

# The Ides of March Long Term Care News

Et tu Brutus? Information, positive and not so much, on carrier premium rate increases, but first, “in like a lion” is the question! We’ve had a mild winter so far, and March can be tricky, especially around the Ides, Caesar’s ability to get an army to plow a driveway notwithstanding. We do have reasons to celebrate, to enjoy an adult beverage this month, starting with March 11, the third anniversary of Covid-19. Wonder if masks come in leather! Get out and enjoy, along with the national holiday dedicated to Guinness on the 17th and the kick off of March madness. Filling out pools is a lot easier when the love of the Orange doesn’t get in the way of supposed rational decisions 😊

## Carrier News

●**First Unum** has announced yet another premium rate increase, 15% in New York. Mentioned in the announcement is the possibility that policyholders will be permitted to make yet another inflation factor rate decrease to avoid the jump in premium, just no word yet whether that will be available for NY.

●**NGL** (National Guardian Life) has a sales contest for the month of March, submit applications, get a bonus, on a sliding scale from \$50 for the first submission, up to 4 applications to total \$750. Woo, and doing good for your clients too!

This is “it” for news from carriers, which is two months in a row where we have a failure to communicate as the saying goes.

The American Association for Long Term Care Insurance reports that LTC carriers paid out a record \$13.25 billion in 2022 in claims payments to policyholders – up from \$12.3 billion in 2021. In my opinion, claims paying is one of the highlights for this industry. Yes, it’s a lot of paperwork, especially for a family member who doesn’t have an administrative assistant, and usually takes a few months to get checks rolling. If you know anyone who works in the back office for a large medical practice, they will verify that this is how our medical system works, or rather how it crawls along at a snail’s pace. We patients don’t see it 😊, we check out, walk out -- voila. Once a long term care claim is approved, and the industry average is about 98 percent of all claims submitted, the providers usually take over the reimbursement/paperwork process. Families are no longer burdened with this task, but are free to manage the care of their loved one, and be thankful that the coverage was purchased.

On another subject, the NY State Department of Financial Services has requested information and documentation related to individual policies and group certificates issued in NY -- from five LTCI carriers/writers – deadline February 23, 2023. Included in the request is a complete history of premium rate increases for each policy form, how many policies were issued and are currently in force, materials used by each carrier to formulate and/or analyze projections for premium rates, actuarial studies, and other amazing requests, like where, when and to whom the company's LTC coverage was sold. Financial Services is also asking for each carrier's perspective on the current state of the LTC market in NY and how we got here.

Since all but one of the major carriers has withdrawn from NY, the "state" of the NY market is interesting to say the least. Requests for gobs of information with no reason other than "because we can" doesn't encourage a company to cooperate, much less return to the market. Maybe the carriers would like a copy of my essay prepared by Chat GPT for last month's newsletter – on this exact subject! Or maybe, Financial Services is actually taking a look under the hood -- at the true premium needs of these carriers -- versus allowing them to project that every policy on the books will pay out the maximum benefit. Maybe Financial Services is finally considering the other side of the coin, the public who did the right thing by purchasing a policy. Maybe.

### **Associations, Meetings, CE**

- If you're reading this after 8-am Wednesday you missed this morning's meeting of the Planning Professionals Network, at Irondequoit CC – a program worth 2-hours of CE presented by the Rochester Area Community Foundation.
- March 8 – FPA of Greater Rochester presents "The Case for Low-Volatility Equity: An index option-based approach" presented by Daniel Ashcraft of Gateway Investment Advisers. Irondequoit CC from 8-10 am, breakfast at 7:45. 2 credits of CE, CFP. For information, registration, contact [rocfpaoffice@gmail.com](mailto:rocfpaoffice@gmail.com).
- March 20 – Lifespan presents their annual Celebration of Aging luncheon, noon to 1:30, at the convention center. Featured speaker, former Bills QB Jim Kelly. [dpalotas@lifespanrochester.org](mailto:dpalotas@lifespanrochester.org) for information and reservations.
- June 13 – save the date! The FPA of Rochester is joining with the Big-I for their annual golf event at Ravenwood CC in Victor. 11:00 am for lunch, 18-holes followed by dinner, awards, etc., with festivities anticipated to end around 7-pm. Contact Diana Barlow with FPA, [rocfpaoffice@gmail.com](mailto:rocfpaoffice@gmail.com) or the Big-I directly at [connect@bigIROC.com](mailto:connect@bigIROC.com).

**Media** (for an article of interest, drop an email)

- Articles on assisted/independent living including Cherry Ridge at St. Ann's
- How to help a parent get the care they need when the hospital discharges them
- How to avoid a nursing home
- The Employee Benefit Research Institute has a survey which says that married couples entering retirement could need as much as \$383,000 in savings to cover healthcare costs for the rest of their lives. Not including long term care. The statistics say that 70% of us will need some LTC services before we die, but these surveys, including the annual Fidelity cost of care, don't include that possibility. Denial is not just a river in Egypt, eh?
- A financial roadmap on living to 100, courtesy of the Wall Street Journal.
- The difference between life expectancy and longevity, and how this can affect finances. Or, as my father used to say, "If I knew I was going to live this long (age 93), I would have saved more money!"

Next thing you know we'll be "springing ahead" for another hour of sunshine at the end of the day – and hoping to actually see some of it before June. Spring comes, hopefully we're not the April Fool 😊

**Andrea Graham**