

Quarterly Report



Brenda Bufford, Chief

2nd. Quarter 2005, Report No. 44

April—June 2005

California Partnership for Long-Term Care

www.dhs.ca.gov/cpltc

Participating Insurers

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

This Quarter **To Date**

Applications Received: 3,197 96,774

Applications Denied: 527 16,603

Applications Pending & Withdrawn: 0 0

Policies Purchased: 2,670 80,171

Policies Dropped (voluntarily & for unknown reasons): 385 8,477

Policies Not Taken Up: (dropped within 30 days of purchase) 205 4,663

Total Policies In Force (Active): 2,080 66,995

Number of Policyholders Who Received Service Payments: 347 974

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I. Quarterly and Cumulative Statistics

<u>Inquiries:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Number of Consumers Who Called Toll-Free	171	26,554 (CARE445)
Website Visits	13,616	160,510

I. Quarterly and Cumulative Statistics

<u>Age:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Median	57	60
Target Age (55-74)	1,285 (62%)	46,416 (69%)
Other Ages	795 (38%)	20,579 (31%)

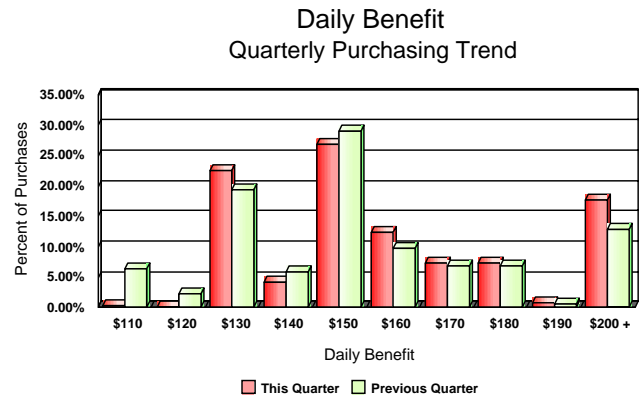
<u>Gender:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Male	895 (43%)	27,479 (41%)
Female	1,185 (57%)	39,516 (59%)

<u>Marital Status:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Married	1,658 (80%)	47,206 (70%)
Not Married	422 (20%)	19,346 (29%)
Unknown	0 (0%)	443 (1%)

<u>Policy Type:</u>	<u>This Quarter</u>	<u>Cumulative</u>
Comprehensive	2,060 (99%)	63,662 (95%)
Nursing Home	20 (1%)	3,333 (5%)

<u>Purchase Type:</u>	<u>This Quarter</u>	<u>Cumulative</u>
First Time Purchase	2,025 (97%)	63,173 (94%)
Upgrade	16 (1%)	971 (2%)
Replacement	39 (2%)	2,843 (4%)
Reinstatement	0 (0%)	8 (<1%)
Totals for each category above	2,080 (100%)	66,995 (100%)

II. Daily Benefit Distribution



<u>Daily Benefit</u>	<u>This Quarter</u>	<u>Previous Quarter</u>
\$110	6 (0.3 %)	121 (6.5 %)
\$120	2 (0.11%)	41 (2.2%)
\$130	470 (22.59 %)	360 (19.35 %)
\$140	88 (4.25%)	109 (5.87%)
\$150	562 (27.03 %)	541 (29.10 %)
\$160	257 (12.37%)	182 (9.81%)
\$170	156 (7.48%)	128 (6.87%)
\$180	152 (7.29%)	126 (6.76%)
\$190	17 (0.83%)	13 (0.68%)
\$200 or More	369 (17.74%)	239 (12.84%)

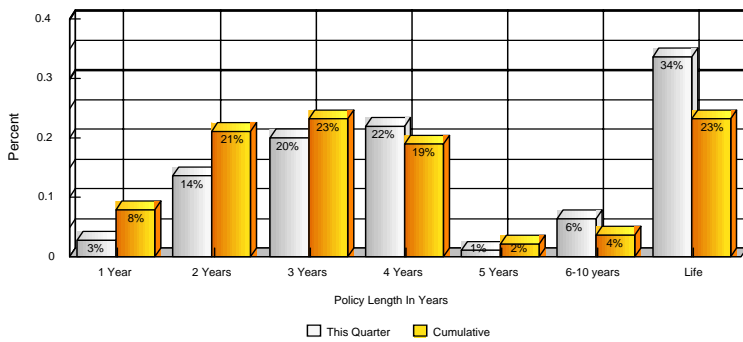
NOTE: The minimum Daily Benefit allowed for sale in the year 2005 is \$130. The entries in the \$110 and \$120 categories of the above table are for policies sold in the 4th quarter of 2004 but not reported until now.

III. Maximum Benefit Amounts Distribution

Maximum Benefit (In years):

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6-10 Yr	Life	All
This Quarter. # Policies	58	286	418	458	26	134	700	2,080
This Quarter. %	3%	14%	20%	22%	1%	6%	34%	100%
Cumulative # Policies *	5,399	14,200	15,577	12,300	1,434	2,425	15,660	66,995
Cumulative % *	8%	21%	23%	19%	2%	4%	23%	100%

Maximum Benefit Distribution In Years



* NOTE: A column that displays purchasers of 6-10 year policies has been included. This caused a lowering of the Lifetime policy percentage as the 6-10 year policies were previously included in the Lifetime count. Additionally, teasing out the 6-10 year policy lengths caused a recount of policies in force which resulted in an updating of percentages for all policy lengths.

Characteristics By Maximum Benefit In Years (This Quarter)

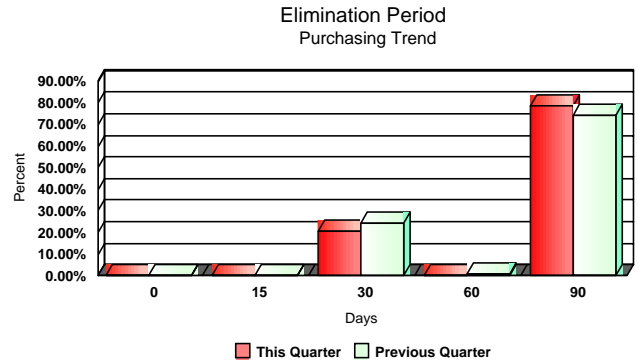
Characteristic:

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6-10 Yr	Life	All
Married	69%	76%	77%	83%	76%	81%	82%	80%
Female	54%	55%	56%	56%	64%	58%	58%	57%
Average Age	64	60	59	58	60	57	53	57
Target Ages	78%	73%	73%	70%	70%	66%	43%	62%
New Purchase	91%	97%	98%	98%	100%	96%	98%	97%
Comprehensive Policy	89%	98%	99%	100%	94%	100%	99%	99%

IV. Elimination Period Distribution

(at time of purchase)

Days	This Quarter	Previous Quarter
0	0.45%	0.52%
15	0.11%	0.21%
30	20.56%	24.33%
60	0.49%	0.79%
90	78.38%	74.15%



V. Age of Policyholders

(at time of purchase)

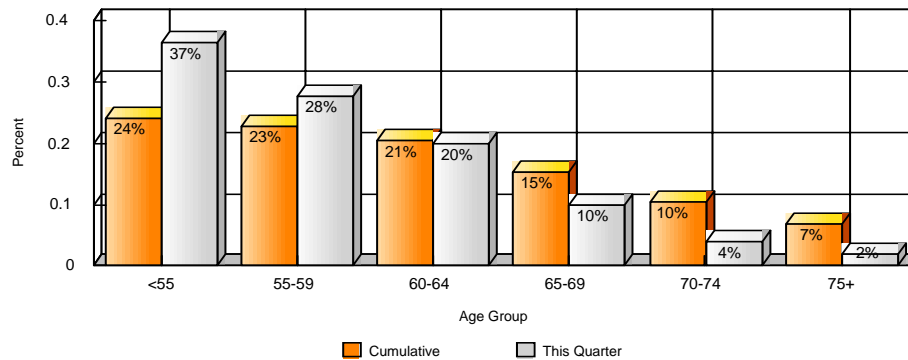
Age Group:

	<55	55-59	60-64	65-69	70-74	75+	Total
This Quarter # Policies	768	542	440	226	78	26	2,080
This Quarter %	37%	26%	21%	11%	4%	1%	100%
Cumulative # Policies	16,167	15,219	13,773	10,217	6,990	4,629	66,995
Cumulative %	24%	23%	21%	15%	10%	7%	100%

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

Policyholders Age Distribution

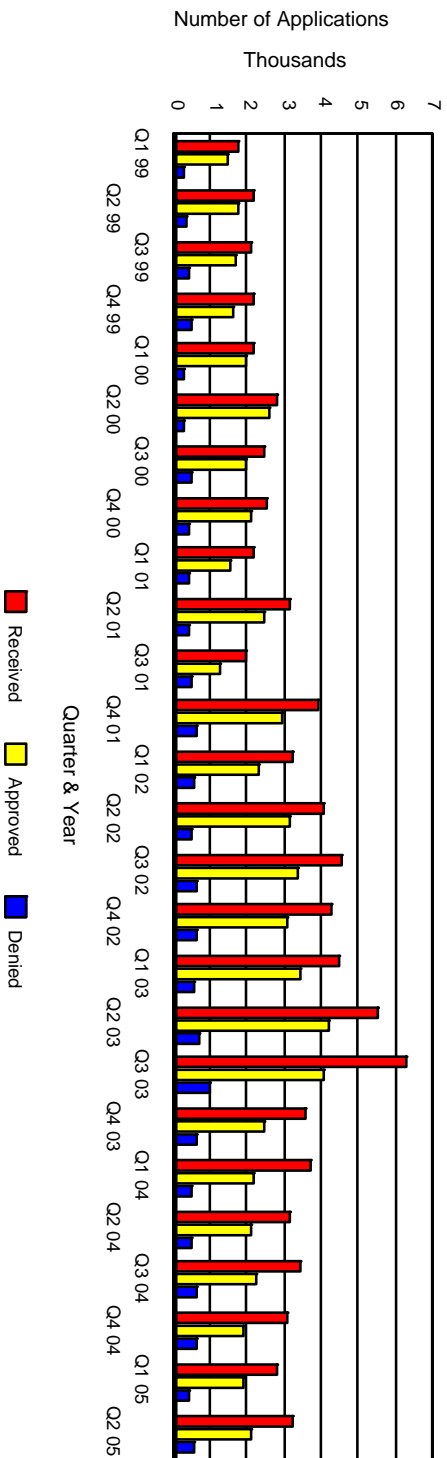
By Age Group



VI. Trends

	2001				2002				2003				2004				2005								
Quarter	1994	1995	1996	1997	1998	1999	2000	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4						
Received	402	2,979	4,598	2,182	2,716	8,110	10,047	2,179	3,141	2,035	3,907	3,218	4,063	4,548	4,317	4,498	5,546	6,309	3,614	3,732	3,141	3,434	3,089	2,758	3,197
Approved	237	2,123	3,095	1,366	2,606	6,592	8,530	1,561	2,452	1,224	2,942	2,351	3,174	3,330	3,066	3,461	4,213	4,028	2,444	2,216	2,065	2,260	1,884	1,858	2,080
Denied	60	713	1,039	809	631	1,518	1,517	387	437	473	645	529	497	693	686	558	705	960	582	500	505	603	624	405	527

Trend In Applications Received, Approved, Denied
By Quarter



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

VII. Policyholders and Asset Protection Earned

	<u>This Quarter</u>	<u>Cumulative*</u>
Number of policyholders to date, who have qualified to receive benefit payments	60	1,146
Total asset protection earned by all policyholders who received benefits	\$2,162,251	\$28,097,109
Number of policyholders currently in benefit/payments made	347	N/A
Number of Policyholders that have exhausted benefits	2	91
Total asset protection earned to date by policyholders that have exhausted benefits	\$98,655	\$5,057,077
Number of policyholders that died while in benefit	17	356
Total asset protection earned that will NOT be accessed due to policyholders demise while in benefit.	\$324,548	\$5,574,255
Number of policyholders who have exhausted their policy benefits and accessed Medicaid as of 6/30/2005	0	26
Asset protection earned by policyholders who have exhausted their policy benefits and accessed Medicaid as of 6/30/2005	0	\$1,275,813
Medi-Cal cost savings **as of 6/30/2005	N/A	\$11,480,822

*NOTE: Cumulative totals may drop or rise out of sync with the current quarter figures and on the surface may not appear to consolidate with the previous quarter cumulative figures. This can be due to a variety of reasons. For example, data is audited on an ongoing basis and in doing so data is updated to reflect new information. Additionally, a Partner insurer may fall behind on reporting and catch up in the current quarter, thereby, creating a seemingly irreconcilable cumulative figure.

** This is new information designed to inform you on the approximate savings to the Medi-Cal program realized by the California Partnership for Long-Term Care. This figure is derived from the asset protection earned by policyholders who have exhausted their policy benefits and continued to need care as well as from information collected through the quarterly conducted Purchaser Survey.

VIII. Service Utilization

Type of Service (Other Than Care Management)	This Quarter, % of All Services Rendered to Policyholders In- Benefit (347) by Type of Service	*Cumulative % of All Services Ren- dered to All Policyholders (1,146) by Type of Service
Skilled Nursing Facility	7%	10%
Assisted Living Facility/RCF	24%	24%
Other Alternative Housing	3%	2%
Home Health Aide Services	11%	14%
Adult Day Care (Health & Social)	1%	1%
Personal Care	25%	19%
Chore Services	4%	3%
Attendant Care	12%	13%
DME	2%	<1%
Care Planning (benefit cost)	3%	1%
Coordination (benefit cost)	1%	<1%

NOTE: services amounting to less than 1% usage during the quarter are excluded. Therefore, the percentages total may not equal 100%.

*NOTE: A cumulative file audit revealed file extract errors yielding underestimations in the previous quarter for the Cumulative attendant care percentage. Therefore, the present cumulative figure represents updated information.

Type of Care Management Service (Administrative Costs)	This Quarter, % of All Services Rendered to Policyholders In- Benefit (347) by Type of Service	Cumulative % of All Services Ren- dered to All Policyholders (1,146) by Type of Service
Assessment & Care Planning	33%	6%
Care Planning Only	5%	3%
Coordination Only	5%	1%
Monitoring Only	35%	21%
Reassessment Only	20%	6%

NOTE: Care Management Services (reported as administrative costs) amounting to less than 1% are excluded. Therefore, the percentages total may not equal 100%.

**The California Partnership
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