

AMERICAN HEALTH CARE ASSOCIATION 2006 Long Term Care Liability Data Call

Data Specifications

Time Frame: The target completion date for the AHCA sponsored study on the rising cost of long term care liability exposures is December 31, 2006.

Confidentiality Agreement: A confidentiality agreement is being sent along with this data request. This agreement assures that all information provided as part of this data call will be held within strict confidence by Aon Risk Consultants, Inc., the consulting firm AHCA has engaged to perform the long term care liability study. **Please return a signed copy of this agreement with your data submission.**

Format: An Excel file is being sent along with this Data Specification to assist in responding to this call. The name of the file is "**AHCA 2006 Data Call.xls**". The Excel file includes a separate sheet, all within one workbook, for providing each of the following:

- **Contact Information**
- **Losses**
- **Exposures**
- **Loss Development**
- **Insurance Coverage**

A review of each sheet, along with the narrative descriptions provided below, should clarify the amount of detail required.

Data will be accepted in alternative formats, provided all of the "must have" information outlined below is included. For example, alternative formats may include insurance company loss runs or internal management reports on claim activity and/or bed counts. If alternative formats are provided, please provide in a *Microsoft Excel-compatible* format, if possible.

Data Request:

1. **Provider Contact Information:** Please provide the name of the long term care company, a contact person, mailing address, phone number and e-mail address.
2. **Individual Claim Detail Information** – Each provider should include detailed claim information for all claims occurring over the past **five to ten** years. If there are no losses for a particular year, please state this in your listing of losses as “No losses for the period MM/DD/YYYY – MM/DD/YYYY”. This loss data should be in a *Microsoft Excel*-compatible format with the following information provided for each claim:

MUST HAVE INFORMATION

- **Evaluation Date of Claim File** – date of data loss run
- **Date of Occurrence** – date of accident
- **Status** – open or closed
- **Accident State** – state where accident occurred
- **Paid Indemnity Loss Dollars**
- **Paid Allocated Loss Adjustment Expense (ALAE) Dollars**
- **Case Reserve Indemnity Dollars**
- **Case Reserve ALAE Dollars**

INFORMATION TO PROVIDE IF AVAILABLE

- **Date Reported**
- **Date Closed**
- **Facility Type** – skilled care, assisted living, independent living, home health, rehab, continuing care retirement community, etc. This is especially important for the providers that have significant exposure in assisted living and independent living.
- **Claim Type** – Professional Liability or General Liability. This is of particular interest when comparing assisted living and independent living costs to skilled nursing care costs.
- **Brief Description/Allegation of Claim** – Describe the claim using the following descriptions found in the drop down box:
 - Abuse/Assault
 - Choke/Aspiration
 - Decubitis
 - Failure to Monitor (excl. Falls)
 - Failure to Treat

- Improper Care (excl. Falls)
- Medication Error
- Slip/Fall
- Transferring/Lifting
- Unsafe Environment (excl. Falls)
- Violation of Resident Rights
- Visitor Injury
- Wandering/Elopement
- Not Otherwise Classified

Loss Run generated descriptions are also acceptable.

- **Injury/Damage** – Describe the injury/damage using the following descriptions found in the drop down box:

- Back Injury
- Burn
- Cerebral Vascular Accident (Stroke)
- Co-Morbidities (Multi. Complications)
- Contusion/Bruise
- Damage to Nonresident Property
- Damage to Resident's Property
- Death
- Dehydration/Lack of Nutrition
- Emotional Distress
- Fracture(s)
- Head Injury
- Infection
- Laceration
- Loss of Limb/Amputation
- Loss of Organ/Organ Function
- Multiple Injuries (Gen Liab)
- Muscle/Ligament Injury
- Neurological Change/Coma/Seizure
- No Injury
- Pain and Suffering
- Pressure Ulcer
- Sexual Assault
- Sprain/Strain
- Swelling/Edema
- Not Otherwise Classified

Loss run generated descriptions are also acceptable.

- **Legal status** – Describe the injury/damage using the following descriptions found in the drop down box:

- Awaiting Trial
- In Arbitration
- No Lawsuit
- Settled During Trial
- Settled Pre Trial
- Settled via Arbitration
- Suit Pending
- Verdict
- Not Otherwise Classified

Loss run generated descriptions are also acceptable.

3. **Historical Exposure Data** – Each provider should include historical exposure as follows:

- We would prefer this exposure be in the form of annual occupied bed counts, identified by state and type (e.g. skilled care, assisted living, independent living, home health, etc.).
- Data should be reported **for the same number of years as loss experience is reported.**
- **If** only licensed bed counts are available, we will need an estimate of occupancy rates for each historical year.
- This exposure data can either be entered into the “**Exposures**” sheet of the file, “**AHCA 2006 Data Call.xls**” or it can be provided in a separate *Microsoft Excel*-compatible format.

4. **Aggregated Historical Loss Experience in Triangular Format** –

This information is not required but would be helpful from at least some of the participants. If the provider has been having annual actuarial reserve analyses performed, these triangles may have already been compiled in their latest actuarial report. This loss data should be aggregated similar to the table below. We would like to review the change in losses over time for specific groups of claims. Below we are illustrating aggregate losses for each accident year after 12 months, 24 months,, 108 months. We would like to see this information for paid losses and ALAE (allocated loss adjustment expense), incurred losses (Case Reserves + Paid Losses) and ALAE, and claim counts. This information can either be entered into the “**Loss Development**” sheet of the file, “**AHCA 2006 Data Call.xls**” or provided in a similar format from internal reports.

5. **Insurance Coverage Terms** – Information is being collected for policy years 2004, 2005 and 2006. Please provide the following information for as many policy years and sections as possible or applicable:

- A. Policy Term Information
 - Effective Date (please indicate if no coverage was available)
 - Annual Premium
 - Form (Claims Made or Occurrence; if CM provide step year)
- B. Deductible Information
 - Per claim deductible
 - Annual aggregate deductible
- C. Limits of Liability
 - Per claim limit of liability
 - Annual aggregate limit of liability
- D. Policy Type
Place an "X" in the box which describes the type of policy for each policy year.
- E. Cost of Risk
If policy type was self insured, provide the loss cost per bed for the self-insured component (layer) of your coverage.

If no coverage was available, please indicate.

If coverage terms vary materially by state and/or facility provide only as much information as is reasonable to assess the impact over the past year on the availability and affordability of liability insurance.

This information can either be entered into the "**Insurance Coverage**" sheet of the file, "**AHCA 2006 Data Call.xls**" or provided in a similar format from internal reports.

Data Submission Instructions:

Completed information should be received by **August 4, 2006** to:

Email: LTC Benchmark@aon.com

Fax: (410) 309-9939 Attn: Dana Cooke

Mail: LTC Benchmarking Study

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Questions?: Please direct any questions to either:

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