

# Quarterly Report



Sandra Pierce-Miller, Director

1st. Quarter 2002, Report No. 31

January – March 2002

## California Partnership for Long-Term Care

[www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)

### Participating Insurers

- Bankers Life and Casualty Company
- California Public Employees' Retirement System (PERS)
- Continental Casualty Company
- GE Capital Assurance (formerly AMEX)
- John Hancock
- New York Life Insurance Company
- Transamerica Occidental Life Insurance Company

### This Quarter

### To Date

### Applications Received:

3,218

44,528

### Applications Denied:

529

8,758

### Applications Pending & Withdrawn:

0

0

### Policies Purchased:

2,689

35,770

### Policies Dropped (voluntarily & for unknown reasons\*):

274

3,481

### Policies Not Taken Up: (dropped within 30 days of purchase)

64

1,437

### Total Policies In Force (Active):

N/A

30,916

### Number of Policyholders Who Received Service Payments:

145

377

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### I. Quarterly and Cumulative Statistics

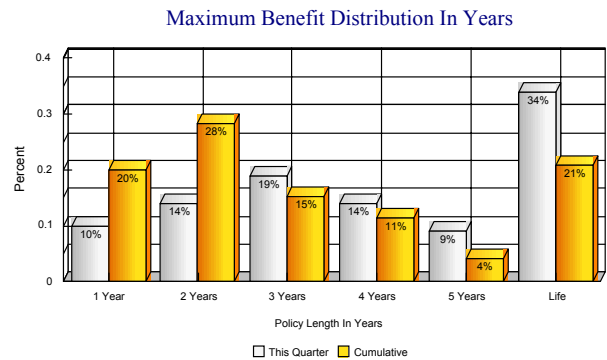
<u>Telephone Calls:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Number of Consumers Who Called Toll-Free	323	22,473 (CARE445)

<sup>1</sup> \* Does not include 71 drops reported as deaths, rescissions, conversions or exhausted benefits.

## I. Quarterly and Cumulative Statistics

<u>Age:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Median	60	64
Target Age (55-74)	1,740 (74%)	22,958 (74%)
Other Ages	611 (26%)	7,958 (26%)
<u>Gender:</u>		
Male	940 (40%)	12,435 (40%)
Female	1,411 (60%)	18,481 (60%)
<u>Marital Status:</u>		
Married	1,622 (69%)	20,781 (67%)
Not Married	729 (31%)	10,120 (33%)
Unknown	0 ( 0%)	15 (<1%)
<u>Policy Type:</u>		
Comprehensive	2,304 (98%)	28,021 (91%)
Nursing Home	47 ( 2%)	2,895 ( 9%)
<u>Purchase Type:</u>		
First Time Purchase	2,163 (92%)	28,584 (92%)
Upgrade	47 ( 2%)	629 ( 2%)
Replacement	141 ( 6%)	1,695 ( 6%)
Reinstatement	0 ( 0%)	8 (<1%)
Totals for each category above	2,351 (100%)	30,916 (100%)

## II. Maximum Benefit Amounts Distribution



### Maximum Benefit (In years):

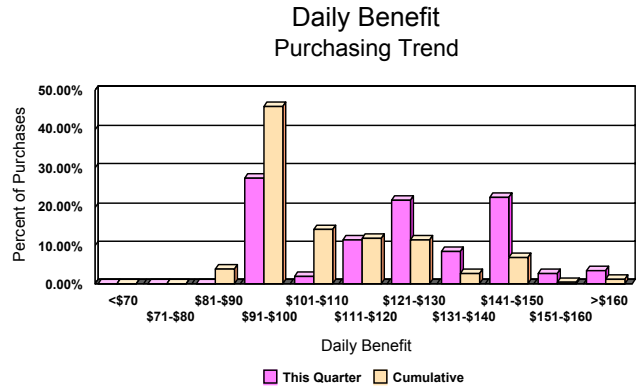
	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	Life	All
This Qtr. # Policies	235	329	447	329	212	799	2,351
This Qtr. %	10%	14%	19%	14%	9%	34%	100%
Cumulative # Policies	6,174	8,756	4,711	3,539	1,270	6,466	30,916
Cumulative %	20%	28%	15%	12%	4%	21%	100%

### Characteristics By Maximum benefit In Years (This Quarter)

<u>Characteristic:</u>	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	Life	All
Married	47%	66%	65%	74%	78%	74%	69%
Female	62%	56%	57%	58%	61%	62%	60%
Avg. Age	66	67	63	63	64	56	61
Target Ages	75%	79%	81%	83%	80%	63%	74%
New Purchase	71%	93%	94%	96%	96%	95%	92%
Comprehensive Policy	90%	96%	98%	98%	100%	99%	98%

### III. Daily Benefit Purchasing Distribution

Daily Benefit Range	This Quarter	Cumulative
\$70 or Less	0 ( 0.00%)	14 ( 0.05%)
\$80	0 ( 0.00%)	174 ( 0.61%)
\$90	0 ( 0.00%)	1,177 ( 4.12%)
\$100	648 (27.58%)	13,137 (45.99%)
\$110	48 ( 2.06%)	4,033 (14.12%)
\$120	272 (11.55%)	3,367 (11.79%)
\$130	509 (21.65%)	3,259 (11.41%)
\$140	199 ( 8.46%)	816 ( 2.86%)
\$150	530 (22.55%)	2,011 ( 7.04%)
\$160	63 ( 2.66%)	189 ( 0.66%)
More than \$160	81 ( 3.44%)	387 ( 1.36%)



#### Daily Benefit Purchasers By Age, Cumulative Experience

	<55	55-64	65-74	75-84	85+
<b>\$70 Or Less</b>	7.69%	46.15%	23.08%	23.08%	0%
<b>\$80</b>	4.43%	19.62%	46.20%	29.11%	0.63%
<b>\$90</b>	7.36%	30.57%	42.74%	18.40%	0.94%
<b>\$100</b>	11.65%	35.92%	39.62%	12.12%	0.69%
<b>\$110</b>	15.58%	31.75%	38.13%	13.88%	0.66%
<b>\$120</b>	13.61%	45.45%	33.95%	6.53%	0.46%
<b>\$130</b>	20.14%	45.14%	27.77%	6.61%	0.34%
<b>\$140</b>	18.5%	49.12%	26.26%	5.85%	0.27%
<b>\$150</b>	27.61%	50.36%	18.83%	2.93%	0.28%
<b>\$160</b>	30.77%	52.07%	15.98%	1.18%	0%
<b>More than \$160</b>	42.41%	42.98%	12.61%	2.01%	0%

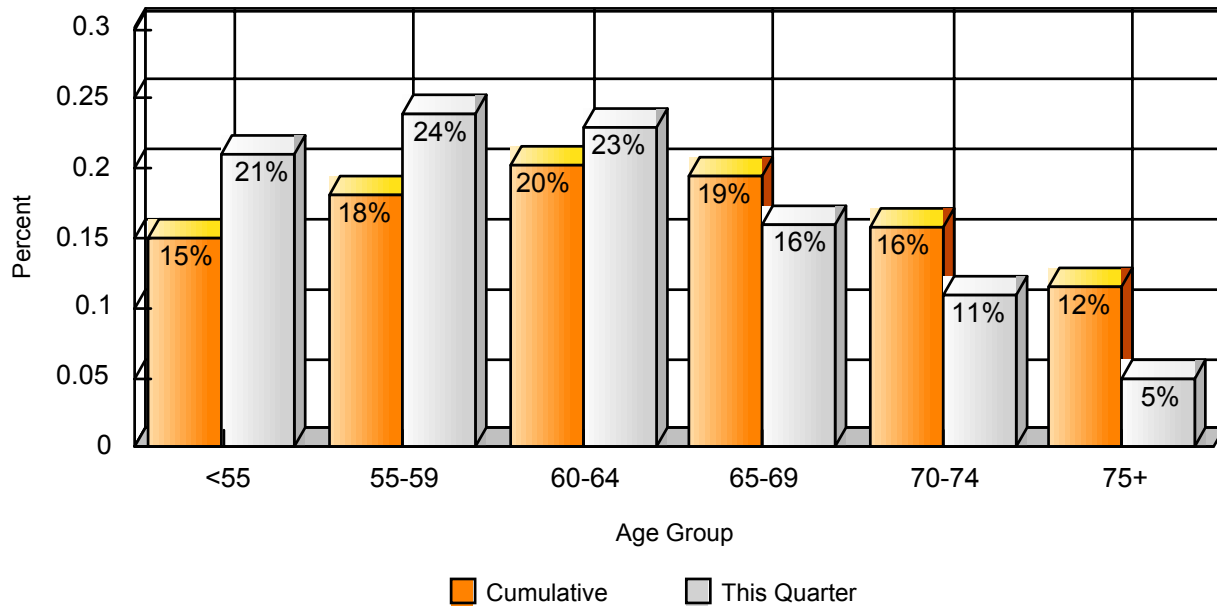
### III. Age of Policyholders (at time of purchase)

**Age Group:**

	<55	55-59	60-64	65-69	70-74	75+	Total
<b>This Qtr. # Policies</b>	494	563	541	376	259	118	2,351
<b>This Qtr. %</b>	21%	24%	23%	16%	11%	5%	100%
<b>Cumulative # Policies</b>	4,618	5,583	6,279	5,991	4,872	3,573	30,916
<b>Cumulative %</b>	15%	18%	20%	19%	16%	12%	100%

NOTE: At times, the plotted percentages may not appear to agree with the table above due to rounding.

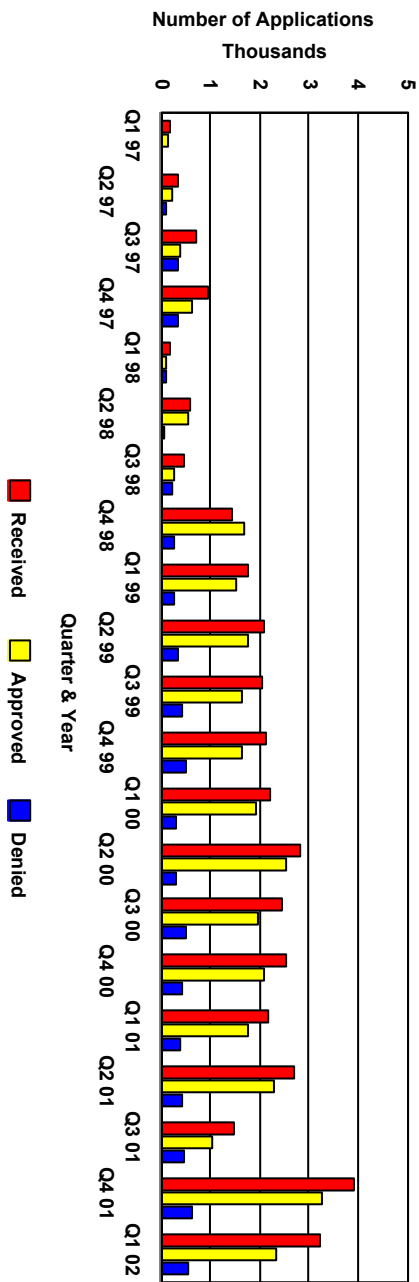
### Policyholders Age Distribution By Age Group



### IV. Trends

	1997				1998				1999				2000				2001				2002			
Quarter	1994	1995	1996	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Received	402	2,979	4,598	165	260	708	949	191	600	477	1,440	1,779	2,107	2,073	2,151	2,205	2,841	2,473	2,528	2,156	2,721	1,492	3,907	3,218
Approved	237	2,123	3,095	140	239	375	612	115	537	262	1,692	1,520	1,763	1,655	1,654	1,908	2,547	1,978	2,087	1,769	2,284	1,019	3,262	2,351
Denied	60	713	1,039	25	121	326	337	84	63	215	269	259	344	418	497	287	294	495	441	387	437	473	645	529

Trend In Applications Received, Approved, Denied  
By Quarter



Redesigned policies available as of the 4th. quarter of 1998

## V. Policyholders and Asset Protection Earned

	<u>This Quarter</u>	<u>Cumulative</u>
Number of policyholders to date, who have qualified to receive benefit payments	59	538
Total asset protection earned by all policyholders who have received benefits	\$813,155	\$7,111,577
Number of policyholders currently in benefit/payments made	147	N/A
Number of Policyholders that have exhausted benefits	1	25
Total asset protection earned to date by policyholders that have exhausted benefits	\$83,922	\$1,200,212
Number of policyholders that have died while in benefit	4	128
Total remaining asset protection that will NOT be accessed due to policyholders demise while in benefit.	\$266,935	\$7,369,122
Number of policyholders who have exhausted their policy benefits and accessed Medicaid as of 3/31/2002	1	5
Asset protection earned by policyholders who have exhausted their policy benefits and accessed Medicaid as of 3/31/2002	N/A	\$263,115

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## VI. Service Utilization

<b>Type of Service (Other Than Case Management)</b>	<b>This Quarter, % of All Services Rendered to Policyholders In- Benefit (147) by Type of Service</b>	<b>Cumulative % of All Services Ren- dered to All Policyholders (538) by Type of Service</b>
Skilled Nursing Facility	6%	7%
Assisted Living Facility/RCF	13%	14%
Other Alternative Housing	2%	1%
Home Health Aide Services	8%	9%
Attendant Care	7%	11%
Personal Care	12%	10%
Monitoring	2%	<1%
Personal Emergency Response System	1%	<1%
Durable Medical Equipment	1%	<1%

NOTE: Care management services such as assessments, care planning, reassessments and monitoring (which are absorbed as insurer administrative costs and therefore not charged against the policyholder's benefit pool) and services amounting to less than 1% usage during the quarter are excluded. Therefore, the percentages total may not equal 100%.

<b>Type of Case Management Service (Administrative Costs)</b>	<b>This Quarter, % of All Services Rendered to Policyholders In- Benefit (147) by Type of Service</b>	<b>Cumulative % of All Services Ren- dered to All Policyholders (538) by Type of Service</b>
Assessment & Care Planning	3%	2%
Assessment Only	5%	5%
Care Planning Only	4%	5%
Monitoring Only	26%	18%
Reassessment Only	5%	6%

NOTE: Case Management Services (reported as administrative costs) amounting to less than 1% are excluded. Therefore, the percentage sums of this and the above table may not equal 100%.

# The California Partnership for Long-Term Care 1st. Quarter of 2002 Quarterly Report

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Visit the Partnership's Website at [www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)