lapse (terminations other than death)

Voluntary lapse rates are calculated as follows:

$$\text{Annualized Lapse Rate} = 100 \times \frac{\text{Number of Lives Lapsed During the Year}}{\text{Number of Lives Exposed to Lapse During the Year}}$$

The number of lives exposed to lapse is based on the length of time a covered life is exposed to the risk of lapsation during the year. Lapses contribute exposure for the full 12 months. Terminations due to death are not included in the amount lapsing and contribute exposure for only the fraction of the year they were in force.

The individual company data underlying this study produces a pattern of voluntary lapses by policy year that indicates some deaths may have been coded incorrectly as lapses. To address this issue, this report examines both rates of voluntary lapsation and total termination rates for LTCI plans. LTCI actuaries who price using an industry mortality table in conjunction with an assumption as to voluntary termination rates can compare the resulting pricing total termination rates with the total termination data from the current study.

Total Terminations (including death)

Total termination rates are calculated as follows:

$$\text{Annualized Total Termination Rate} = 100 \times \frac{\text{Number of Lives Terminated During the Year}}{\text{Number of Lives Exposed to Termination During the Year}}$$

The number of lives exposed to termination is based on the length of time a covered life is exposed to the risk of either voluntary lapsation or death during the year.

Industry lapse rates are calculated as a weighted average of the experience of all contributing companies, so companies with larger in-force blocks will impact the overall results more than companies with smaller in-force blocks.

For joint policies, two separate records were provided: one for the primary insured and a second for the spouse. Voluntary lapse and total termination rates for this business are based on lives.

The quantity of group LTCI exposure contributed for the 2002–2004 experience period did not allow for analysis of group experience for all policy and product factors. Wherever possible, group and individual results are shown separately.

In order to insure that the results presented in this report are statistically significant, reported experience is limited to policy years 1 through 15. Lapses and exposure for all durations are included in the appendices to this report.

DATA CHARACTERISTICS

Fourteen companies contributed exposure records covering calendar years 2002, 2003 and 2004. Approximately 75 percent of the exposure is related to individual LTCI plans, and 25 percent is related to employer group plans. Table 1 shows exposure by issue year and policy form. More detailed characteristics of the exposure data can be found in Appendices A and B, including breakdowns by issue age, attained age, gender, elimination period, maximum daily benefit amount, lifetime maximum benefit level, premium payment frequency, distribution channel, inflation protection coverage, underwriting type, and risk classification.

The average issue age for LTCI business in force during the current study observation period is 62 for individual coverage and 46 for group.

Table 1 — Exposure Records by Issue Year and Policy Form

	Individual	Employer group
1984–1987	1.1%	—
1988–1991	5.9	5.7%
1992–1995	9.6	14.2
1996–1999	23.5	20.4
2000	11.8	10.1
2001	13.5	15.1
2002	17.3	15.1
2003	12.6	13.3
2004	4.7	6.1
	100%	**100%**

— No cases

Table 2 shows policy activity during the observation period. Note that reported terminations for reasons unknown continue to represent a relatively large portion of the reported case status codes, while terminations due to death appear understated. Some companies are still unable to determine the specific cause of termination for reporting purposes.

Table 2 — LTCI Coverage Activity Reported During the Observation Period

Percentage of Study Exposure Records

	Individual	Employer group
Lapse for nonpayment of premium	1.2%	1.8%
Expiration of benefits	+	+
Death	0.9	0.2
Conversion	0.1	0.1
Terminated for reasons unknown	1.5	3.5
Remaining in force	96.3	94.4
	100%	**100%**

+ less than one tenth of 1 percent

VOLUNTARY LAPSE EXPERIENCE

Persistency for long-term care insurance products continues to increase. Voluntary lapse rates for all policy years combined averaged 4.3 percent for individual plans, 7.5 percent for employer group plans, and 5.2 percent for all plans combined during calendar years 2002 to 2004.

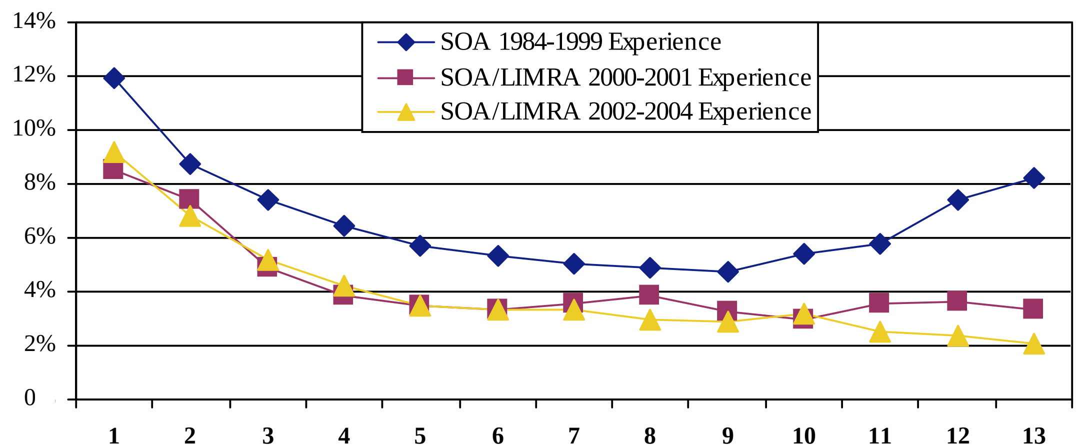
The data for three participating companies was excluded from the voluntary lapse analysis due to the fact that they could not provide detailed information on the cause of termination. These companies are included in the total termination results that follow.

VOLUNTARY LAPSE RATES BY POLICY FORM

Looking at rates of lapsation based on lives for all LTCI plans combined, Figure 1 shows trends in LTCI experience over time. During 2002 to 2004, the lapse rates for total LTCI decreased by duration, from a first-year rate of 9.2 percent (up from 8.5 percent in the 2000-2001 experience period) down to an average rate of 2 percent by policy year 13.

Figure 1 — Voluntary Lapse Rates by Policy Year (Lives)

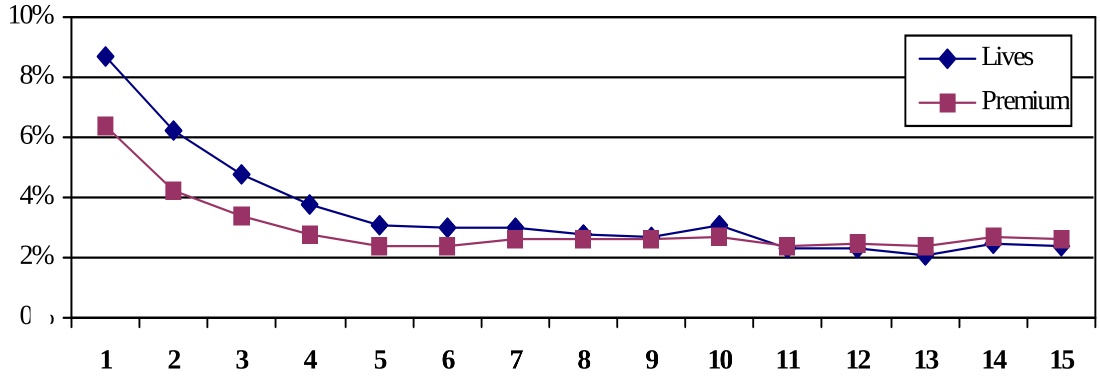
All Plans Combined



The average annual premium for LTCI policies in force is $1500 and this is consistent with figures reported in LIMRA's LTCI Total Market Report for 2004. New to this study, voluntary lapses are examined on both a lives and a premium basis. For the ten companies that provided premium data, lapses on a premium basis are lower than lapses based on lives through policy year 10, indicating that more of the less expensive policies are going off the books (Figure 2). This result is consistent with the results from the 2000-2001 study.

Figure 2 — Voluntary Lapse Rates by Policy Year (Lives versus Premium Basis)

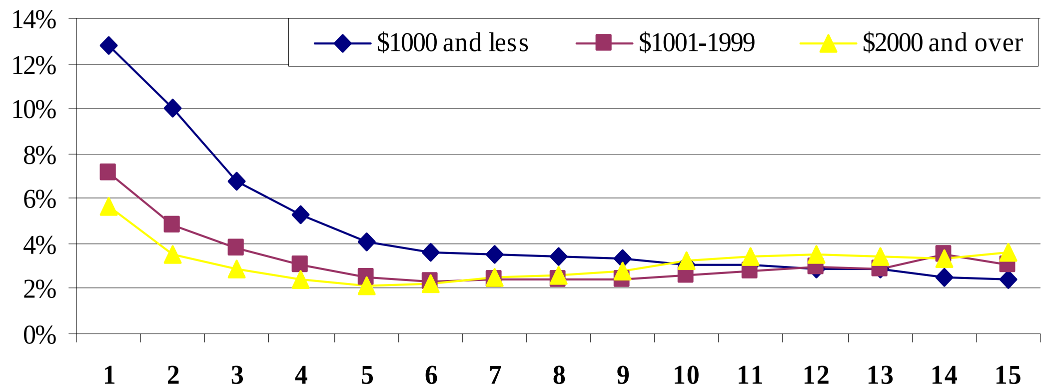
All Plans Combined



Looking at individual plans, for policies with annual premiums of under $1000 per year, lapses are significantly higher (Figure 3). And results are similar for group plans where coverages with annual costs under $1000 exhibit higher rates of voluntary lapsation.

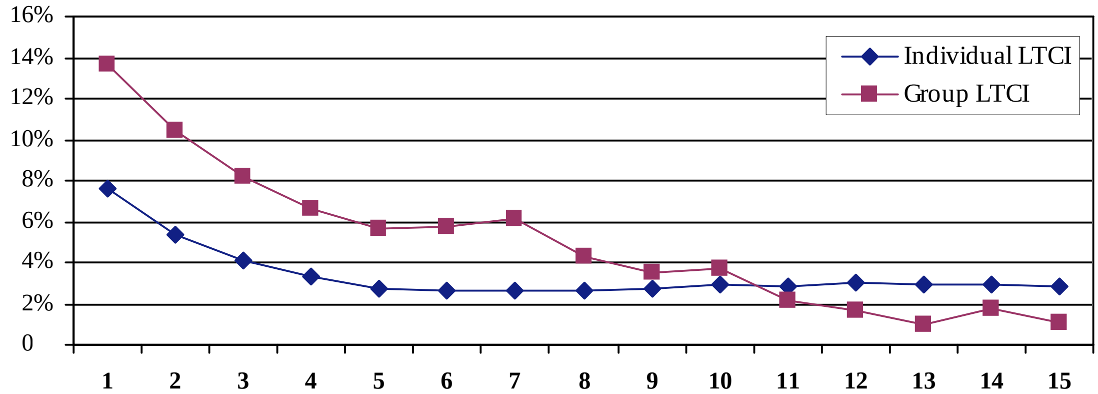
Figure 3 — Voluntary Lapse Rates by Policy Year and Annual Premium Level

Individual Plans Only



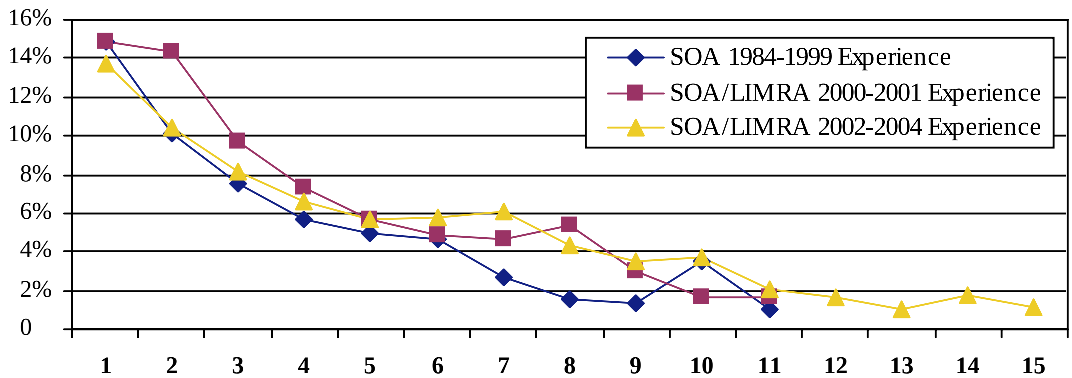
Data from the past 5 years continues to indicate that group LTCI lapse rates are tailing off at or below the levels of individual business, and have a steeper slope by policy year (Figure 4). Ultimate lapse rates for the group business are approximately 1 percent.

Figure 4 — Voluntary Lapse Rates by Policy Form and Policy Year



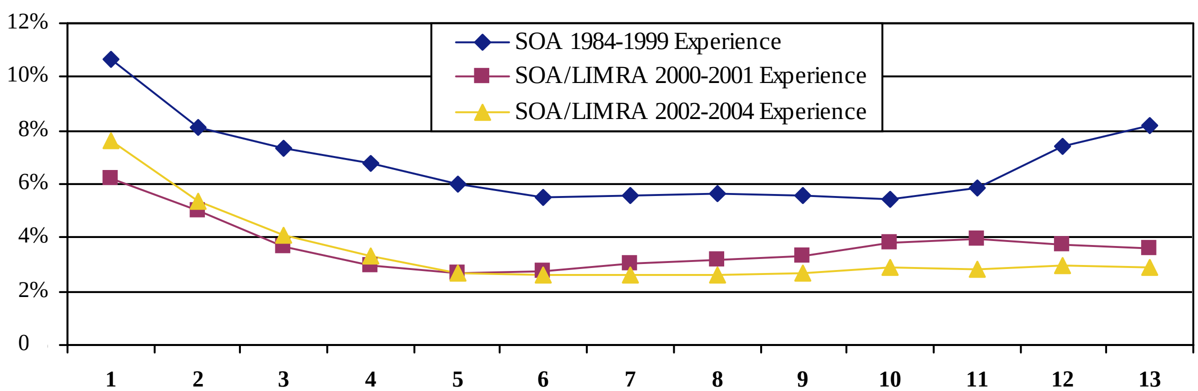
Aside from an increase in persistency in the first five policy years, group experience for the 2002-2004 was very similar to the 2000-2001 period (Figure 5).

Figure 5 — Group LTCI Voluntary Lapse Rates



For the individual plans, with the exception of the first policy year, persistency continued to increase between 2002 and 2004 (Figure 6). In more recent years the pattern and level of voluntary lapses has been more consistent.

Figure 6 — Individual LTCI Voluntary Lapse Rates



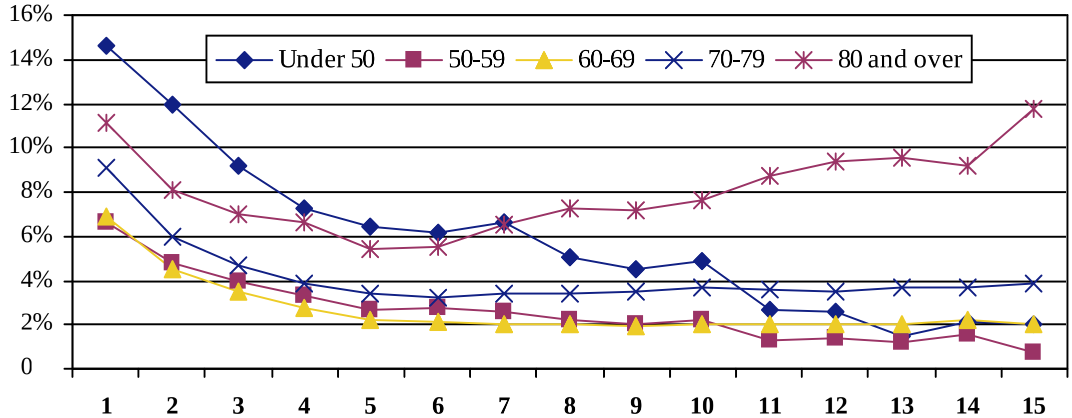
Voluntary Lapse Rates by Issue Age

About 50 percent of the exposure falls between issue ages 60 and 79. With the exception of issue ages under 50 and over 80, for all LTCI plans combined, there appears to be very little difference in the rates of voluntary lapsation by issue age group (Figure 7). However, the increase in reported lapse rates in the later policy years is more pronounced at the oldest issue ages, where mortality is likely to have the greatest impact. This lends credence to the possibility that, in some cases, deaths are being coded as lapses.

The business sold to issue ages 50 and under is mostly group LTCI and the lapse experience at these ages follows a pattern similar to the total group experience by policy year. After policy year 10, experience at younger issue ages falls in line with the experience in total.

Figure 7 — Voluntary Lapse Rates by Issue Age Group and Policy Year

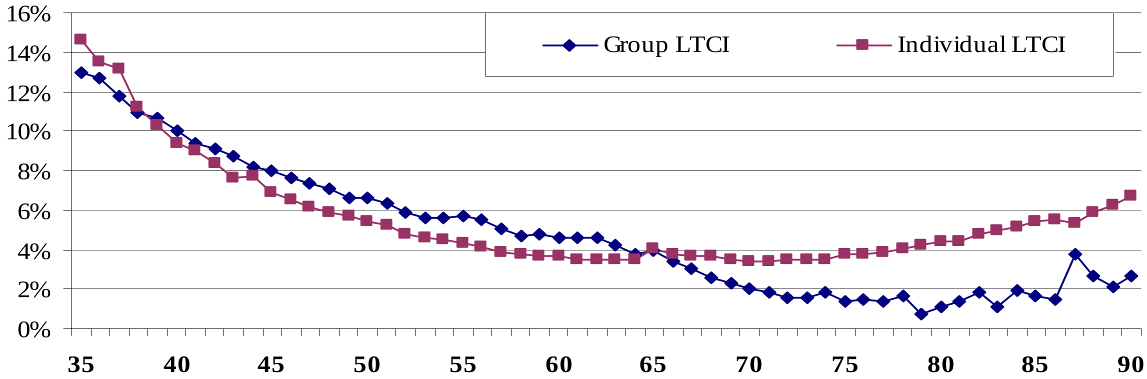
Individual and Group Plans Combined



Voluntary Lapse Rates by Attained Age

Voluntary lapse rates by attained age for group and individual policy forms were also examined for all policy years combined. Again, there are no significant increases in lapsation for any ages at or near retirement (Figure 8). In fact group persistency is higher than individual at the higher attained ages.

Figure 8 — Voluntary Lapse Rates by Attained Age and Policy Form

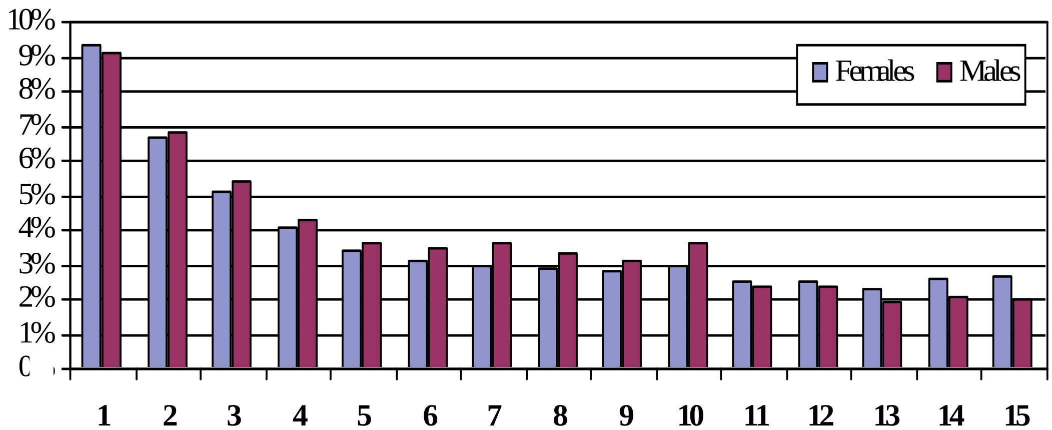


VOLUNTARY LAPSE RATES BY GENDER

The LTCI exposure base is approximately 58 percent female and 42 percent male. As with individual life and individual disability products, voluntary lapse rates for males and females are very similar — 5.1 percent for females and 5.3 percent for males for all policy years combined. There was an increase in rates of lapsation for females in the later policy durations (Figure 9).

Figure 9 — Voluntary Lapse Rates by Gender and Policy Year

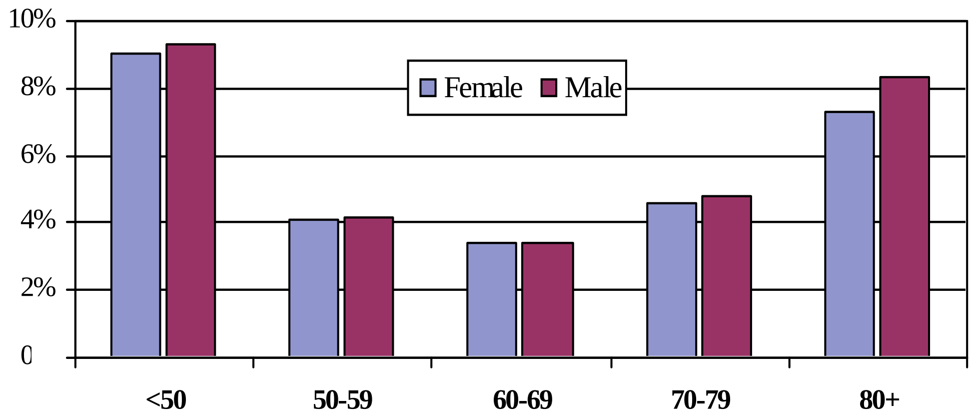
Individual and Group Plans Combined



Looking at persistency by gender and issue age, males exhibited minimally higher rates of voluntary lapsation than females at most ages (Figure 10). As would be expected if some study participants are coding deaths as lapses, there is a larger difference in experience at the oldest ages (80 and over), where mortality is a greater factor.

Figure 10 — Voluntary Lapse Rates by Gender and Issue Age

Individual and Group Plans Combined



VOLUNTARY LAPSE RATES BY ELIMINATION PERIOD

The volume of LTCI data submitted with information on the elimination period has increased substantially with the current study. Note that group lapse rates are significantly higher than individual lapse rates for both the 30- and 90-day waiting periods (Table 3). However, for the longest elimination periods, group plans experienced significantly lower rates of lapse. Also note that in line with the results by policy year, lapse rates are lower on a premium basis than on a lives basis by elimination period as well (Table 4).

Table 3 — Voluntary Lapse Rates by Elimination Period

	Total (all plans)	Individual	Group
0 day	6.5%	6.4%	*
14-20 days	5.2	5.2	*
28-30 days	5.5	5.2	11.7%
50-60 days	4.1	3.8	4.3
90-91 days	6.4	4.4	8.4
100 days	3.0	2.9	3.0
Over 100 days (120-730 days)	4.4	6.5	0.9

* Exposure Limited

Table 4 — Voluntary Lapse Rates by Elimination Period — Lives versus Premium

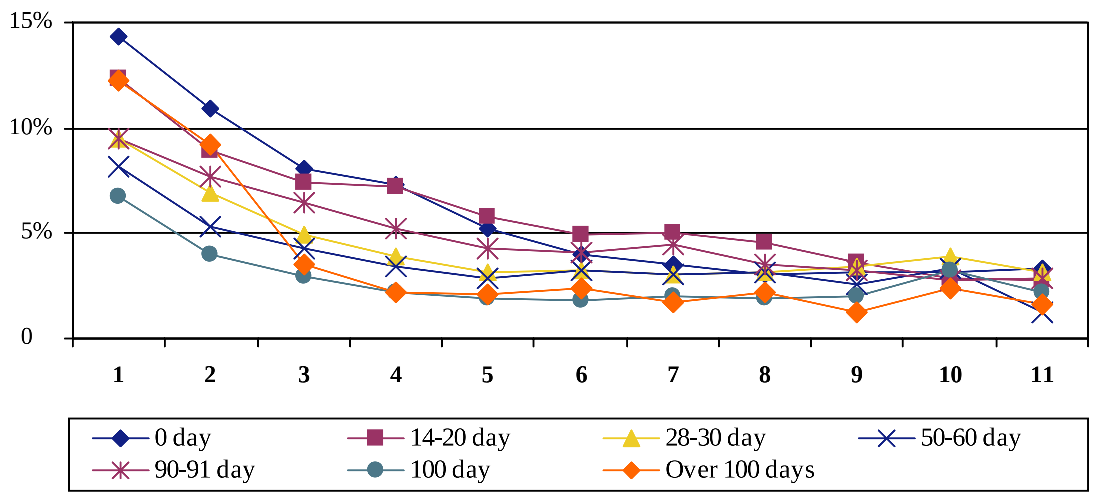
Individual and Group Plans Combined (includes 10 companies)

	LTC insurance *Lives* (2003–2004 data)	**LTC insurance *Premium* (2003–2004 data)**
0 day	5.7%	5.0%
14-20 days	4.3	4.3
28-30 days	5.1	3.5
50-60 days	3.8	2.2
90-91 days	6.3	2.9
100 days	2.7	2.7
Over 100 days (120-730 days)	4.3	1.3

Differences in experience by elimination period are greatest in the early policy years, with the longest (over 100 days) and shortest (0-20 days) waiting periods exhibiting the highest early duration lapses (Figure 11).

Figure 11 — Voluntary Lapse Rates by Elimination Period and Policy Year

Individual and Group Plans Combined



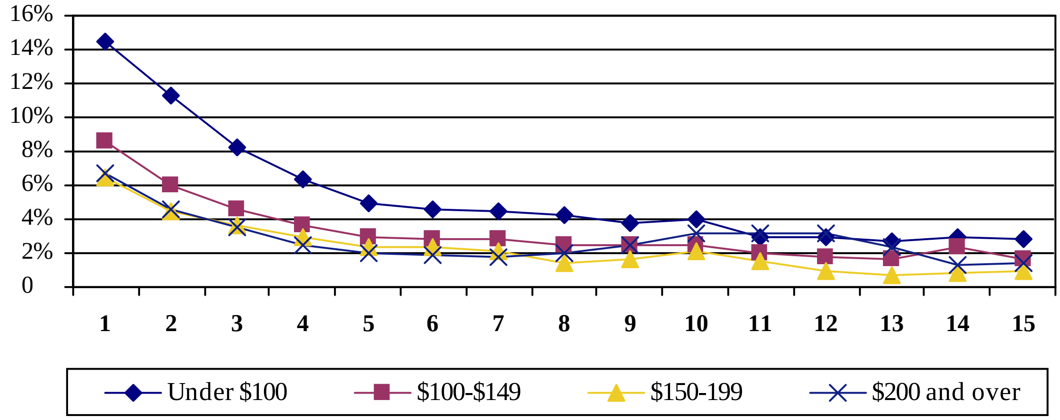
Voluntary Lapse Rates by Maximum Daily Benefit

For the 10 companies that were able to provide data on maximum daily benefit amounts, approximately one third of the exposure base has a daily benefit under $100, 45 percent has a daily benefit between $100 and $149, and 22 percent has a daily benefit of $150 or greater. Policies with maximum daily benefits of $100 or less exhibit the highest rates of lapsation.

However, the difference in lapse experience is minimal for all policies with daily benefit amounts over $100 (Figure 12).

Figure 12 — Voluntary Lapse Rates by Maximum Daily Benefit and Policy Year

Individual and Group Plans Combined

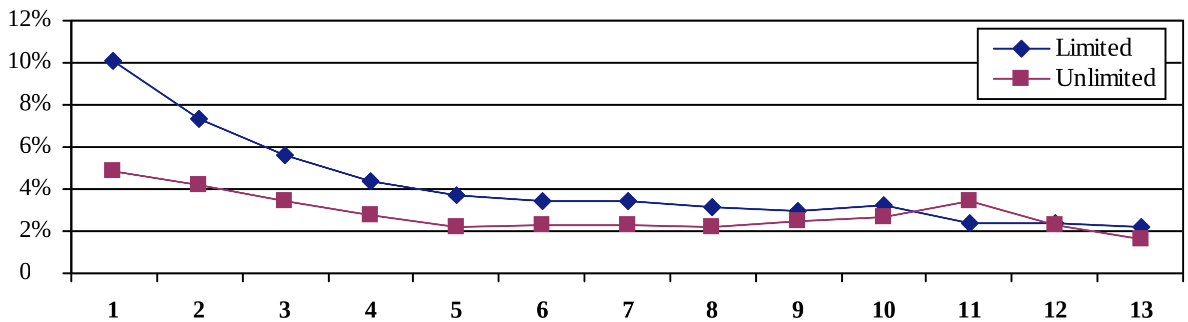


VOLUNTARY LAPSE RATES BY LIFETIME MAXIMUM BENEFIT

Results from both the 2000-2001 and 2002-2004 studies show that after the first policy year, LTCI products with limited lifetime benefits (including limits expressed either in terms of a number of days or a dollar amount) exhibit higher rates of voluntary lapsation than plans with unlimited benefits (Figure 13).

Figure 13 — Voluntary Lapse Rates by Maximum Benefit Type and Policy Year

Individual and Group Plans Combined

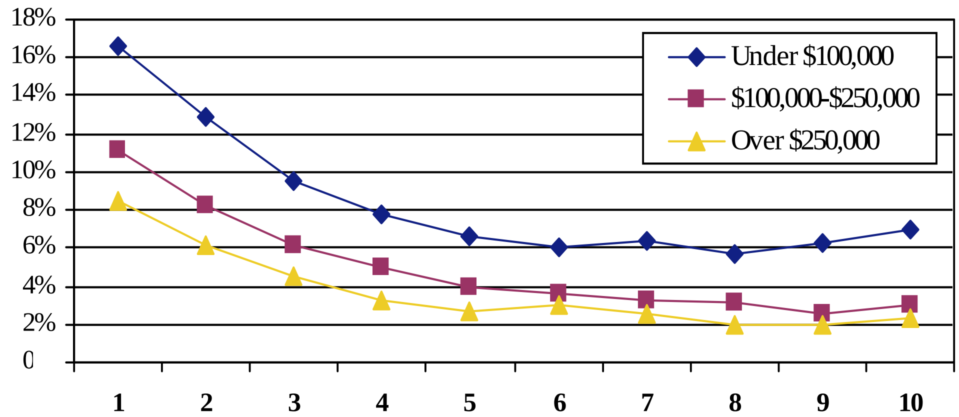


However, as with the 2000-2001 report, there are greater differences in experience when examining persistency at various maximum benefit levels for the limited lifetime benefit plans. For limited plans where the maximum benefit is expressed in terms of a dollar amount, the plans with the highest dollar maximums are least likely to lapse (Figure 14). This is in line with the voluntary lapse results based on premium.

And, this pattern of increasing persistency with increasing lifetime maximum dollar limits continues to be consistent across both individual and group business.

Figure 14 — Voluntary Lapse Rates by Lifetime Maximum Benefit and Policy Year
Limited Plans Based on Dollars

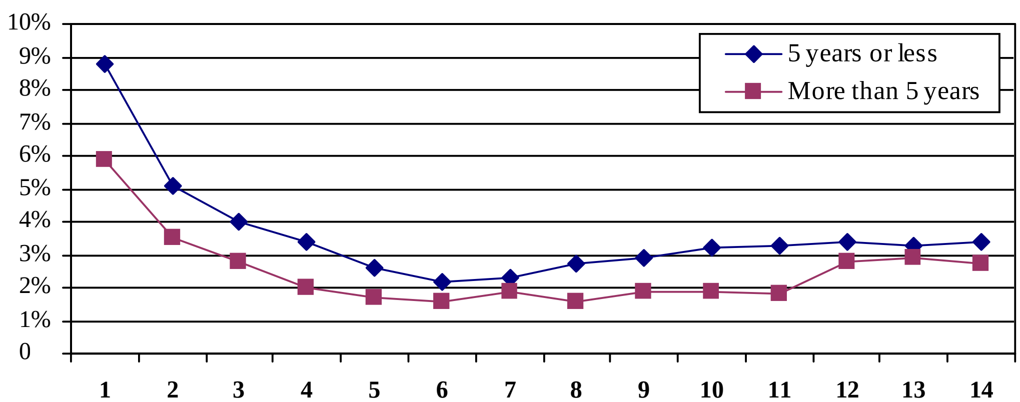
Individual and Group Plans Combined



The difference in rates of lapsation is not quite as large for plans where the lifetime maximum benefit is expressed as a number of days, although the policies with the lowest maximums (five years or less) experience slightly higher rates of voluntary lapsation than the richer benefit plans during the first ten policy years (Figure 15). This lifetime maximum benefit approach was more common in earlier LTCI products than in the plans offered in today's marketplace.

Figure 15 — Voluntary Lapse Rates by Lifetime Maximum Benefit and Policy Year
Limited Plans Based on Number of Days

Individual and Group Plans Combined

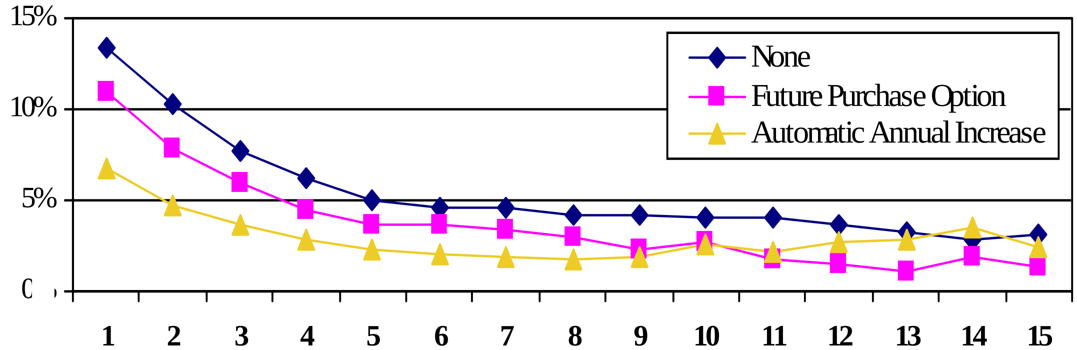


VOLUNTARY LAPSE RATES BY INFLATION PROTECTION COVERAGE

Forty-five percent of the exposed lives for the current study have policies that provide some degree of inflation protection in the form of annual benefit increases. These automatic annual increase plans include several types of plans that all involve the prefunding of future benefit increases. Another 25 percent were sold with the option to purchase additional coverage at times specified in the contract, usually without new underwriting requirements. In general, plans with the richest inflation protection continue to exhibit the highest levels of persistency (Figure 16). Overall, lapse rates for policies with some form of inflation protection are approximately 40 percent lower than lapse rates on policies sold without a mechanism for increasing benefits over time. Buyers that have committed to protecting their benefits against the effects of inflation over time likely have a better understanding of the value of long-term care insurance coverage.

Figure 16 — Voluntary Lapse Rates by Level of Inflation Protection and Policy Year

Individual and Group Plans Combined

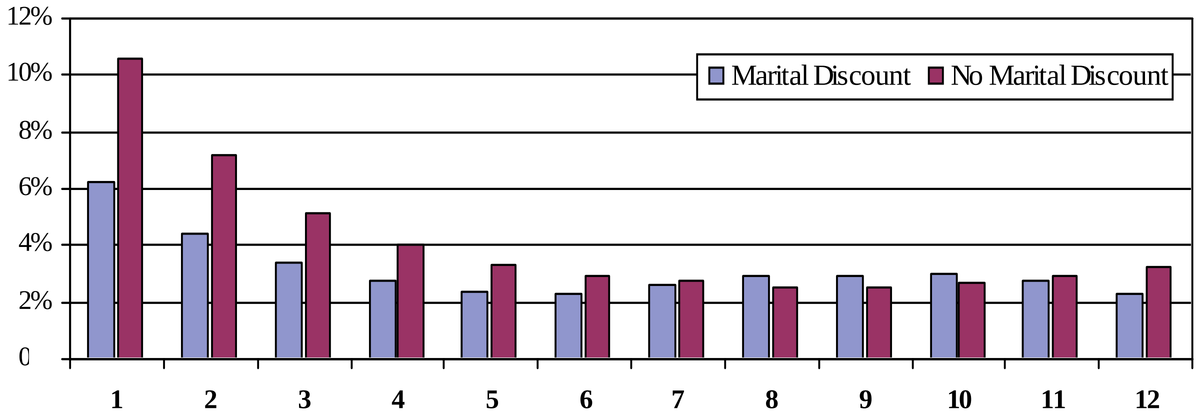


VOLUNTARY LAPSE RATES BY MARITAL DISCOUNT OFFERING

New for the 2002-2004 experience period, persistency was examined based on whether or not the policy was sold with a marital discount. Just over half of all individual policies were sold a marital discount. Those that did not receive a marital discount exhibit higher rates of voluntary lapsation than those that did (Figure 17). On average, policies sold without a marital discount experienced voluntary lapse rates 30 percent higher than those sold with a marital discount. The most significant difference in experience is in the early policy years.

Figure 17 — Voluntary Lapse Rates with and without Marital Discount

Individual Plans Only

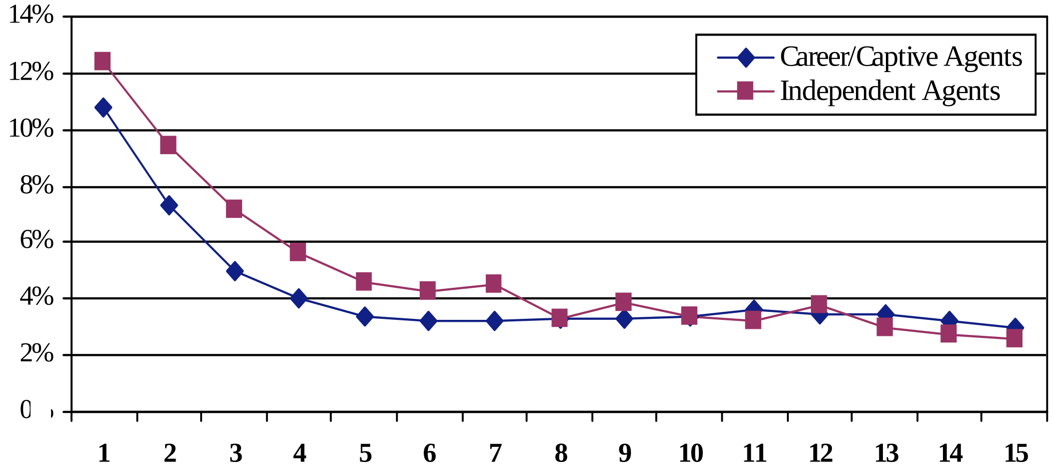


VOLUNTARY LAPSE RATES BY DISTRIBUTION CHANNEL

Seven participating companies provided data by distribution channel. Just over half of the exposed lives held policies sold through the career or captive agent channels. As shown in Figure 18, and in line with results of the 2000-2001 study, the career agency system achieved slightly lower rates of lapse than the independent channels in the first ten policy years. Possible explanations for this include differences between the career and independent channels in terms of compensation structure, level of service, and amount of product information and advice provided during the initial sales process.

Figure 18 — Voluntary Lapse Rates by Primary Distribution Channel and Policy Year

Individual and Group Plans Combined

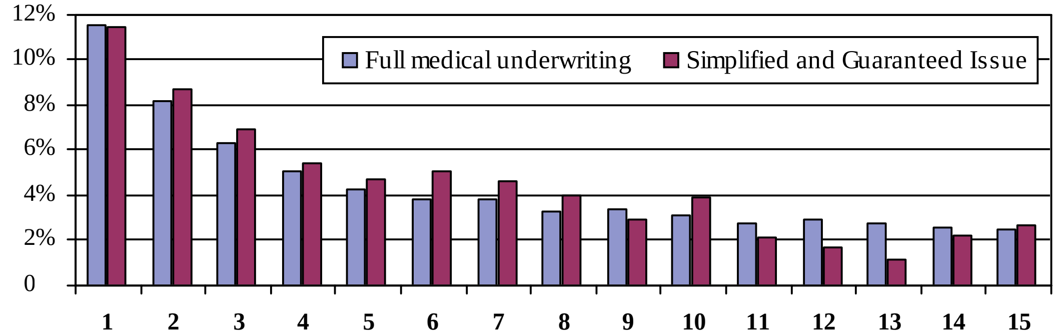


VOLUNTARY LAPSE RATES BY UNDERWRITING TYPE

With the exception of the first policy year, LTCI sold on a fully underwritten basis experienced lower rates of voluntary lapsation than plans written on a simplified or guaranteed issue basis through policy year 8 (Figure 19). Since almost all of the guaranteed issue business is sold under a group plan, experience was examined both by underwriting type and by policy form and these results are consistent for individual and group business as well as in total. In the later years, group lapse rates are lower than lapse rates for individual business overall, and this may explain the fact that after policy year 8 fully underwritten business exhibits slightly worse persistency.

Figure 19 — Voluntary Lapse Rates by Underwriting Type and Policy Year

Individual and Group Plans Combined

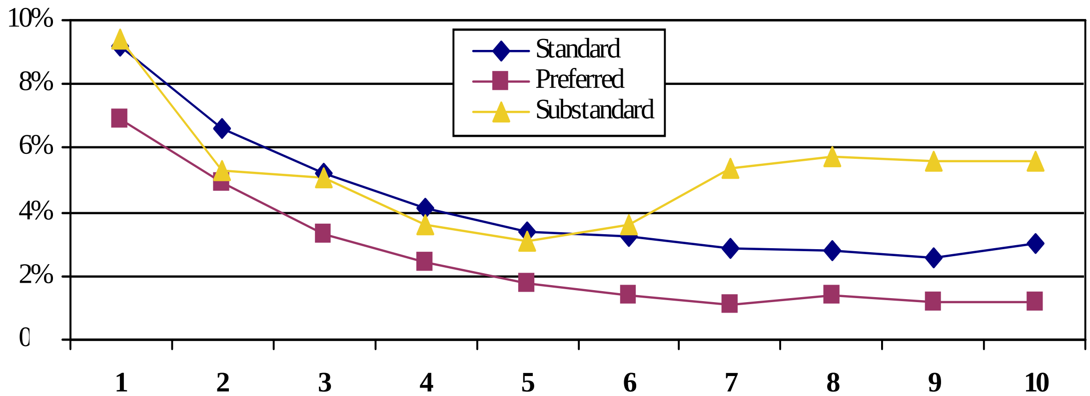


VOLUNTARY LAPSE RATES BY RISK CLASSIFICATION

Eighty percent of the exposure base by risk classification is issued on a standard basis. LTCI coverage with a preferred rating (premiums discounted from standard levels) exhibits lower rates of voluntary lapsation than coverage issued on either a standard or substandard basis (Figure 20).

Figure 20 — Voluntary Lapse Rates by Risk Classification and Policy Year

Individual and Group Plans Combined

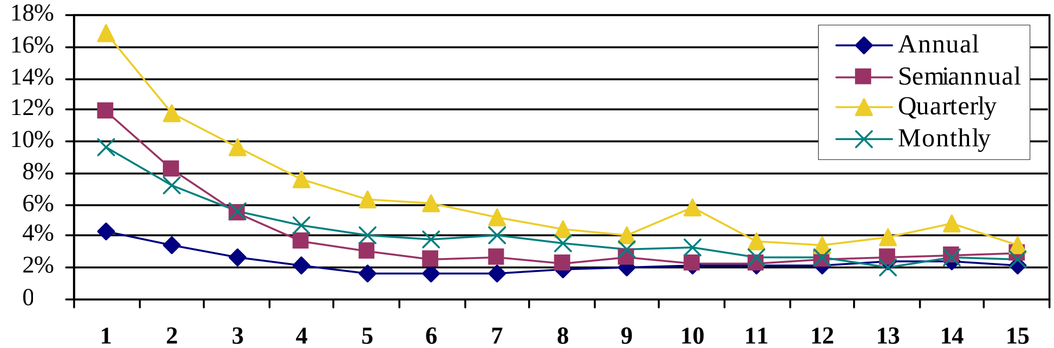


VOLUNTARY LAPSE RATES BY PREMIUM PAYMENT MODE

With the exception of monthly, LTCI lapse rates generally increase as the number of premium payments per year increases (Figure 21). This is consistent with experience on other insurance products as well. The possibility exists that every bill a policyholder receives provides another opportunity to question the purchase decision. In addition, individuals who choose to pay larger amounts less frequently tend to be less concerned with cost and affordability.

Figure 21 — Voluntary Lapse Rates by Premium Payment Mode and Policy Year

Individual and Group Plans Combined



TOTAL TERMINATION EXPERIENCE

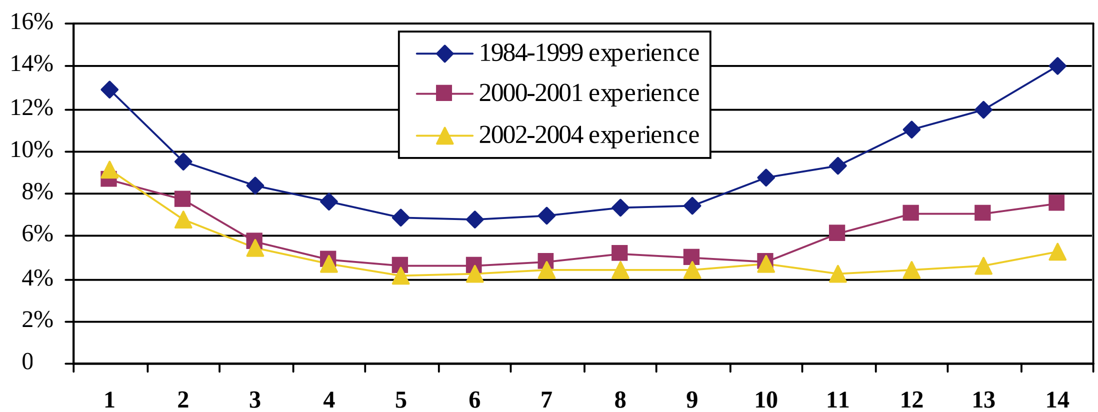
This section of the report presents total termination rates, including both voluntary lapses and deaths. Since the data underlying the current study indicates that some companies may be incorrectly coding deaths as either lapses or terminations for unknown cause, it is important to examine total termination rates as well as rates of voluntary lapsation. This will assist companies that may be pricing using a standard industry mortality table in combination with a separate lapse assumption to determine whether their total termination assumption is reasonable. In addition, the three participating companies whose data was excluded from the voluntary lapse analysis due to the fact that they could not provide any information on the cause of termination, are included in the total termination results in this section.

TOTAL TERMINATION RATES BY POLICY FORM

As with voluntary lapse experience, rates of total termination for long-term care insurance business continue to decrease at all policy durations (Figure 22). The total termination rate for the current study is 5.9 percent, down from 6.5 percent for the experience period 2000-2001 and 9.5 percent for the experience period 1984–1999.

Figure 22 — Total Termination Rates by Policy Year

Individual and Group Plans Combined



Most likely due to differences in the average age of the buyer, individual and group LTCI business continue to exhibit different patterns of total termination by policy year (Figure 23). While the group plans experience higher rates of termination in the early policy years, corresponding with their higher rates of voluntary lapsation, in the later policy years, group total termination experience levels off to under 2 percent. Total terminations for the individual plans begin to increase after policy year 6, when the older age of individual LTCI policyholders translates into a greater mortality impact.

Figure 23 — Total Termination Rates by Policy Form

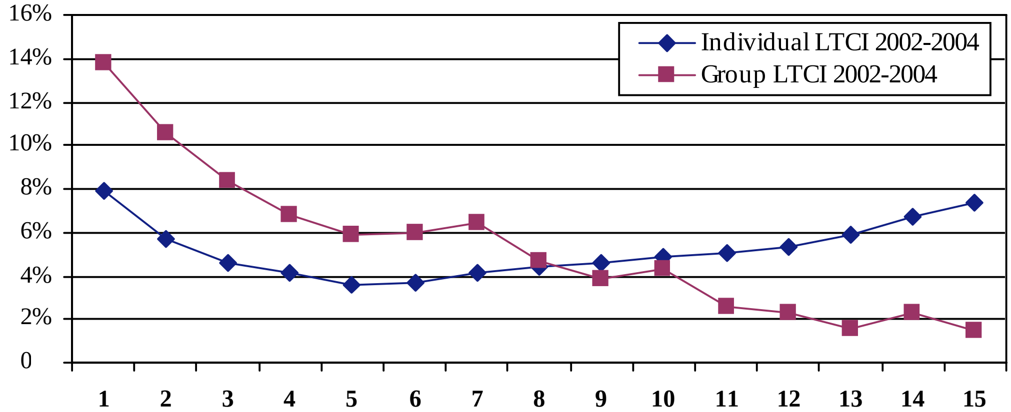
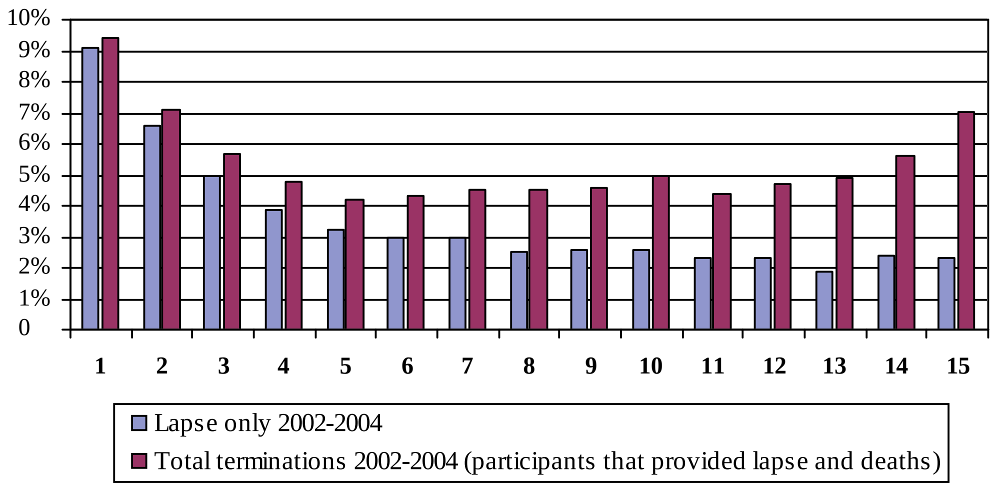


Figure 24 compares rates of total termination with rates of voluntary lapsation. Again, note that the difference between the two rates increases at the later durations when mortality would be expected to have a more significant impact on terminations.

Figure 24 — Voluntary Lapse and Total Termination Rates by Policy Year

All Plan Types Combined

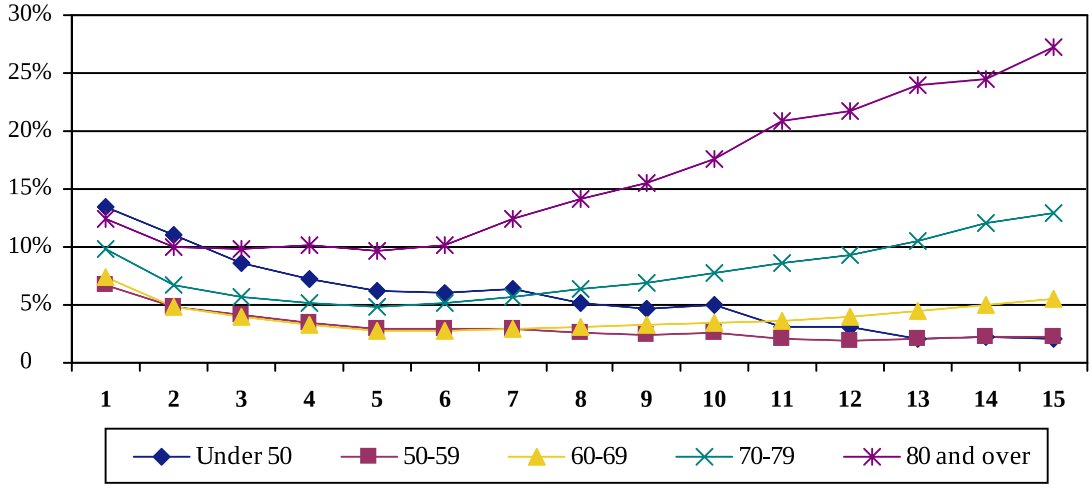


TOTAL TERMINATION RATES BY ISSUE AGE

Examining experience by issue age group, there is a more definite pattern of increasing total termination rates with increasing policy duration. Again, as deaths begin to make up a larger portion of the total terminations, more significant differences in experience by issue age group emerge (Figure 25).

Figure 25 — Total Termination Rates by Issue Age Group and Policy Year

Individual and Group Plans Combined

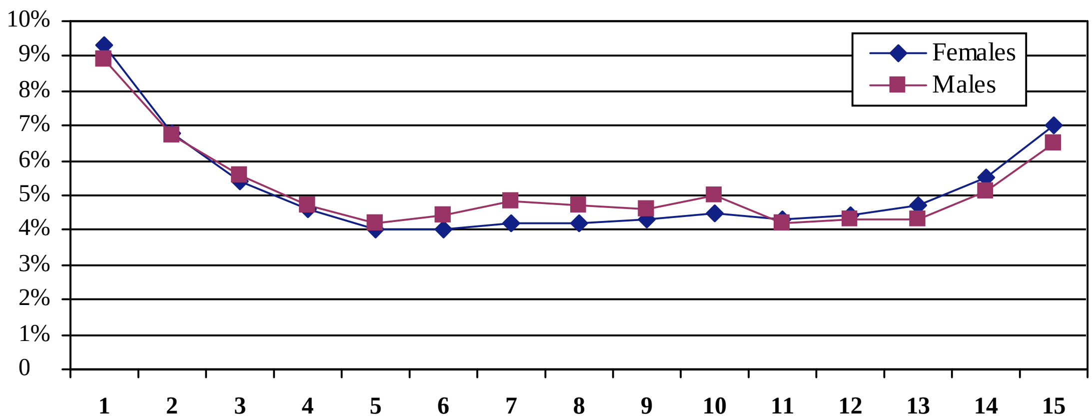


TOTAL TERMINATION RATES BY GENDER

As in the case of voluntary lapse experience, total termination rates do not vary greatly by gender. For the 2002–2004 observation period, overall termination rates for males and females were 5.9 percent (Figure 26).

Figure 26 — Total Termination Rates by Gender and Policy Year

Individual and Group Plans Combined



RELATED LINKS

The following links are valid as of 11/30/06.

LIMRA

U.S. Long-Term Care Insurance Persistency Experience (2004)

This report represents the first study conducted jointly by LIMRA International and the Society of Actuaries (SOA) Long-Term Care Experience Committee that focuses on long-term care insurance (LTCI) persistency. The study examines voluntary lapse and total termination activity for calendar years 2000 and 2001.

http://www.limra.com/members/abstracts/4482.aspx

U.S. Individual Long-Term Care Insurance Sales (2004)

This report represents the first study conducted jointly by LIMRA International and the Society of Actuaries (SOA) Long-Term Care Experience Committee that focuses on long-term care insurance (LTCI) persistency. The study examines voluntary lapse and total termination activity for calendar years 2000 and 2001.

http://www.limra.com/members/abstracts/4482.aspx

U.S. Individual Long-Term Care Insurance Sales (3rd Quarter 2006)

This quarterly report provides individual long-term care insurance sales data for 23 U.S. companies representing over 95 percent of the individual long-term care insurance market. Sales information is based on the number of new policies (lives) and premium written in the first two quarters of 2006.

http://www.limra.com/members/abstracts/5606.aspx

U.S. Group Long-Term Care Insurance Sales (2006, 1st half)

This report provides sales and re-enrollment data for 12 participating entities, representing approximately 20 U.S. organizations that insure or administer employer-sponsored group long-term care insurance (LTCI) plans. Sales information is based on new groups, participants, and annualized premium written in the first half of 2006. Re-enrollment data include new participation resulting from an active marketing campaign to existing groups. These participating companies represent over 90 percent of the total employer-sponsored LTCI market.

http://www.limra.com/members/abstracts/5428.aspx

U.S. Individual Long-Term Care Insurance (2005 supplement)

This study is a supplement to the annual *U.S. Individual Long-Term Care Insurance* survey. The 2005 supplement includes sales by distribution channel, buyer demographics, sales and in-force insureds by state, underwriting classes, and the sale of various benefit amounts, product features, and riders. Participants in the survey receive confidential, by-company results.

http://www.limra.com/members/abpdf/5410.ppt

The Producer's Perspective on Long-Term Care Insurance (2005)

LIMRA surveyed more than 300 producers to explore their opinions on selling long-term care insurance (LTCI). In an effort to identify the factors behind LTCI producer and carrier success, the study examines the markets, strategies, and recommendations of LTCI sellers. This paper explores what separates the successful LTCI seller from the majority, who is finding it difficult to embrace the product, and offers suggestions on how producers and carriers can overcome the challenges facing the LTCI industry today.

http://www.limra.com/members/abstracts/5175.aspx

U.S. Buyers and Nonbuyers of Long-Term Care Insurance (2005)

This study explores what motivates Americans to shop for long-term care insurance, where they look for information on the subject, and which sources they find most useful. Demographic and attitudinal differences between buyers and nonbuyers are analyzed as well as key aspects of the shopping and sales process. In addition, buyers' understanding of the product is critiqued while nonbuyers offer suggestions for what factors may have changed their decision.

http://www.limra.com/members/abstracts/4798.aspx

Society of Actuaries

1984–2001 Long-Term Care Experience Committee's Intercompany Study

This is the fourth Intercompany Study of Long-Term Care Insurance. This report combines and analyzes data received from 24 insurers that agreed to provide information to further the knowledge of long-term care insurance. Those insurers are listed in Appendix A of the report. Available data was collected on policies issued between January 1, 1984 and December 31, 2001. Claims incurred on policies in force during this time were followed from claim inception through the earlier of claim termination, or June 30, 2002. The data available for this report increased significantly from the previous study. The exposure increased almost 50 percent, the claims almost doubled and the claim payments tripled.

http://www.soa.org/ccm/content/areas-of-practice/special-interest-sections/long-term-care-insurance/actuarial/papers-presentations-research-resources/1984-2001-long-term-care-experience-committees-intercompany-study/

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