

**A REPORT BY THE SUPERINTENDENT OF INSURANCE
TO
THE GOVERNOR AND THE LEGISLATURE
ON
THE IMPLEMENTATION OF LEGISLATION
PERMITTING APPROVAL OF
CERTAIN LONG TERM CARE HEALTH INSURANCE PLANS**

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STATE OF NEW YORK
INSURANCE DEPARTMENT
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ALBANY, NEW YORK 12257

David A. Paterson
Governor

James J. Wrynn
Superintendent

To Governor David A. Paterson and the Legislature:

A report and recommendations of the Superintendent of Insurance on the implementation of Chapter 245 of the Laws of 1986 permitting approval of certain long term care health insurance plans is herewith submitted in accordance with the provisions of such act.

Respectfully submitted,

James J. Wrynn
Superintendent of Insurance

TABLE OF CONTENTS

Page

Executive Summary.....	i
Purpose of Report.....	1
Objective of Legislation Permitting Approval of Certain Long Term Care Health Plans.....	1
General Background.....	1
The New York State Partnership for Long Term Care Insurance.....	3
State and Federal Legislation to Encourage the Development of Long Term Care Plans.....	6
Listings of Authorized Long Term Care Insurers.....	11
Factors Contributing to or Impeding the Development of Long Term Care Plans.....	13
Success of Marketing Policies Under the New York State Partnership for Long Tem Care.....	24
Recommendations and Anticipated Actions to be Taken by the Insurance Department.....	25
<u>Appendix 1</u>	
Number of Long Term Care Policies In-force as of December 31, 2008	
Non-Partnership Policies.....	1
New York State Partnership for Long Term Care Policies.....	13
<u>Appendix 2</u>	
Total In-Force Long Term Care Policies with Market Share.....	1

EXECUTIVE SUMMARY

Purpose of this Report

The Superintendent is required to make this biennial report to the Governor and the Legislature regarding long term care insurance, including but not limited to a description of the plans authorized to issue long term insurance, factors contributing to or impeding the development of the enrollment in such plans, the adequacy of consumer information in relation to insurance coverage for long term care services, and such recommendations as the Superintendent may deem appropriate.

General Background

The Insurance Department approved the first long term care plans in 1986. These plans were somewhat limited in amount and in the type of services covered. The number of insurers offering long term care policies continued to grow through 1990.

In 1991, the Insurance Department promulgated regulations establishing minimum standards and disclosure requirements for long term care insurance. After the promulgation of the regulation, the number of insurers in the long term care market decreased. In 1993, ten insurers were writing individual long term care policies and four insurers were writing group long term care policies in New York State. Currently, eighteen insurers are writing individual long term care policies and seven insurers are writing group long term care policies in New York State. The total enrollment in long term care insurance policies has continued to increase modestly. As of December 31, 2008, there were 321,011 persons enrolled in non-Partnership policies and 63,973 persons enrolled in Partnership policies.

New York State Partnership for Long Term Care Insurance

In an effort to encourage more New Yorkers to purchase long term care insurance, New York established the New York State Partnership for Long Term Care Insurance in 1989. Under the program, New York State residents who purchase qualified long term care insurance policies will, upon exhaustion of the policy benefits, be able to protect all or part of their assets in qualifying for Medicaid assistance. We note that the New York State Partnership for Long Term Care program is different from other states' Partnership programs, established under the federal Deficit Reduction Act of 2005 (DRA). The New York program pre-dated the DRA programs by sixteen years.

State and Federal Legislation to Encourage the Development of Long Term Care Plans

In 1996, the federal government enacted the Health Insurance Portability and Accountability Act (HIPAA) which, in part, provided federal tax incentives for purchasing long term care insurance. Pursuant to the law, benefits received by a chronically ill individual under a "qualified" long term care insurance contract are excludable from income if the payments are based on actual expenses incurred. In 1997, New York State enacted legislation providing favorable state income tax treatment for those persons purchasing long term care policies that qualify for the federal income tax

deduction. Also in 1997, New York State enacted legislation aimed at promoting the development of a broader and more integrated continuum of long term care, financed by a range of private, public and public/private options, including the development of continuing care retirement communities (CCRCs).

In 2000, New York State increased the tax deduction caps by allowing businesses and individuals to take a tax credit equal to 10% of their long term care insurance premiums. The tax credit was extended by the Legislature in 2002 to New York State residents covered under a federally qualified out-of-state group long term care insurance contract. In 2004, New York State's tax credit for the purchase of long term care insurance was increased from 10% of premiums to 20% of premiums.

To further encourage the purchase of long term care insurance, New York enacted the New York Public Employee and Retiree Long Term Care Insurance Plan (NYPERL), which was implemented in 2002. NYPERL offers long term care coverage to State employees, retirees and eligible family members under a group policy issued to the State of New York. The full cost of the plan, including coverage of eligible family members, is paid by the employee or insured person and can be deducted from the employee's salary. Local governments and other public and quasi-public employers may participate in NYPERL if the employer is eligible for the State's health insurance program and the governing body elects to participate.

In 2005, the Insurance Department promulgated regulations that provided for three new long term care insurance product designs for the New York State Partnership program. Two product designs provide dollar for dollar asset protection and two product designs provide total asset protection.

Legislation was enacted in 2004 requiring the New York State Insurance Department, in conjunction with the State Office for the Aging and the Department of Health, to study and develop investment product options for insurance policyholders to adequately prepare for the costs of long term care. The legislation instructed the agencies to analyze the long term care insurance market, with an emphasis on affordability, adequacy of benefits, the underwriting process, and dispute resolution. The Department's first step in completing this legislative mandate was to compile a survey of all insurers that have marketed long term care insurance in New York State. The survey was designed to obtain firm data about the development of the long term care insurance market and the current status of the market. The study, entitled "Long Term Care Insurance Options in New York State," was issued in early 2006, and is available at <http://www.ins.state.ny.us/ltc/ltrcpt05.pdf>.

Factors Contributing to or Impeding the Development of Long Term Care Plans

The five key factors directly affecting the development of the enrollment in long term care insurance contracts in New York are consumer awareness, data needs and services, underwriting and policy design, the regulatory environment and marketing concerns. Progress has been made in all of these areas, which has encouraged the development of long term care insurance contracts in New York State.

Recommendations and Anticipated Actions to be Taken by the Insurance Department

Long term care insurance plans are no longer considered to be experimental products. Long term care insurance has developed into a viable product, and insurers continue to offer a variety of benefit packages containing more comprehensive coverage.

To further encourage the development and purchase of such policies, the Department of Insurance makes the following recommendations:

- An intense, concerted, long range consumer education campaign is essential to effectuating a culture change with respect to the private financing of long term care services. The Department of Insurance, Department of Health and Office for the Aging should continue their efforts to inform the public of the limitations of existing health insurance contracts and governmental programs related to long term care services, the favorable federal and state tax treatment of premiums and benefit payments for qualified long term care insurance, and the advantages of purchasing a long term care policy qualifying under the New York State Partnership.
- New York State should increase its efforts to educate the public that New York's tax credit for long term care premiums provides a substantial benefit to New Yorkers. Essentially, the state will support New Yorkers' efforts to plan for the future by paying 1/5 of the bill for their long term care insurance premiums. This credit is available to anyone paying premiums, including children who pay for coverage on behalf of their parents.
- The federal government should be encouraged to:
 - allow an above-the-line deduction or tax credit for long term care premiums and
 - allow long term care insurance to qualify as part of a Cafeteria Plan under Section 125 of the Internal Revenue Code to allow before-tax deduction for premiums.
- The long term care insurance industry should be encouraged to emphasize the marketing and sale of basic long term care type coverage that would be affordable for more middle-class New Yorkers. Such basic type coverages are permissible under current New York State Insurance Department regulations, but are not heavily marketed by long term care insurers.

The Department will take the following actions:

- Continue to review the minimum standards for the form, content and sale of long term care insurance and amend them as necessary to incentivize the sale of meaningful long term care insurance to as many New Yorkers as possible;

- Periodically update the Department's "A Consumer Guide to Long Term Care Insurance in New York";
- Continue to work with the Department of Health and Office for the Aging in publicizing and answering questions from the public on the New York State Partnership for Long Term Care;
- Continue to provide information and assistance to senior citizens concerning long term care insurance and other coverage available to the elderly, such as Medicare supplement insurance; and
- Continue to provide guidance to the industry and to engage in prompt discussions between the industry and the Department with regard to the marketing of long term care insurance.

Purpose of Report

Chapter 245 of the Laws of 1986 added a new Section 1117 to the New York Insurance Law to permit certain insurers authorized by the Superintendent to issue contracts providing benefits for long term care. This legislation, provided, in part, that, "on or before January first, nineteen hundred eighty-eight, and biannually thereafter, the superintendent of insurance shall report to the governor and the legislature on the implementation of this act, including but not limited to a description of the plans authorized pursuant to this act, factors contributing to or impeding the development of the enrollment in such plans, the adequacy of consumer information in relation to insurance coverage for long term care services, and such recommendations as the superintendent may deem appropriate."

Objective of the Legislation Permitting Approval of Certain Long Term Care Health Plans

The objective of the legislation was to help solve the problem of financing long term care by encouraging the development of and enrollment in various plans of insurance coverage for services provided in residential health care facilities and community based settings in order to help solve the problem of financing long term care. The legislative intent specifically stated that private health insurance for long term care services is generally unavailable to the citizens of this state.

General Background

Long term care insurance plans were first approved by the Insurance Department during 1986 and 1987. These plans provided benefits that were somewhat limited in amount and in the type of services covered. Only a few insurers showed initial interest in writing long term care insurance. In order to encourage more insurers to offer such plans, the Insurance Department did not, at that time, establish minimum standards, but approved the plans under Section 1117 of the Insurance Law, which allowed flexibility in approving innovative products.

In 1991, following a public hearing, the Insurance Department promulgated the Sixteenth Amendment to Insurance Department Regulation 62 (11 NYCRR Part 52), which established minimum standards and set forth disclosure requirements for long term care insurance. The regulations took effect on January 1, 1992.

In establishing the minimum standards, the Insurance Department recognized that long term care insurance should provide a comprehensive range of benefits. The Department was also aware that such a benefit package could price many people out of the long term care insurance market. The Department was also mindful that consumers have differing needs and desires concerning coverage of long term care services. Therefore, in order to allow insurers some flexibility in designing benefit packages to meet the varying needs of the public, and to provide meaningful coverage that is affordable to the greatest number of consumers, the Department established four categories of insurance policies providing long term care type benefits:

1. Long Term Care Insurance must provide at least 24 months of coverage which meets one of the following options:
 - Coverage of all levels of care in a nursing home of at least \$100 per day for policies sold in the New York City metropolitan area (the counties of Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Rockland and Westchester) and \$70 per day for all other parts of New York State; home care coverage of at least 50% of the daily indemnity amount provided for care in a nursing home.
 - Coverage of all levels of care in a nursing home and coverage of home care, both at no less than 60% of the reasonable charge.
 - Coverage of all levels of care in a participating nursing home (one which has contracted with an insurer to provide services to their policyholders) at no less than 75% of the negotiated rate. For non-participating nursing homes, payment must be no less than 50% of the reasonable charge or \$55 per day, whichever is less. Coverage of home care by a participating home care provider at no less than 75% of the negotiated rate. For non-participating home care providers, payment must be no less than 50% of the reasonable charge or \$30 per day, whichever is less.
2. Nursing Home and Home Care Insurance must provide at least 12 months of coverage for custodial care services of at least \$50 a day while confined in a nursing home and coverage for custodial care services in a private home of at least \$25 per day.
3. Nursing Home Insurance Only must provide at least 12 months of coverage for custodial care services of at least \$50 per day in a nursing home.
4. Home Care Insurance Only must provide at least 12 months of coverage for custodial care services of at least \$25 per day in a private home.

The Department evaluated other specified benefits but decided that, in order to keep policies affordable, to allow flexibility for insurers in designing products, and to allow consumers to purchase only the coverage they need, the Department would not mandate that certain benefits be included in the policies, but merely that they be offered. The benefits which must be offered include:

- An inflation protection benefit, which must be offered with all types of policies. The insurer must offer either increased benefit levels of five percent or in proportion to the increase in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, compounded annually. The insurer may also offer guarantees to the insured individual the right to periodically increase benefit levels without providing evidence of insurability or health status so long as the option has not been declined for three consecutive times.

- A nonforfeiture benefit, which must be offered with long term care insurance policies. The insurer must offer reduced paid-up insurance, whereby the insured still retains a long term care insurance policy, with the benefits reduced by a percentage stated in the policy or certificate.

After the promulgation of the Sixteenth Amendment to Regulation 62, the number of insurers in the New York long term care market temporarily decreased, but has since increased. In December 1987, eight insurers offered long term care insurance policies in New York, and by 1991, fifteen carriers had approved individual policies and fourteen insurers had approved group policies for sale in New York. In 1993, one year after promulgation of the regulation, ten insurers were writing individual and four insurers were writing group long term care policies in New York. At the end of 1994, fifteen insurers were writing individual and eight insurers were writing group long term care insurance in New York State. Currently, eighteen insurers are writing individual and seven insurers are writing group long term care insurance in New York State. (See page 12 for current information.)

The Insurance Department has not amended the long term care insurance minimum standards since their promulgation. The current regulation allows the flexibility to develop meaningful policies with benefits geared to specific needs and to provide consumers with necessary protections in the purchase of insurance policies covering long term care services.

The New York State Partnership for Long Term Care Insurance

In an effort to encourage more New Yorkers to purchase long term care insurance, New York established the New York State Partnership for Long Term Care Insurance. Due to many federal regulatory hurdles that had to be overcome, the actual implementation of the Partnership Program did not begin until 1993. The Partnership Program originally provided that New York State residents who purchased a qualified policy or certificate providing long term care insurance would, once the benefits from the policy or certificate were exhausted, become eligible for Medicaid assistance without spending down their assets. Income, however, would still be contributed toward the cost of care, in accordance with regular Medicaid rules.

Under the original Partnership Program, the Insurance Department promulgated Regulation 144 (11 NYCRR Part 39), which established minimum standards for a qualified policy or certificate under the program. The regulations required that the following benefits be provided:

- Coverage of all levels of care in a nursing home of at least \$100 per day for 1993, and increasing by 5%, compounded annually. For 2009, the minimum daily amount for care in a nursing home is \$218.
- Home care coverage must be provided in an amount that is 50% of the minimum required nursing home care benefit. Home care benefits are payable when services are provided in the insured's home, in a group setting such as an adult day care center, or where human assistance is needed to

aid the insured in necessary travel, such as to a physician's office. The home care benefit must cover skilled nursing care, home health care, personal care, adult day care and assisted living care.

- Respite care must be provided for at least 14 days annually and must be payable at the nursing home daily benefit amount.
- Alternate care benefits must be covered when the insured is in a hospital awaiting the availability of nursing home or home care services. Benefit payments must be in the amount of the nursing home daily benefit.
- Inflation protection must be included so that benefits increase by at least 5%, compounded annually, for life. Inflation protection benefits are not mandatory if the policy is purchased at age 80 or over.
- Waiting periods of more than 100 days are not permitted.

The minimum standards and benefit levels under the Partnership Program are more stringent than the minimum standards for non-Partnership policies to protect the viability of the New York State Medicaid Program, which is legally bound to provide benefits on a special eligibility basis after the benefits of the qualified long term care policy or certificate are exhausted.

The Department promulgated the Second Amendment to Regulation 144 amending the minimum standard regulations in 2005 in response to a desire by long term care insurers participating in the Partnership Program to expand the products available under the Partnership to include other product designs. The regulation amendment allowing products with less comprehensive benefits was promulgated after discussions with the Department of Health, the Office of Medicaid Management, and the State Office for the Aging and representatives of insurance companies participating in the Partnership.

Since some of the new products permitted under the Second Amendment to Regulation 144 may provide less comprehensive benefits than the original product, the Partnership Program will now allow persons who purchase Partnership-approved long term care policies to protect all or part of their assets in qualifying for Medicaid assistance once the benefits under the long term care insurance policy are exhausted. The long term care policies which are now approved under the Partnership Program may have maximum policy benefits which are expressed either in the number of days or years of nursing home and home care benefits, or can be expressed as an overall dollar amount which is determined by multiplying the daily benefit amount chosen, times the number of days benefits are to be provided.

The amended regulations required that, in order for long term care insurance policies to be approved under the Partnership Program, they must contain one of the following benefits:

- A lifetime maximum nursing home benefit of at least 1½ or 3 years providing coverage of all levels of care in a nursing home of at least \$218 per day for 2009,

and increasing by 5% compounded annually. If the policy is purchased at age 80 or older, the 5% compound annual increase is optional. The insured must be allowed to substitute home care benefits on the basis of two home care days for one nursing home day.

Home care coverage must be provided in an amount that is 50% of the minimum required nursing home care benefit (\$109 per day in 2009) and is payable when services are provided in the insured's home, in a group setting such as an adult day care center, or where human assistance is needed to aid the insured in necessary travel, such as to a physician's office. The home care benefit must cover skilled nursing care, home health care, personal care and assisted living care.

- A lifetime maximum of either 2 or 4 years, which can be expressed as an overall dollar amount by multiplying the daily benefit amount (\$218 for 2009) times the total number of days of benefits (either 730 or 1,460 days).

The nursing home and home care daily benefit amounts must be at least \$218 for 2009 and increasing by 5% compounded annually. If the policy is purchased at age 80 or older, the 5% compound annual increase is optional. The nursing home benefit must provide coverage of all levels of care in a nursing home. Coverage in an assisted living facility includes nursing care, maintenance or personal care, therapy services and room and board accommodations. The home care daily benefit amount is the same as the nursing home benefit rather than 50% of the nursing home benefit as described in the first option above. The home care benefit must provide coverage for services provided in the insured's home, in a group setting such as an adult day care center, or where human assistance is needed to aid the insured in necessary travel, such as to a physician's office. The home care benefit must cover skilled nursing care, home health care, personal care and assisted living care.

All of these policies must also provide bed reservation benefits, respite care, hospice care, care management and alternate care. Waiting periods for the 1½ or 2 year plan cannot exceed 60 days, and waiting periods for the 3 or 4 year plans cannot exceed 100 days. Certain other optional benefits are available depending on the plan chosen.

Total asset protection is only available with Partnership policies providing 3 or 4 years of benefits. Upon exhaustion of the benefits in the 3 or 4 year plan designs, the insured is able to apply for Medicaid and protect all of their assets. Partnership policies including 1½ or 2 years of benefits provide dollar for dollar asset protection which means that for every dollar of benefits covered under those policies, a dollar of assets will be protected. For all Partnership plan designs, income (in excess of certain basic income amounts Medicaid allows everyone to keep) must be contributed toward the cost of long term care services.

The 1½, 2 and 4 year plans must all be written to qualify for favorable federal and New York State income tax treatment (see discussion of tax qualified plans in section titled "State and Federal Legislation to Encourage the Development of Long Term Care

Plans," below.) The 3 year plan can be written as qualifying for favorable federal and New York State income tax treatment, or it can be written as non-tax qualified (3 year plans issued before January 1, 1997 were issued before tax qualification standards existed, and thus they may be considered tax qualified if federal requirements are met). Currently, 83% of the total market for long term care insurance is non-Partnership policies and 17% is Partnership policies.

State and Federal Legislation to Encourage the Development of Long Term Care Plans

Tax Incentives

In 1996, the federal government enacted the Health Insurance Portability and Accountability Act (HIPAA) which, in part, provided federal tax incentives for purchasing long term care insurance. Pursuant to the law, benefits received by a chronically ill individual under a "qualified" long term care insurance contract are excludable from income if the payments are based on actual expenses incurred.

Generally, for 2009, benefits received under "qualified" policies that pay on an indemnity basis are excludable from income as long as the benefit payments do not exceed \$280 per day and are not in excess of the actual expenses. These caps will be indexed for inflation. Payments in excess of the cap are excludable from income only to the extent of actual costs incurred for long term care services. Amounts received in excess of the dollar cap for which no actual costs were incurred for long term care services are fully includable in income.

Taxpayers who itemize should be aware that, under HIPAA, premiums for "qualified" long term care insurance contracts up to the following specified dollar limits are treated as medical expenses for purposes of itemized deductions (medical expenses must be more than 7.5% of adjusted gross income to qualify for the deduction). The amounts below are the maximum amounts deductible in 2009.

<u>In the case of an individual with an attained age before the close of the taxable year of:</u>	<u>The annual limitation is:</u>
40 or less	\$320
41 to 50	\$600
51 to 60	\$1,190
61 to 70	\$3,180
71 & Over	\$3,980

Under HIPAA, in order for a long term care insurance contract to qualify for the favorable tax treatment, it must:

- Provide only coverage of qualified long term care services;
- Generally not pay or reimburse expenses incurred for services or items that would be reimbursed under Medicare, except where Medicare is a secondary payer, or the contract makes per diem or other periodic payments without regard to expenses subject to federal interpretation of special rules in HIPAA;
- Be guaranteed renewable;
- Provide that refunds (other than refunds on the death of the insured or complete surrender or cancellation of the contract) and dividends under the contract must be used only to reduce future premiums or increase future benefits and;
- Not provide for a cash surrender value or other money that can be paid, assigned, pledged or borrowed.

HIPAA also provides that any contract issued before January 1, 1997, which met the long term care insurance requirements of the state in which the contract was located at the time it was issued, will be treated as a "qualified" long term care insurance contract for federal tax purposes, and services provided under the contract will be treated as qualified long term care services. The "grandfather" status for contracts issued before January 1, 1997 will continue so long as there is no "material change" in the contract on or after January 1, 1997 within the meaning of federal law.

New York also encouraged the purchase of long term care insurance in 1997 by enacting legislation that provided favorable state income tax treatment for those persons purchasing long term care policies that qualify for the federal income tax deduction.

Under the state law, premiums paid for "qualified" long term care policies were deductible to the same extent as under the federal law. The deduction in New York State was taken from federal adjusted gross income. This deduction, therefore, was available even to those taxpayers who did not itemize their deductions. Benefits received under federally "qualified" long term care policies were excluded from income on the same basis as under the federal law.

In 2000, New York repealed this tax deduction for long term care premiums and instead provided for a tax credit equal to 10% of long term care insurance premiums for taxable years beginning January 1, 2002. Also, in 2002, New York amended the Tax and Insurance Laws to permit New York State residents covered under a federally qualified out-of-state group long term care insurance contract to deduct or receive a tax credit equal to 10% of the premium paid on their state income tax returns. Prior to this legislation in order to deduct or receive the tax credit, the New York State resident's premium payment had to be for the purchase of a long term care insurance policy approved by the Superintendent of Insurance in New York State. In 2004, additional legislation was passed increasing the tax credit for long term care insurance premiums from 10% to 20% for taxable years beginning in 2004.

Continuing Care Retirement Communities (CCRCs)

In an effort to promote the development of a broader and more integrated continuum of long term care, financed by a range of private, public and public/private options, New York enacted laws in 1997 that redefined life care communities as a type of continuing care retirement community (CCRC). This law allowed CCRCs to provide less than a lifetime guarantee for nursing facility care as part of their contract. In addition to establishing a process for approval of CCRCs, the law also:

- Streamlined the approval process for residential health care facility beds and licensed home care service agencies operated as part of a CCRC;
- Established a comprehensive and flexible statutory and regulatory framework for an increased number of demonstration programs providing managed care for the elderly and chronically ill population who would not otherwise be served in a special needs plan or other managed care program;
- Made the long term care security demonstration program (the Partnership Program) permanent; and
- Permitted accelerated payment of death benefits under a life insurance policy when the insured is chronically ill and requires long term care services for the duration of his or her life.

CCRCs in New York State offer three different types of life care contracts for their residents. Type A is all-inclusive, Type B provides modified services, and Type C requires fee for service:

- Type A contracts provide housing, residential services, many amenities and unlimited, specific health-related services, including long term care services. If the resident's health deteriorates to the point that they need long term care services or admission to the nursing home, all of the services covered under the contract are provided without an increase in the monthly fee (except for normal operating costs and inflation adjustments). The monthly fee also will not increase due to the amount of services the resident requires.
- Type B contracts provide housing, residential services and many amenities. This contract differs from the Type A contract in the amount of long term care services that will be provided before an adjustment is made in the amount of the monthly fee paid by the resident. For example, under this type of contract, the CCRC could allow residents a specified number of days in a nursing home without a change in the monthly fee. Once this limit is reached, the resident could be required to pay for continued nursing home services on a full per diem basis or a discounted per diem basis.
- Type C contracts cover housing, residential services and amenities under the entrance fee and/or monthly fee in the same way as Type A and B contracts. This contract differs from the other two types of contracts in that all other health related services, including nursing home care, are paid for by the resident as

they are needed on a fee for service basis. Under this type of agreement, the resident pays lower fees upon entry, but in turn accepts the risk of paying for the care needed.

Currently, eleven CCRCs have received a Certificate of Authority from the Commissioner of Health. Nine of these communities are open and are accepting residents. They are:

<u>Name</u>	<u>County</u>	<u>Living Facilities</u>
Canterbury Woods 705 Renaissance Dr. Williamsville, New York 14221-8080 716-929-5817 www.canterburywoods.org	Erie	Independent living units, enriched housing units, nursing home beds
Fox Run at Orchard Park North Buffalo Road Orchard Park, NY 14127 716-662-5001 www.foxrunorchardpark.com	Erie	Independent living units, enhanced housing units, nursing home beds
Glen Arden, Inc. 46 Harriman Drive Goshen, NY 10924 845-291-7822 www.elant.org	Orange	Independent living units, enriched housing units, nursing home beds
Jefferson's Ferry 1 Jefferson Ferry Drive S. Setauket, NY 11720-9800 888-233-1330 www.jeffersonsferry.org	Suffolk	Independent living units, enriched housing units, nursing home beds
Kendal on Hudson One Kendal Way Sleepy Hollow, NY 10591 800-517-8964 www.kohud.kendal.org	Westchester	Independent living units, enhanced housing units, nursing home beds
Kendal at Ithaca 2230 N. Triphammer Road Ithaca, NY 14850 800-253-6325 www.kai.kendall.org	Tompkins	Independent living units, enriched housing units, nursing home beds
Peconic Landing at Southold, Inc. 1500 Breaknock Road Greenport, NY 11944 888-273-2664 www.peconiclanding.com	Suffolk	Independent living units, enriched housing units, nursing home beds

Summit at Brighton 2000 Summit Circle Drive Rochester, NY 14618 585-442-4500 www.summitbrighton.org	Monroe	Independent living units, enriched housing units, nursing home beds
Westchester Meadows 55 Grasslands Road Valhalla, New York 10595 914-989-7800 www.westchestermeadows.org	Westchester	Independent living units, enriched housing units, nursing home beds

Two other CCRCs have been approved to obtain financing and are under construction. The Insurance Department participates with the Health Department and other representatives on the CCRC Council.

Accelerated Death Benefits

In 2005, the Department promulgated an amendment to Insurance Department Regulation 143 that allows insurers to offer consumers the option of accelerating the death benefit under their life insurance policy when the insured is chronically ill and may need additional financial resources to assist with meeting long term care needs and expenses. Access to existing resources such as the death benefit of a life insurance policy and the ability for insurers to provide for alternate ways to meet consumer's increasing long term care needs have become critical. The standards set forth by the regulation provide proper disclosure to consumers and ensure the favorable federal tax treatment for payment of the benefits.

New York Public Employee and Retiree Long Term Care Insurance Plan (NYPERL)

In 1998, New York established the New York Public Employee and Retiree Long Term Care Insurance Plan (NYPERL). NYPERL offers two tax-qualified benefit designs: the New York State Partnership option, which after the exhaustion of a three year nursing home benefit provides for coverage of long term care expenses under the State's Medicaid program, and a non-Partnership option which provides benefits based upon a three year, five year or unlimited benefit period that is selected by the insured at the time of application. NYPERL is administered by the NYS Department of Civil Service, and coverage is provided through MedAmerica Insurance Company of New York.

Participation in the plan is at the option of the employee. All State employees and retirees who are eligible or become eligible for participation in the New York State Health Insurance Plan are also eligible to participate in the Long Term Care Plan. Local governments and other public and quasi-public employers may participate in NYPERL if the employer is eligible for the State's health insurance program and the governing body elects to participate. Coverage remains in effect for employees who terminate employment while participating in the plan as long as they continue paying premiums. The full cost of the plan, including coverage of eligible family members, is paid by the employee or insured person and can be deducted from the employee's salary. Employees who terminate employment while participating in the plan will have the

option to continue the coverage or convert it to an individual policy. State employees and retirees who opt to purchase the long term care coverage are covered under a group policy issued to the State of New York Department of Civil Service. As of the end of December 2008, NYPERL had 4,410 enrollees, of which 3,225 selected the non-Partnership policy and 1,185 selected the Partnership policy. The Insurance Department approved the forms and rates used by MedAmerica Insurance Company of New York for the NYPERL plan.

Long Term Care Study

In 2004, the Legislature required the Department, in conjunction with the State Office for the Aging and the Department of Health, to study and develop investment product options for insurance policyholders to adequately prepare for the costs of long term care. The legislation instructed the agencies to analyze the long term care insurance market, with an emphasis on issues including, but not limited to: affordability, adequacy of benefits, the underwriting process, and dispute resolution.

The Department's first step in completing this legislative mandate was to compile a survey instrument which was sent to all insurers who have marketed long term care insurance in New York State. The questions in the survey were designed to obtain firm data about the development of the long term care insurance market and the current status of the market. Work on this study began upon its commission in the fall of 2004 and was completed in the fall of 2005. The study, entitled "Long Term Care Insurance Options in New York State," was issued in early 2006, and is available at <http://www.ins.state.ny.us/ltc/ltrcpt05.pdf>.

Listings of Authorized Long Term Care Insurers

Long term care insurance plans are no longer considered to be experimental products and have developed into a viable product. Insurers continue to offer a variety of benefit packages containing more comprehensive coverage. Insurers also continue to make innovations to product designs to offer a broader range of coverage.

The insurers, along with the products they are currently selling in New York, are as follows:

Insurer	Individual						Group		
	TQ	LTC	NHO	NH & HC	HCO	P	NP	P	TQ
Allianz Life Insurance Co. on NY	X	X							
American Family Life Assur. Co.	X	X							
Bankers Consec Life Ins. Co.	X	X		X	X				
Berkshire Life Ins. Co.	X	X							
Continental Casualty Company			X				X		X
First UNUM Life Ins. Co.	X		X	X			X		X
Genworth Life Ins. Co. of NY	X	X		X		X	X		X
John Hancock Life Ins. Co.	X	X	X			X	X		X
Knights of Columbus	X		X		X				
Massachusetts Mutual Life Ins. Co.	X	X		X				X	
MedAmerica Ins. Co. of New York	X	X	X		X	X	X	X	X
Metropolitan Life Ins. Co.	X	X	X			X	X	X	X
Mutual of Omaha Ins. Co.	X	X	X						
New York Life Ins. Co.	X	X	X			X			
Northwestern Long Term Care Ins.	X	X							
The Prudential Ins. Co. of America	X	X					X		X
State Farm Mutual Automobile Ins.	X	X							
Transamerica Financial Life	X	X							

TQ = Tax qualified
 LTC = long term care insurance
 NHO = nursing home insurance only
 NH & HC = nursing home and home care insurance
 HCO = home care only insurance
 P = Partnership policy
 NP = Non-partnership policy

It should be noted that insurers are not obligated to inform the Department when they stop selling an approved product. Therefore, the types of policies listed above may not all be available for marketing at the present time. Also, those insurers who market tax qualified policies may also market non-tax qualified policies. This information can be obtained by contacting the insurance carrier.

In 2001, twenty-eight insurers were marketing policies covering long term care services in New York. Currently, eighteen insurers are marketing policies in New York. It is important to note that while the number of insurers is down since 2001, the number of enrollees has modestly increased. It is also important to note that the decrease in the number of insurers is not unique to New York State and, in fact, is occurring nationwide.

Reasons for the general decrease in the number of insurers marketing long term care coverage include the unprecedented number of acquisitions and mergers in the insurance industry, insurers' realization of their long term liability on current long term care sales and their decision to avoid further exposure, and the "labor-intensive" nature of long term care sales.

Factors Contributing to or Impeding the Development Of Long Term Care Plans

Earlier reports discussed five key issues that directly affect the development of, and enrollment in, long term care insurance contracts in New York:

- Consumer Awareness
- Data Needs and Services
- Underwriting and Policy Design
- Regulatory Environment
- Marketing Concerns

Consumer Awareness

Long term care insurers continue to report consumers' lack of awareness of the need for long term care insurance and the misperception that medical insurance, Medicare, and Medicaid will cover these services. Another problem mentioned by insurers in the successful marketing of long term care insurance is that long term care is a subject that makes many people uncomfortable. People often refuse to believe they will need long term care and therefore refuse to plan for future long term care expenses. Educational efforts appear to be lessening this perception and a number of initiatives have been undertaken to increase consumer awareness and knowledge about long term care coverage.

- *Agent/Broker Training*

The New York State Partnership for Long Term Care is taking a novel approach to educating agents and brokers on the Partnership program to improve marketing and to disseminate information on the Partnership Program. The New York State Partnership for Long Term Care Program conducts a mandatory training program for any agent or broker who wishes to become certified to sell a Partnership policy. This training program focuses primarily on the Medicaid program and its relationship to a Partnership policy and offers credits that may be applied to the continuing education credit requirements associated with agent licensure by the Insurance Department. The extent to which the insurer representatives are better educated concerning the Partnership program should stimulate more Partnership sales to persons who consider the purchase of a Partnership product. The Partnership program is also developing a refresher course for agents and brokers who have already completed the mandatory training to enhance their knowledge of the Partnership products.

Various other vendors have received approval from the Insurance Department to conduct continuing education courses on long term care insurance. It is hoped that as agents and brokers become more knowledgeable about the long term care insurance products they will feel more confident in offering them.

It appears that it is more difficult to sell long term care policies as a single sale product, but when considered as an integral part of financial planning, the products can be more successfully marketed. Prudential Insurance Company of America states that in marketing individual policies, some of their agents will partner with financial advisors, estate planners, attorneys, CPAs or other similar professionals to conduct long term care seminars, and that the sales process can typically take two, three or even four meetings before a sale is made. Northwestern partly attributes its marketing success on its distribution network in New York. According to the company, its field staff has quality relationships with their clients who have purchased other coverage from Northwestern Mutual in the past, and the staff has been able to leverage the trust the clients have in the Northwestern to encourage them to purchase long term care insurance.

- *Consumer Awareness Campaigns/Seminars*

Consumer campaigns and seminars have also been used to raise awareness of the need to plan for long term care. Several insurers indicated that they participate in the “Own Your Future” campaign started by the Department of Health and Human Services in January 2005 to increase consumer awareness and planning for long term care. A few insurers also stated that they participate in Long Term Care Awareness Month (November). Other insurers highlighted their consumer seminars that agents, brokers and financial representatives host as a way of educating the public for the need for planning for long term care and long term care insurance. A few of the insurers stressed that their informational seminars are the main marketing tool available to agents or brokers and is an efficient way to educate the public on the benefits of long term care insurance. Other insurers utilize their website to provide consumer education material directly to the public. Prudential Insurance Company of America uses a tool on their website entitled “Long-Term Care Learning Center,” to educate consumers about the costs, myths, planning, and funding alternatives for long term care. Genworth Life Insurance Company of New York stated that they partner with the Alzheimer’s Association and join them in their Memory Walk to raise awareness for the disease and the need for long term care.

New York also undertook its own statewide media campaign in 2008, using “Plan Ahead NY,” to promote the purchase of long term care insurance, including the Partnership for Long Term Care products, by New York residents ages 40 to 65. The media campaign ran from February through April 2008 and included television, radio and magazine ads and an insert mailed with New York Department of Motor Vehicles’ registration renewals. A few insurers noted the success of this campaign in generating interest in long term care insurance, especially Partnership long term care insurance.

John Hancock uses various means to inform the public of the need for long term care insurance including educational seminars hosted by local sales representatives, awareness brochures concerning long term care and benefit of long term care insurance, the company Internet website containing information on the need for LTC insurance, and prospecting materials, letters focused on specific benefits that will protect policyholders in the event of a long term care need.

- *Consumer Brochures/Materials*

Currently, a great deal of information is available to consumers on long term care insurance plans. The Insurance Department's website offers information on long term care insurance, including a sample premium rate calculator with Partnership and non-Partnership options. The Insurance Department also updated the consumer guide in December 2008 entitled, "A Consumer's Guide to Long Term Care Insurance" which provides information on benefits and features currently available in the New York market, selecting an insurance company and other sources of information and assistance. The New York State Partnership for Long Term Care publishes a "Consumer Booklet – Affordable Financing for Long-Term Care." The Partnership booklet provides information on planning for long term care expenses, the New York State Partnership for Long Term Care, how to choose a long term care policy, and a worksheet for comparing long term care policies. The Partnership also issues a consumer brochure entitled "Medicaid Eligibility and the Treatment of Income and Assets under the New York State Partnership for Long Term Care." These publications are available from the New York State Department of Health.

A publication developed jointly by the National Association of Insurance Commissioners (NAIC) and the Centers for Medicare and Medicaid of the U.S. Department of Health and Human Services entitled, "2009 Guide to Health Insurance for People with Medicare," contains information indicating that Medigap policies do not cover long term care. The NAIC also has available "A Shopper's Guide to Long-Term Care Insurance" which provides advice on whether or not you should buy long term care insurance, worksheets to assist consumers in obtaining information on the availability and cost of long term care services, how to compare long term care insurance policies, and facts consumers should have available concerning any long term care policy they purchase. This guide was updated in January 2009.

Besides traditional brochures, insurers have also developed videos to educate consumers on the need for long term care insurance. John Hancock sponsored an educational video created by Kiplinger's entitled "Who Cares? Kiplinger's No-Nonsense Look at Long-Term Care and How to Pay for It." The video assists the viewers in determining how to meet the financial challenges of long term care, and was used by John Hancock's producers and is posted on its website to assist group clients.

Metropolitan Life has built general consumer awareness of long-term care planning issues through its Mature Market Institute (MMI), a comprehensive resource on aging, retirement, long-term care and the mature market. MMI commissions studies and polls, working with professional researchers and others to identify trends and patterns in the work of aging. These studies are on topics such as caregiving, including its impact on employed caregivers and the workplace, home care, nursing home and assisted living cost of care studies, retirement living and the aging workforce. MMI has also developed a series of consumer communication materials regarding long-term care planning and long-term care insurance, including a consumer guide entitled "Long-Term Care Insurance: The Essentials," and other resource guides on caregiving and other topics important to the mature marketplace. Also, MMI conducts workshops and seminars in addition to producing publications, often in partnership with national organizations and other experts.

- *Consumer Awareness of Tax Benefits of Long Term Care Insurance*

Insurers also indicated that publicity generated by the enactment of federal and state laws providing for favorable tax treatment for qualified long term care policies has helped focus the public's attention on long term care issues. Insurers in general felt that the favorable tax treatment sends a positive message to consumers, but some disagreed on the impact the tax deductions have had on sales. Most insurers stated that the federal tax incentives are so limited that they have had no effect on sales. A few insurers indicated that they focus their marketing efforts surrounding federal tax deductions to small business owners since the benefits for them are more significant, and have indicated a small amount of success in this effort.

For individuals, the federal deduction allows LTC premiums to be deducted if the insured's medical expenses exceed 7.5% of the adjusted gross income. This deduction impacts less than 4% of people who have purchased LTC. If a "top line" deduction were allowed, it would provide an incentive for many more people to purchase LTC coverage. Insurers agreed that pre-tax deductibility for long term care premiums and the inclusion of group long term care insurance in Cafeteria Plans (Section 125 of the Internal Revenue Code) would have a major impact on encouraging sales of long term care insurance.

John Hancock Life Insurance Company indicated that the New York income tax credit helps consumers in New York understand the government in effect supports the sale of private long-term care insurance. They also indicated that the availability of the credit, and the increase of it over the past years to 20%, is a positive message to consumers who are considering the purchase of long term care insurance.

Some companies use the tax incentives in their marketing materials. However, most insurers also agreed that the New York State tax credit, while providing a positive message on purchasing long term care, has had little impact on their sales because they were unable to isolate the effectiveness of such incentives on sales. Another insurer indicated that consumer awareness of the availability of the New York State income tax credit is low due to lack of publicity. Overall, insurers indicated that the New York income tax credit is a useful tool during the sale of long term care insurance.

- *Marketing in New York Compared to Other States*

While confusion over the need for long term care insurance is still a problem nationwide, some insurers reported that New York State consumers are more informed about the need for such coverage than consumers in other states. Insurers were asked to compare their sales in New York State with their marketing success in other states. Their responses follow:

Insurer	Response
Aflac	Each state is about the same, Aflac has had limited success selling long-term care at the worksite.
Allianz	Our success in New York is less compared to other states due to not selling a Partnership policy in New York.
Bankers Consec Life	New York is still a new market for the career agents of Bankers Consec Life Insurance Company. We anticipate an increased response rate to our direct mail campaign and an overall increased interest in our local branch advertising campaign.
Continental Casualty	We market in all states, and consider New York one of the more successful states for our business. Within our book of business, New York ranks third in number of group contracts in force and sixth in number of certificates in force and fifth in total premium. Based simply on its size, we would expect New York to be a very large market for our product. However, the number of large businesses located in New York, as well as the high average premium sold there, makes it more successful than expected.
First Unum Life Insurance Company	Due to the size of the population, New York represents a significant LTC market for Unum. However, to date Unum has not achieved the level of sales results desired in this market. We believe the primary contributing factor is the lack of communication by brokers to employers and individuals. Some of this is due to the lack of broker receptivity to marketing LTC and confusion around the long term care product in general. New York has a requirement that no other states have, and that is to distinguish between Long Term Care or Nursing Home and Home Care. The amount of coverage elected determines the product name that must be used. This can cause confusion for the consumer as well as requiring multiple sets of marketing materials that must be presented by an insurance carrier. Unum has had much more success on the west coast with regard to marketing long term care than in any other region of the country. One of the key reasons for success is the focused attention by brokers on the marketing efforts. Many brokers specialize in the long term care product allowing for the focus that is necessary to be successful.
Genworth Life Insurance Company of New York	New York continues to be one of our leading states in terms of sales, which we attribute to the promotion of the state partnership program. We view the promotional efforts undertaken in New York as a "best practice" for other states.
John Hancock	Individual: Our figures show that New York was the second highest producing state for John Hancock individual policy sales in 2008. As of the first quarter of 2009, New York is the top producing state. It is perceived that New Yorkers have a higher level of awareness of the need for this type of insurance than many other parts of the United States. A key difference in the success of marketing in New York is the relatively concentrated number of producers doing business in that state compared to others. We also believe the promotional efforts of the New York Partnership Program and the promotion of the Plan Ahead NY campaign by the governor through media campaigns and mailings in 2008 contributed to the awareness of why long-term care insurance may be worth considering, and this has also helped non-Partnership sales.

Insurer	Response
	<p>Group: Enrollment success in the group market is largely dependent upon the type of employer, the employee culture/work environment, the level of support and endorsement of the plan and employee demographics (e.g., average age and salary). However, a recent study of several carriers enrollment results by region, showed the Northeast with the lowest enrollments overall. One reason for this may be from a higher average salary range in the Northeast where perhaps consumers may feel they can self-insure in the event of a LTC situation. John Hancock's group client list includes 93 New York-based clients; in general, there are no differences in marketing techniques between one state and another.</p>
Mass Mutual	<p>Our product is marketed in all jurisdictions including Puerto Rico. We deem our marketing efforts to be successful in New York in part due to (1) the density of our target market population, (2) the presence of multiple MassMutual agencies, (3) the higher number of producers concentrated in that geographic area, and (4) the NYS tax credit.</p>
MetLife	<p>Our experience shows participation rates in New York are comparable to those in other areas of the country.</p>
Mutual of Omaha	<p>Marketing results vary by the degree of emphasis placed on the long term care products in the various offices – no real differences noticed by state.</p>
New York Life	<p>With our headquarters based in New York State and the New York name in our name, we enjoy great brand recognition in New York.</p>
Northwestern Long Term Care	<p>There are a number of issues that have limited our marketing efforts in the state. The biggest issue is probably the high cost of care throughout the state of New York. This has led to our average policy size and cost to be much higher in New York than in the nation overall. These higher results could put more pressure on middle-class purchasers who are not able to buy a product that provides all the benefits they desire. There is anecdotal evidence that suggests that these individuals are seeking out lower premium plans from companies that offer lower rates in exchange for the high financial ratings that are part of the Northwestern value proposition. The challenges indicated have led us to sell a relatively low number of policies compared to the population of the state, i.e. our penetration rate in New York is lower than our national average. Although the relatively large policy size puts New York in our top states in terms of premiums sold, we hope to improve our penetration rate for long-term care sales in coming years.</p>
Prudential	<p>We believe our marketing success in New York to be on par with our success in other states. Prudential's premiums for individual LTCL in New York are generally lower than our most common national premiums. As of 12/31/08 in force policy count that combines group and individual policies/certificates shows New York as being Prudential's most prolific state, followed by New Jersey, Ohio, California and Illinois.</p>
State Farm	<p>We are not as successful in marketing long term care insurance in New York state as we are in other states. Perceived reason for this is we do not offer a partnership plan.</p>

While it appears that more needs to be done in educating the public on long term care issues, it is evident that government and long term care insurers have continued their efforts and made progress in this area.

Data Needs and Services

Since long term care policies have been sold for about twenty years in New York State, the need for data has become less critical. Experience data is now credible and extensive. As insurers have been able to obtain more data, they have revised their long term care policies to make the benefits more comprehensive and offer a greater number of optional benefits to policyholders.

More and more insurers are now offering paid-up policies, which can allow an insured to complete his or her premium payment obligations in a specific amount of time, as compared to a long term care insurance policy that is payable for life. The premiums for these policies is higher than for a long term care policy that is payable for life.

All Northwestern Long Term Care Insurance Company policies are now participating policies and provide the flexibility to pay dividends in the form of premium reductions if experience proves to be more favorable than pricing expectations.

Underwriting and Policy Design

The necessity of adequate underwriting controls in the writing of long term care policies remains a major concern. Individual long term care policies are medically underwritten through the use of medical questionnaires or assessments at the time of application. For group long term care policies that are offered to employees as well as parents, grandparents and retirees, many insurers conduct minimal underwriting for active employees, with more detailed underwriting for others. Some insurers will accept newly hired employees without evidence of insurability provided that they are actively at work on their effective date and they enroll within ninety days of hire. As mentioned earlier, under NYPERL, the long term care plan for New York State employees and their families, long term care coverage was offered under a 60-day open enrollment period without proof of medical eligibility for employees.

Most insurers do not impose pre-existing condition limitations in long term care policies, although some do impose such limitations for conditions not disclosed on the application. The most common provisions used in determining eligibility for benefits in long term care policies which are not tax qualified, are medical necessity, the inability to perform a specified number of activities of daily living or a cognitive impairment. For tax-qualified policies insurers must adhere to the requirements under HIPAA for benefit eligibility triggers that the individual is chronically ill as defined by HIPAA.

The vast majority of policies now being sold in New York are policies that pay up to a fixed sum for each day of nursing home confinement or a portion of the fixed reimbursement for other long term care services. As was stated in earlier reports, in 1989, Finger Lakes Long Term Care Insurance Company (now MedAmerica Insurance Company of New York) received approval of a comprehensive long term care policy

under which the company contracted with certain nursing homes and home health care agencies to provide services to its policyholders and paid benefits on the basis of a certain percentage of the negotiated rate. Finger Lakes made a corporate decision to stop selling the policy, since the high cost of the coverage prevented the company from successfully marketing the coverage.

Insurers continue to develop and offer new long term care benefits either as part of the long term care policy or through the purchase of optional riders. Some of these innovative benefits include:

- Allianz Life Insurance Company of New York allows policyholders to receive benefits that are a combination of cash and reimbursement. This option creates greater flexibility, plus allows the insured to use their benefits to receive the care at home as long as possible. The Enhanced Coverage Option allows the insured to increase their coverage every five years without additional underwriting. The insured has the option to increase their daily benefit, increase their benefit period or decrease the elimination period to fit their needs. Allianz also offers 130% home care benefit and various payment options.
- Bankers Consec Life Insurance Company allows applicants to choose from a variety of optional benefit riders, such as Lifetime Inflation Protection, Survivor Maximum Benefit Increase Rider, Paid-up Survivorship Benefit Rider, Return of Premium, and Limited Premium Payment Rider. They also automatically include a Guaranteed Purchase Option if the insured doesn't elect either simple or compound inflation protection at time of application. They also offer married couple premium discounts to encourage the purchase of long term care insurance.
- Continental Casualty Company (CNA) offers a core/buy-up product in which the employer contributes to a basic "core" amount of coverage and employees "buy-up" additional amounts on a voluntary basis. CNA also has a Guaranteed Benefit Option which provides inflation protection increases on a voluntary basis rather than building the cost in like automatic inflation protection features. They also offer a shared lifetime maximum benefit to allow couples access to a longer lifetime maximum, if needed, at a lower cost than buying the longer lifetime maximum for each person.
- Genworth Life Insurance Company of New York has introduced a low cost policy built like major medical health insurance employing deductibles and coinsurance. It allows consumers to purchase dollars of coverage rather than years of benefits. Genworth has also received approval from the Department for a product that combines life insurance with long term care insurance, and has submitted a product that combines a deferred annuity with long term care insurance. They believe that these hybrid products help alleviate a key consumer issue regarding the "use it or lose it" nature of long term care insurance.
- John Hancock Life Insurance Company offers unlimited automatic inflation coverage linked to the consumer price index to keep pace with the prices of

goods and services in our economy on a level premium basis. They also offer caregiver support services that provide policyholders and their families access to advice, resources, provider quality reports and discounts. John Hancock also offers consumer protection provisions, including an Alternative Services Benefit and an independent third party review, to give the policyholder the reassurance that they need at the time of purchase and at the time of claim.

- MassMutual offers a number of competitive features including: 3-pool shared care benefit, third party ownership, lifetime benefit, indemnity and reimbursement, Alternative Plan of Care coverage, return of premium options and care coordination.
- Metropolitan Life Insurance Company has recently received approval from the Department for a new individual product that offers innovative and simple ways to meet consumers' specific long term care needs, whatever their stage of life. One of the features of this product is a Guaranteed Purchase Option, which guarantees clients' insurability for future coverage increases, which can be made once every three years up to age 65.
- Mutual of Omaha offers several less expensive inflation options and limited pay options so the policy is paid up at retirement. Mutual of Omaha has a product currently pending before the Department that has innovative features such as a cash benefit.
- New York Life Insurance Company has a Consumer Price Index Urban Benefit Increase Rider that offers significant advantages over traditional forms of inflation protection. This rider allows for much lower initial cost of coverage, lessening the barrier to the initial sale, while offering affordable increases in coverage to account for increases in the cost of care.
- Northwestern Long Term Care Insurance Company offers a survivorship benefit that allows the insureds' policies to be "paid up" if their spouse dies regardless of whether both husband and wife paid premiums for a certain amount of years or either were in claim status at one point in time.
- Prudential Insurance Company of America has developed and launched a product that provides a simplified approach to acquiring coverage, as the number of decisions around the coverage is drastically reduced. Prudential expects this product to appeal to agents and brokers who are not experts in long term care insurance but recognize the importance of long term care insurance in their clients' financial planning. The product is available in fifteen states, and is currently pending before the New York State Department of Insurance.
- Prudential is also running a pilot program whereby they use agents to find potential insureds, conduct need analyses and sell the appropriate level of coverage, but use a vendor to collect answers to the medical and health history portion of the application. This use of an outside vendor allows agents or financial advisors to avoid having to engage in awkward conversations

concerning medical background, prescriptions, and medical tests, with long-standing clients with whom they have had other financial relationships.

Insurers are now exploring combining other types of insurance, i.e., disability income, life and annuities, with long term care insurance to encourage the purchase of the long term care coverage. Two insurers have received approval for a combination life insurance and long term care insurance product. The Insurance Department has also approved a rider that allows an individual disability income policy purchaser to purchase a rider with an option to buy a long term care insurance policy in the future without being subject to underwriting at the time of purchase of the long term care policy. Therefore, even if the person is no longer in good health, they would be able to purchase long term care insurance.

Regulatory Environment

The Insurance Department has continued to make every effort to encourage the development of long term care coverage through priority review of long term care contracts submitted for approval. The Department, while continuing to monitor the need for amendments to the minimum standards regulation, has determined that the current regulation provides necessary protections, while allowing insurers flexibility in designing products.

In order to assist insurers in submitting long term care products to the Department for approval and in order to expedite the approval of the policies, the Department has developed product outlines for individual tax qualified, non-Partnership long term care insurance policies and tax qualified nursing home and home care, nursing home only, and home care only insurance policies and has posted them on the Department's website. The Department has also completed checklists for group tax qualified, non-Partnership long term care insurance policies and tax qualified nursing home and home care insurance. Insurers are also eligible to use the Department's Speed to Market process in order to secure expedited approval of these products. The Department has also developed checklists for these policies which goes through each step of submitting policies for approval, including the filing process, requirements for tax-qualified policies, the application, conditional receipt/interim insurance agreement, required disclosure form, general reminders, review of product outline, actuarial requirements for new products and actuarial requirements for existing products.

The Insurance Department has also worked with the Office for the Aging and the Department of Health in implementing the Long Term Care Partnership and has established a toll-free number (1-888-NYS-PLTC) within the Insurance Department for inquiries on the program. The Insurance Department has worked with the Health Department, which is the lead agency for the Partnership program, on modernizing the benefits under the Partnership program in order to make them more marketable in the current environment.

As was mentioned earlier in the report, the Legislature established the New York Public Employee and Retiree Long Term Care Insurance Plan (NYPERL) in 1998, which has made available a group long term care policy for all State employees who are eligible or become eligible for participation in the New York State Health Insurance Plan.

MedAmerica Insurance Company of New York provides the coverage. The Insurance Department approved the forms and rates for MedAmerica Insurance Company of New York in May 2001, and the Long Term Care Insurance Plan became operational in late 2001. Participation in the Long Term Care Insurance Plan is at the option of the employee. State employees and retirees who opt to purchase the long term care coverage will be covered under a group policy issued to the State of New York Department of Civil Service. Coverage remains intact for employees who terminate employment while participating in the Long Term Care Insurance Plan as long as they continue to pay premiums. The full cost of the Long Term Care Insurance Plan, including coverage of eligible family members will be paid by the employee or insured person and can be deducted from the employee's salary. Local governments and other public and quasi-public employers may participate in NYPERL if the employer is eligible for the State's health insurance program and the governing body elects to participate.

Marketing Concerns

Insurers cited several factors as impeding the development of enrollment in long term care insurance policies. As with prior reports, insurers cited a general lack of knowledge about long term care insurance, perceived affordability issues, confusion about what Medicare/Medicaid covers and the widespread perceived lack of need as factors impeding the development of enrollment. These barriers appear to persist and are common nationwide.

Also, due to the economic downturn starting in September 2008, many insurers cited, in addition to the specific factors listed below, the economy as impeding the sale of long term care insurance. High unemployment and the overall economic downturn have forced consumers to make difficult choices with their dollars. Potential insureds are analyzing and deciding how to allocate shrinking income as well as their depleted liquid assets (401k, etc), and some choose not to purchase long term care insurance at this time.

A few insurers cited more specific factors as impeding the development of enrollment in their long term care insurance policies. They are as follows:

- Allianz cited their lack of selling a Partnership policy as an impediment to enrollment in New York.
- CNA stated that the group long term care business faces many of the same barriers as individual long term care (e.g., lack of awareness, perceived affordability issues). The company also believes that there are certain issues that are unique to the group market. First, federal regulatory prohibitions on pre-tax deductibility and the ability of employers to include group long term care in cafeteria plans are major obstacles. Also, Partnership plans have not proven effective in the group market, since the administrative overhead and required plan designs make them difficult to support and market in the group setting.
- First Unum stated that the lack of access to employees to communicate the need for long term care insurance is the greatest impediment to enrollment. Without access, very little success is achieved in educating the consumer on the need for

long term care insurance. First Unum also found that when the employer pays for a base level of coverage in the group long term care insurance, then the employees are far more engaged in the enrollment and more likely to purchase higher levels of coverage.

- John Hancock stated that impediments include the fact that the actual long term care insurance program the employer chooses for its employees must be submitted in many states beyond the situs state. This can be cumbersome with larger clients who have employees in many states, and who impose tight deadlines for the roll out of the employer's group plan nationally. John Hancock also noted that long term care insurance does not have favorable tax status like other voluntary benefit programs (ex. 401(k) plans). John Hancock would support the inclusion of the benefit in Flex Spending Accounts or an above the line federal tax deduction to encourage the sale of long term care insurance.
- MedAmerica is of the belief that the major impediments are individuals' belief their health insurance and disability insurance cover long term care.
- MetLife cited the changing regulatory environment surrounding long term care insurance as hurting the development of enrollment.
- Northwestern believes that an impediment to the sale of long term care insurance is the limitation on employers paying the full cost of the discounted long-term care premium on individually issued policies.
- Prudential stated that the biggest marketing obstacles facing most insurers are the expense and complexities of the products.

Success of Marketing Policies Under the New York State Partnership for Long Term Care

Insurers again reported mixed results on the success of marketing long term care policies that qualify under the New York State Partnership. CNA and New York Life indicated that they were less successful in marketing long term care policies qualifying under the Partnership than other long term care products. New York Life stated that their producers have said that the Partnership plan helps create a willingness to learn more about New York Life and long term care insurance, but that it does not necessarily translate into Partnership sales.

CNA also reported that they have sold approximately 19 times as many non-Partnership as Partnership certificates in New York State in the group market. They stated that the primary barrier to marketing Partnership plans is the requirement to offer a core plan including automatic compound inflation protection. They stated that many employers have employees in other states or want to offer a less expensive option without the automatic inflation protection. Further, they stated that employers are not usually able to offer more than three or four plan options, so employers may choose to drop the Partnership option.

Other insurers have had more favorable results with Partnership long term care insurance. MetLife has four individual Partnership policies and one group Partnership policy marketed through an employer group. They stated that they believe the interest in the New York State Partnership program is generally good.

Genworth also expressed more favorable experience with the Partnership program. They stated that the “Plan Ahead NY” campaign has yielded positive results. Their marketing organization has found the Partnership beneficial for direct mail awareness/lead generation campaigns and that the inclusion of Partnership material significantly outperforms designs that do not mention the Partnership, due to the inherent value of the Partnership program and the awareness raised by the “Plan Ahead NY” campaign.

John Hancock also cited the “Plan Ahead NY” campaign and the marketing done by the New York Partnership for Long Term Care office as assisting their own marketing efforts and promoting sales. In 2008, Partnership policies accounted for an average of 46% of John Hancock’s total long term care insurance sales in New York, a 10% increase over 2006 and a 5% increase over 2007. They attribute this growth in part to the impact the awareness campaigns have had in New York.

Recommendations and Anticipated Actions to be Taken By the Insurance Department

There has been a decrease in the number of insurers selling long term care insurance in New York State and nationwide, but an increase in the number of both in-force non-Partnership policies and in-force Partnership policies. In order to continue to encourage insurance companies to offer, and consumers to purchase long term care insurance, the Department has the following recommendations:

- The New York State Insurance Department, Department of Health and Office for the Aging should continue their efforts to inform the public of the limitations of existing health insurance contracts and governmental programs as they relate to long term care services, the favorable federal and state income tax treatment of premiums and favorable income tax treatment of benefit payments for tax qualified long term care insurance, and the advantages of purchasing a long term care policy qualifying under the New York State Partnership. An intense, concerted, long range consumer education campaign is essential to effectuating a culture change with respect to the private financing of long term care services.
- New York’s tax credit for long term care premiums provides a substantial benefit to New Yorkers. New York State should increase its efforts to educate the public that the state will support their efforts to plan for the future by paying 1/5 of the bill for their long term care insurance premiums, and that the credit is available to anyone paying premiums. Therefore, children who pay for coverage on behalf of their parents can take advantage of this tax credit.
- The federal government should be encouraged to allow an above-the line deduction or tax credit for long term care premiums and allow long term care

insurance to qualify as part of a Cafeteria Plan under Section 125 of the Internal Revenue Code to allow before-tax deduction for premiums.

The Department will take the following actions:

- Continue to review the minimum standards for the form, content and sale of long term care insurance, and amend them as necessary;
- Periodically update the Department's Consumer Guide for Long Term Care Insurance;
- Continue to work with the Department of Health and Office for the Aging in publicizing and answering questions from the public on the New York State Partnership for Long Term Care;
- Continue to provide information and assistance to senior citizens concerning Medicare supplement insurance, long term care insurance and other coverages available to senior citizens; and
- Continue to provide guidance to the industry and to engage in prompt discussions between the industry and the Department with regard to the marketing of long term care insurance.

APPENDIX 1

Number of Non-Partnership Long Term Care Policies In-force in New York As of December 31, 2008

	Policy					No. of Persons Covered in NY					
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
Aetna Life Insurance Company*	GR-700	12/14/1994		X	55	845	752	534	142	12	2,285
	TOTALS			0	1	55	845	752	534	142	12
Allianz Life Insurance Company of New York**	GSC-1800-PL	5/8/1992		X	8	0	0	1	6	1	8
	10-P-Q-NY	10/3/2005	X		954	13	125	492	258	66	954
	TOTALS			1	1	962	13	125	493	264	67
American Family Life Assurance of New York	NY-20000	3/15/1991	X		6	0	1	2	2	1	6
	NY-21000	1/21/1992	X		65	0	5	17	39	4	65
	NY-22000	1/21/1992	X		44	0	0	7	29	8	44
	NY-27000	9/16/2002	X		150	50	87	56	0	0	193
	TOTALS			4	0	265	50	93	82	70	13
American Independent Network Insurance Company of New York*	PF2600NY	10/28/1998	X		555	3	58	187	256	51	555
	ALP1(NY)	10/12/1999	X		58	0	1	9	30	18	58
	ALP2(NY)	10/12/1999	X		11	0	2	3	5	1	11
	ALP1(NY)-TQ	10/21/1999	X		61	0	3	12	23	23	61
	ALP2(NY)-TQ	10/21/1999	X		30	0	3	10	12	5	30
	IL4-1(NY)	2/15/2000	X		667	5	26	108	332	196	667
	IL4-2(NY)	2/15/2000	X		30	0	6	7	14	3	30
	IL4-1-TQ(NY)	2/25/2000	X		217	0	7	33	88	89	217
	IL4-2-TQ(NY)	2/25/2000	X		23	0	3	3	9	8	23
	LTCTP6500NY-AI	10/4/2000	X		159	2	12	56	74	15	159
	PF3(NY)	7/19/2005	X		6	0	0	5	1	0	6
	PF3-TQ(NY)	7/19/2005	X		94	1	15	45	29	4	94
TOTALS			12	0	1,911	11	136	478	873	413	1,911

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
American International Life Assurance Company of New York*	64391-NY Non-TQ	7/14/1998	x		288	6	37	110	100	35	288
	64391-NYTQ	7/14/1998	x		257	2	20	130	74	31	257
	TOTALS			2	0	545	8	57	240	174	66
American Progressive Life and Health Insurance Company of New York*	ANH-86	1986	X		25	0	2	5	15	3	25
	HHC-800	Mar-95	X		420	0	4	68	237	111	420
	NHHH-700	Jul-96	X		79	0	6	29	32	12	79
	NHO-700	Jul-96	X		49	0	0	7	24	18	49
	CERT-HHC	Jul-97	X		44	0	0	3	22	19	44
	CERT-NHHH	Jul-97	X		5	0	1	2	1	1	5
	CERT-NHO	Jul-97	X		3	0	0	2	0	1	3
	QC-HHC	Jul-97	X		22	0	0	2	13	7	22
	QI-HHC	Jul-97	X		255	0	3	40	119	93	255
	QI-NHHH	Jul-97	X		43	0	3	10	21	9	43
	QI-NHO	Jul-97	X		48	0	0	9	34	5	48
	HHC 1/98	Jan-98	X		1,113	1	23	139	560	390	1,113
	APRLTNQ (3/99) NY	6/30/1999	X		57	4	4	23	18	8	57
	APRLTCQ (3/99) NY	6/30/1999	X		107	9	20	23	47	8	107
	PR-NHO	Oct-00	X		48	0	4	22	18	4	48
	PR-NHOQ	Oct-00	X		91	1	13	38	34	5	91
	TOTALS			17	0	2,409	15	83	422	1,195	694
Aviva Life & Annuity Company of New York (prev. John Alden)*	NY-5762-P	2/27/1995	X		125	6	37	53	37	4	137
	NY-5762-P(Q)	2/27/1995	X		25	0	3	7	3	0	13
	TOTALS			2	0	150	6	40	60	40	4
Bankers Conseco Life Insurance Company (prev. Conseco)	ATIC-LTC-10-NY	10/8/1996	X		22	0	1	6	16	2	25
	ATIC-LTC-6-NY	1/13/1997	X		379	2	35	175	242	38	492
	ATIC-LTC-6B-NY	5/31/1997	X		146	0	9	55	86	17	167
	ATIC-FQ-LTC-NY	3/4/1998	X		1,377	9	219	615	707	228	1,778

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	BLNY-GR-N520	4/28/2006	X		20	1	2	7	16	2	28
	BLNY-GR-N540	4/28/2006	X		0	0	0	0	0	0	0
	BLNY-GR-N550	4/28/2008	X		37	0	4	17	18	5	44
	BLNY-GR-N500	9/12/2007	X		137	0	7	36	95	37	175
	TOTALS		8	0	2,118	12	277	911	1,180	329	2,709
Berkshire Life Insurance Company of America	BGO1P(06/04)-NY	6/30/2004	X		576	67	340	398	83	6	894
	BGO2P(06/04)-NY	6/30/2004	X		2	0	0	2	0	0	2
	BGO3P(06/04)-NY	6/30/2004	X		127	29	94	85	6	1	215
	BGO4P(06/04)-NY	6/30/2004	X		0	0	0	0	0	0	0
	BGO5P(06/04)-NY	6/30/2004	X		10	5	11	2	0	1	19
	BGO6P(06/04)-NY	6/30/2004	X		0	0	0	0	0	0	0
	TOTALS			6	0	715	101	445	487	89	8
CIGNA Life Insurance Company of New York (prev. Connecticut General)*	TL-001445	4/20/1990		X	1	0	19	65	93	9	186
	TOTALS		0	1	1	0	19	65	93	9	186
Combined Life Insurance Company of New York*	44515	9/8/1998	X		124	5	17	52	43	7	124
	TOTALS		1	0	124	5	17	52	43	7	124
Continental Casualty Company	P1-59806-A31	11/23/1988	X		350	0	58	162	128	2	350
	P1-15203-A31	12/13/1991	X		1,025	7	232	446	303	37	1,025
	P1-16356-A31	12/13/1991	X		47	0	23	24	0	0	47
	P1-18876-A31	5/4/1995	X		232	3	34	84	92	19	232
	P1-18878-A31	5/4/1995	X		4	0	1	2	1	0	4
	P1-21295-A31	5/19/1995	X		424	6	54	190	149	25	424
	P1-21300-A31	5/19/1995	X		840	20	177	382	235	26	840
	P1-21305-A31	5/19/1995	X		15	1	0	8	5	1	15
	P1-N0022-A31	2/28/1997	X		1,037	8	121	432	391	85	1,037
	P1-N0023-A31	2/28/1997	X		3	0	0	1	2	0	3
	P1-N0026-A31	2/28/1997	X		2,272	40	410	1,058	679	85	2,272

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	P1-N0027-A31	2/28/1997	X		11	1	6	3	1	0	11
	P1-N0030-A31	2/28/1997	X		28	0	5	10	10	3	28
	P1-N0034-A31	2/11/1997	X		76	1	4	30	31	10	76
	P1-N0075-A31	5/27/1999	X		2	0	0	1	1	0	2
	P1-N0080-A31	5/27/1999	X		14	2	0	5	5	2	14
	P1-N0081-A31	5/27/1999	X		2	0	0	2	0	0	2
	P1-N0085-A31	5/27/1999	X		105	2	15	47	36	5	105
	P1-N0086-A31	5/27/1999	X		2	0	0	0	1	1	2
	P1-N0090-A31	5/27/1999	X		35	0	3	14	14	4	35
	P1-N0091-A31	5/27/1999	X		1	0	0	1	0	0	1
	P1-N0095-A31	5/27/1999	X		558	2	82	251	164	59	558
	P1-N0100-A31	5/27/1999	X		4,140	121	1,085	2,072	785	77	4,140
	P1-N0101-A31	5/27/1999	X		6	0	3	3	0	0	6
	SR-LTCP-31	9/16/1992		X	52	3,090	2,889	1,625	389	39	8,032
	GLTC-3-P-NY-01	3/5/2003		X	5	347	453	367	35	4	1206
	TOTALS		24	2	11,286	3,651	5,655	7,220	3,457	484	20,467
First United American Life Insurance Company*	NYNH2	1/31/1989	X		11	0	1	5	5	0	11
	NYNH3	1/31/1989	X		69	0	2	27	37	3	69
	TOTALS		2	0	80	0	3	32	42	3	80
First Unum Life Insurance Company	LTC5092	1/29/1993	X		2	0	0	2	0	0	2
	LTC5192	1/29/1993	X		16	2	7	6	1	0	16
	LTC5292	1/29/1993	X		4	2	2	0	0	0	4
	LTC5392	1/29/1993	X		7	0	2	4	1	0	7
	LTC5492	1/29/1993	X		2	0	2	0	0	0	2
	LTC5592	1/29/1993	X		63	13	10	19	15	6	63
	NH94	12/30/1994	X		1,056	38	220	442	309	47	1,056
	NH94FQ	10/23/1997	X		3,412	813	1,172	1,069	294	64	3,412
	NH94Q	10/23/1997	X		16,689	858	4,480	7,854	2,968	529	16,689
	LTC03	10/21/2003	X		1	0	0	1	0	0	1

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	LTCP03	10/21/2003	X		538	34	149	272	69	14	538
	LTCP03F	10/21/2003	X		532	256	171	93	11	1	532
	LTCT03	10/21/2003	X		111	20	39	37	13	2	111
	LTCT03F	10/21/2003	X		128	58	34	28	8	0	128
	RLTCP03	10/21/2003	X		552	13	162	302	64	11	552
	RLTCP03F	10/21/2003	X		127	19	58	42	7	1	127
	B.LTC	8/2/1990		X	137	5,265	2,534	1,231	166	26	9,222
	GLTC04	2/28/2005		X	105	1,438	956	622	120	17	3,153
	TOTALS		16	2	23,482	8,829	9,998	12,024	4,046	718	35,615
Genworth Life Insurance Company of New York	50100	3/21/1989	X		991	0	56	471	419	45	991
	50107	6/14/1994	X		2,109	16	172	809	967	145	2,109
	51000	1/31/1996	X		207	2	5	59	92	49	207
	50110	5/10/1995	X		2,037	11	134	649	1,038	205	2,037
	51002	1/31/1996	X		3,894	11	223	1,305	1,840	515	3,894
	51005	11/25/1998	X		9,857	124	1,413	5,082	3,568	786	10,973
	51006	12/15/1998	X		488	1	19	126	229	113	488
	51007	9/28/1998	X		133	0	13	44	44	32	133
	51010	1/21/2001	X		17,632	542	5,173	9,357	3,498	779	19,349
	51012	9/7/2004	X		4,566	124	1,019	2,607	928	104	4,782
	51014	9/7/2004	X		3,615	205	1,353	2,248	487	21	4,314
	7048NY	5/25/2007	X		13	1		8	4	0	13
	51012-REV	9/10/2007	X		2,014	44	385	1,155	423	29	2,036
	51014-REV	9/10/2007	X		208	6	70	131	37	1	245
	6667	3/21/1989		X	76	0	2	43	29	2	76
	7046NY	10/13/2006		X	1	3	16	11	0	0	30
	TOTALS		11	1	47,841	1,090	10,053	24,105	13,603	2,826	51,677
Hartford Life Insurance Company*	SRP-1353	1/28/1999		X	8	0	0	5	3	0	8
	TOTALS		0	1	8	0	0	5	3	0	8
	LTC-87A	7/30/1987	X		58	6	4	26	22	0	58

John Hancock Life Insurance Company	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
LTC-88A NY	4/15/1988	X		32	0	2	14	15	1	32	
LTC-88B NY	4/15/1988	X		962	37	184	491	244	6	962	
LTC-90-NY	9/7/1990	X		197	20	43	87	44	3	197	
LTC-NY-91	12/31/1991	X		1,395	30	203	611	517	34	1,395	
NH-NY-91	12/31/1991	X		20	0	0	7	10	3	20	
LTC-94 NY	2/24/1994	X		2,977	41	446	1169	1,131	190	2,977	
NH-94 NY	2/24/1994	X		38	1	3	9	17	8	38	
LTC-96 NY 9/96	1/16/1997	X		13,225	160	1483	5,593	5,123	866	13,225	
LTC-96CL NY 9/96	1/16/1997	X		13	0	0	6	4	3	13	
LTC-96 NY 5/01	7/5/2001	X		118	2	11	51	48	6	118	
LTC-02 NY	4/19/2002	X		7,444	223	1,691	3,740	1,547	243	7,444	
SG-02 NY	4/19/2002	X		2,619	98	546	1,378	524	73	2,619	
BSC-02 NY	4/19/2002	X		447	5	50	212	130	50	447	
SGB-02 NY	4/19/2002	X		94	3	7	52	25	7	94	
LTC-03 NY	11/14/2003	X		7,685	223	1,616	3,878	1,736	232	7,685	
SG-03 NY	11/14/2003	X		2,272	116	523	1098	479	56	2,272	
BSC-03 NY	11/14/2003	X		390	8	57	200	100	25	390	
SGB-03 NY	11/14/2003	X		184	2	31	82	48	21	184	
LTC-06 NY	7/10/2006	X		418	22	125	212	55	4	418	
SG-06 NY	7/10/2006	X		214	19	55	112	26	2	214	
GCB-COV-0001	10/19/1989		X	1	186	260	301	156	1	904	
GPB-COV-002	7/30/1990		X	1	1,510	1,836	1,317	345	13	5,021	
GPB-COV0002.1	6/28/1996		X	28	1,394	1,444	956	170	5	3,969	
P-FACE(2002-2)	10/17/2002		X	40	1542	1679	1555	468	157	5,401	
P-FACE(2004)	2/15/2006		X	14	378	298	207	16	0	899	
TOTALS			21	5	40,886	6,026	12,597	23,364	13,000	2,009	56,996
Knights of Columbus	LTC01-NY 6-99	10/18/2000	X		599	41	152	285	118	3	599
	NHC01-NY 6-99	10/18/2000	X		119	5	30	54	29	1	119

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	TOTALS		2	0	718	46	182	339	147	4	718
Massachusetts Mutual Life Insurance Company	MM-200-P-NY	7/28/2002	X		397	11	154	325	91	7	588
	MM-201-P-NY	7/28/2002	X		5	0	2	4	1	0	7
	MM-203-P-NY	7/28/2002	X		118	23	73	81	17	1	195
	MM-204-P-NY	7/28/2002	X		0	0	0	0	0	0	0
	MM-300-P-NY	3/13/2003	X		644	74	336	475	76	6	967
	MM-301-P-NY	3/13/2003	X		6	0	1	3	1	1	6
	MM-303-P-NY	3/13/2003	X		327	89	230	181	24	4	528
	MM-304-P-NY	3/13/2003	X		1	1	0	0	0	0	1
	MM-400-P-NY	4/8/2005	X		431	23	213	352	57	3	648
	MM-401-P-NY	4/8/2005	X		2	1	1	2	0	0	4
	MM-402-P-NY	4/8/2005	X		235	54	151	179	14	2	400
	MM-403-P-NY	4/8/2005	X		0	0	0	0	0	0	0
	MM500-P-NY	3/19/2008	X		47	2	12	20	11	2	47
	MM501-P-NY	3/19/2008	X		1	0	1	0	0	0	1
	MM502-P-NY	3/19/2008	X		14	0	8	5	1	0	14
	MM503-P-NY	3/19/2008	X		0	0	0	0	0	0	0
	MM504-P-NY	3/19/2008	X		0	0	0	0	0	0	0
	MM505-P-NY	3/19/2008	X		0	0	0	0	0	0	0
	TOTALS		18	0	2,228	278	1,182	1,627	293	26	3,406
MedAmerica Insurance Company of New York	LTC89-CD1	4/18/1987	X		77	0	3	57	15	2	77
	LTC89-CD2	1/1/1989	X		536	139	151	162	77	7	536
	LTC89-CD3	4/18/1989	X		23	0	0	9	13	1	23
	LTC91-CD4-NY	7/1/1991	X		1,874	15	98	769	901	91	1,874
	LTC-LBP-NY	9/23/1994	X		580	4	40	195	298	43	580
	LTC-CD8-NY	7/31/1995	X		254	2	14	95	111	32	254
	LTC-LBP8-NY	7/31/1995	X		227	0	5	58	131	33	227
	LTC-CD8-TQ-NY	1/29/1997	X		147	3	7	81	45	11	147
LTC-LBP8TQ-NY	1/29/1997	X		69	0	3	17	45	4	69	

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	LTC-CD10-NY	4/15/1997	X		1,344	37	160	497	505	145	1,344
	LTC-LBP10-NY	4/15/1997	X		178	1	1	25	99	52	178
	LTQ11-336-NY-998	3/22/2000	X		525	47	81	191	165	41	525
	NTQ11-337-NY-998	3/23/2000	X		50	0	1	7	26	16	50
	HTQ11-338-NY-998	2/23/2000	X		146	0	2	30	79	35	146
	LTQ11-336-NY-601	1/4/2002	X		689	44	176	316	127	26	689
	HTQ11-338-NY-601	1/4/2002	X		435	1	26	146	191	71	435
	NTQ11-337-NY-601	1/4/2002	X		42	0	0	8	25	9	42
	SPL-336-NY	2/24/2004	X		1,778	170	488	804	286	30	1,778
	FSPL-336NY	2/24/2004	X		620	162	234	208	16	0	620
	GSPL-336NY	2/24/2004	X		1,070	216	417	364	68	5	1,070
	SPL2-336NY	3/14/2007	X		414	61	119	154	67	13	414
	FSPL2-336NY	3/14/2007	X		204	45	109	44	6	0	204
	GSPL2-336NY	3/14/2007	X		221	43	87	76	14	1	221
	GRP11341NY-999	3/24/2000		X	8	229	179	102	16	0	526
	NYG11-341-NY-200	6/1/2001		X	1	574	1,297	1,109	218	27	3,225
	GRP11-341-NY-601	10/13/2001		X	12	161	203	121	13	1	499
	GRPSPL-341-NY	6/23/2005		X	4	139	88	53	5	0	285
	TOTALS		23	4	11,528	2,093	3,989	5,698	3,562	696	16,038
MetLife Insurance Company of Connecticut (prev. Travelers)*	LTC H-371	May-89	X		15	0	3	9	3	0	15
	H-LTC2J	1990	X		16,079	200	1,879	6,436	6,764	800	16,079
	H-LTC4JFQ16	Dec-98	X		9	0	0	2	5	2	9
	H-LTC4JQ2	Dec-98	X		6,534	108	1,104	3,107	1,972	243	6,534
	TOTALS		4	0	22,637	308	2,986	9,554	8,744	1,045	22,637
Metropolitan Life Insurance Company	1-LTC-97-NY	5/24/1999	X		2,446	104	638	1,053	542	109	2,446
	2-LTC-97	5/24/1999	X		57	1	5	15	30	6	57
	LTC-FAC-NY	8/9/2002	X		56	3	15	31	3	4	56
	LTC-IDEAL-NY	8/9/2002	X		3,291	183	1,081	1,628	366	33	3,291

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	LTC-PREM-NY	8/28/2002	X		321	58	132	107	22	2	321
	LTC-VAL-NY	8/9/2002	X		4,093	169	1,035	2,149	661	79	4,093
	LTC-FAC-ML-NY	11/25/2002	X		3	1	0	1	1	0	3
	LTC-IDEAL-ML-NY	11/25/2002	X		462	94	141	190	33	4	462
	LTC-PREM-ML-NY	11/25/2002	X		48	7	15	19	7	0	48
	LTC-VAL-ML-NY	11/25/2002	X		913	102	292	414	98	7	913
	LTC2-FAC-NY	7/20/2005	X		14	0	4	3	7	0	14
	LTC2-IDEAL-NY	7/20/2005	X		1,324	67	369	708	165	15	1,324
	LTC2-PREM-NY	7/20/2005	X		342	58	131	125	28	0	342
	LTC2-VAL-NY	7/20/2005	X		1,719	76	429	880	299	35	1,719
	LTC2-FAC-ML-NY	8/15/2005	X		10	2	3	4	1	0	10
	LTC2-IDEAL-ML-NY	8/15/2005	X		820	107	238	401	70	4	820
	LTC2-PREM-ML-NY	8/15/2005	X		222	40	82	86	14	0	222
	LTC2-VAL-ML-NY	8/15/2005	X		927	177	287	358	92	13	927
	G.LTC1697	5/29/1998		X	1	9	1,056	3,584	2,843	388	7,880
	G.LTC197	8/31/1998		X	10	1,148	1,913	2,607	1,012	109	6,789
	GPNP99-LTC	7/23/1999		X	24	3,774	4,574	3,873	1,248	368	13,837
	TOTALS		18	10	17,103	6,180	12,440	18,236	7,542	1,176	45,574
Mutual of Omaha	NH3	12/10/1984	X		7	0	0	0	6	1	7
	NH11	1/28/1988	X		21	0	3	12	5	1	21
	NH27	2/3/1989	X		45	6	8	14	17	0	45
	NH28	2/3/1989	X		25	1	2	9	13	0	25
	LTC12	4/28/1993	X		125	1	9	54	57	4	125
	LTC17	4/28/1993	X		56	5	10	29	11	1	56
	LTI12	4/28/1993	X		2	0	0	1	1	0	2
	LTM12	4/28/1993	X		10	1	2	3	4	0	10
	NH50	4/17/1998	X		15	0	1	6	7	1	15
	LT50	5/12/1998	X		278	11	49	99	101	18	278

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	HCA	6/22/2000	X		31	1	7	8	11	4	31
	HCAQ	6/22/2000	X		110	4	15	31	43	17	110
	LTA	6/22/2000	X		26	0	6	12	8	0	26
	LTAQ	6/22/2000	X		204	8	62	101	29	4	204
	NHA	6/22/2000	X		66	2	16	26	19	3	66
	NHAQ	6/22/2000	X		345	9	87	171	57	21	345
	LTC04	1/27/2005	X		328	2	66	177	74	9	328
	TOTALS		17	0	1,694	51	343	753	463	84	1,694
New York Life Insurance Company	21073(NY)										
	21084(NY)	5/15/1995	X		83	0	0	36	34	13	83
	G-6601	6/14/1996		X	2	2	0	0	0	0	2
	G-9065	12/16/1998		X	74	4	14	25	30	1	74
	INH-4300 (NY)(0197)										
	ILTC-4300 (NY)(0197)	2/11/1998	X		3,576	517	1,231	1,147	601	80	3,576
	INH-5000 (NY)(1001)										
	ILTC-5000 (NY)(1001)	12/20/2002	X		3,350	623	1,179	1,144	363	41	3,350
	FNH-5000(NY)(0503)										
	FLTC-5000(NY)(0503)	5/18/2004	X		665	224	233	167	33	8	665
	TOTALS		8	2	7,750	1,370	2,657	2,519	1,061	143	7,750
Northwestern Long Term Care Insurance Company	RS.LTC.(1101)	10/29/2001	X		3,279	329	1160	1394	356	40	3,279
	RS.LTC.ML.(1101)	8/22/2002	X		545	176	153	172	42	2	545
	RS.LTC.(0708)	6/16/2008	X		244	34	85	98	26	1	244
	RS.LTC.ML.(0708)	6/16/2008	X		55	22	17	13	3	0	55
	TOTALS		4	0	4,123	561	1415	1,677	427	43	4,123
	GRP 99210	6/10/1999	X		689	34	138	309	193	15	689

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
Prudential Insurance Company of America	GRP 99211	6/10/1999	X		1383	213	521	538	109	2	1,383
	GRP 99212	6/10/1999	X		628	25	98	232	222	51	628
	GRP 112552	9/3/2003	X		1806	117	538	789	317	45	1,806
	GRP 112622	9/3/2003	X		430	64	93	192	78	3	430
	GRP 113141	10/18/2006	X		752	44	202	363	126	17	752
	GRP 113772	8/16/2007	X		334	60	97	140	34	3	334
	83500 LTCR 8002	6/30/1993		X	1	1516	498	211	71	0	2,296
	83500 LTCR200	10/4/1995									
	83500 LTC U 2001	10/4/1995									
	83500 GR1045	6/30/1998									
	83500 COV 1004	7/6/1999									
	83500 COV 1004	12/1/2000		X	18	564	545	299	67	0	1,475
	83500 BFW 5005	5/29/2002		X	44	4017	4912	3876	819	0	13,624
TOTALS			7	3	6,085	6,654	7,642	6,949	2,036	136	23,417
River Source Life Insurance Co. of NY	38240	10/20/1989	X		628	0	39	337	226	26	628
	38240C	12/31/1991	X		665	0	43	359	242	21	665
	38225	8/31/1994	X		3,811	72	930	1,877	835	97	3,811
	38260A	11/10/1999	X		2,620	58	744	1,215	526	77	2,620
	TOTALS			4	0	7,724	130	1,756	3,788	1,829	221
State Farm Mutual Automobile Insurance Company	97045NY.1	1/1/1998	X		590	104	147	218	105	16	590
	97045NY.2	5/8/2001	X		100	24	29	33	12	2	100
	97058NY	12/31/2001	X		518	131	126	201	55	5	518
	97059NY	9/21/2005	X		225	67	58	82	17	1	225
	TOTALS			4	0	1,433	326	360	534	189	24
TIAA-Cref Life Insurance Company*, and Teachers Insurance Annuity	LTC.02	12/23/1991	X		1,216	15	73	396	562	170	1,216
	LTC.03	3/31/1999	X		2,127	11	141	789	948	238	2,127
	LTC.04	3/21/2000	X		1,949	37	232	889	693	98	1,949

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
Association of America*	TOTALS		3	0	5,292	63	446	2,074	2,203	506	5,292
Thrivent Financial for Lutherans* (prev. Aid Association for Lutherans)	12106 NY	12/28/1998	X		264	5	71	111	73	4	264
	12105 NY	12/28/1998	X		47	1	4	22	20	0	47
	TOTALS		2	0	311	6	75	133	93	4	311
Transamerica Financial Life Insurance Company (including AUSA)	GCPLUS 1290	12/7/1995	X		2	0	1	1	0	0	2
	NLTCP TQ LTC FR	7/26/2001	X		25	0	7	13	4	1	25
	P-0001 (NY-F)	3/30/2001	X		45	0	7	28	8	2	45
	LTC 304-198-NY	3/30/2001	X		73	2	15	34	15	7	73
	TFL 1-FP (NY)402	5/20/2004	X		8	2	6	0	0	0	8
	TOTALS		5	0	153	4	36	76	27	10	153
Union Security Life Insurance Company (prev. First Fortis)*	4062-NY	10/8/1998	X		195	1	22	71	71	30	195
	4063-NY	10/8/1998	X		2,984	19	467	1,614	802	82	2,984
	TOTALS		2	0	3,179	20	489	1,685	873	112	3,179
NON-PARTNERSHIP TOTALS			248	33	224,796	38,752	76,348	126,216	67,803	11,892	321,011

* Not currently marketing non-Partnership policies in New York State.

** After the reporting was complete, Allianz ceased selling long term care insurance in November 2009.

**Number of Partnership Long Term Care Policies In-force
in New York As of December 31, 2008**

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
American Family Life Assurance of New York*	NY-23000	12/2/1994	X		4	0	1	1	1	1	4
	TOTALS		1	0	4	0	1	1	1	1	4
American Progressive Life & Health Insurance Company of NY*	APRLTCP (11/99) NY	11/1/1999	X		102	0	9	23	53	17	102
	TOTALS		1	0	102	0	9	23	53	17	102
Aviva Life and Annuity Company of New York (prev. John Alden)*	N-2500-P	2/18/1994	X		311	10	74	153	102	9	348
	N-2500-P(Q)	2/18/1994	X		75	2	3	23	9	1	38
	TOTALS		2	0	386	12	77	176	111	10	386
Bankers Conseco Life Insurance Company* (prev. Conseco)	ATIC-RWJ-NY	10/7/1996	X		930	2	74	682	436	74	1,268
	TOTALS		1	0	930	2	74	682	426	74	1,258
Continental Casualty Company (CNA)	P1-18584-A31	3/23/1993	X		2,021	16	177	780	883	165	2,021
	P1-18585-A31	3/23/1993	X		66	0	13	33	20	0	66
	P1-N0041-A31	7/29/1997	X		4,424	68	590	1,989	1,528	249	4,424
	P1-N0042-A31	7/29/1997	X		33	0	1	20	12	0	33
	SR-LTCP-31	1/1/1994		X	4	97	237	162	51	4	551
	TOTALS		4	1	6,548	181	1,018	2,984	2,494	418	7,095
Genworth Life Insurance Company of New York (prev. GE Capital Life Assurance Co. of NY)	50109	3/30/1993	X		1,192	2	57	471	567	95	1,192
	51001	1/20/1996	X		1,216	1	87	486	516	126	1,216
	51011	8/31/2001	X		6,978	181	1,885	3,873	958	81	6,978
	51013	9/7/2004	X		4,306	120	1,193	2,504	470	19	4,306
	51015	6/8/2006	X		1,320	29	279	818	191	7	1,324
	51015-REV	9/25/2007	X		412	12	138	258	72	2	482

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
	TOTALS		6	0	15,424	345	3,639	8,410	2,774	330	15,498
John Hancock Life Insurance Company	LTC-91-NY-RWJ 3/95	3/25/1993	X		1,640	8	89	617	849	77	1,640
	LTC-96RWJ2 NY 9/97	3/20/1998			10,483	68	1,210	5,381	3,228	596	10,483
	LTC-96RWJ3 NY 9/97		X								
	LTC-96RWJ2 NY 4/99	7/5/2001			654	3	68	343	203	37	654
	LTC-96RWJ3 NY 4/99		X								
	NYP-05	2/9/2006	X		4,148	64	749	2,569	717	49	4,148
	TOTALS		4	0	16,925	143	2,116	8,910	4,997	759	16,925
Massachusetts Mutual Life Insurance Company*	MM-202-P-NY	7/28/2002	X		41	2	17	30	12	1	62
	MM-205-P-NY	7/28/2002	X		3	0	2	3	0	0	5
	MM-302-P-NY	3/13/2003	X		6	0	2	8	0	0	10
		TOTALS		3	0	50	2	21	41	12	1
MedAmerica Insurance Company of New York	LTC-CD6-NY	3/30/1993	X		881	10	46	364	388	73	881
	LTC-CD6TQ-NY	6/24/1997	X		1,494	7	120	670	633	64	1,494
	PRT11-336-NY-998	2/20/2001	X		2,911	102	493	1,344	813	159	2,911
	PRT11-336-NY-305	9/1/2006	X		380	21	89	139	105	26	380
	FPRT11-336-NY-305	9/1/2006	X		11	0	5	5	0	1	11
	GPRT11-336-NY-305	9/1/2006	X		137	1	44	65	22	5	137
	PGR11-342-NY-900	6/13/2001		X	3	1	4	7	0	0	12
	NYP11-342-NY-200	6/1/2001		X	1	141	450	445	129	20	1,185
	TOTALS		6	2	5,818	283	1,251	3,039	2,090	348	7,011
MetLife Insurance Company of Connecticut (prev. Travelers)*	H-NYLC3J	Mar-93	X		2,909	7	200	1,219	1,373	110	2,909
	H-NYLC3JQ	Mar-93	X		1,710	10	142	771	706	81	1,710
	H-LC4JQ	Dec-98	X		2,094	19	268	1,126	644	37	2,094
		TOTALS		3	0	6,713	36	610	3,116	2,723	228
Metropolitan Life	1-LTC-97-NYP	8/31/2001	X		178	6	26	88	46	12	178

Insurance Company	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
Insurance Company	LTC-VAL-NY-NYP	12/16/2002	X		2,453	100	617	1,368	347	21	2,453
	LTC2-DD100-NYP	10/31/2005	X		35	0	3	28	4	0	35
	LTC2-DD50-NYP	10/31/2005	X		52	0	5	21	25	1	52
	LTC2-TD100-NYP	10/31/2005	X		876	37	247	499	88	5	876
	LTC2-DD100-ML-NYP	6/20/2006	X		4	0	0	2	1	1	4
	LTC2-DD50-ML-NYP	6/20/2006	X		16	5	1	8	2	0	16
	LTC2-TD100-ML-NYP	6/20/2006	X		334	36	93	181	24	0	334
	LTC2-TD50-ML-NYP	6/20/2006	X		297	21	88	142	42	4	297
	LTC2-TD50-NYP	10/31/2005	X		1,501	21	306	948	204	22	1,501
	G.LTC197	6/4/1993		X	1	23	107	297	149	19	595
	TOTALS			6	1	5,747	249	1,493	3,582	932	85
Mutual of Omaha Insurance Company*	LTC20	10/26/1993	X		98	3	14	43	37	1	98
	LTC23	10/26/1993	X		3	0	0	1	2	0	3
	LTM20	10/26/1993	X		5	0	2	2	1	0	5
	TOTALS			3	0	109	3	16	47	42	1
New York Life Insurance Company	21050RWJ	5/15/1995	X		53	1	10	23	17	2	53
	21050 50TAP (0105)	3/20/2006	X		40	1	9	12	16	2	40
	21050 100TAP (0105)	3/20/2006	X		40	10	15	11	4	0	40
	21050 50DDAP (0105)	3/20/2006	X		1	0	0	1	0	0	1
	21050 100DDAP (0105)	3/20/2006	X		2	0	2	0	0	0	2
	TOTALS			5	0	136	12	36	47	37	4
Prudential Insurance Company of America	83500 PLTC 9001	11/14/1995			1	1	3	0	1	1	6
	83500 LTCR 8003		X								
	GRP 99865	11/27/2001	X		130	1	23	73	28	5	130
TOTALS			1	1	131	2	26	73	29	6	136

	Policy				No. of Persons Covered in NY						
	Form Number	Date of New York Approval	Type of Coverage		No. of Contracts in NY	Age Group at Purchase					TOTAL
			Individual	Group		Under 45	45-54	55-64	65-74	75 and over	
TIAA-Cref Life Insurance Company* and Teachers Insurance Annuity Association of America*	RWJ.01	2/25/1994	X		223	1	6	64	119	33	223
	TOTALS			1	0	223	1	6	64	119	33
Transamerica Financial Life Insurance Company*	LTC 304-198-NYP	3/11/2002			20	0	7	8	4	1	20
	TOTALS			0	0	20	0	7	8	4	1
Union Security Life Insurance Company (prev. First Fortis)*	4051-NY	9/24/1998	X		1,939	14	180	997	633	115	1,939
	TOTALS			1	0	1,939	14	180	997	633	115
PARTNERSHIP TOTALS			48	5	61,205	1,285	10,580	32,200	17,477	2,431	63,973

* Not currently marketing Partnership policies in New York State.

GRAND TOTALS			296	38	286,001	40,037	86,928	158,416	85,280	14,323	384,984
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APPENDIX 2

TOTAL IN-FORCE LONG TERM CARE POLICIES WITH MARKET SHARE

As of December 31, 2008

Aetna Life Insurance Company*	2,285	0	2,285	0.59%
Allianz Life Insurance Co. of New York**	962	0	962	0.25%
American Family Life Assur. of NY	308	4	312	0.08%
American Independent Network Ins.*	1,911	0	1,911	0.50%
American International Life Assurance*	545	0	545	0.14%
American Progressive Life and Health*	2,409	102	2,511	0.65%
Aviva Life* (prev. John Alden)	150	386	536	0.14%
Bankers Consec (prev. Consec)	2,709	1,258	3,967	1.03%
Berkshire Life Ins. Co.of America*	1,130	0	1,130	0.29%
CIGNA Life (prev. Conn. General)	186	0	186	0.05%
Combined Life Insurance Co. of NY*	124	0	124	0.03%
Continental Casualty Company	20,467	7,095	27,562	7.16%
First United American*	80	0	80	0.02%
First Unum Life Insurance Company	35,615	0	35,615	9.25%
Genworth Life Insurance Co.of NY	51,677	15,498	67,175	17.45%
Hartford Life Insurance Company*	8	0	8	0.00%
John Hancock Life Insurance Co.	56,996	16,925	73,921	19.20%
Knights of Columbus	718	0	718	0.19%
Massachusetts Mutual Life Ins. Co.	3,406	77	3,483	0.90%
MedAmerica Insurance Co.of NY	16,038	7,011	23,049	5.99%
MetLife Ins. Co.of CT* (prev. Travelers)	22,637	6,713	29,350	7.62%
Metropolitan Life Insurance Company	45,574	6,341	51,915	13.48%
Mutual of Omaha	1,694	109	1,803	0.47%
New York Life Insurance Company	7,750	136	7,886	2.05%
Northwestern Long Term Care Ins. Co.	4,123	0	4,123	1.07%
Prudential Insurance Co.of America	23,417	136	23,553	6.12%
RiverSource Life Ins.of NY* (prev. IDS)	7,724	0	7,724	2.01%
State Farm Mutual Autom. Ins. Co.	1,433	0	1,433	0.37%
TIAA-Cref Life* and TIAA of America	5,292	223	5,515	1.43%
Thrivent Financial* (prev. Aid Assn)	311	0	311	0.08%
Transamerica Financial (incl.AUSA)	153	20	173	0.04%
Union Security Life* (prev. First Fortis)	3,179	1,939	5,118	1.33%
GRAND TOTALS	321,011	63,973	384,984	100.00%

* Not currently marketing in New York

** After the reporting was complete, Allianz ceased selling long term care insurance in November 2009.