

Reducing cost of in-force long term care blocks (Executive Summary)

The opportunity

Currently in the US alone, there are ~7 million in-force Long Term Care(LTC) policies with a maximum potential benefit value of ~\$2T. Problems in the older policies have made them a challenging business. Currently, very few proactive programs to reduce the future utilization of LTC have been implemented by LTC carriers, despite large scale real world and scientific studies proven to dramatically reduce LTC need. Our simulations predict significant low risk, high yield savings of \$100M+ from risk reduction on an average 10,000 block of policies. (older and sicker blocks may have higher risk reduction potential).

The solution

Taking a proven population health management approach, our team of physicians and data scientists developed a system to delay LTC need before claims start.

- **Real world proven interventions:** We use twelve interventions developed and proven by leading clinicians and academic institutions to work in large scale real world settings and in respectable clinical journals. For example, the [NYU caregiver intervention](#) was shown in numerous real world studies to delay nursing home placement of dementia patients by a median of 1.5 years through support programs for their families. The NYUCI creator is working with us to bring this to larger population and increase the effect.
- **Predictive Analytics:** To deploy LTC preventative services over a large population with high ROI, a data driven approach is critical. At the crux of our approach lie utilization predictors that we identified in a 2M+ person years dataset. These predictors allow us to predict what is likely to happen to policyholders in the next 1-6 years. We use this information to stratify the block and create individual intervention plan and budget for its members.
- **Zero friction:** Through our partnerships with US homecare franchises and other care delivery partners, we provide an end-to-end solution that the allows carriers to reduce cost of blocks without the need to experiment, research and face friction.
- **Win-win solution:** Families caring for aging adults are desperately seeking additional support. By offering interventions earlier in the caregiving journey, value is created for both the carrier and the policyholders and their families.