

**LONG TERM CARE EXPERIENCE REPORTING FORMS**

The purpose of the call was to continue discussions on revised Long Term Care Experience Reporting Forms. The American Academy of Actuaries has a task force, headed by Warren Jones of Aegon, that has been working on this project.

A quorum of states participated in the call including representatives from Texas, Arkansas, Florida, Nebraska, New York, Minnesota, Utah, Alabama, Illinois, Maine, New Jersey and Pennsylvania.

The Academy work group presented the most recent modifications in the forms that had been previously requested by the AHWG. The changes presented were:

- Reporting categories changed to ensure that all intended LTC benefits would be included:
  - From: Integrated, Facility Only, and Home Health Only
  - To: Institutional, Non-institutional, and Comprehensive
- Form 3 was expanded to include 8 years of data instead of 5

Three other requests that had been made previously by AHWG required further discussion

- Add wording in the form instructions to define group versus individual business in a way consistent with descriptions in the Model Act.

The Academy work group responded that the request had been to split between group and individual, but that the Model Act describes two different kinds of group: direct response and all other. It was agreed that two categories, individual and group were adequate.

- Should the forms include state-specific information?

Industry representatives suggested that it might be best to have that on an entirely separate form. Julia Philips of Minnesota observed that state-specific information is typically not needed every year and that ad hoc requests when such information is needed have worked well enough. The results of a survey sent to the various state insurance departments were shared. The survey requested information from the states on the nature of state-specific information that would be desirable. This topic will be addressed again at the next call, but there didn't seem to be much demand for state-specific reporting among the regulators participating.



- Should accelerated benefits riders to life contracts be included? It was agreed to defer discussion on this item to the next call.

Mike Cebula of New York asked about the feasibility of splitting lapse and mortality data in the forms. Industry representatives responded that the reason for termination is not collected by many companies and that obtaining such information could be difficult. A suggestion was made to send a request to the SOA to perform a study. It was suggested by Mr. Cebula that distinguishing between deaths that occurred while on claim and those where not on claim could be valuable. There was general agreement on the worthiness of a SOA study, but no final agreement was reached by the Work Group.

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