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Up Front with the SOA Staff Fellow

By Joe Wurzburger

If I were to rank underrated cities in the U.S., Nashville would be near the top. As someone who appreciates warm weather, good music, and barbeque, I'm one happy guy when I get to visit the Music City. So you should know that, as a long-term care professional, you have not one but two excellent opportunities to mix business with pleasure in Nashville over the next 12 months.

The 2018 SOA Annual Meeting & Exhibit takes place in Nashville on October 14–17. The SOA's Annual Meeting is the largest annual collection of actuaries in North America, and it never fails to disappoint. This year you can expect to find several sessions dedicated to LTC topics, including:

- Long-Term Care for the Next Generation
- The Expansion of Combination Products
- Long-Term Care Rate Increase Alternatives for Policy Holders
- Deep Dive into LTC First Principles Modeling

This highly engaging and interactive event will improve your presentation skills.

In addition to compelling and relevant continuing education sessions, you should be sure to take advantage of networking opportunities. A reception on the first evening provides an opportunity to mingle with the roughly 2,000 attendees who span all practice areas including LTC. If you would prefer a more intimate, LTC-centric opportunity, then wake up early the next morning and join us for the LTC Section Hot Breakfast, where you can hear directly from section leaders and break bread (and guzzle coffee) with other like-minded long-term care professionals.

When you make your travel arrangements for the annual meeting, be sure to arrive early enough to participate in the Influence Training for Actuaries Seminar on Sunday, Oct. 14. While not focused specifically on long-term care insurance, this highly engaging and interactive event will improve your presentation

and communication skills, no matter how highly skilled you may already be. The seminar is facilitated by Andrew Sykes, an actuary-turned-professional-speaker who will simultaneously entertain and challenge you. The testimonials from last years' attendees speak for themselves; you will not be disappointed.

Here is one such testimonial:

After attending Andrew Sykes' excellent "Influencing for Actuaries" seminar at the SOA's 2017 Annual Meeting, I put into practice what I learned for an important presentation at an offsite managers' meeting. I burst right out with a great short and relevant story, gave three clear objectives, had folks briefly interact with each other a few times to keep everyone moving, delivered on the objectives, and practiced beforehand—it went so well. Without question, the reason it went well was solely due to what I learned at Andrew's Influencing for Actuaries seminar. -Bill Leslie, FSA

Space for the seminar is limited due to its hands-on interactive format, so be sure to register now if you haven't already.

Finally, if your 2018 travel plans are already complete, then turn your attention to 2019. Next year's Supplemental Health, DI & LTC Conference will also be in Nashville on August 5–7, 2019. This event is co-sponsored by the SOA, LIMRA, and LOMA and features continuing education for professionals who work with the following products: accident, critical illness, hospital indemnity, disability, and long-term care. Attendees will span across company functions—not just actuaries, but also folks who work in underwriting, marketing, claims, etc. With a dedicated long-term care track, you will be sure to find a relevant session in each time slot, not to mention engaging general session speakers and plenty of networking opportunities. This annual event is a bit of a hidden gem among continuing education opportunities, but if you're serious about expanding your long-term care knowledge, you won't want to miss it.

I hope to see you at one if not both of these upcoming events, as I certainly plan to be in attendance. My schedule will be packed as I aim to take advantage of all that each event has to offer. That said, let me know if you have a stellar restaurant recommendation—I've always got time for some Nashville BBQ. ■



Joe Wurzburger, FSA, MAAA, is staff fellow, health, at the Society of Actuaries. He can be reached at jwurzburger@soa.org.

A Matrix of Opportunities: ILTCI 2018 Conference Recap

By Sharon Reed

The 2018 Intercompany Long Term Care Insurance (ILTCI) Conference was held from March 18–21 at the Paris Hotel & Casino in Las Vegas. Conference Chair Sharon Reed from Penn Treaty and Co-Chair Peggy Hauser from PwC worked diligently with the Executive and Organizing committees to produce seven tracks of educational content.

Now, more than ever, interest is focused on private sector solutions to the growing issues pertaining to long-term care. Planning choices for consumers are growing at a rapid pace. Insurance companies are developing new innovative approaches to provide long-term care liquidity at various life stages and insurance agents and financial advisors are showing renewed interest in talking to consumers about their long-term care planning needs.

This year's conference brought together over 1000 attendees who had the opportunity to meet and learn with industry thought leaders, get in-depth insights, and information as they attended more than 40 breakout sessions. Networking with more than 60 exhibitors and sponsors provided solutions, insight and collaboration opportunities for attendees.

KEYNOTE SPEAKER VINH GIANG

Vinh Giang opened the conference with an engaging journey using stories, remarkable insights into human psychology and business, and the wonderful art of magic. Attendees saw close-up magic that challenged their perspective and encouraged them to remember that the greatest opportunity exists in what everyone else thinks is impossible. Those of us in the LTC industry can certainly relate. Vinh has devoted himself to understanding the ways in which people are fooled by illusions and by the tricks we play on ourselves. During his presentation, he demonstrated how this occurs.

A positive tone resonated from the conference opening session as Vinh discussed perspective, influence and beliefs. These presentations are available on YouTube to share with your team. Some attendees remarked that the power of influence was a

reminder that you are the direct reflection of the top 5 people you spend time with, meaning you get to choose who you become in the future by who you spend time with today.

ILTCI RECOGNITION AWARD

The Board of Directors of the ILTCI presented the inaugural Special Recognition Award at the opening session of the conference. Nominations were solicited by website, email and throughout the industry. The purpose of this award is to recognize those persons and organizations that have made significant, long term contributions in attaining the ILTCI vision to “create an environment for aging in America that includes thoughtful, informed planning that takes into account the most effective and efficient use of resources in addressing the risks and costs of long term care for all levels of American society.”

Multiple nominations were received from throughout the industry and nominees represented many different areas of long-term care. The board evaluated the nominees using this criteria: 1) Be engaged in the long-term care industry, as a long-term care service provider or financier, as a regulator or legislator involved in governance of long-term care or these entities, or as a research or policy expert in long-term care issues; and 2) Exhibit an extraordinary commitment to the industry through ingenuity, length of service and dedication.

It was truly my honor as the chairman of the board and chair of the ILTCI to award Marc Cohen with this special recognition.

CLOSING SESSION

The theme of this conference was “Change and Opportunity.” We are on the verge of transformative change in long-term care delivery driven by technology. Huge investments are being made in R&D focused on robotics and smart home technology to help close the expected caregiver gap and enable an unprecedented ability for people to age in place more independently. The closing session provided a glimpse into this future—which is not very far away—and explore its impact on our industry as it explored the implications of robotics and technology on the future of caregiving. Jeremy Pincus, director of research and strategy at IsoBar kicked off this session by explaining who the key players are in this field who see opportunity in filling the caregiver void—particularly the financial aspects motivating firms to invest in the development of robotics. He explained the Gartner Hype Cycle for Emerging Technology in robotic caregiving, how robotics are being used in long-term caregiving in other countries and when these innovations may reach our shores. Caregiving robots are already present in other countries like Japan who are challenged with a high percentage of seniors and a dearth of caregivers. Experts believe caregiving robots will perform many elder-care tasks here in the United States within the next decade. Dr. Marjorie Skubic, director, Center



for Eldercare and Rehabilitation Technology in the College of Engineering at the University of Missouri-Columbia demonstrated her team's work using passive sensor networks to monitor the physical and cognitive health of elders through gait analysis for early problem identification and mitigation. The session concluded with a panel discussion to briefly ponder the implications of robotics and technology on claims administration—with a particular emphasis on the benefit eligibility triggers, taking into consideration the need for “human assistance.” This is certainly a topic we've only just begun to scratch the surface of; there was much interest in continuing to explore this topic in the future.

ALZHEIMER'S ASSOCIATION POST-CONFERENCE WORKSHOP

Over 40 people attended the post-conference workshop on Wednesday that was delivered in two parts by the Alzheimer's Association. We were privileged to have two directors join us to present the latest research relating to Alzheimer's disease. Two sessions were presented:

Managing Alzheimer's Disease: Resources and Support for All Stages of the Disease. This topic included facts and figures on the financial impacts of Alzheimer's and dementia on the U.S., as well as the financial, physical and emotional impacts on families. The session explored the benefits of early detection, stages of the disease and best practices for families dealing with the disease. Excellent resources and programs available from the Alzheimer's Association to help individuals were reviewed by Ruth Kolb Drew, director of information and support services at the Alzheimer's Association.

Understanding the Latest in Alzheimer's Research. There is always something in the news about new research, treatments and prevention. James A. Hendrix, Ph.D., director, Global Science Initiatives at the Alzheimer's Association presented the latest in what is real and promising in the fight against Alzheimer's.

CONFERENCE WORKSHOPS

The following is a synopsis of the educational content and key learnings from the conference breakout sessions. These summaries were prepared by the 2018 ILTCI Organizing Committee.

Actuarial and Finance

The Actuarial and Finance track was pleased bring together experts in the industry to sponsor eight informative sessions covering closed block management, alternative solutions, and risks and trends. The sessions were well attended and very engaging.

Exploring the world of innovative solutions, “Don’t Hesitate to Innovate” brought to the table representatives from Milliman, PwC and Thrivent to update the audience on activities from the NAIC LTC Innovation Subgroup and some emerging innovative concepts, including opportunities and challenges of offering an LTC benefit as part of Medicare Supplement policies. A representative from VSee engaged the audience with her presentation on how telemedicine and technology can be incorporated into LTC in home health care.

Several sessions were designed to cover risk management and reporting. In “Preparing for Changes: LTC Actuary Views on Financial Reporting,” a panel from PwC, Prudential and John Hancock examined changes in financial reporting standards. The session particularly focused on how companies are planning for Targeted Improvements, IFRS 17 and updates to Actuarial Guidelines. “LTC Risk Management: Understanding Capital Needs and Reporting” covered ORSA requirements with a focus on risk measures, and considerations for LTC insurance as well as stress testing approaches, and economic capital techniques, and was presented by speakers from CNO, PwC and Milliman. As the title implies, “Mortality and Morbidity Trends and Other Assumption Topics” covered current trends in morbidity and mortality and how assumptions have changed over time within actuarial modeling. Representatives from RGA, Milliman and GE reviewed total mortality, active mortality and disabled mortality, and the major components of morbidity and morbidity trends.

In “Treatment of Past Losses for LTC Blocks,” panelists from John Hancock, Milliman and the State of Nebraska tackled the questions surrounding older LTC blocks, including defining past losses, the new model regulation’s handling of past losses, and how company or regulator delays should impact the level of rate increases. The session entitled “LTC Closed Blocks: Old Business, New Complexities” focused on various hot topics relevant to closed blocks. Presenters from Nassau Reinsurance, Milliman and the State of Nebraska discussed NAIC activity affecting closed LTC blocks, a consumer-friendly rate increase approach, and challenges and opportunities in LTC transactions.

On the Alternative Products side of the spectrum, “Combination Product Assumption Setting and Modeling Implications—Deep Dive” provided perspective into the combination product assumption setting and related modeling implications. The presenters from Milliman, Lincoln Financial, and Moody Analytics Hong Kong discussed experience

analysis and baseline assumption development, key assumption application considerations (including stochastic modeling as the industry moves to PBR), and the importance of robust actuarial models to validate the assumptions and offer more realistic sensitivity testing of potential financial impacts.

“Predictive Analytics” explored the bias-variance trade-off. Speakers from Genworth, BYU and Milliman covered the importance of bias-variance trade-off as a fundamental concept in data analytics, how various methods traverse the bias-variance trade-off, and provided some predictive analytics concepts. As well, the use of holdout data and cross validation were explored as ways to avoid over- or underfitting data. This session was complemented by a post-conference workshop on predictive analytics.

CLAIMS AND UNDERWRITING

Genetic Testing

In the first session for the track, “Genetic Testing: What it is and the Actuarial Impact”, industry experts provided insights regarding direct-to-consumer genetic testing. The presentation explored the capabilities of the increasingly available genetic tests that consumers are using to both explore their own genealogy and predisposition towards certain diseases. The presentation also highlighted the concerns that such information in the hands of consumers has caused insurers. Session participants had an opportunity to provide their thoughts and ideas with the industry experts along with providing their own stories from genetic tests that they had previously taken.

Rolling the Dice: Point/Counter-Point Debate on Claims Risk Areas

For the second year in a row, ILTCI attendees were treated to a dynamic discourse between experienced industry experts addressing critical issues currently facing LTC insurers, who are looking to create efficient processes while effectively managing risk. In the session, “Rolling the dice: Point/Counter-Point debate on claims risk areas,” attendees enjoyed an informative and stimulating debate between two skilled advocates for either side of challenging questions regarding eight different claims practices. During the debate, the panelists looked to address challenging topics including technology-enabled vs. paper invoicing processes, handling identified provider fraud, communicating denials to policyholders, requiring proof of payment, handling assignment of benefits, and claims practices vis-à-vis state-specific prompt pay requirements. The session audience also had a chance to weigh in and vote on which side of each question they felt yielded a better outcome. While the attendees’ votes predicted a clear industry preference in most cases, the experts were able to make clear, compelling and well-presented points on both sides—demonstrating why claims “best practices” are typically a blend of approaches designed to yield the best overall result.

Party On, Party Over ... Alcohol Use from Underwriting through Claim

This session was an in-depth look at the impact and risks associated with alcohol use and abuse, the implications that Alcohol Use Disorder has in underwriting the LTC risk and the claims experience resulting from underwriting this impairment. The session addressed updated definitions, statistics of alcohol usage in the senior population, theories about the development of Alcohol Use Disorder, risk factors involved, stages of the addictive cycle and a typical course of alcohol dependence. Discussion took place concerning the complications associated with Alcohol Use Disorder and how applicants with this disorder should be underwritten (including a list of “functional” disorders that could offer clues to the underwriter as to its severity). Illustrated by several case studies, the final portion of the presentation on claims concluded that there are very few claims to which Alcohol Use Disorder is attributed because alcohol use is rarely acknowledged as the mechanism for disability and dependency but heavy use could be a co-morbid factor in many debilitating disorders and likely contributes to dementia in many unrecognized cases.

Navigating the Winds of Change in Underwriting and Claims

In a panel discussion with live polling and active audience participation, “Navigating the Winds of Change in Underwriting and Claims,” industry experts explored various topics related to recruiting, employee engagement and workflow practices to drive efficiency and reduce expenses. Participants engaged in discussions regarding recruiting, engaging and motivating top talent and good employees. The use of unconventional workplace models and flexible work arrangements was explored. The session wrapped up with exploring critical skills needed in the workforce, productivity workflows and monitoring and the impacts to cost reduction and efficiency while maintaining focus on improved customer service.

Stump the Chump—Medical Directors Forum

This wildly popular session was well attended again this year. Dr. Wayne Heidenreich from Northwestern Mutual and Dr. Stephen Holland from LTCG led an interactive audience participation session on a variety of medical conditions and the mortality and morbidity risks for both claims and underwriting. The attendees had a chance to review a case study about anxiety and depression and the use of various classes of medications including benzodiazapines and hypnotics and risks associated with use. In addition, the impact of family history of dementia and memory issues as related to claim processing was discussed. The session wrapped up with a question and answer session on numerous other medical topics trending today.



MANAGEMENT AND OPERATIONS

The Management and Operations track featured six sessions focused on managing change in light of the technological and emerging trends in the industry. The overall mission of the track was to engage senior leaders in the long-term care insurance business and impart knowledge in the areas of strategy, technology and management fundamentals. Sessions were designed to appeal to a broad group of leadership including operations, legal, actuarial and finance.

The first session focused on strategy development and implementation. The session was structured to provide actionable insights for all audience participants whether they are a closed block insurer or a vendor new to the industry. The session focused on how to develop a competitive advantage, identifying the forces that shape competition, adjusting operating models to align with strategy and implementing a strategy once it is defined. Panelists provided real-life examples of how strategic initiatives are developed and how strategies must be



flexible to meet the changing dynamics of the industry and competitive landscape.

Given the nature of the LTC product, there have been some recent challenges in the industry, focused on maintaining policyholder benefits while navigating an uncertain financial future. Panelists in the second session walked audience members through the implications of insolvencies. Topics covered in the session included the interactions between regulator and carrier, relationships between state commissioners, guaranty associations and NOLHGA. The implications of a recent insolvency were also discussed; the panelists provided insights on the process, impacts to policyholders and the industry and the emergence of a new structure, LTC Re, to help manage the administrative aspects of insolvencies.

The third session focused on attracting and retaining top talent in the industry. Panelists representing four companies participated in one of the more dynamic sessions of the week. Each company represented was in a different stage of the product lifecycle which led to a diverse and engaging session. Topics covered in the session included: retaining top talent in an industry that has been in a state of flux, motivating employees with non-financial incentives and creating cultures that reward employees for their dedication. This management session shed light on one of the more important topics in the industry because there is a need to recruit, develop and retain talent in the industry.

A topic that has been prevalent in many industries—but has yet to make a large impact within LTC—is artificial intelligence. Leaders from PwC, Colab and TriPlus Services led a discussion that featured industry readiness and insight into how AI may play a factor. Panelists—while keen on the advantages of

AI—cautioned that the implementation of AI must be well thought out and must align with the overall objectives of the business. For those companies willing and ready to implement it, AI has many advantages including enhancing the customer experience, processing claims at a faster rate and providing companies faster insights into their business.

Keeping with the theme of advancing technology within the industry, panelists from Nationwide and Pypestream led a discussion on the changing landscape of the product and how to engage with future customers. The session began with a discussion on how the product is changing from a traditional standalone LTC policy to an asset based and combination product. Scenarios were presented to outline the benefits of each type of product and the target demographic. Once a solid demonstration of the types of products completed, a discussion focused on how to engage and deliver these products to a customer segment heavily reliant on social media and mobile apps. The discussion focused on how the legacy way of selling insurance is rapidly being taken over by an on-demand economy that encourages “frictionless” interaction and direct-to-consumer sales. While there are benefits for the customer, including a more personal experience and targeted products, there are also benefits to providers including streamlined payment process and the ability to mine data to enhance future products.

The final session built off one of the most talked about sessions at the 2017 ILTCI conference related to the future of care. Panelists in the “Robots are Coming: Now What?” session provided an update on the current view of robotic care and explained that challenges still remain with respect to the adoption of robotic care. It’s no secret that the Baby Boomer population is aging rapidly which is widening the gap between the number of people requiring care and the number of caregivers available. This gap, as explained by Dr. Jeremy Pincus of Isobar, can be filled using robots. Conceptually, robotic care fills the void, but challenges still remain as pointed out by the panelists. While the concept of robotic care is gaining traction as seen through the Gartner Hype Curve, there are operational and potential legal challenges with its implementation.

Whether attendees wished to learn about the basics of strategy, attracting and retaining talent or learning about the potential disruptions in the industry, the Management and Operations track delivered a diverse program at the 2018 ILTCI conference.

LEGAL, COMPLIANCE AND REGULATORY

Interstate Compact Update

Jeanne Daharsh, a Compact actuary, Tomasz Serbinowski, an actuary with the Utah Department of Insurance, Marie Roche, AVP at John Hancock, and Karen Schutter, a Compact ED, provided a general update on the Interstate Compact, as well

as LTCI-specific Compact issues. Generally, the Compact participants focused on the efficiencies offered by the Compact approval process over state-by-state approval, their efforts to make the submission and approval process as transparent as possible, and their desire to streamline the compact approval process to ensure its palatability within the marketplace. To those ends, the Compact is in the process of developing uniform standards that will be used in the approval process. The standards are being developed with input from the Legislative, Consumer Advisory, Industry Advisory, and Compact Product Standards Committees, as well as the insurance Compact member regulator and non-compact states, members of the industry, and other interested parties. The development process is very similar to a state rulemaking review process. With respect to LTC products, the Compact presenters highlighted the Compact's ability to evaluate and approve true LTC products, as well as combination product filings, including life insurance products that offer LTC riders. Substantive amendments made to LTC-specific submission forms were discussed, as well as a change in the due date of the Annual/Triennial Rate Certification submissions to May 1. vs. Dec. 31. Additionally, changes have been made to the core standards and rate submissions to bring them in line with Model Regulation #641 and clarify other areas of confusion.

Claim Litigation

Sandy Jones of Drinker Biddle, Doug Morrissey of CNA and Amy Kline of the Saul Ewing Arnstein & Lehr LLP law firm presented on litigation issues in the long-term care insurance space that relate specifically to claims. The panel focused on the largest greater areas of issue (specifically (1) issues related to policy language [with a focus on the “continual v. continuous” conundrum]; (2) provider eligibility issues; (3) alternative care provisions; (4) benefit eligibility issues; and (5) fraud). The panel also touched upon emerging risks surrounding continuing care retirement communities, waiver of premium, and other policy language-related issues and concerns. For each larger subtopic, the panel's focus was on current litigation, updates to pending litigation, and a role-play scenario where the audience was asked to participate as either plaintiff or defendant to advise the “client” on what he or she would do. The panel's goal was also to provide real-life examples of difficult claims decisions that either led to litigation or could lead to litigation and assess, with the audience, what the best course of action would have been with regard to that claim.

Litigation over Rate Increases

Hosted by Steve Serfass of Drinker Biddle & Reath LLP and Kristen Weil and Kenneth Pfaehler of Dentons US LLP, this session focused specifically on LTC rate increase litigation—both historically and currently—and provided attendees with a full picture of the landscape and struggles facing LTC insurance carriers in the courtroom and beyond. Specifically,

and most interestingly, this session spent a great deal of time focusing on rate increase litigation that is currently pending in the court system around the U.S., including the recent matters Toulon, Newman, and DiRito. In doing so, the speakers were able to bring real-life experience to the audience as to what this litigation is like in the trenches of the courtroom and where, based on recent decisions, insurance carriers might face difficulties in the future. Separating rate increase litigation from general claims litigation proved beneficial, as the speakers had ample time to take questions and comments from a very inquisitive audience.

Liquidation and Guaranty Association Issues

Panelists for this very current and informative presentation included Mark Backe, vice president and insurance and operations counsel for Northwestern Mutual, Peter Gallanis, president of NOLGHA, James Kennedy of the Texas Department of Insurance, and Richard Bowman, associate general counsel for New York Life Insurance Company. In the wake of the insolvency of Penn Treaty/ANIC, other LTCI carriers were able to learn what caused the insolvency, what role the Guaranty Association system plays in such insolvencies, LTC's historical assessment by the Guaranty Associations as health insurance, and the resulting challenges to the Guaranty Association system by health insurers. There was considerable focus on how the industry got to this point, and the developments that drove the new NAIC Model Guaranty Association Law treatment of LTC and health insurers. The speakers also gave their well-reasoned opinions on how to prevent future failures of additional LTC insurers and how to adapt in the changing health market.

How Kindergarten Prepared Me to be a Compliance Officer: Hot Compliance Issues

This panel was hosted by Shawn Britt, director of long-term care initiatives at Nationwide, Angela Shire, vice president of compliance & regulatory affairs at MedAmerica, and Steven Brogan of Drinker Biddle & Reath LLP. The panel discussed key compliance issues in the world of long-term care insurance and combination products, such as product design, reporting requirements, marketing and disclosure challenges, sales practices, and privacy and security. Shawn Britt's expertise surrounding combination products dovetailed well with Angela Shire's experience and expertise involving closed blocks of traditional LTCI products and Steve Brogan's perspective as outside counsel, as the panel offered the audience diverse perspectives on some of the most difficult and trending compliance issues.

2018 Regulatory Roundtable

The 2018 Regulatory Roundtable featured a panel of senior regulators, including Rhonda Ahrens, life and health actuary for the Nebraska Department of Insurance, Perry Kupferman,

chief life actuary for the California Department of Insurance, and Weston Trexler, product review chief for the Idaho Department of Insurance. The panel was moderated by Michael Gugig, associate general counsel at Transamerica. The regulators offered their insight on current issues impacting LTCI at the NAIC and in the states, including issues related to product and rate increase filings and insolvencies, among other issues. The session offered a standing room only audience the opportunity to ask questions on a broad range of topics and obtain insights in an informal setting.

ALTERNATIVE SOLUTIONS & PUBLIC POLICY

The Alternative Solutions and Public Policy track produced seven sessions this year, with several focused on furthering concepts which emerged from the Society of Actuaries (SOA) Long-Term Care Think Tank project convened in fall 2015. The objectives of both the Think Tank and the sessions at this year's conference are to expand thinking on new ways to pay for long-term care, improvements in how care is provided, and interventions that can lessen the need for care.

Three of the sessions focused on innovations with regard to how to pay for long-term care. In "The Case for Variable LTC Insurance," speakers presented a new product concept that allows benefits to fluctuate in a pre-determined manner as economic circumstances change, rather than necessitating premium fluctuations to make up for shortfalls. This concept builds on variable benefit payouts population with other products such as life insurance and annuities.

In "Consumer View of New LTC Combination Products," results of extensive consumer testing for two new finance concepts were presented and discussed. LifeStage—a term-life insurance product that transitions to LTC coverage after one's working years—is a more affordable option for the middle market. Retirement Plus also targets the younger middle income market and combines LTC with pre-tax retirement savings. The consumer testing revealed strong market potential and consumer interest in both products. Efforts to build stakeholder support to enable these concepts to move forward is currently underway.

In the "Tax and Regulatory Considerations for LTC Innovative Financing Approaches," an industry tax expert explored potential tax and regulatory issues for three new LTC finance options—LifeStage and Retirement Plus from the Think Tank effort, as well as a third option called "Within Plan" that is emerging from work undertaken by America's Health Insurance Plans (AHIP). The session provided regulatory pathways for moving forward on these products and in addition, provided preliminary results of a modeling effort undertaken as part of the SOA Think Tank research project that projected

both foregone tax revenues and potential Medicaid savings for LifeStage and Retirement Plus.

Another alternative methodology in the category of paying for LTC needs is consideration of home equity. "Home as a Strategic Asset for Retirement and Long-Term Care Needs" explored the amount of home equity older adults have in their home and the opportunities and challenges they face in leveraging this important resource to help them pay for LTC needs while they remain in their homes. Home equity represents 60 to 80 percent of the net worth for adults ages 55 and older. So having safe and appropriate methods for tapping into that resource is increasingly important. But recent research shows that both consumers and financial advisors lack the awareness and understanding of the home equity release products that might be available to consumers. Finally, the session discussed the need for taking a new look at revising Medicaid policy with regard to home and home equity to better enable leveraging the equity that is available for LTC.

While most of us hope to age in place—in our own homes—there are two important obstacles to our being able to do so. One is the fact that today's housing stock is largely inadequate to meet the mobility and functional limitations of an aging population. "Aging in Place" presented data on the extent of the problem and some new creative ideas for incentives that would bring consumers, insurers, builders, policymakers, payers, and others together in aligned support for making suitable home modifications to enable aging in place. The other significant impediment is the lack of appropriate resources to meet people's need for in-home caregiver support. "Enhancing Caregiver Resources" explored the issues in both the existing capacity of in-home caregivers and future trends that suggest even greater challenges in the future.

Finally, the track's seventh session, "Getting Insureds to Healthier Futures" featured experts from the Harvard Medical School illustrating new programs and medical protocols that hold promise for mitigating future long-term care claims by enabling and encouraging healthier lifestyles. The Harvard program will provide evidenced-based consumer education, medical information and self-management approaches that can favorably impact future health and that even positively impact brain cognition. In addition the session discussed the experiences of the South African company Vitality and their work successfully incenting healthy behaviors and lifestyle changes in insurance situations throughout the world.

PRODUCER & SALES

The Producer & Sales track of workshops was dedicated to the long-term care insurance producer/advisor. The objective was to offer practical insights to help grow their individual businesses. The workshops were created for producers and



practitioners by producers with the goal of presenting ideas and techniques that can readily be learned, integrated, and immediately provide a wide range of solutions in meeting the long-term care needs of clients. This year there was a renewed emphasis on the producer and sales with a significant increase in attendance.

The Right Combination: Unlocking Your Future Through Marketing

Participants were taught how to build a network of strategic alliances and individual relationships with estate planners, wealth managers, attorneys, CPAs, and other insurance producers. More than just providing them with set appointments and the opportunity of tapping into other professionals' books of business and offering their clients a wide range of long-term care protective products, this truly is a turnkey marketing approach for these professionals to bring these protective products to their clients. Participants heard what to say, how to say it, when to say it in a dynamic and interactive format.

You've Got Mail: The Technology of Selling in the 21st Century

The days of driving two hours each way to an appointment are quickly declining. So too are the days when we sat knee to knee at the kitchen table. It is time to fast forward your LTC practice into the 21st century and embrace the art of remote selling. From screen-sharing to the electronic application, this session explored the methods utilized by the top remote-selling

producers to build need, urgency and value while communicating with clients via screen sharing, telephone, email, and text.

Return of the Jedi: Best Practices of the Masters

This panel discussion of leading producers and Jedi Masters shared the business practices that have allowed them to build large books of business and to maintain a steady flow of new business. When not fielding questions from the audience they shared tried and true closing techniques, as well as the elements of a successful placement rate ranging from effective field underwriting and solidifying the sale to client communications and referral generation.

Which Product for Which Client?

Should you sell traditional LTCL, Asset-Based LTC coverage, Life with Acceleration riders, Individual Plans, Group Plans, Short-Term Care, Annuity/LTC plans, etc.? With the many types of products available in today's LTC funding market, how do you decide which one to offer? There is a private LTC funding solution for virtually everyone. Participants heard from an expert panel that understands the benefits of each type of coverage and how to match each type to a prospect or client.

Effective Sales Techniques

Whether you are selling face to face or virtually, clients today are more often than not in their 50s, requiring a different approach to create the urgency to buy now, and the manner in which we handle objections and effectively close the sale. Our expert panelists compared and contrasted their own one-call and two-call sales methodologies and debated the benefits and detriments of each method.

Building YOUR Brand

In today's world, everyone is connected to others electronically and your life is very visible. So, YOU have a brand that your client will see. Is it what you want? Participants learned from marketing experts how to create a positive brand that will attract clients. Also covered were the latest methods of creating/utilizing a website, generating new leads and referrals, utilizing social media, and general effective marketing techniques.

MARKETING AND DISTRIBUTION

The Marketing track focused on interdisciplinary topics in order to broaden the audience's knowledge base in ways that could help them grow their business and thus the industry.

The track began with "Field Underwriting Made Easy," which focused on how sales success and underwriting success are tied together. The session brought underwriters and marketers together to discuss best practices and opportunities for collaboration between producers, distributors, and carriers.

“Creating Action for your LTC Business by Partnering with Banks, Broker Dealers, RIAs, P&C Firms, and Benefit Brokers” covered a lot of ground from both the BGA perspective and the agent perspective. The panel presented best practices for business development for LTC specialists who want to broaden their business in their community, and offered ideas for BGAs on how to develop resources and coach their producers on doing the same.

“Who Says Worksite is Dead?” provided an annual check-up on the worksite and group market places. An all-star panel surveyed the state of the market, discussing the opportunities available to those who have the capabilities to specialize in that unique space.

The track also explored opportunities in the combination products space from both a product design and target marketing perspective. “What’s New in Combo Products Marketing” sought to highlight the middle market and mass affluent market segments and product features that can be leveraged to effectively target those segments in a way that is scalable.

Another interdisciplinary session focused on risk management and compliance, and what to look out for going forward. “Protect Your Flanks and Lawyer Up” discussed the status of current legal topics that affect distributors, from the DOL and copycat state-level regulation to producer liability and filial responsibility.

Finally, the track approached the perennial topic of social media from a different perspective. Rather than the typical “Social Media 101” style seminar, “Amplifying ‘The Talk’ Through Social Media” focused on how to codify a process for curating and disseminating content. Participants were asked to share the challenges they face in keeping up with the need for continuity in content and ideas while balancing their other businesses, and share their best practices. The panel weighed in on tools that they use, and how to leverage them to succeed. ■



Sharon Reed is senior vice president, Insurance Operations, at Penn Treaty. She can be reached at sreed@penn treaty.com.

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