

## XI. LONG-TERM CARE INSURANCE PRICING

### A. Premiums

#### National<sup>54</sup>

The average premium paid in 1999 for a plan purchased in 1999 was:

- **\$444.51** in the group market; and
- **\$1,569.22** in the individual market.

The average premium paid in 2001 for a plan purchased in 2001 was:

- **\$514.71** in the group market; and
- **\$1,812.71** in the individual market.

The average premium paid in 2004 for a plan purchased in 2004 was:

- **\$484.20** in the group market; and
- **\$1,892.61** in the individual market.

#### Massachusetts<sup>55</sup>

The average premium paid in 1999 for a plan purchased in 1999 was:

- **\$538.33** in the group market; and
- **\$1,882.42** in the individual market.

The average premium paid in 2001 for a plan purchased in 2001 was:

- **\$554.50** in the group market; and
- **\$2,087.08** in the individual market.

The average premium paid in 2004 for a plan purchased in 2004 was:

- **\$744.91** in the group market; and
- **\$2,287.33** in the individual market.

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<sup>54</sup> The average 1999, 2001 and 2004 premiums may differ due to many factors including, but not limited to changes in: (1) benefits covered under plans, (2) levels of coverage chosen, (3) average age at which plans are purchased, and (4) economic inflation affecting the cost of long-term care services.

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B. States Where Marketed

Among responding companies, the following market group long-term care insurance by region:

2001 <sup>56</sup>

- Six were active in all 50 states; and
- Two were active in 40 - 49 states.

2004 <sup>57</sup>

- Four were active in all 50 states;
- Two were active in 40 - 49 states; and
- One was active in 2 states.

(In addition, one company indicated that it was active in the District of Columbia.)

Among responding companies, the following market individual long-term care insurance by region:

2001 <sup>58</sup>

- Eleven were active in all 50 states;
- Twelve were active in 40 - 49 states;
- One was active in 26 states; and
- One was active in only one state.
- One reported that they no longer market the product.

(In addition, one company indicated that it was active in the District of Columbia.)

2004 <sup>59</sup>

- Thirteen were active in all 50 states;
- Ten were active in 40 - 49 states;
- One was active in 39 states;
- One was active in 26 states; and
- One was active in 11 states

(In addition, two companies indicated that they were active in the District of Columbia.)

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<sup>56</sup> Eight companies could respond to this question; the remaining companies either were no longer offering coverage in 2001 or they provided insufficient information and their data were not included in the summary statistic.

<sup>57</sup> Seven companies could respond to this question; the remaining companies either were no longer offering coverage in 2004 or they provided insufficient information and their data were not included in the summary statistic.

<sup>58</sup> Twenty-six companies could respond to this question; the remaining companies either were no longer offering coverage nationally in 2001 or they provided insufficient information and their data were not included in the summary statistic.

<sup>59</sup> Twenty-six companies could respond to this question; the remaining companies either were no longer offering coverage in Massachusetts in 2004 or they provided insufficient information and their data were not included in the summary statistic.