

PC25

Trustmark
Producer Conference
Dallas, Texas • February 2-5, 2025

TRAILBLAZING



Trustmark 

Care takes: Trustmark perspectives on long-term care



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*How many of your
clients know
about the care crisis?*



Agenda

Today we'll be discussing

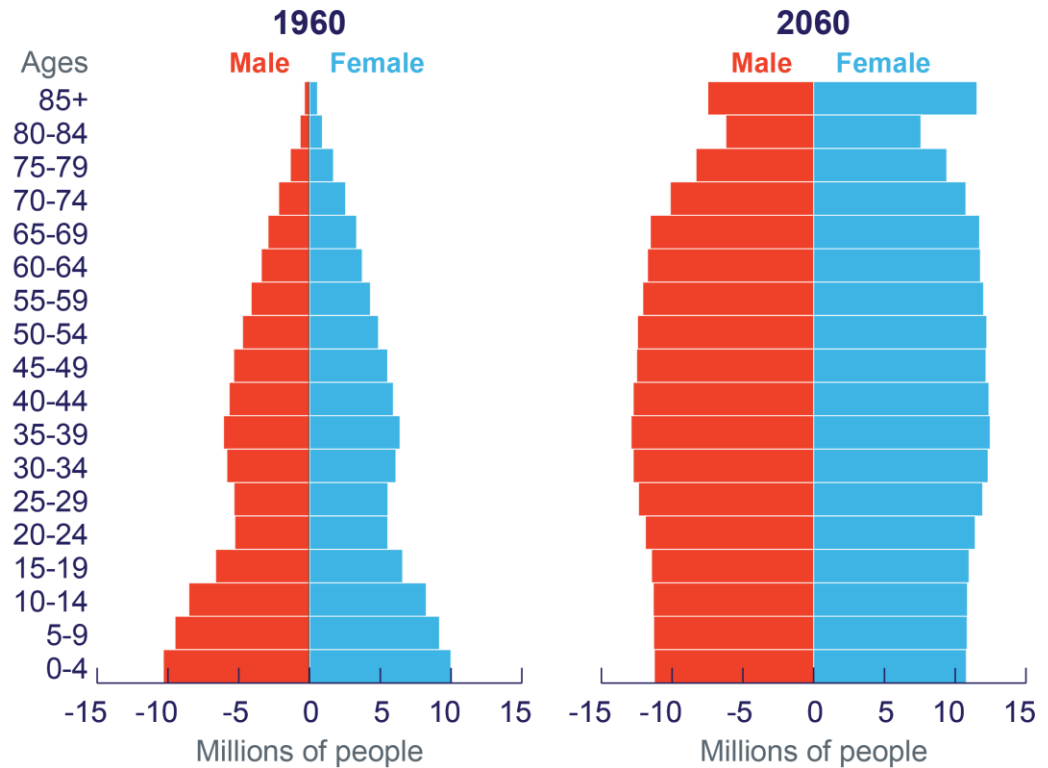
- What's driving the conversation around long-term care (LTC)?
- Who are the key stakeholders in the care crisis?
- Unique perspectives of:
 - The Legislator
 - The Producer
 - The Consumer
 - The Employer
- Key takeaways

What's driving the long-term care conversation?

Who will support the elderly?

Between 2030 and 2035, there will be more people over the age of 65 than under the age of 18*

From Pyramid to Pillar: A Century of Change Population of the United States



*The Caring Company. Harvard Business School. How employers can help employees manage their caregiving responsibilities- while reducing costs and increasing productivity. 2018.

*Source: National Population Projections, 2017 www.census.gov/programs-surveys/popproj.html

Caregiving can be burdensome for caregivers



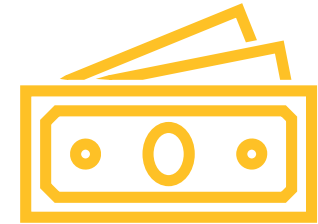
53 million unpaid caregivers in U.S



8 of 10 caregivers report out-of-pocket costs related to caring for adult family member or friend



Average OOP expenses: \$8,707



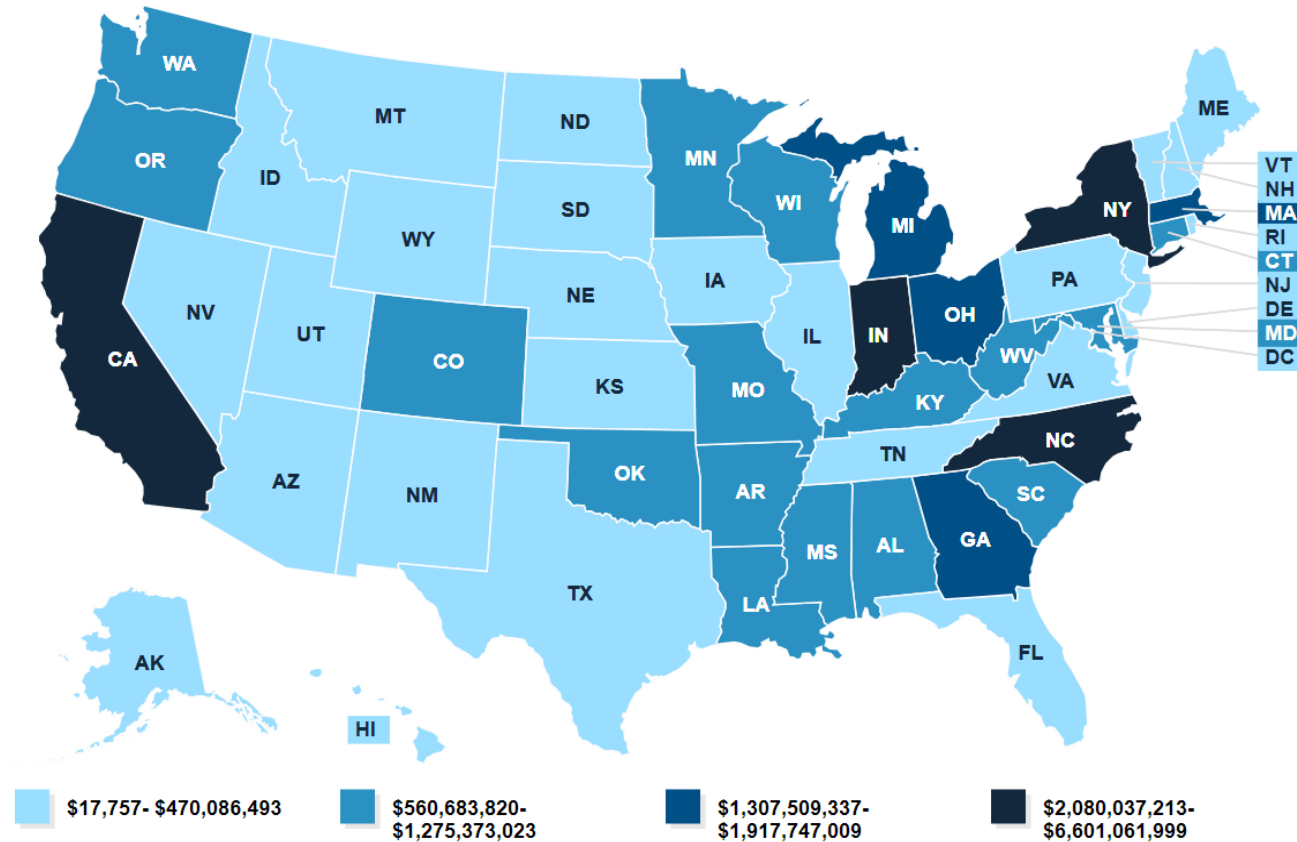
On average, family caregivers are spending 26% of their income on caregiving activities

Caregiver Statistics: A Data Portrait of Family Caregiving. A Place for Mom. 2023.

Medicare Advantage in 2024: Premiums, Out-of-Pocket Limits, Supplemental Benefits, and Prior Authorization. KFF. 2024.

AARP. Caregiving Out-Of-Pocket Costs Study. June 2021.

2023 Medicaid spend on LTC by state



- In 2023, the US Medicaid budget was \$536B
- Cost associated to LTC equated to \$164 (31%) of the budget
- Key states spending in FY23:
 - California - \$27.8B
 - New York - \$17.8B
 - Indiana - \$5.8B
 - North Carolina - \$3.4B
 - Texas - \$4.3B

*Distribution of Fee-for-Service Medicaid Spending on Long Term Care. KFF. 2023.
includes cost of nursing facilities, ICF-ID, & Home Health and Personal Care

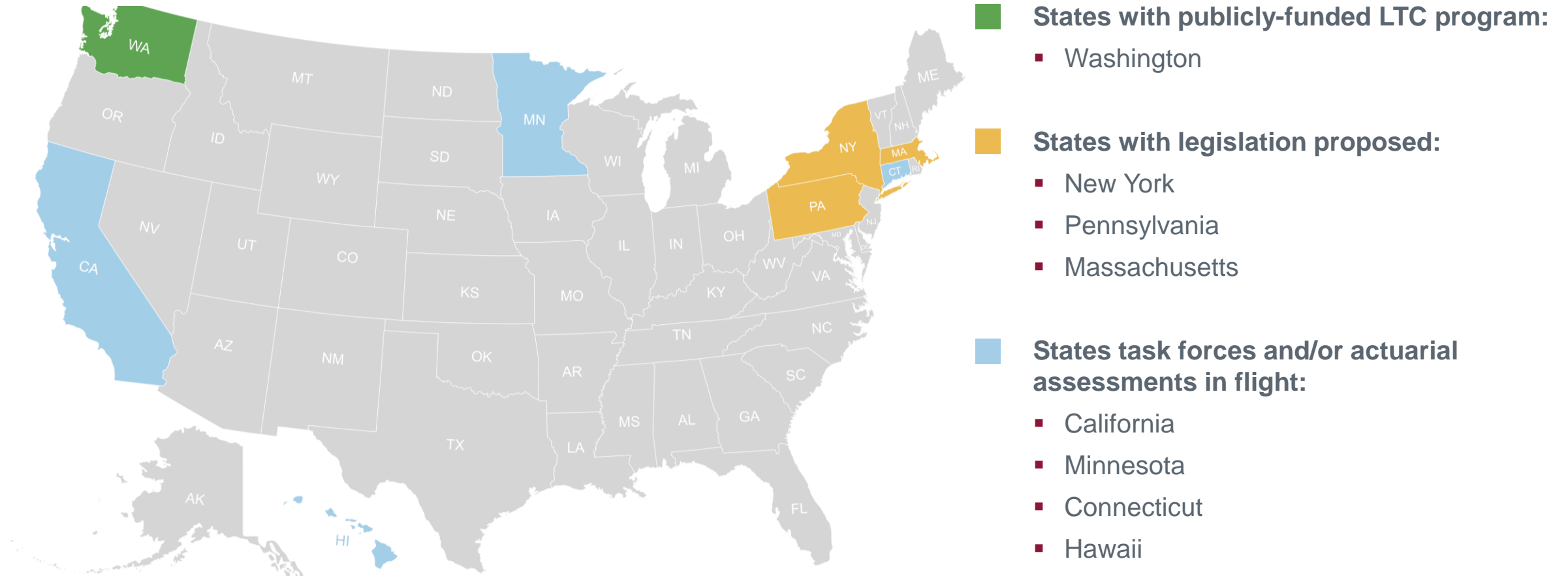
Washington Cares Fund

Putting the spotlight on LTC

- Passed in 2019 as a .58% payroll tax to fund long-term care services
- **Pros:**
 - Raised the profile of long-term care nationwide
 - Generated a lot of business
- **Cons:**
 - Created confusion about what might happen in other states
 - Shifted some of the focus of life and long-term care sales to legislation and tax avoidance



What's happening with legislation?



So, where does that leave all the stakeholders involved?



The Legislator



The Producer



The Consumer



The Employer

The Legislator

Legislator's role

- A state legislator's job is to create, debate, and pass laws addressing state-specific issues
- Responsibilities can include serving on committees and managing state budgets
- Face challenges of balancing community needs and budgetary concerns



Legislator perspectives

How do they see the care crisis?

- Awareness of LTC crisis can vary state-by-state
- Regardless of their perspective of the care crisis, immediate issues often take precedence over proactive LTC initiatives
- Some state legislators who see a need for LTC solutions are conducting studies to inform state decisions



Legislators are **REACTIVE**

Let's strive to be **PROACTIVE**

- There is a clear need to combat the ongoing care crisis — we can't wait for legislation to occur
- Education is key to empowering consumers, employers, and producers to advocate for LTC solutions
- Collaboration between carriers, enrollers, producer and employers is necessary to address the complexities of the care crisis



The Producer

Let's do a show of hands...



The producer: Three main personas

1. They don't believe LTC has longevity

- Hesitant because:
 - There's a lack of different product in the market
 - Of past downturns in standalone LTC products
 - Their current selling strategy is successful
- View LTC as a “fad” due to past experiences with industry trends that didn't last

2. They're on the fence about LTC products

- They recognize the need but unsure how to incorporate it into strategy
- Believe core benefits like Universal Life are easier to market than LTC products

3. They're an advocate of LTC solutions

- Actively seeks education about LTC crisis
- Successfully advocates for hybrid products
- Stays informed about LTC legislation

Focus on education

Success starts with knowledge

- Regardless your perspective, LTC education can become your biggest asset
- Your knowledge on the care crisis alone can be a positive contribution to helping solve the LTC issue



The Consumer

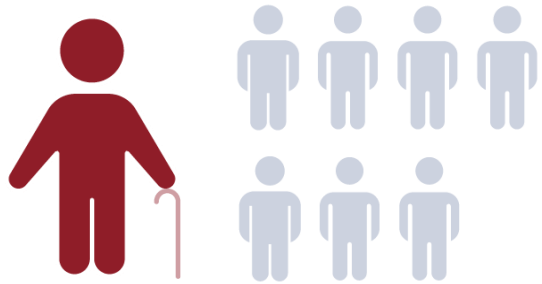
Consumer perspectives

LTC is emotionally and physically taxing

- Long-term care can be a driving force in one's life, impacting everyone around them
- Lifestyle changes can often include:
 - Adding extra accommodations to your home
 - Rearranging your schedule
 - Filling out paperwork
 - Paying for care

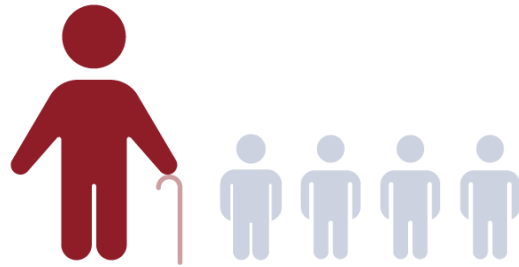
Why does long-term care matter?

Unaffordable professional care often shifts the responsibility to family members



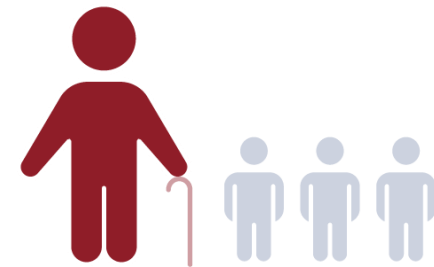
2010

In 2010, every person over 80 years old had **7+ potential family caregivers**



2030

By 2030, that ratio is expected to **fall to 4:1**



2050

By 2050, the ratio will fall to less **than 3:1**

Consumer story

Meet Sarah

- At 24 years old, Sarah was in a severe car accident
- Sarah did not have LTC insurance, and Medicaid is not able to support her in this stage of her recovery
- Fortunately, Sarah has help from friends and relatives to cover expenses



What do consumers want?

Access to LTC benefits

- They want to be easily approved for coverage
- They want easy to understand products with simple enrollments
- For consumers, it doesn't matter if coverage is traditional or hybrid – **they want to know when and how their coverage can work for them**



Introducing Cariloop

Effective on all new Universal Life, LifeEvents, and Trustmark Life + Care cases starting March 1, 2025

- Access to licensed care advisors to help guide care decisions
- Offers 24/7 support for managing unexpected caregiving needs
- Empowers families to make better, well-informed care choices





The Employer

Employer perspectives

Benefit costs play a critical role

- Regardless of the consumer needs, the employer will always look at costs of employee LTC benefits first
- Also look at the financial burden on their employees

LTC keeps employers competitive in the market

- Employers often use benefits packages to help stay competitive during recruitment
- 75% of employees consider benefits when deciding to stay or leave their employer



Employer perspectives

LTC effect on productivity

- Caregiving responsibilities can often negatively affect employee productivity and increase absenteeism
- Unpaid family caregiver miss work, costing employers significantly

Companies don't make decisions; their people do

- Often, employer decisions reflect individual's perspective rather than their company's policies
- Their personal experience with LTC will spark interest in LTC benefits regardless of company size



Employers can support initiatives and solve challenges with LTC benefit offerings?

Employer Challenges	How LTC benefits can help
“We’re worried about the cost of providing these LTC benefits”	<ul style="list-style-type: none">▪ LTC solutions like Trustmark Life + Care® are employee-paid and come at minimal cost to employers▪ Affordable coverage options exist, even for low-income employees
“We need our benefits to help us stay competitive”	Offering LTC benefits enhances employers appeal to job candidates
“We need solutions to boost employee productivity”	Some LTC solutions can support employees when they care AND when they act as caregivers
“LTC benefits won’t get approval from executive leadership”	Executive leadership often have personal experience with the challenges of caregiving that drive interests in offering LTC benefits

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Key takeaways

- Education can help spearhead conversations and encourage people to get the care solutions
- Legislation alone is not the answer
- Therefore, we can't wait for legislation to occur — we all have to act together now to create meaningful change

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Thank you!