



Experience and Satisfaction Levels of LTCI Claimants

Presented to the Long-Term Care
Discussion Group

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Study Purpose

- To obtain a cross-sectional sample of claimants in 2015 and 2016 and interview them to ascertain views on:
 - experience with the claims filing process
 - adequacy of coverage
 - influence on service use
 - the quality of their care
 - overall level of satisfaction with their policy
- To uncover the relationship between policy characteristics and satisfaction level
- To characterize claimant coverages compared with in-force coverage and estimate benefit payouts
- To compare findings in this study to those reported by a 2005 DHHS study of individuals at the very beginning of their claims experience



Study Sponsors

- America's Health Insurance Plans (AHIP) provided funding to support the research study

- Eleven companies contributed sample to the study
 - TriPlus Services, Inc.
 - Bankers Life and Casualty
 - Genworth Financial
 - John Hancock
 - MedAmerica
 - MetLife
 - Mutual of Omaha
 - New York Life
 - Penn Treaty
 - Prudential
 - Senior Health Insurance Company of Pennsylvania

Study Design

- Random sample of 5,649 current cross-section of claimants
 - 3,536 were considered valid -- alive, not on the “do not call list”, have confirmed valid and/or connected phone numbers
- Final Sample size 1,291 completed surveys
 - 119 partially completed
 - 1,708 unable to reach
 - 418 refused to complete interview
- Final response rate: 37%
- Research team reached out and administered telephonic survey
 - 34 questions
 - 15-20 minutes to complete
 - Claimants and/or their proxies
- For selected parameters, comparisons with 2005 Admissions Cohort Study – individuals at the beginning of their claims experience



Figure 1: Distribution of 2015-2016 Claimants
by Service Setting

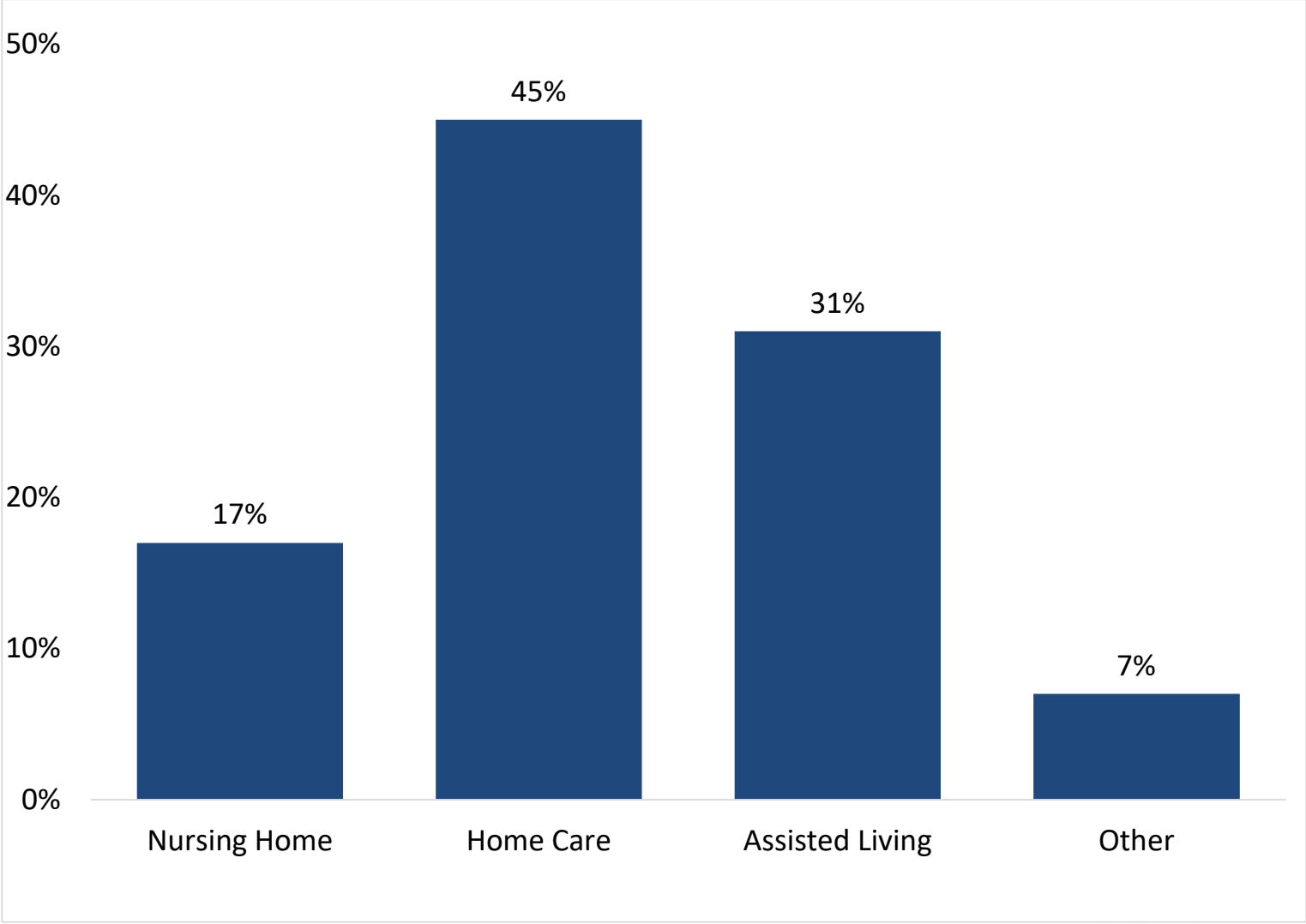
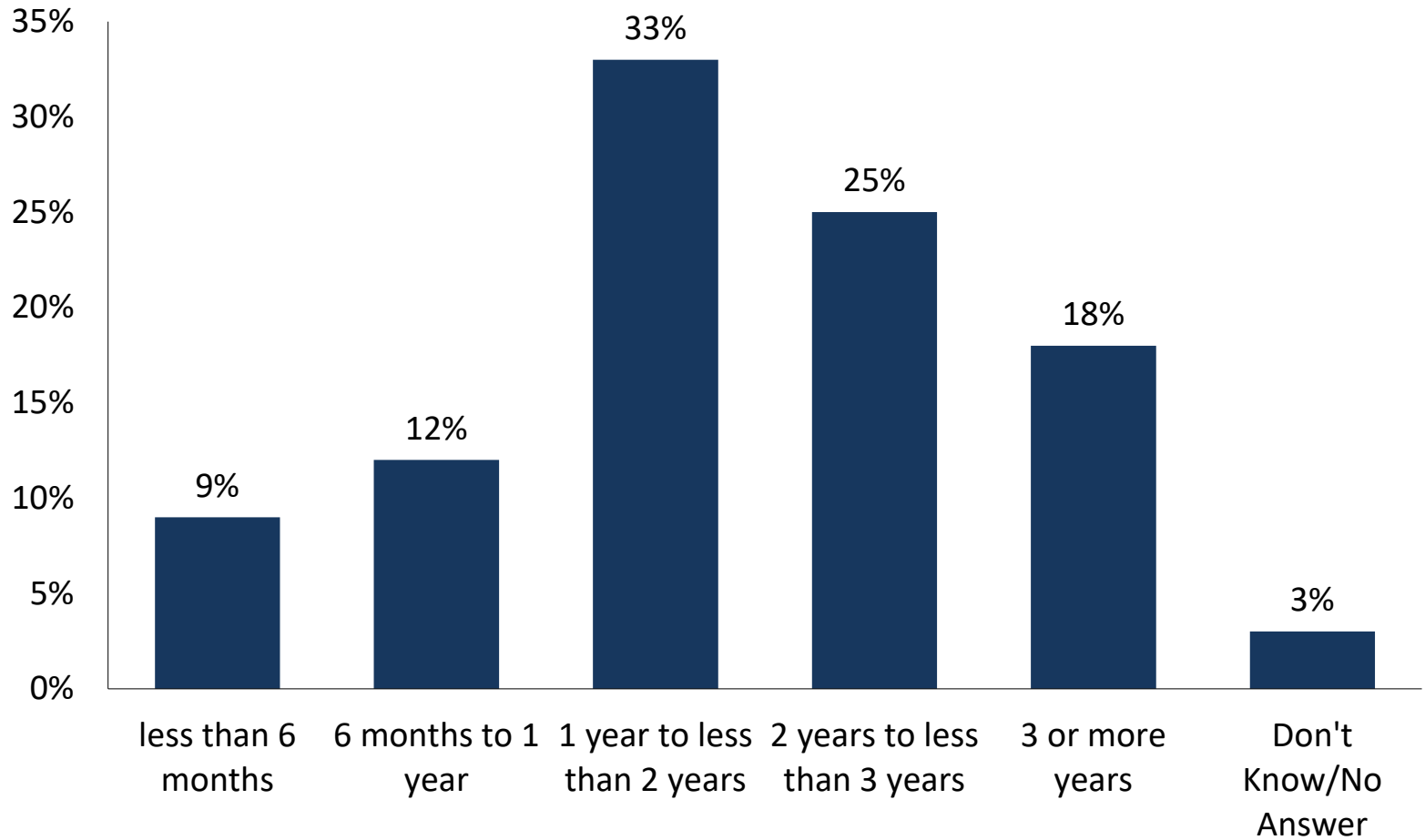


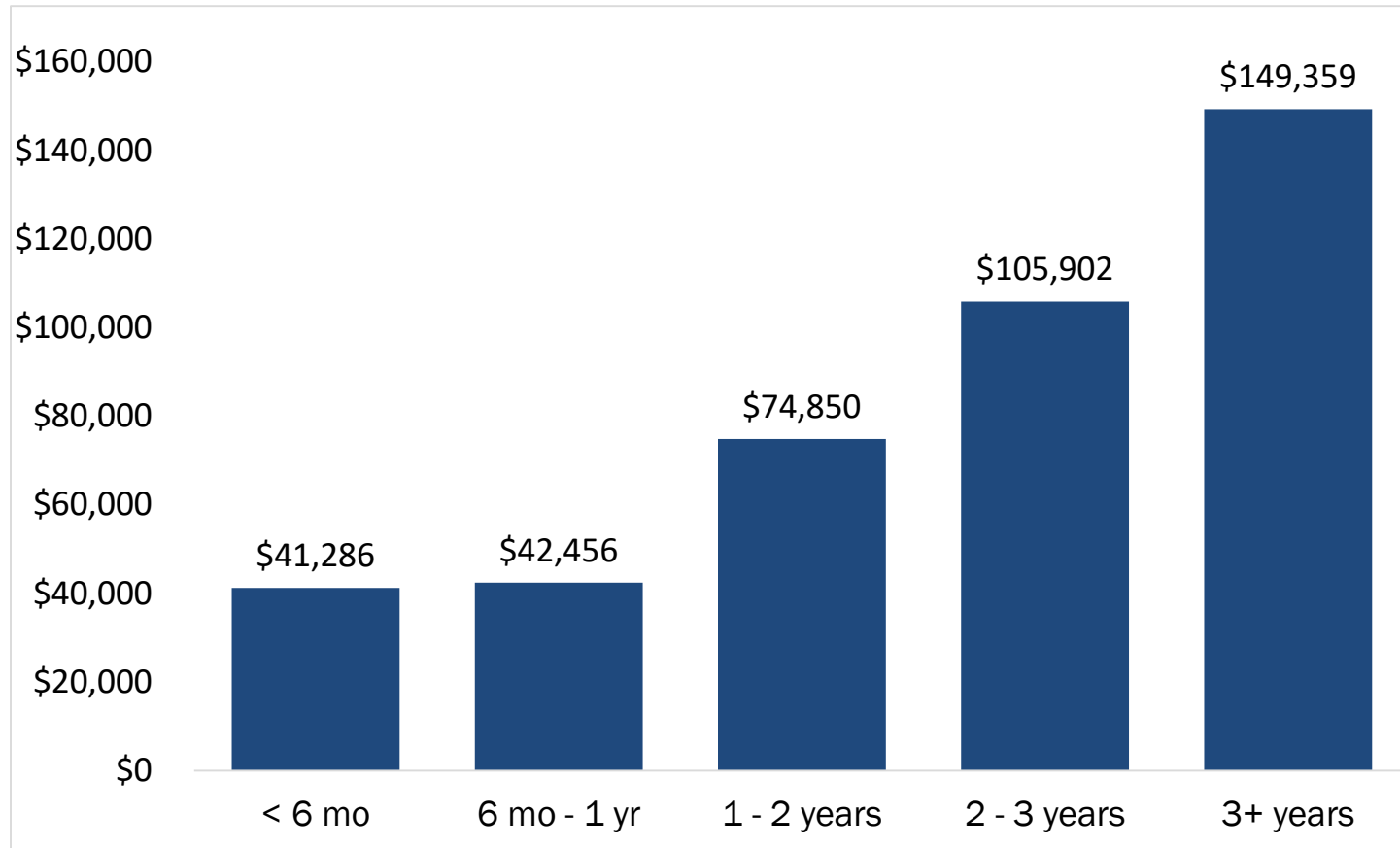
Figure 2: Distribution of 2015-2016 Claimants by Amount of Time Receiving Paid Care



Average Duration on Claim for this sample: 1.9 years. This does not represent the average that people can expect to spend on claim.



Figure 3: Claim Payments for 2015-2016 Claimants by Amount of Time Receiving Paid Care*



Data in Figure 3 is based on eight of the companies that provided complete claims data to be linked to completed survey data. The figure is based on 1,229 individuals.

Table 1: Demographic Characteristics of 2015-2016 and 2005 Claimant Groups

Demographic Characteristics	2015-2016 Claimants (Receiving benefits for some time) (Cross-Section)	2005 Claimants (Just beginning benefits) (Admissions Cohort)
Age		
Below 65	2%	5%
65 to 74	9%	16%
75 to 79	13%	24%
80 to 84	23%	30%
85 or above	53%	25%
Average age	84 years	79 years
Gender		
Female	70%	68%
Male	30%	32%
Marital Status		
Married	37%	39%
Single (never married)	4%	3%
Divorced/separated	6%	7%
Widowed	53%	50%
Education		
Less than high school	3%	9%
High school graduate	32%	26%
Post high school	23%	27%
College graduate	42%	38%
Own home/condominium	55%	77%



Table 2: Disability Status of 2015-2016 and 2005 Claimant Groups, by Ability to Perform ADLs and IADLs

Disability Status by Ability to Perform ADLs and IADLs	2015-2016 Claimants (receiving benefits for some time) (Cross-section)	2005 Claimants (just beginning benefits) (Admissions Cohort)
Percent needing help with ADLs		
Bathing	90%	77%
Dressing	88%	62%
Toileting	62%	45%
Transferring	60%	41%
Continence	41%	26%
Eating	28%	14%
Percent needing help with IADLs		
Mobility inside the house	N.A.	45%
Mobility outside the house	N.A.	67%
Transportation	87%	94%
Shopping	79%	94%
Preparing food	95%	95%
Housework/laundry	95%	97%
Taking medication	83%	62%
Managing money	61%	72%
Using the Telephone	34%	41%

Figure 4: 2015-2016 Claimants Who Previously Received Care in a Different Setting

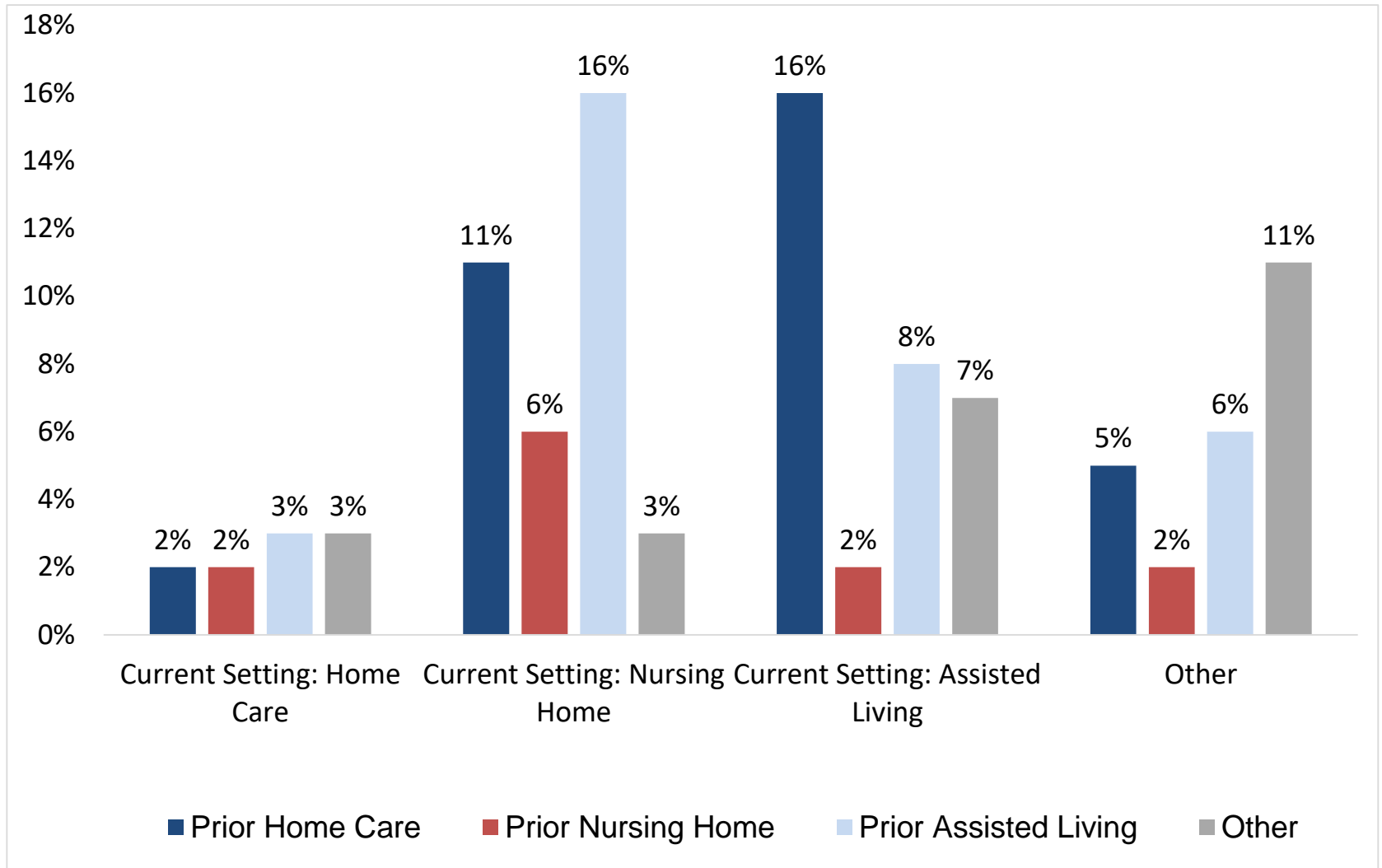




Figure 5: Claimant Perceptions of Claim Filing Process

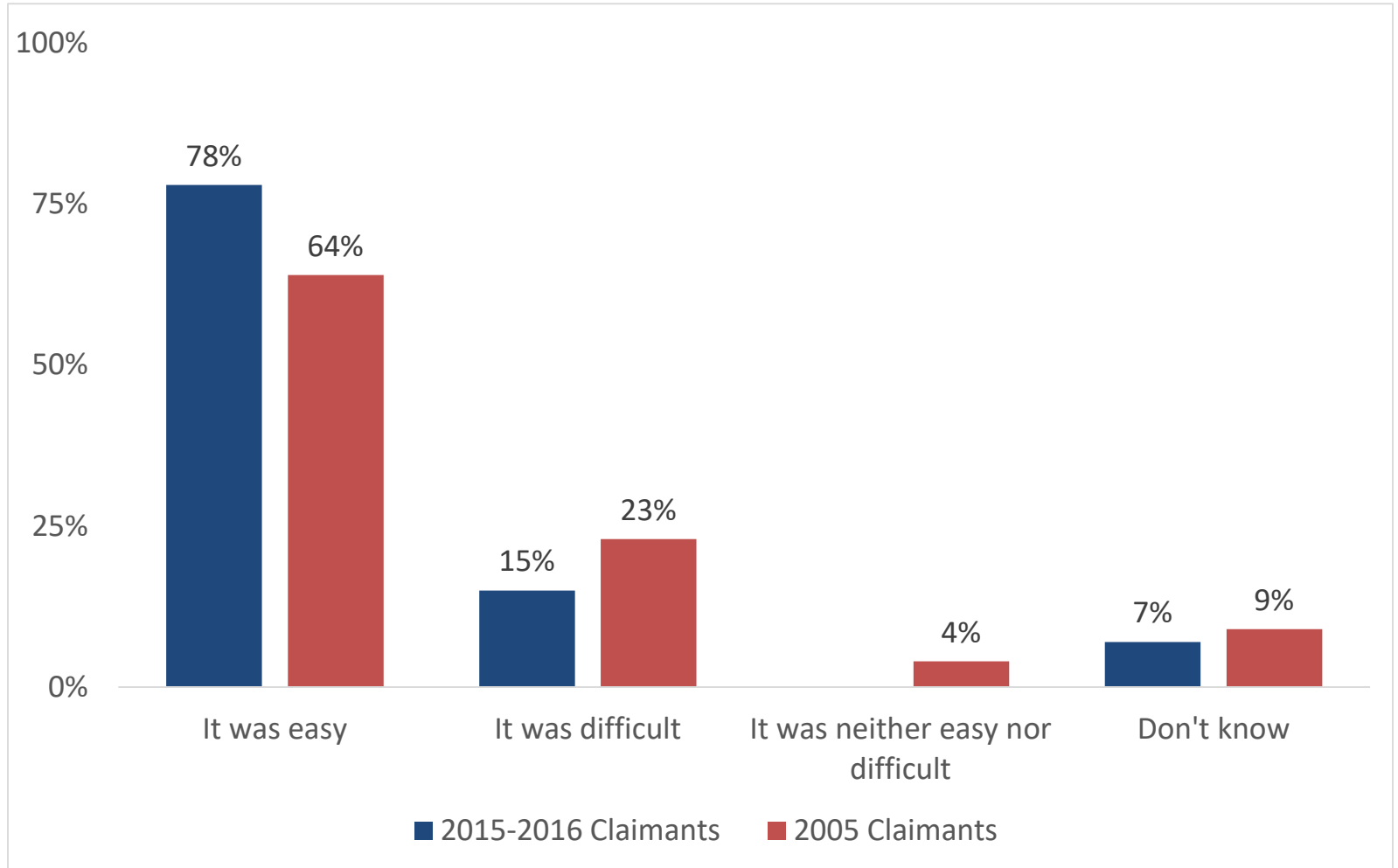


Figure 6: 2015-2016 Claimants' Knowledge of What Their LTC Insurance Policy Covered

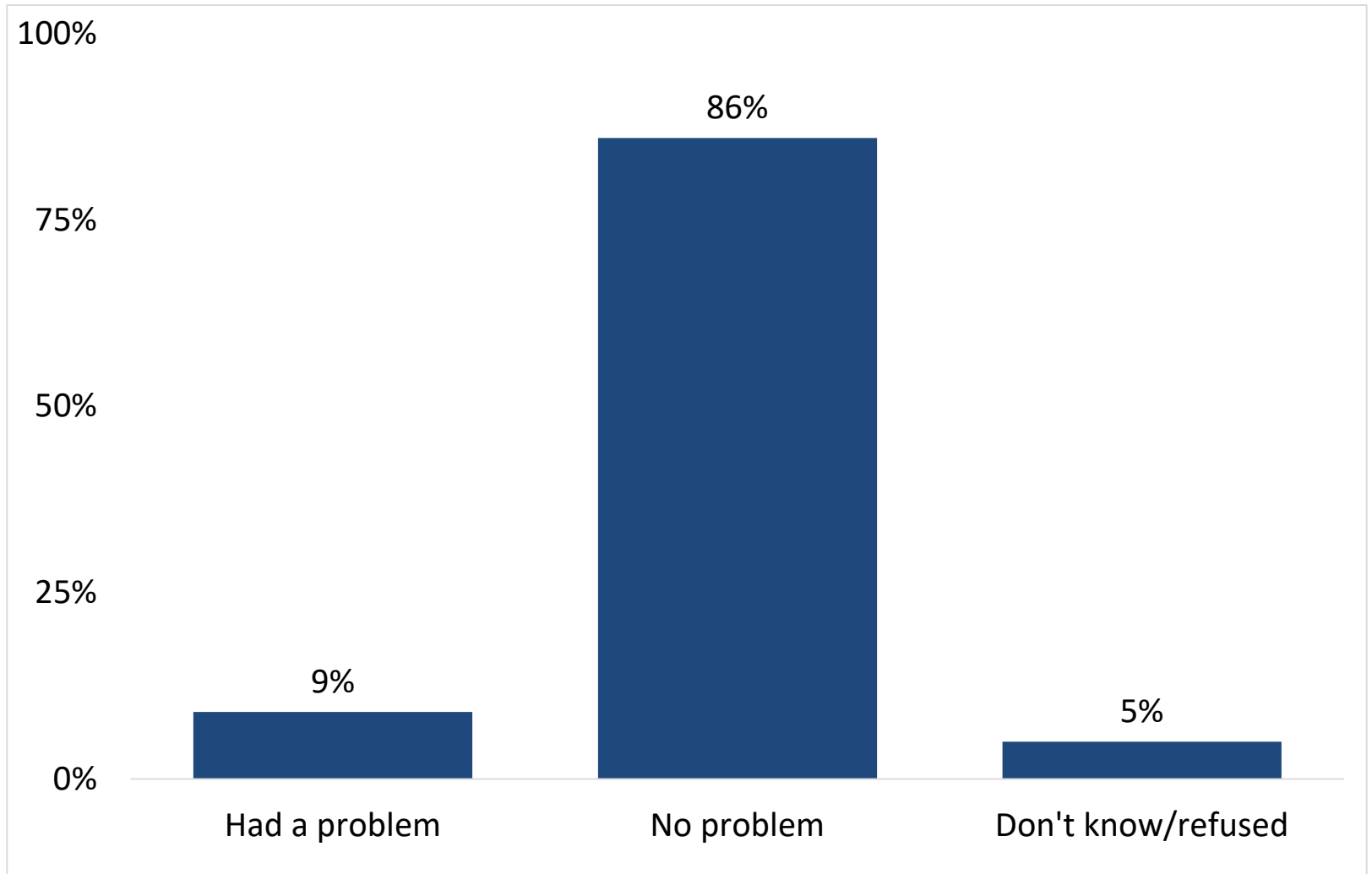


Figure 7: Without Insurance--Amount of Care (2015-2016 Claimants)

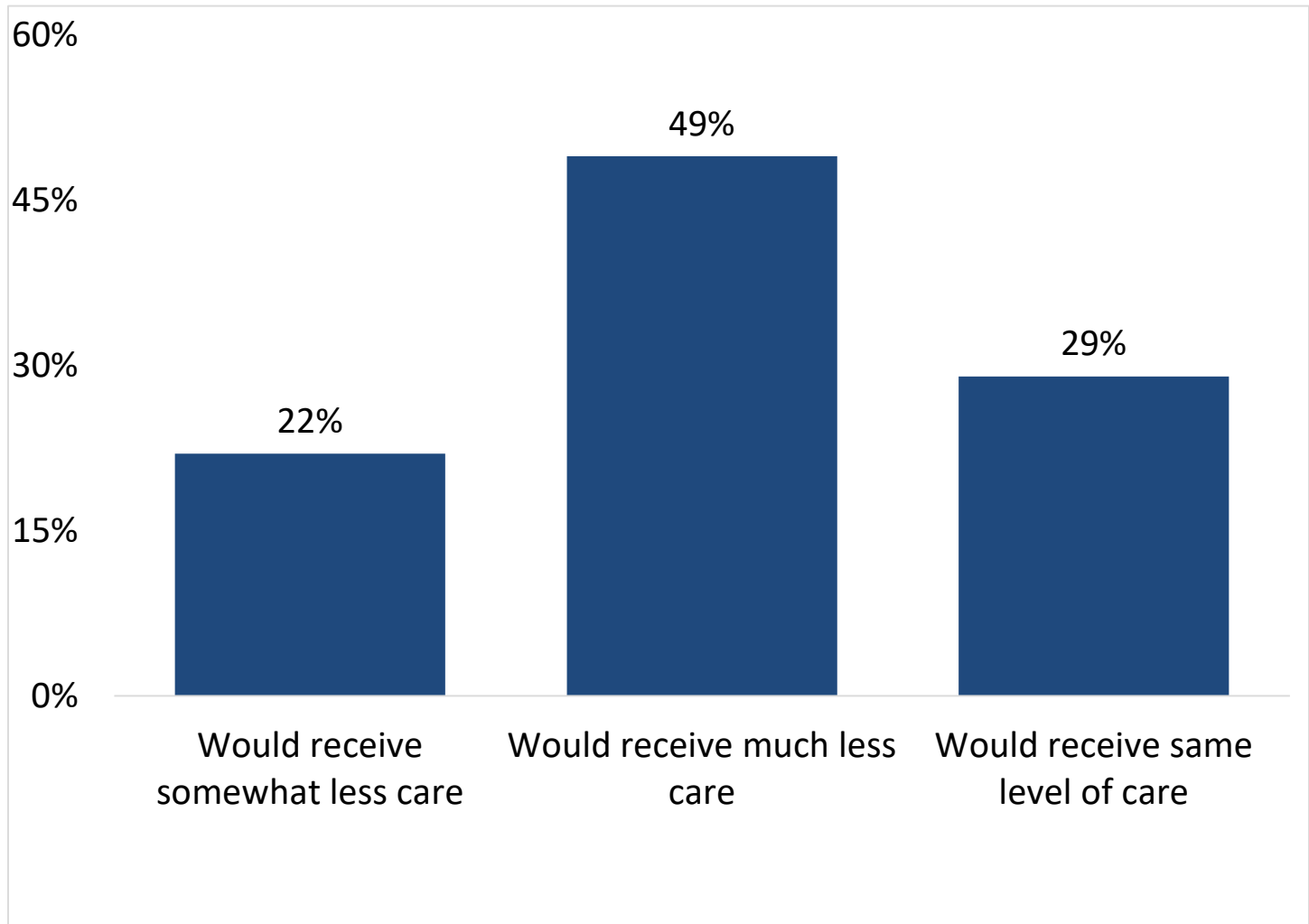


Figure 8: Without Insurance--Family Care
(2015-2016 Claimants)

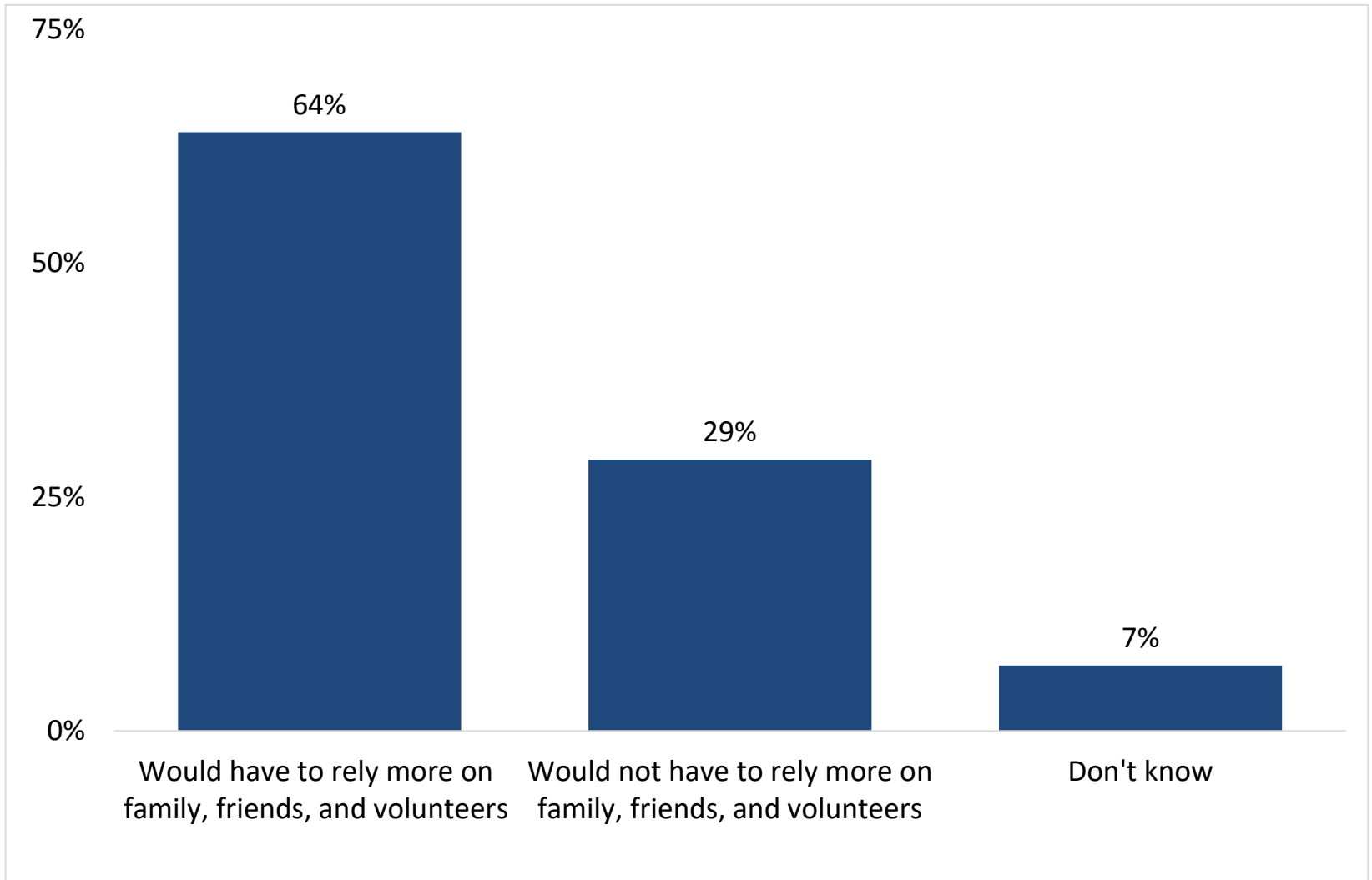


Figure 9: Without Insurance--Choice of Care Setting

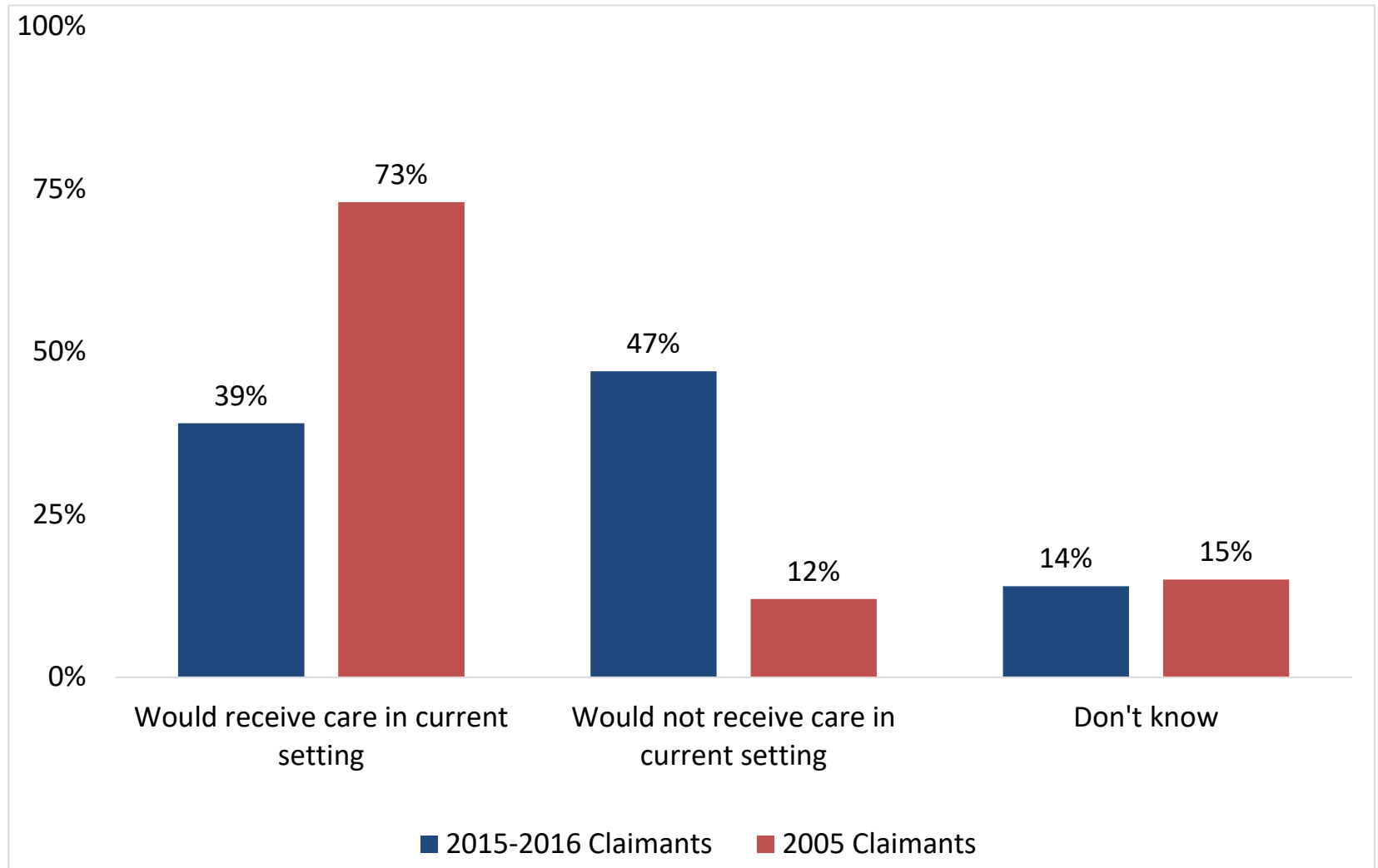


Figure 10: Without Insurance--Timing of Paid Care (2015-2016 Claimants)

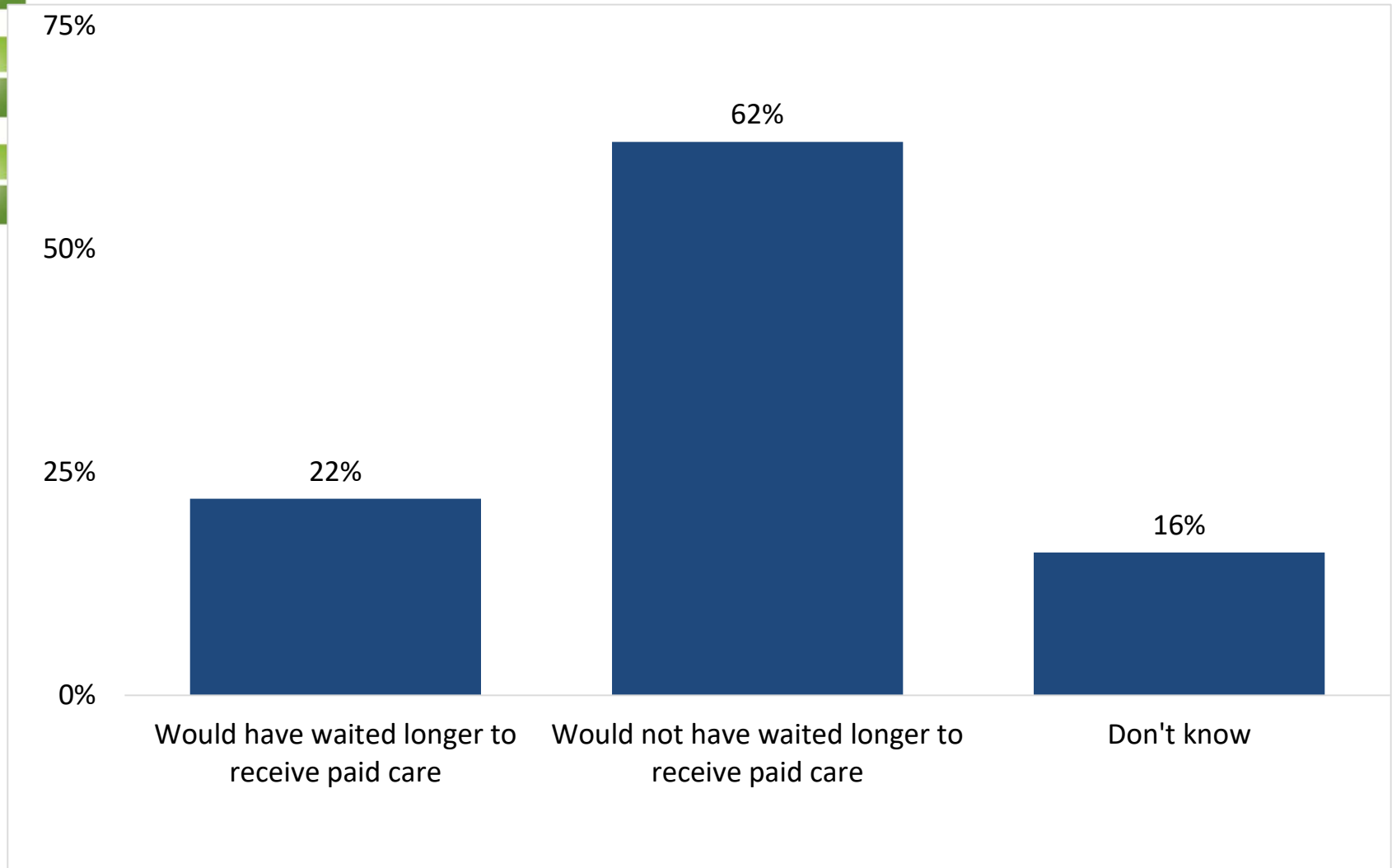
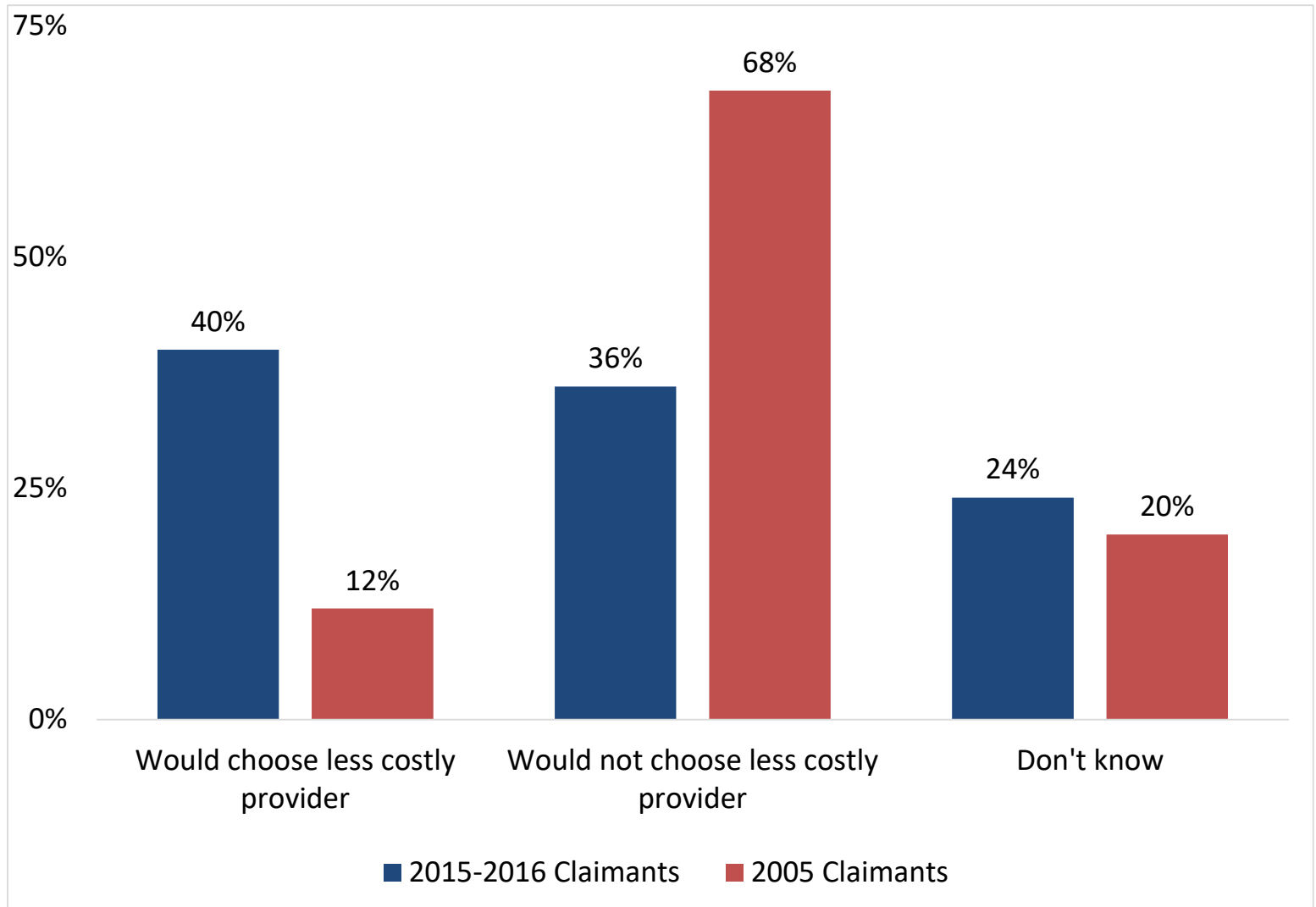


Figure 11: Without Insurance--Provider Cost Considerations




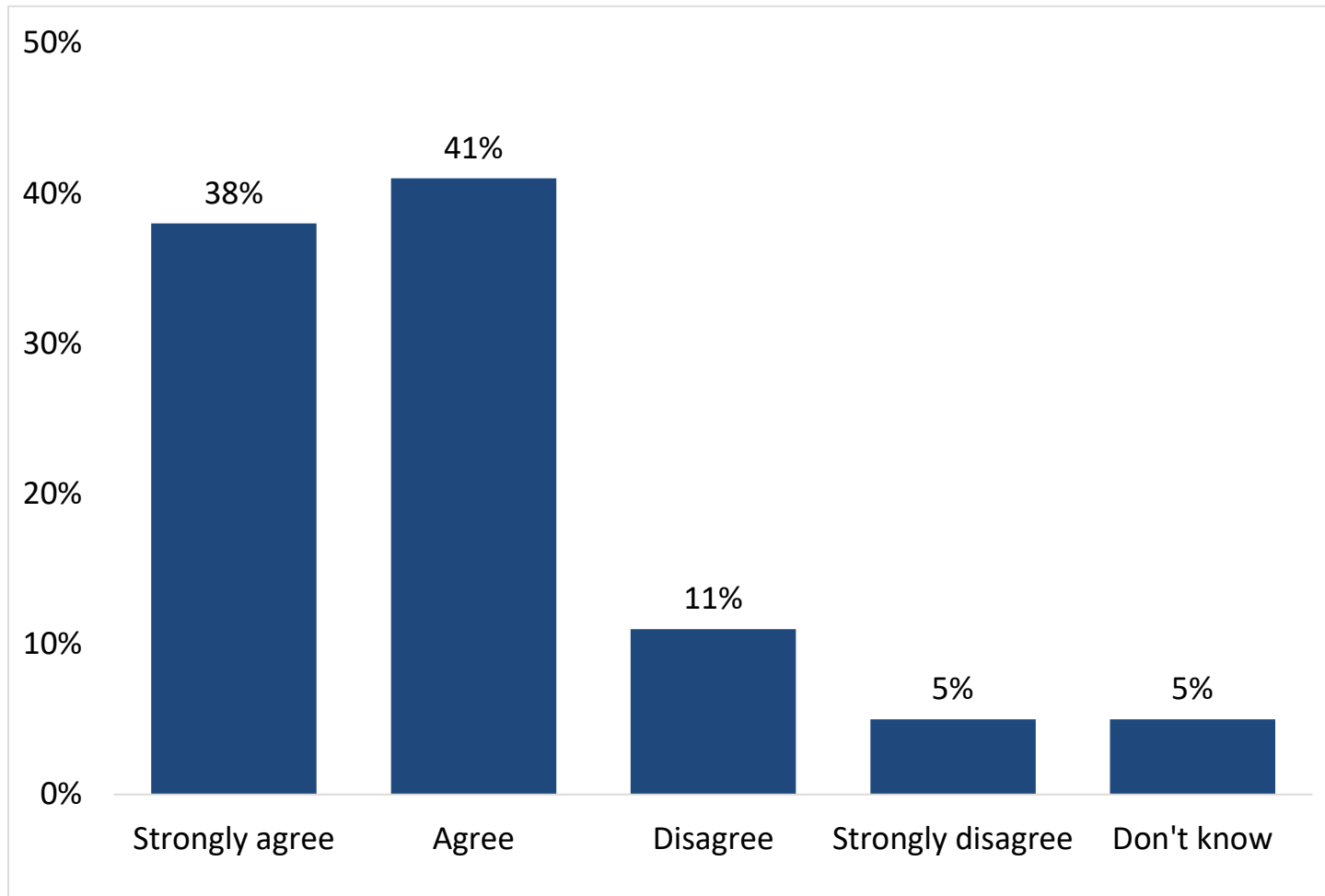


Figure 12: "LTC Insurance Enables Me to Receive Higher-Quality Care" (2015-2016 Claimants)






Figure 13: Satisfied with the Amount of Coverage Purchased (2015-2016 Claimants)

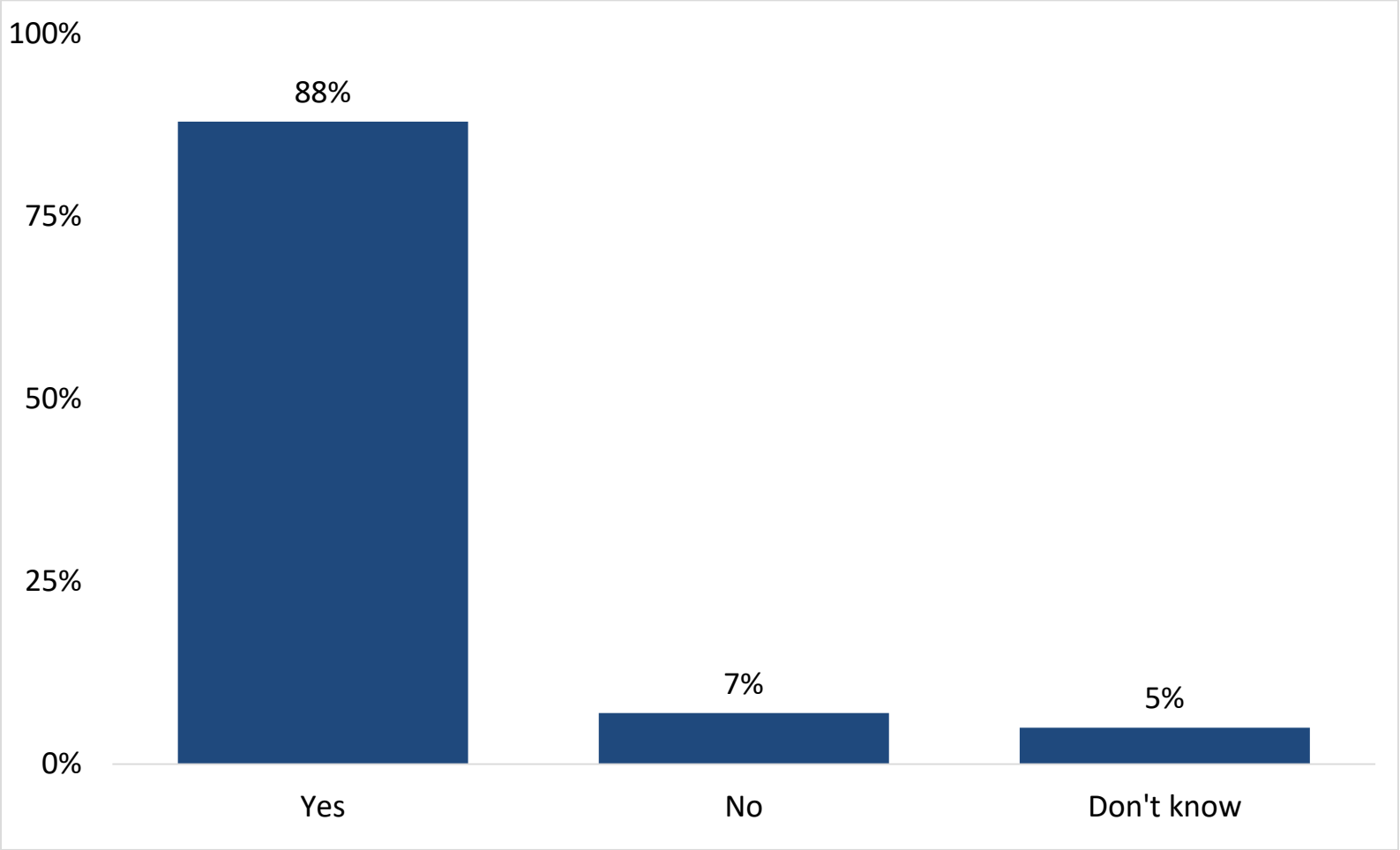


Figure 14: Are Benefits Meeting Current Care Needs?

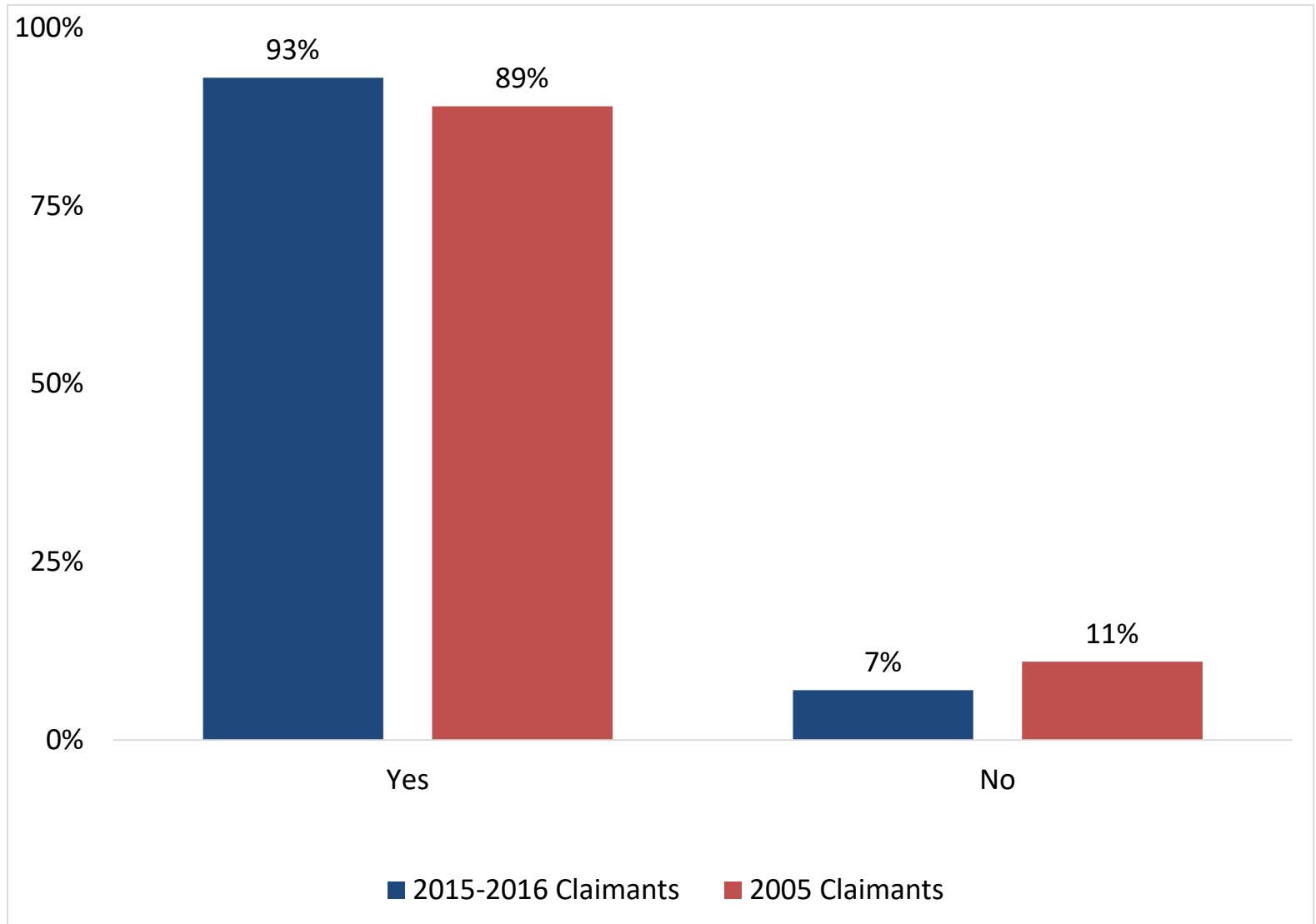


Figure 15: LTC Costs Covered by Insurance

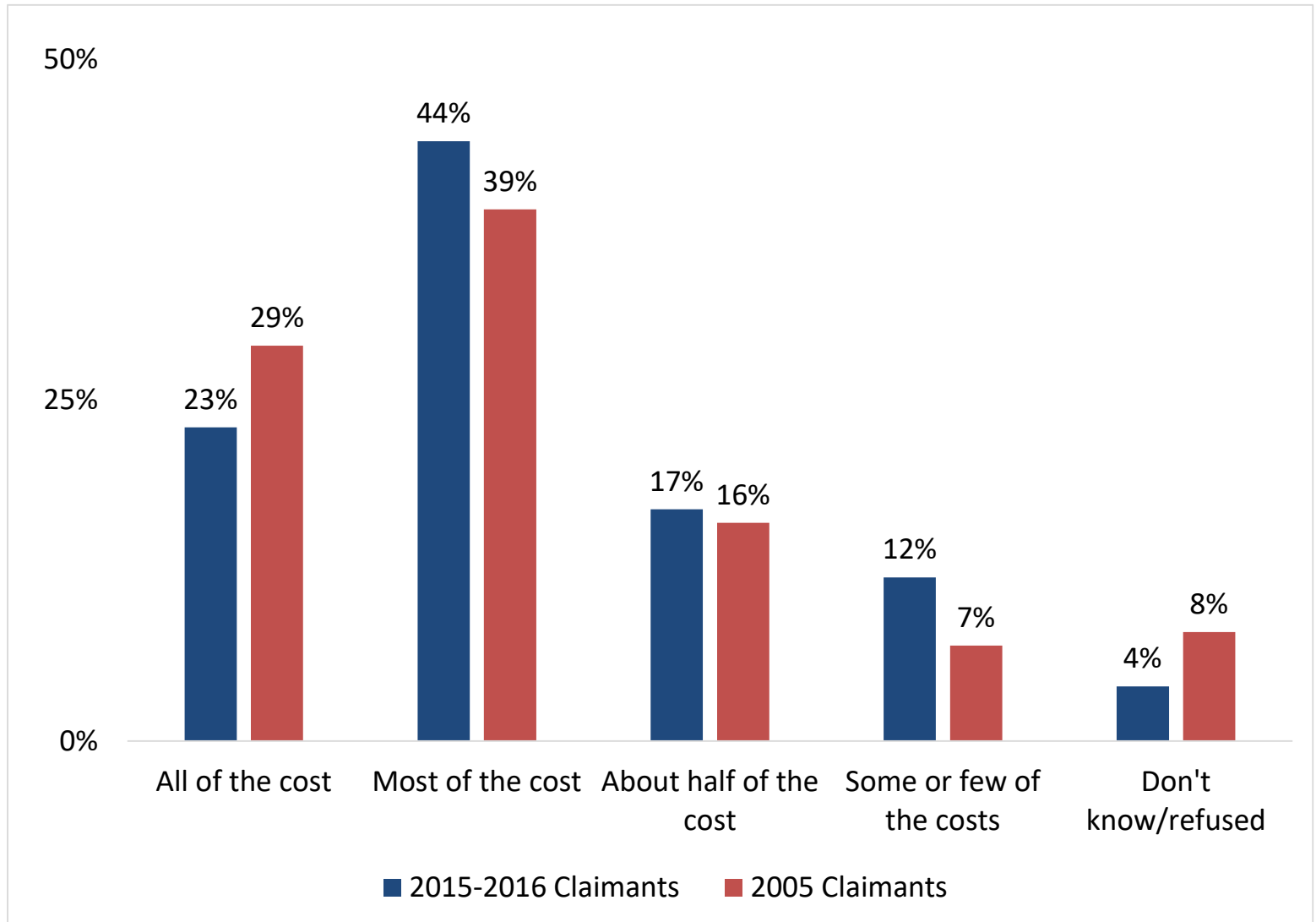


Figure 16: Satisfaction with Policy
(2015-2016 Claimants)

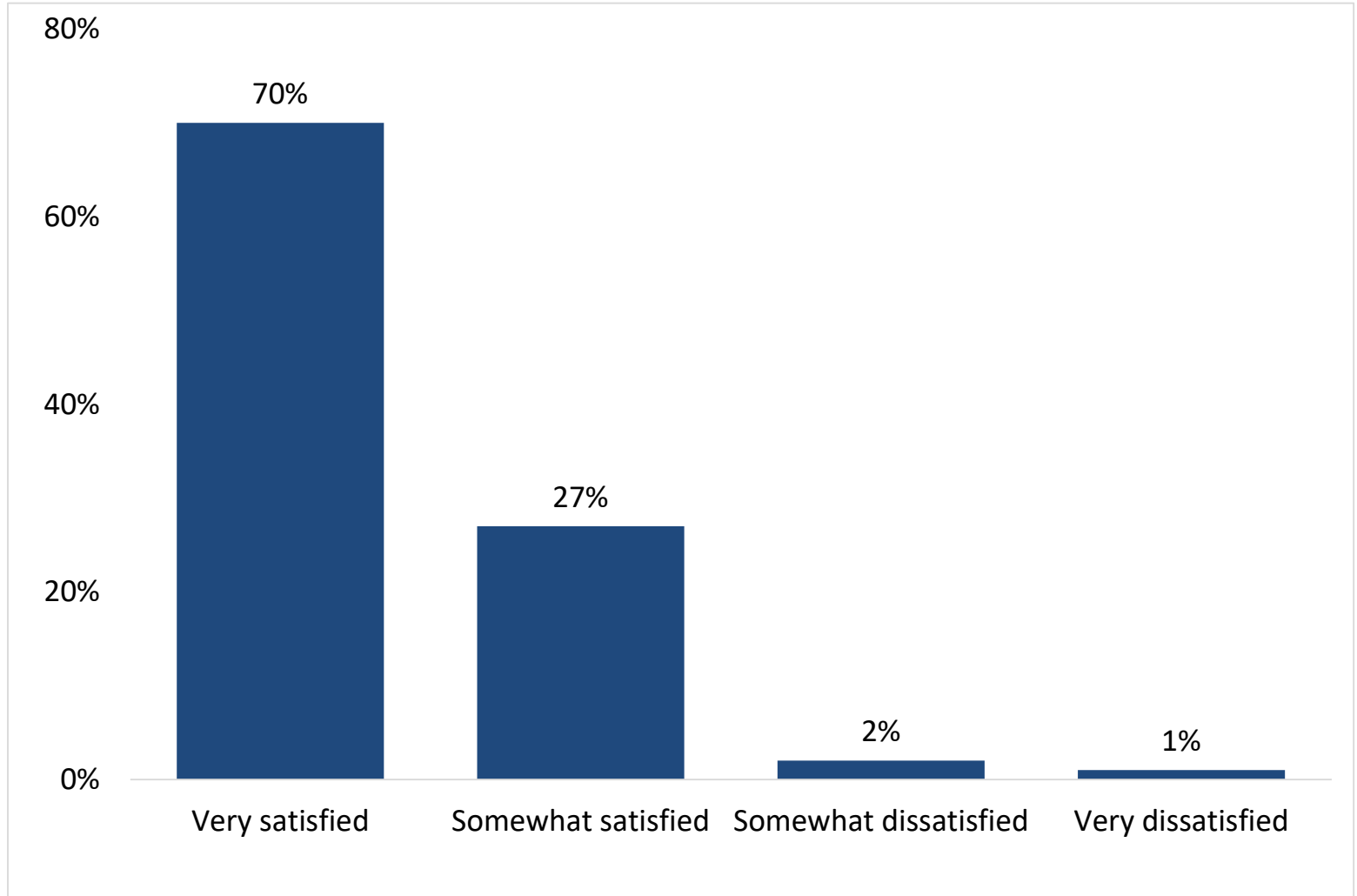


Figure 17: Overall Satisfaction with Current Paid Caregiver

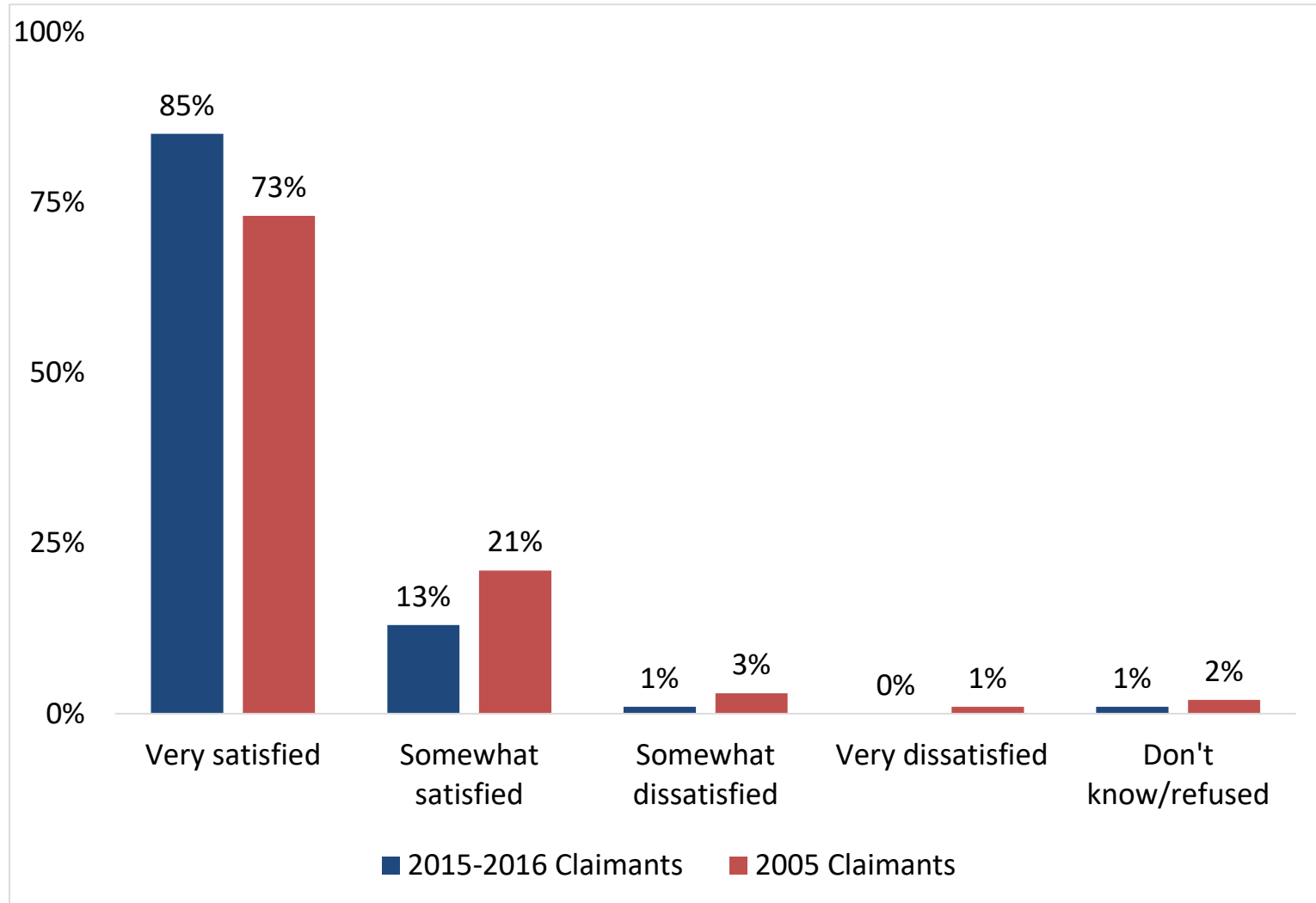


Table 3: Comparison of LTC Insurance Policy Designs 2015-2016 Claimants and 2000 Buyers

Policy Characteristics	2015-16 Claimants	2000 Buyers
Policy type		
Nursing home only	11%	14%
Home care only	6%	9%
Nursing home and home care	83%	77%
Daily benefit amount for nursing home care	\$123	\$109
Daily benefit amount for home care	\$121	\$106
Nursing home only elimination period	52 days	65 days
Integrated policy elimination period	78 days	47 days
Nursing home benefit duration	5.7 years	5.5 years
Partnership policy	3%	N.A.
Inflation protection	59%	41%
Annual premium	\$3,216	\$1,677
Nursing home duration		
1-2 years	11%	17%
3 years	22%	23%
4 years	19%	14%
5 years	8%	11%
6-8 years	10%	5%
Lifetime benefits	30%	30%
Average duration	5.7 years	5.5 years

Table 3: continued

Policy Characteristics	2015-16 Claimants	2000 Buyers
Nursing home daily benefit		
up to \$59	7%	6%
\$60 to \$89	17%	17%
\$90 to \$119	34%	43%
\$120 and Over	42%	34%
Average daily benefit	\$123	\$109
Home care duration		
1 year	3%	5%
2 years	13%	14%
3 years	21%	22%
4 years	17%	13%
5 years	8%	10%
6 years	8%	7%
7-8 years	4%	-
Lifetime benefits	26	30
Average duration	5.4 years	5.4 years

Figure 18: Relationship Between Total Premiums Paid and Benefits Received by 2015-2016 Claimants (in thousands)

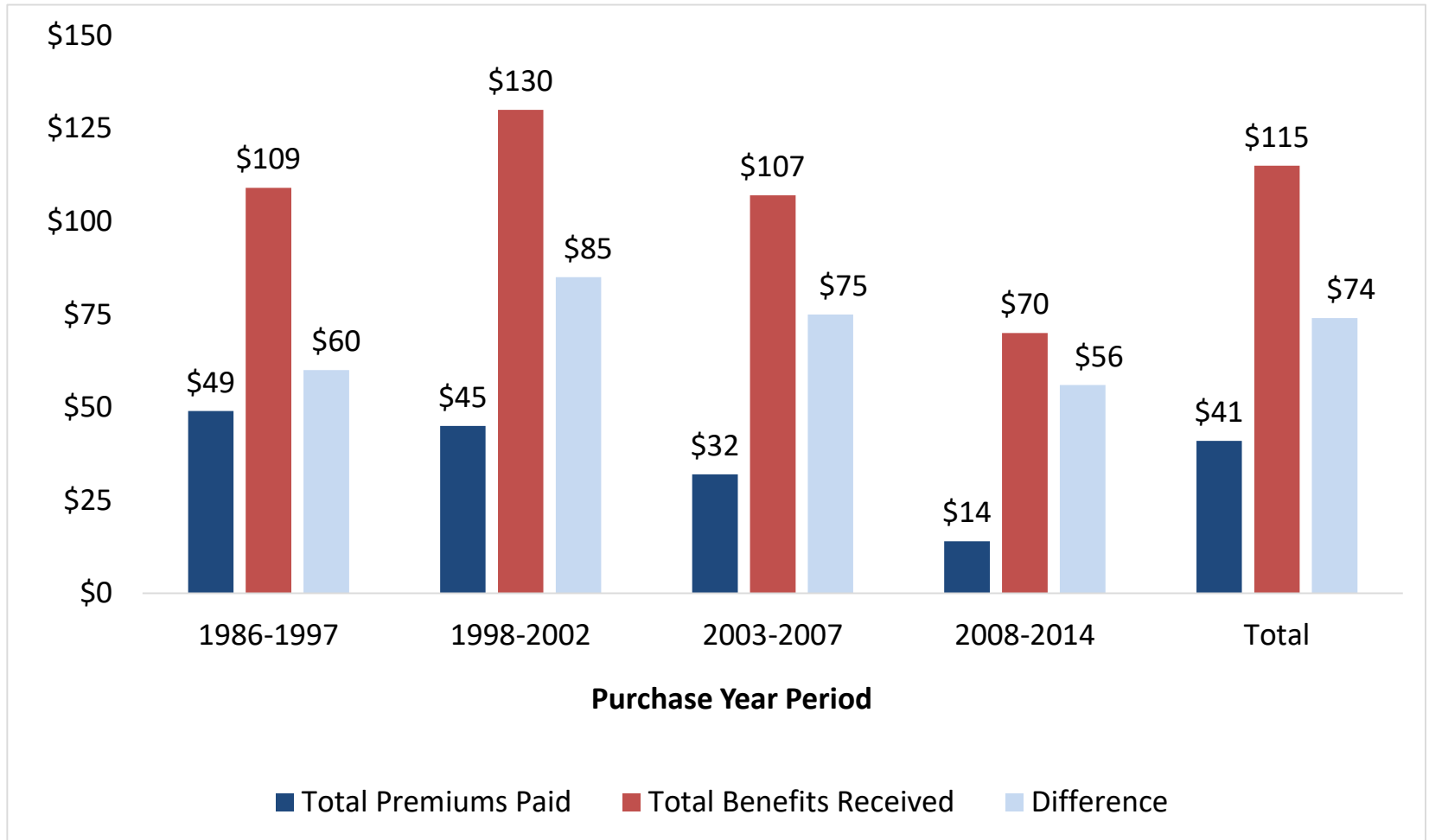


Table 4: Logistic Regression: Relationship Between Claimants' Level of Satisfaction and Key Socio-Demographic and LTC Insurance Variables

	B	S.E.	Sig.	Exp (B)
Socio-Demographic Characteristics				
Age	.010	.012	.407	1.010
Number of ADLs	.022	.054	.687	1.022
Gender (male)	-.011	.195	.954	.989
Marital status (married)	.022	.202	.915	1.022
Care in current setting - less than 1 year			.385	
Care in current setting - 1 year to less than 2 years	.393*	.230	.088	1.482
Care in current setting - 2 years to less than 3 years	.280	.248	.260	1.323
Care in current setting - 3 or more years	.263	.240	.273	1.301
Interaction with the Insurer				
Very easy compared to somewhat easy or difficult to file claim	2.854***	.230	.000	17.353
Had a problem determining policy coverage	-.774	.256	.003	.461
Policy Design/Impact Information				
Benefits pay all of the cost			.037	
Benefits pay most of the cost	-.454**	.223	.042	.635
Benefits pay about half of the cost	-.508*	.274	.064	.601
Benefits pay some or few of the cost	-.890***	.316	.005	.411
Would have to rely more on family in absence of the policy	.525***	.183	.004	1.690
Experience with Providers				
In nursing home	.377*	.223	.092	1.457
Very satisfied with current caregiver	1.052***	.233	.000	2.865
Never have trouble understanding caregiver	.427*	.230	.064	1.532
Constant	-2.078	1.135	.067	.125



Summary Observations

- Insurers are performing well vis-à-vis claimants regarding claim filing process
 - Improvements from a decade ago
- The insurance is achieving multiple goals for policyholders:
 - Affordability of services
 - Ability access high quality care
 - Reducing burden on families
 - Receiving care timely and not delaying use
 - Supporting choice regarding service setting
- Coverage parameters comprise only one element of satisfaction, and not even the most important one. Other important parameters include:
 - Experience with providers
 - Experience with claims filing process
- Companies may want to provide more service at claims time including:
 - providing information about how to choose a caregiver
 - How to help claimants navigate the provider system
- How people feel about the care that is being purchased by their insurance policy influences their evaluation of the coverage itself.