

2021

# ELDERCARE SURVEY RESULTS

**PUBLIC REPORT**

**RG&A**

**RG&A**



How is the insurance industry using services, products, and innovation to anticipate and meet the needs of seniors?

For the 2021 RGA/REGAX Eldercare Survey, we asked 86 global life and health insurers about their current offerings and future plans for eldercare. The responses show a trend toward quality of life, and not simply increasing life expectancy, going beyond assisted living and long-term care to promote options offering healthy living and preventive care to support physical, mental, and financial wellbeing.

*This report summarizes the survey findings.*



# ABOUT THE SURVEY



## 86 RESPONDENTS GLOBALLY

Breakdown of respondents of the online survey conducted between August 2020 - January 2021 – a rolling implementation due to COVID-19.



APAC

38%



EMEA

19%



LATIN AMERICA

27%



U.S. & CANADA

16%

## ELDERCARE SURVEY PARTICIPATION BY ROLES AND FUNCTIONS

### ROLES

**52%**   
**EXECUTIVE**

**45%**   
**DIRECTOR &  
MANAGER**

### FUNCTIONAL AREAS

**34%**  
**PRODUCT  
DEVELOPMENT**

**19%**  
**UNDERWRITING**

**13%**  
**ACTUARIAL**



66%

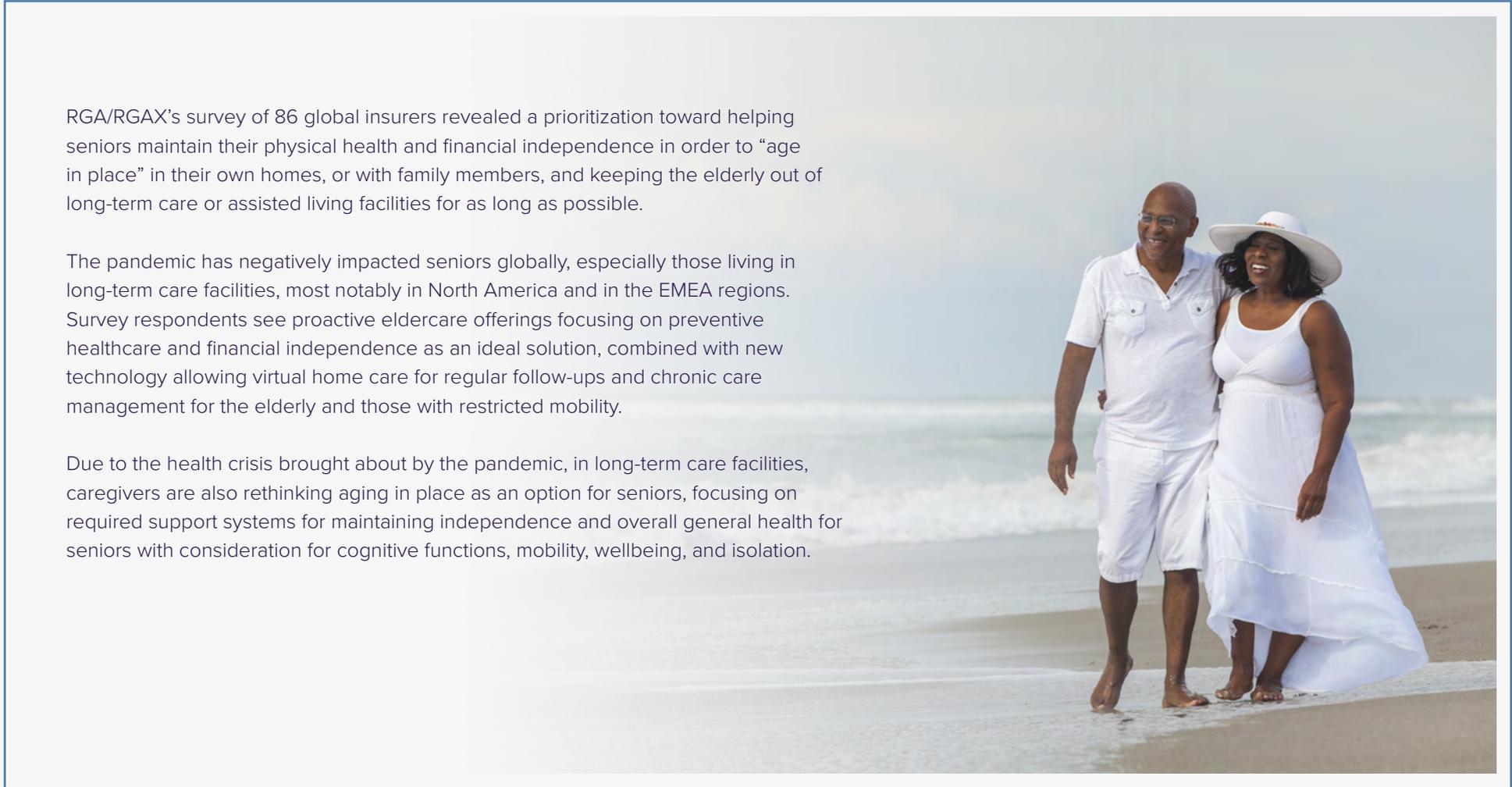
of respondents currently have a focus on eldercare products or solutions



RGA/RGAX's survey of 86 global insurers revealed a prioritization toward helping seniors maintain their physical health and financial independence in order to "age in place" in their own homes, or with family members, and keeping the elderly out of long-term care or assisted living facilities for as long as possible.

The pandemic has negatively impacted seniors globally, especially those living in long-term care facilities, most notably in North America and in the EMEA regions. Survey respondents see proactive eldercare offerings focusing on preventive healthcare and financial independence as an ideal solution, combined with new technology allowing virtual home care for regular follow-ups and chronic care management for the elderly and those with restricted mobility.

Due to the health crisis brought about by the pandemic, in long-term care facilities, caregivers are also rethinking aging in place as an option for seniors, focusing on required support systems for maintaining independence and overall general health for seniors with consideration for cognitive functions, mobility, wellbeing, and isolation.



## ELDERCARE OFFERINGS / SOLUTIONS IN USE



**40%**

FINANCIAL HEALTH / AGING IN PLACE



**31%**

SUPPORT TO LIVE A HEALTHIER LIFE  
e.g., Preventative health



**24%**

INCREASING THE QUALITY OF LIFE



**21%**

SUPPORT TO HEALTHY SENIORS



**19%**

CHRONIC CONDITIONS & MANAGEMENT

**66%**



**INSURERS GLOBALLY  
CURRENTLY HAVE SOLUTIONS  
FOR ELDERCARE**

## REGIONAL VIEWS OF ELDERCARE OFFERINGS

### APAC

Nearly half of APAC respondents offer products or services aimed at helping elderly live independently or with family, while increasing quality of life.

- 48% | Financial health/aging in place
- 42% | Preventive health to reduce risk factors for disease
- 33% | Increase quality of life
- 30% | Support healthy seniors
- 24% | Support chronic condition management

*(27 Respondents)*

### EMEA

The two main eldercare goals in the EMEA region are to help seniors remain financially independent, and promoting better health or quality of life.

- 56% | Financial health/aging in place
- 44% | Increase quality of life
- 31% | Preventive health to reduce risk factors for disease
- 25% | Support healthy seniors
- 25% | Support chronic condition management

*(12 Respondents)*

### U.S. & CANADA

The focus in North America is on providing the care and support to keep seniors healthy and at reduced risk of disease.

- 29% | Preventive health to reduce risk factors for disease
- 21% | Support healthy seniors
- 21% | Financial health/aging in place
- 14% | Increase quality of life
- 7% | Support chronic condition management

*(8 Respondents)*

### LATIN AMERICA

Financial independence and care to support healthy lives are the main areas of focus for the Latin America region.

- 26% | Financial health/aging in place
- 17% | Preventive health to reduce risk factors for disease
- 9% | Support chronic condition management
- 4% | Increase quality of life
- 4% | Support healthy seniors

*(10 Respondents)*

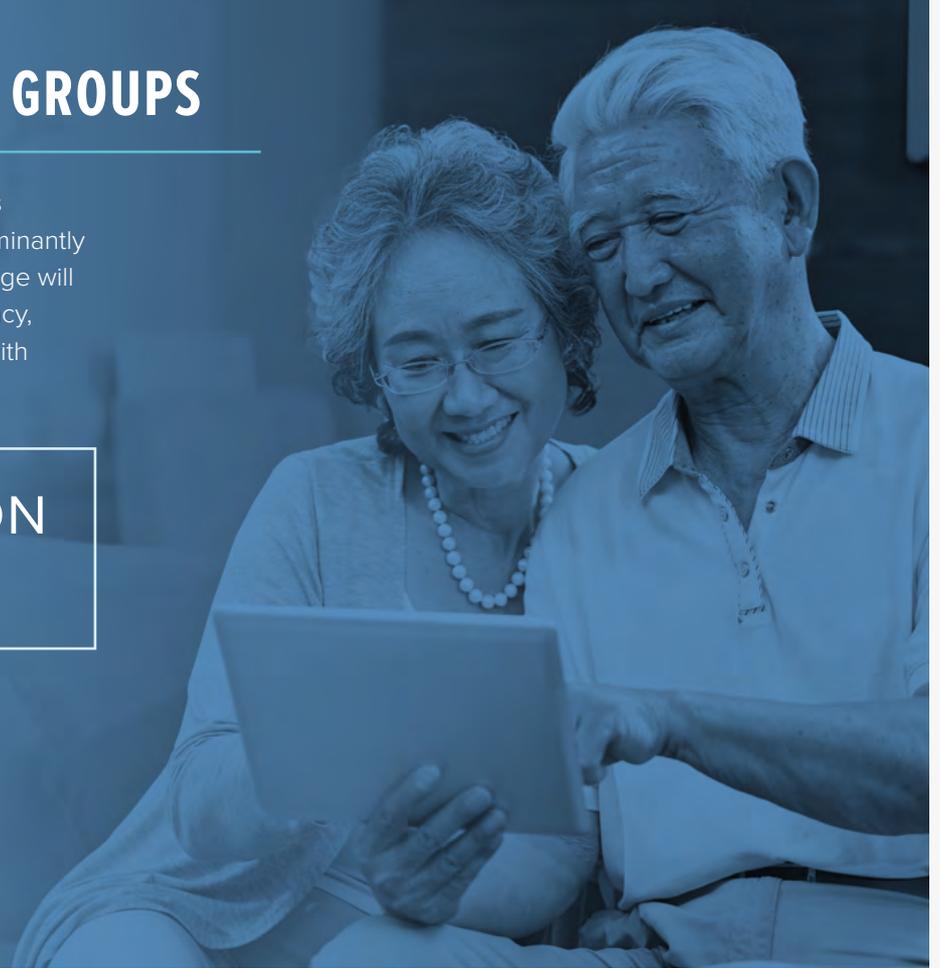
## SEGMENTING SENIORS WITHIN RETIREE GROUPS

52% of survey respondents that currently offer eldercare products or initiatives market to seniors that are within a retirement age group. Retirees were predominantly categorized as 65 years or more. It will be interesting to see if the retirement age will start to increase if seniors are living healthier and increasing their life expectancy, as this may translate into seniors staying in the workforce longer or assisting with childcare or other responsibilities at home.

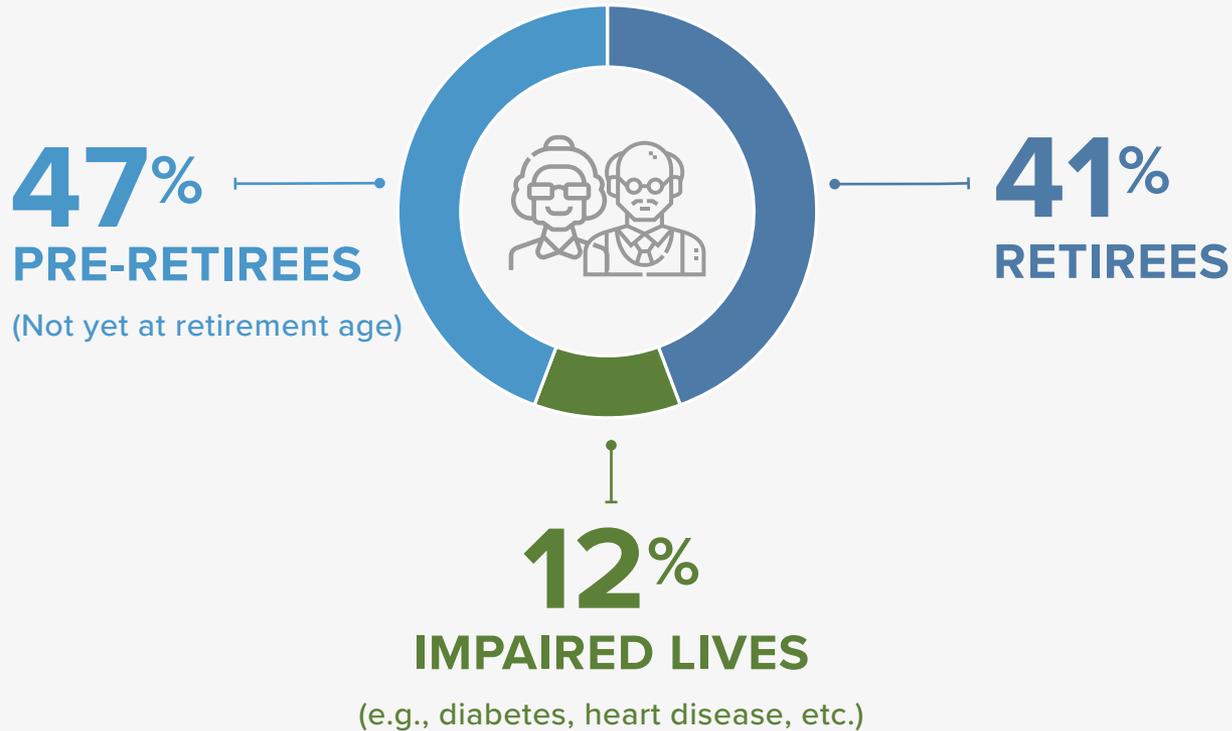
**52%** USE SEGMENTATION  
FOR SENIORS



**43%** REPORTED 65+ YEARS AS THE  
DEFINED RETIREES AGE BAND



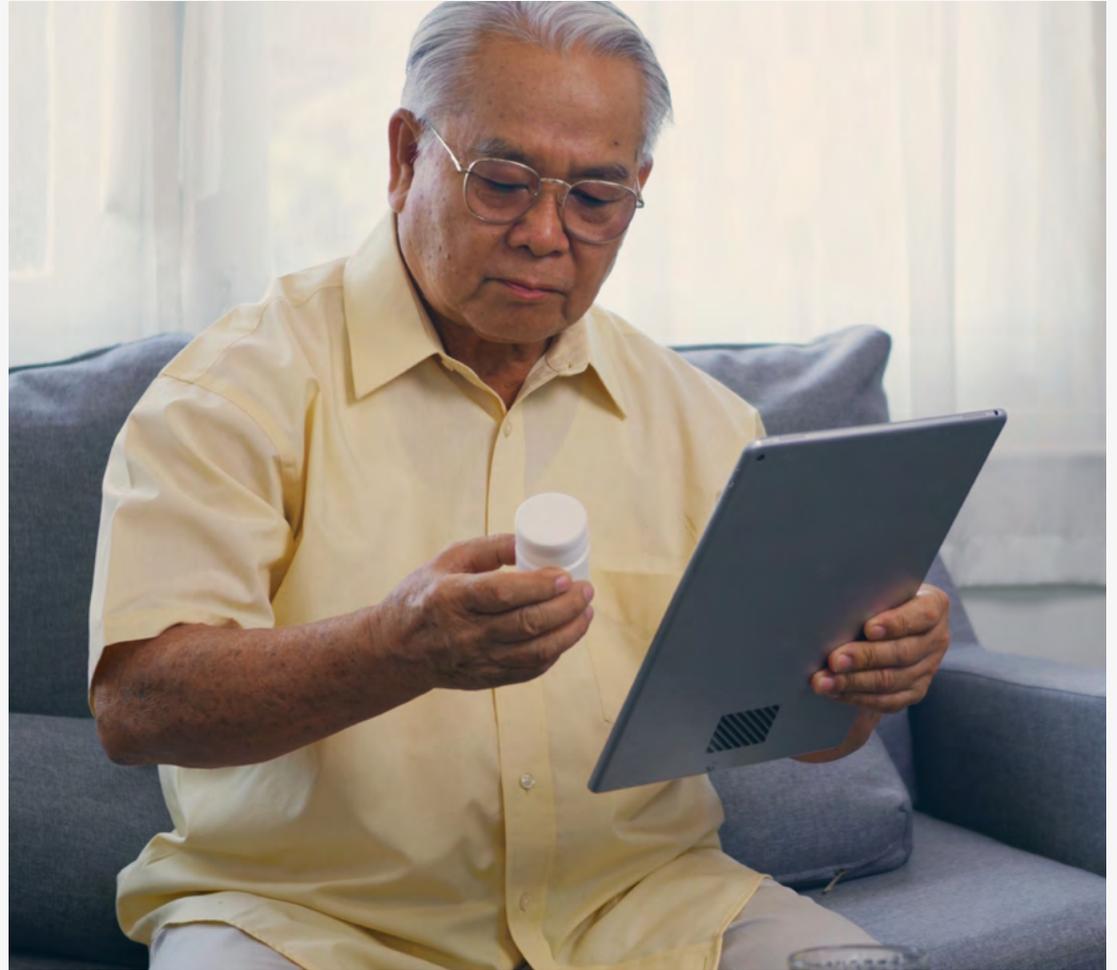
## TOP MARKET SEGMENTS



### FOCUS ON NEW SEGMENTS

- Medical Insurance for elders
- Explore retirement (senior) segment
- Family policy
- Young adults to buy plans for parents
- Estate planning and LTC
- Elderly people excluded from other health insurance
- Pensioners with payroll management and financial services

# OPPORTUNITIES FOR ELDERCARE



## GROWTH OPPORTUNITY AREAS FOR ELDERCARE

7%

DATA ANALYTICS

17%

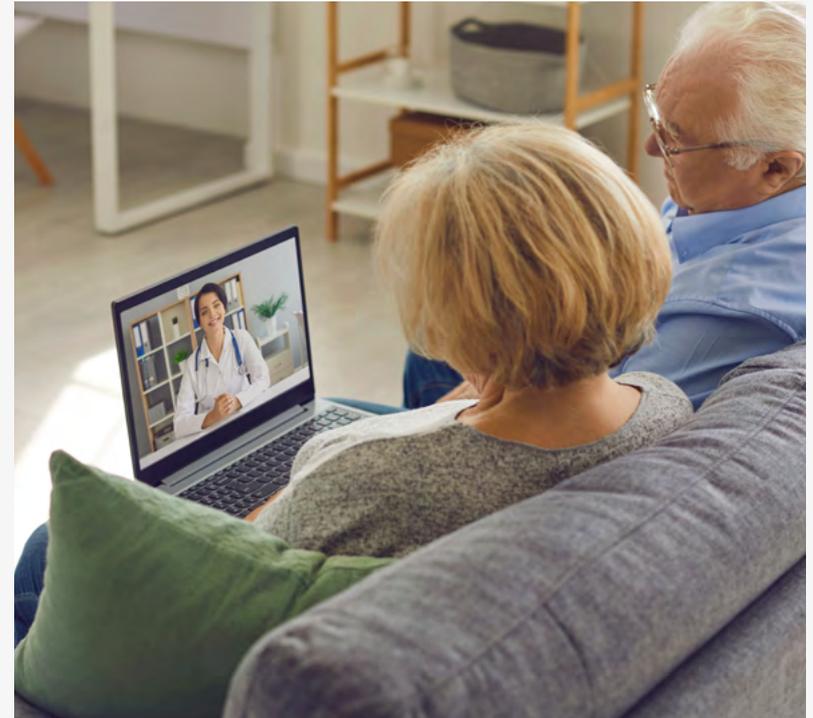
UNDERWRITING

17%

HEALTH IMPACT  
QUALITY OF LIFE /  
DISEASE PREVENTION

55%

PRODUCT  
DEVELOPMENT



## GROWTH OPPORTUNITY AREAS FOR ELDERCARE: REGIONAL VIEWS

### APAC | Product Development - 40%

- Affordable product and services
- Elderly health protection and financial protection
- Challenging to offer attractive products while controlling the risks

### EMEA | Product Development - 71%

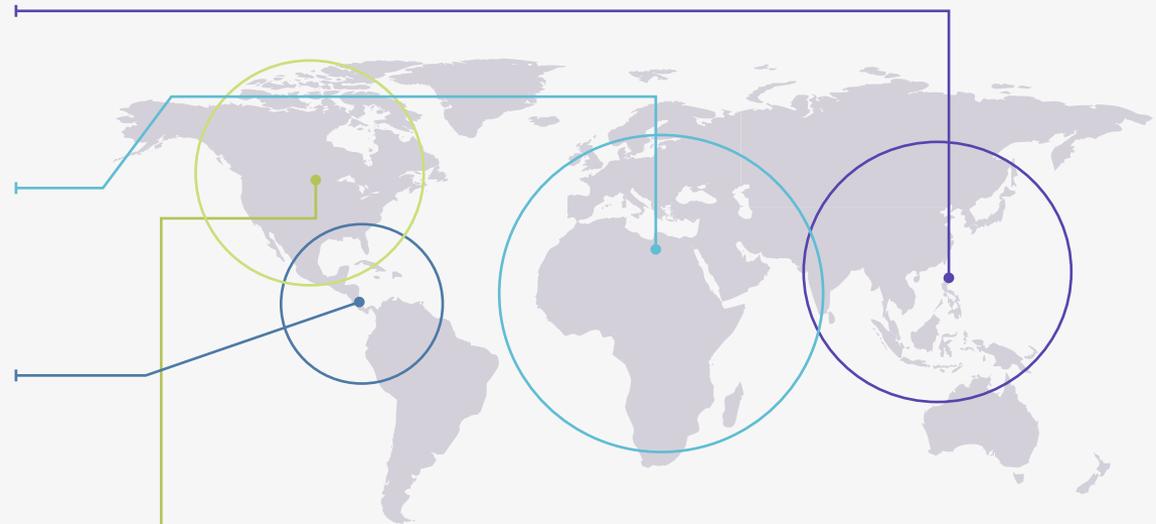
- Affordability of premiums
- Right product, support financial

### Latin America | Product Development - 88%

- Product coverage
- Affordability

### U.S. & Canada | Health impact - 50%

- Programs to improve quality of life in elders
- Affordable product
- Preserve cognitive health



**55%**

of the respondents expressed product development as a key opportunity area; offering affordable products and good coverage emerged as the predominant themes.

# TOP ELDERCARE PRODUCTS OR BENEFITS OFFERED

## MOST FREQUENTLY OFFERED

Savings or Annuities	Medical insurance	AD&D	Estate Planning
Final Expense/ Funeral Cover	Living Benefits	Health/Wellness Products	Financial Health/Aging in Place
Long-Term Care (LTC)	Dental, Hearing and Vision Benefits	Caregiver/Caregiving	Dementia

## UNTAPPED OPPORTUNITIES

## TOP PRODUCTS AND BENEFITS OFFERED BY LINE OF BUSINESS



### INDIVIDUAL PRODUCTS

Savings / Annuities  
Estate Planning  
Long-Term Care (LTC)



### GROUP BENEFITS

Medical Insurance  
Final Expenses  
Health / Wellness



### BOTH INDIVIDUAL & GROUP

AD&D  
Medical Insurance  
Living Benefits

## SENIOR PRODUCTS SALES AND PERFORMANCE

### TOP 3 DISTRIBUTION CHANNELS FOR ELDERCARE PRODUCTS

1. Bancassurance
2. Agents
3. Brokers/brokerages

### TOP PRODUCTS THAT GARNERED THE HIGHEST PERCENTAGE OF TOTAL SALES

1. Savings and annuities
2. Funeral or final expense
3. Long-Term Care (LTC)

### PERFORMANCE OF THE TOP 3 ELDERCARE PRODUCTS

#### Exceeding or meeting expectations

1. Financial health/aging in place
2. AD&D
3. Medical insurance

#### Below Expectations

1. Caregiver/caregiving
2. Dementia
3. Long-Term Care (LTC)



## ELDERCARE PRODUCT GAPS

Survey respondents reported gaps in the market for senior products including LTC, savings and annuities, financial health/aging in place and dementia cover. For seniors in poor health, undergoing the underwriting process is a challenge, and there are limited products. Product limitations include lack of coverage for applicants who have issues and are 65-70 years. Globally life expectancy has increased, we are seeing older seniors now living in good health, opening the doors for insurance opportunities for the elderly market.

### FREQUENTLY MENTIONED

Long-Term Care	Savings & Annuities	Financial Health/ Aging in Place	Dementia Cover
Critical Illness	Living Benefits	Chronic Diseases	Wellness Products
Medical Insurance	AD&D	Disability Products	Financial Health
Home Care & Caregiving	Substandard Lives	Estate Planning	Life & LTC Combo
Dental Benefits	Affinity Markets		

## CHALLENGES FOR MARKET PENETRATION AND SALES (SENIOR PRODUCTS)

### TOP WEIGHTED RANKINGS



**33%**

**PRICING (PRODUCT AFFORDABILITY)**

**23%**

**PRODUCT DESIGN**

**15%**

**UNDERWRITING**

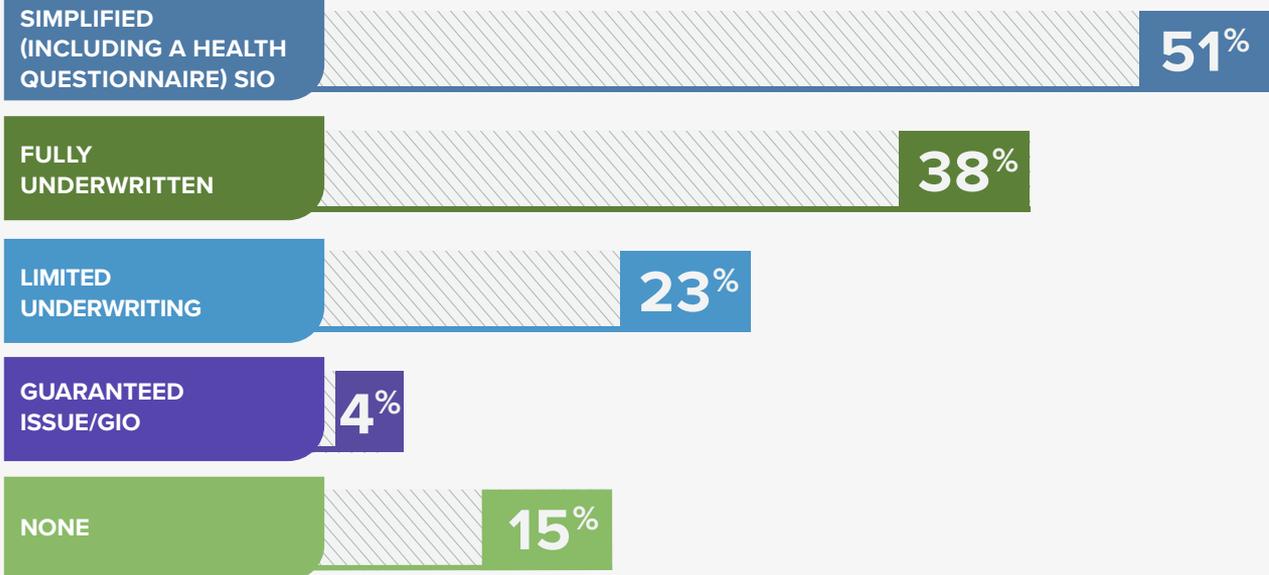
**9%**

**ANTI-SELECTION IN UNDERWRITING**

## UNDERWRITING METHODOLOGY

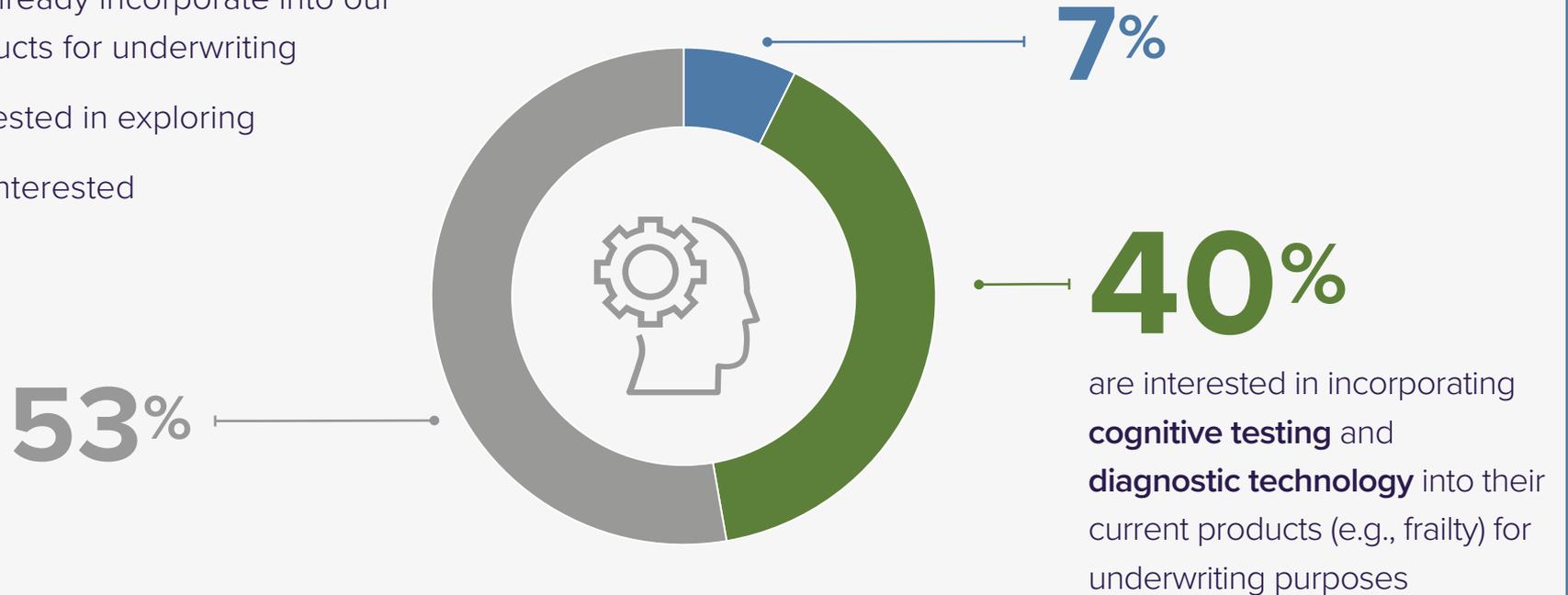
### HOW INSURERS ARE SEGMENTING AND UNDERWRITING:

- Simplifying the underwriting process by using **data analytics**
- Older ages = **preferred rates**
- **Limited health coverage** beyond 60 maturity restricted to 75 years with a fixed benefit cover only
- **Full and limited underwriting**  
Questionnaire for pre-existing conditions

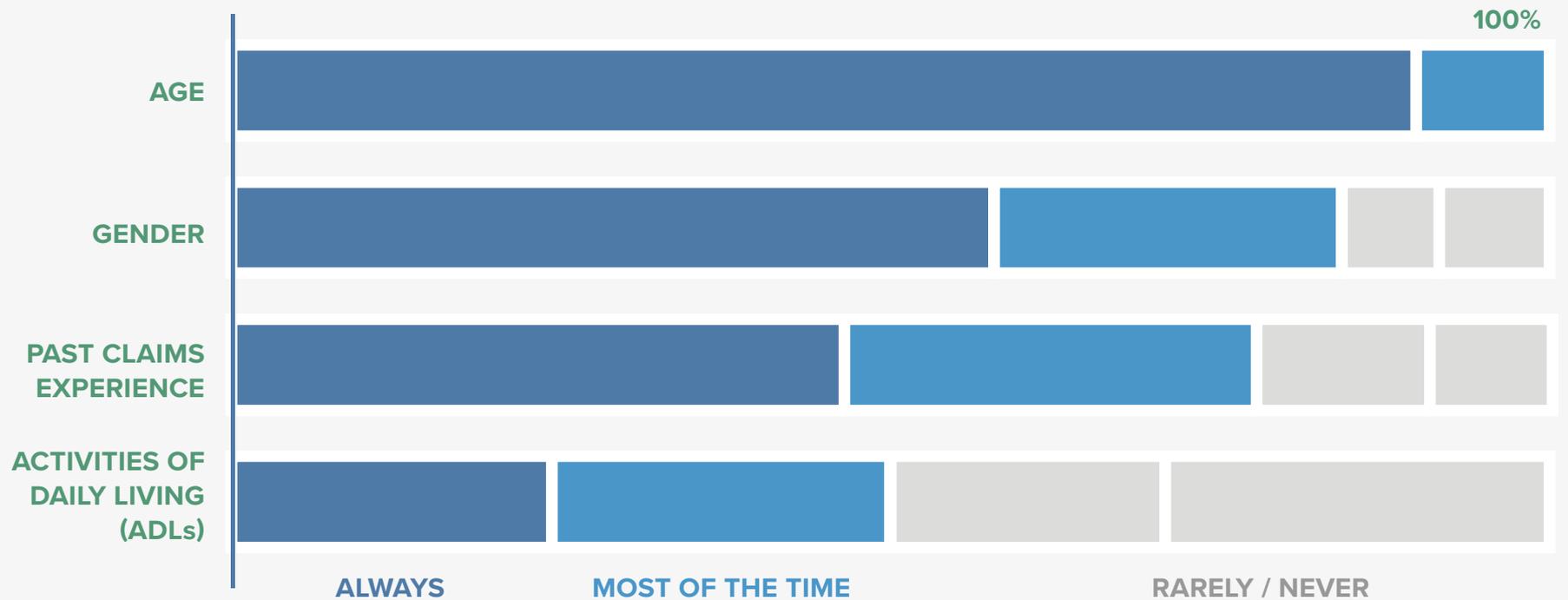


## COGNITIVE TESTING AND DIAGNOSTIC TECHNOLOGY CONSIDERED FOR UNDERWRITING PRODUCTS

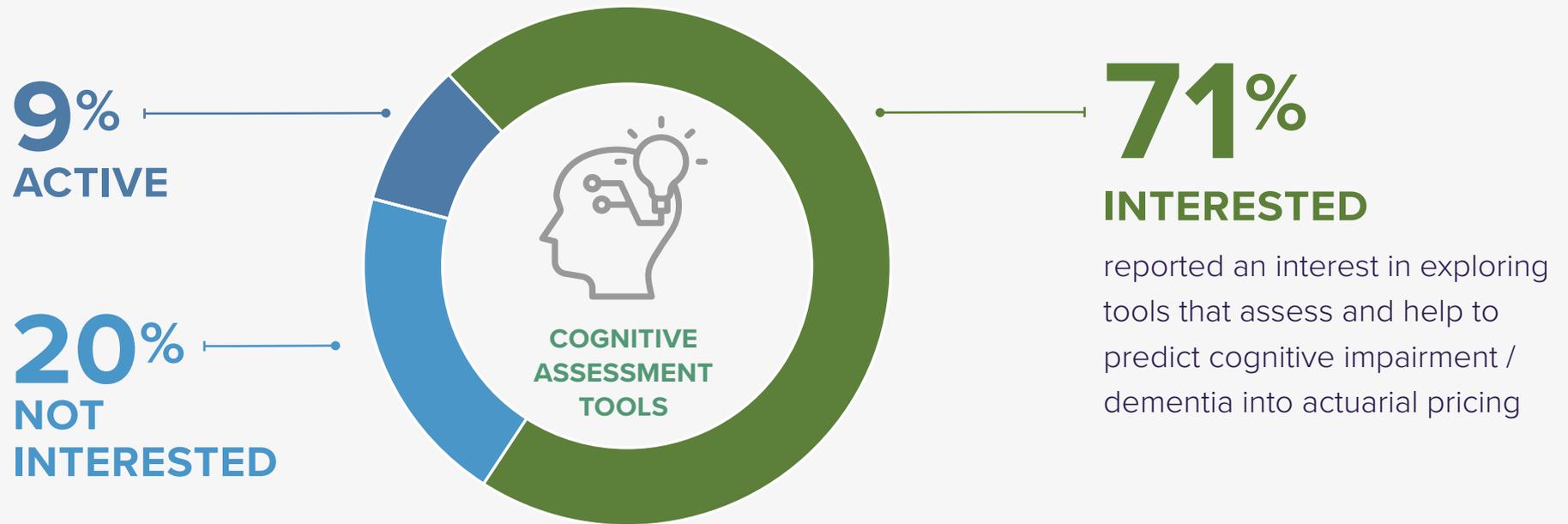
- We already incorporate into our products for underwriting
- Interested in exploring
- Not interested



## PRICING FACTOR CONSIDERATIONS



## COGNITIVE ASSESSMENT TOOLS TO SUPPORT ACTUARIAL PRICING



## ELDERCARE FOCUS PRIORITIZED DUE TO COVID-19

**44%**

### TECHNOLOGY FOR VIRTUAL MEDICAL ATTENTION

e.g., Tele-health services

**28%**

### AGING IN PLACE PROMOTION & SUPPORT

Versus in a long-term care home / facility

**15%**

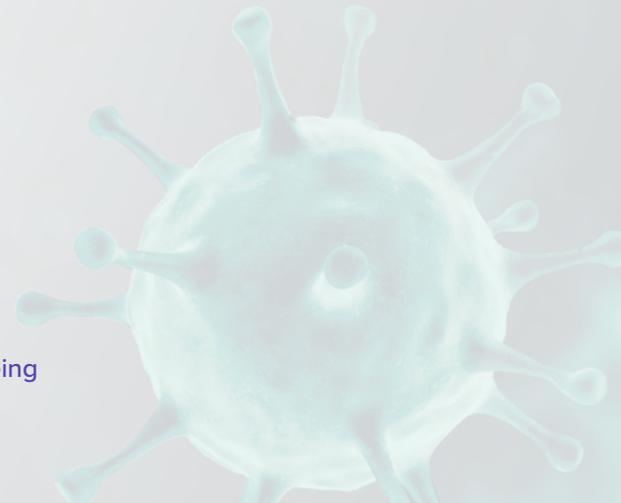
### TECH TARGETING SOCIAL ISOLATION

Tools or remote check-ins by caregivers or family members

**13%**

### APPS OR TECH - GENERAL HEALTH

To support cognitive ability, mobility and overall general well-being



## PRIORITIZED INITIATIVES DUE TO COVID-19

RGA noted similar findings in our [Global Wellness Survey](#), where insurers reported a strong interest in cognitive health, brain apps, and digital enabling tools to prevent dementia in seniors.

### MULTIPLE MENTIONS

<b>Home Care</b>	<b>Tele-consultations</b>	<b>Tele-medicals</b>	<b>Increase Quality of Life for Seniors</b>
<b>Chronic Disease Management</b>	<b>Product Development</b> i.e. annuities, retirement plans, dementia, critical illness	<b>Mental Health</b> i.e. tele-health	<b>Waiving Exams &amp; e-Signing Apps</b>
<b>Digital Services</b>	<b>Financial Wellness</b>	<b>Claims Assessment / Eligibility via Video Apps</b>	<b>Improved Online Sales</b>

## 20 COMPANIES PRIORITIZED OR LAUNCHED INITIATIVES DUE TO COVID-19

### APAC

#### VIRTUAL CARE

- Home care
- Tele-consultations
- Tele-medicals
- Online healthcare
- Chronic disease management

#### PRODUCT DEVELOPMENT

- Dementia products
- Annuities and retirement products



### EMEA

#### AGING IN PLACE

- Home care – core services

#### VIRTUAL CARE

- Digital services to seniors

#### PRODUCT DEVELOPMENT

- Protection products for serious illness and improved care

#### PROCESS SIMPLIFICATION

- Improved online sales



### LATIN AMERICA

#### VIRTUAL CARE.

- Tele-medicine (video or telephone)
- Care for chronic disease management
- Enhance technology and benefits to enhance the quality of life

#### LIFESTYLE MANAGEMENT

- Research for best places for elderly to live



### U.S. & CANADA

#### VIRTUAL CARE

- Medical care access
- Mental health tele-health offering

#### PROCESS SIMPLIFICATION

- Waiving of exams
- Electronic options for signing apps
- Claims eligibility assessment via video

#### FINANCIAL WELLNESS

- Credit counselling - debt repayment support



## DIGITAL DEVICES AND WEARABLES FOR SENIORS

### LOW PENETRATION

# 18%

digital devices or wearables currently being used for seniors perpetuates barriers to data access\*

**9% One Device**

**9% Multiple Devices**

*\* Data access: Translates into limitations of data, analytics, pricing and underwriting. Digital skills training and technology for the elderly market must be a future focus."*

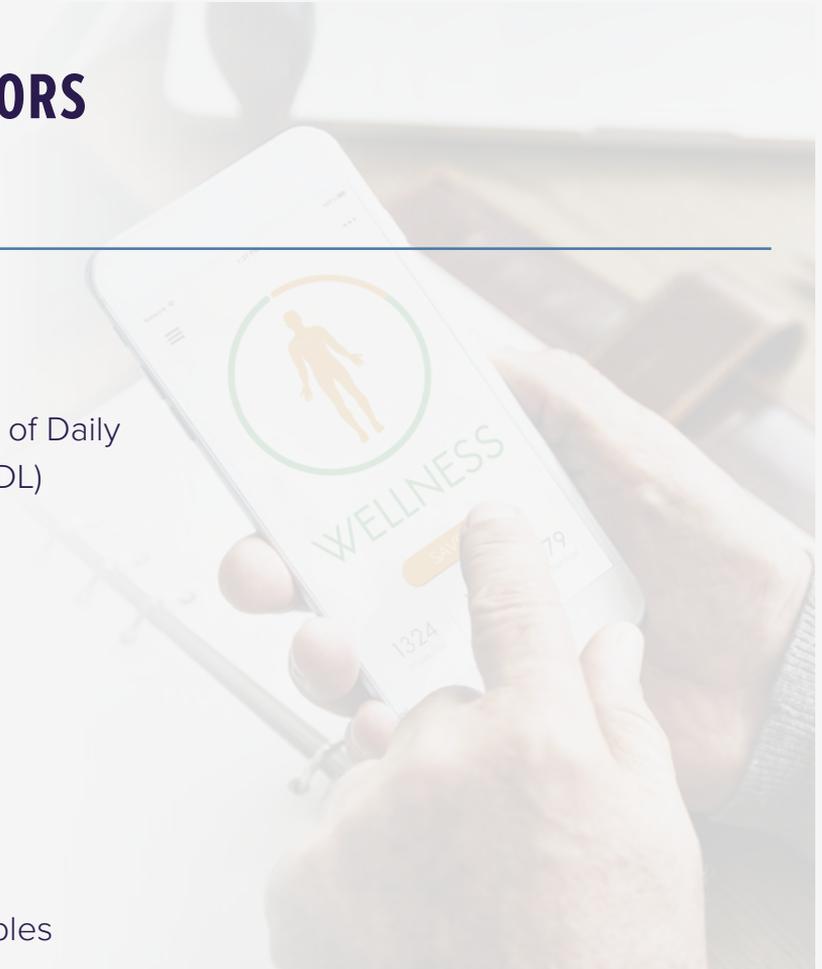
### FUNCTIONAL AREAS

#### BIOMETRIC

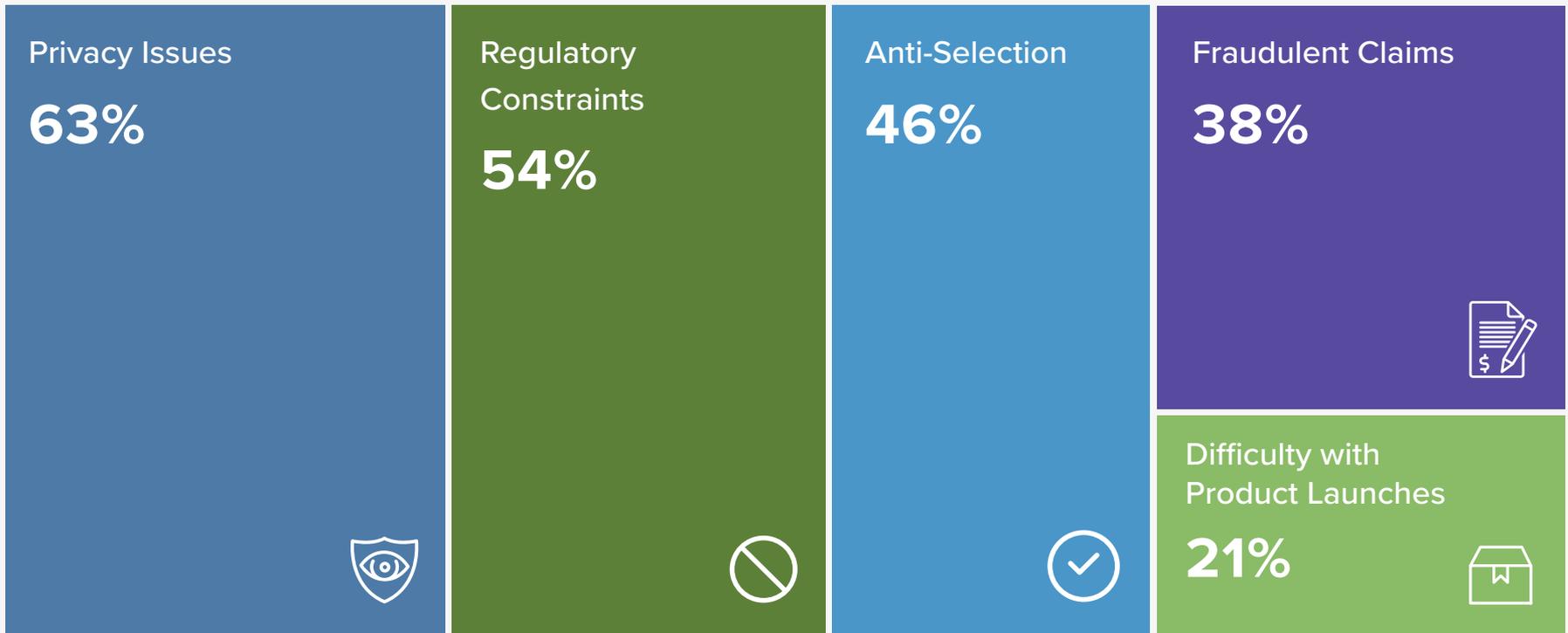
- Weight
- Blood pressure
- Physical activity
- Heart rate
- Sleep
- Activities of Daily Living (ADL)

#### OTHER SOURCES

- Biomarkers / Blood
  - » Lab results
- Biomedical
  - » Electronic health records
- Behavioral science
  - » e.g., Garmin, Apple or wearables



## CHALLENGES WITH COLLECTING AND APPLYING DATA



# INNOVATIONS & OPPORTUNITIES



## GOVERNMENT COLLABORATION OPPORTUNITIES FOR ELDERCARE

**18%** - Government subsidized insurance premiums

**12%** - Government services monitoring or supporting the elderly in their homes

**10%** - Tax credits for caregivers to cover prescriptions, health or rehab expenses

**8%** - Disability tax credits (for caregivers who support a dependent with physical or mental disability)

**8%** - Tax rebates for people who have elderly living with them (family/non-family members)

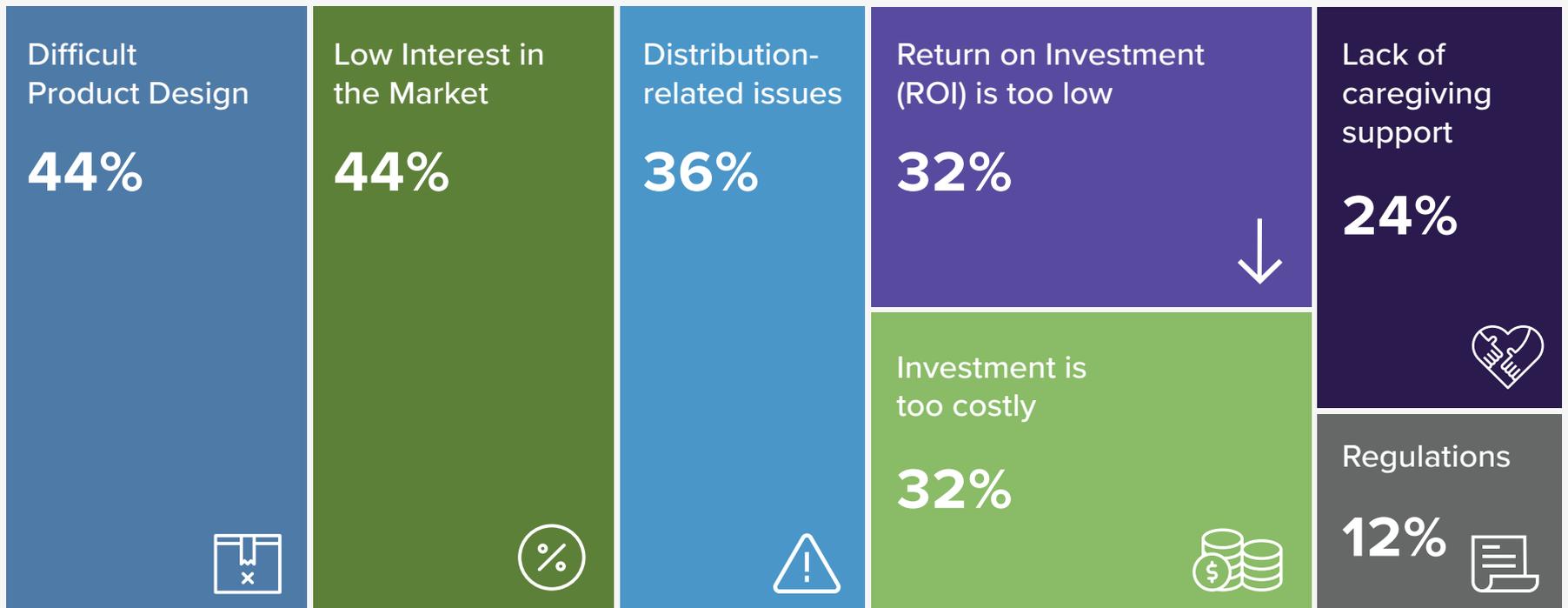
**4%** - Home accessibility tax credits (to cover renovations for wheelchair ramps or special equipment)

**2%** - Monitoring home appliance usage (e.g., gas and utility companies) using smart meters to measure activity and sending notifications when there is a concern

RGA asked if insurers collaborate with local governments to provide eldercare solutions, there were few responses. 62% of respondents reported lack of government collaborations; however, there may be lack of awareness. This is an area for growth to advance eldercare solutions for different countries.



## BARRIERS TO THE ELDERCARE MARKET: RESPONDENTS WITHOUT ELDERCARE SOLUTIONS



## ELDERCARE



There's an increase in demand for digital accessibility in the senior market to improve health in this vulnerable population.

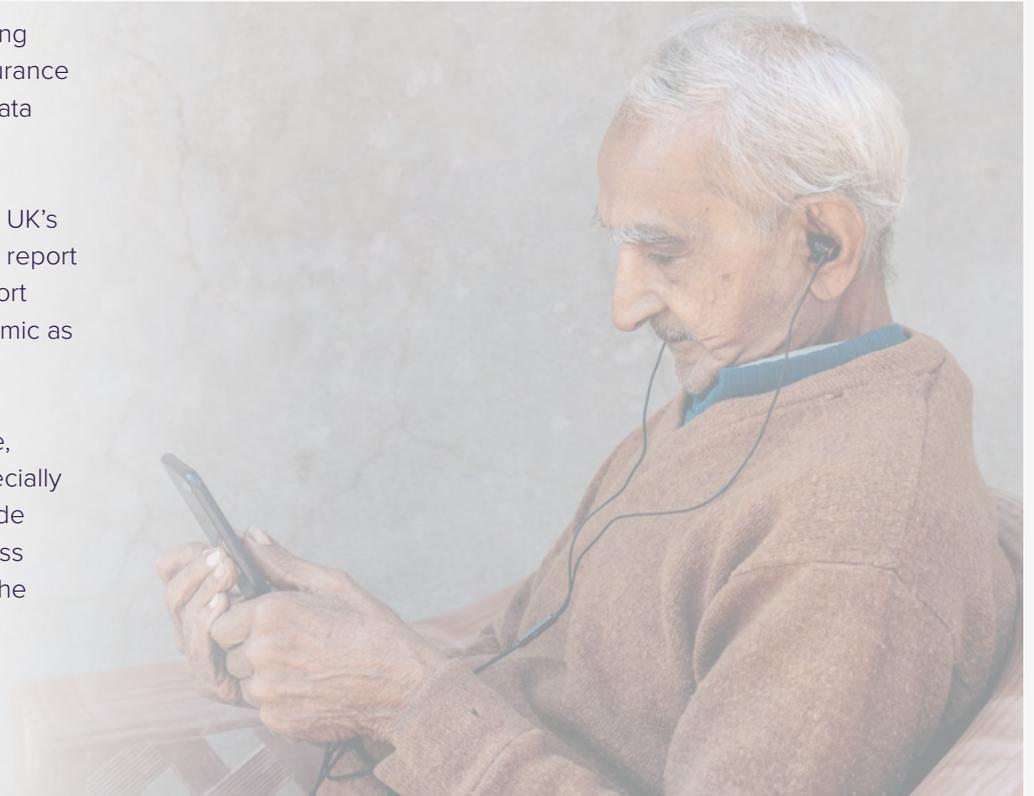
*How can we create opportunities around this demand in terms of products, pricing, and underwriting?*

## OPPORTUNITIES FOR ELDERCARE AND TECHNOLOGY

Despite the opportunities open in the eldercare market for healthy aging through wellness and simplified underwriting processes for senior insurance products, there are several barriers within technology and access to data that we need to overcome. Technological illiteracy is one such barrier.

In January 2021, the Science and Technology Select Committee of the UK's House of Lords published [a report on the issues of healthy aging](#). This report details the need, even in high-income countries, to promote and support digital skills training. This need has been highlighted during the pandemic as technological illiteracy inhibits vaccine access.

Access to technology has been integral to education, work, healthcare, entertainment, and social connectedness for years, but has been especially vital during the pandemic. Technology has been a focus point to provide virtual care for elderly as well as reduce social isolation. Even so, access to and competence in using technology has been limited for many in the elderly population who largely must rely on family and caregivers.



## ELDERCARE GROWTH AREAS

Survey respondents have seen a reprioritization of initiatives as the COVID-19 pandemic has increased the need for technology to enable virtual care and home care for seniors.

Due to the health crisis in long-term care facilities, insurers are also rethinking aging in place as an option for seniors, focusing on required support systems for maintaining independence and overall general health for seniors with consideration for cognitive functions, mobility, wellbeing, and isolation.

Seniors continue to experience low adoption and penetration rates for digital device usage, which is a challenge that perpetuates existing barriers in data access. This also translates into limitations of data, analytics, pricing, and underwriting.

While we recognize that digital skills training and technology for the elderly market must be a future focus, we've also found that there are partners in health care solutions geared to seniors.



## GLOBAL ELDERCARE GROWTH AREAS

Survey respondents see future eldercare growth in the areas of product development, underwriting and data and analytics.



**42%** PRODUCT DEVELOPMENT



**26%** UNDERWRITING



**21%** DATA & ANALYTICS

## EXPLORE OPPORTUNITIES WITH RGA



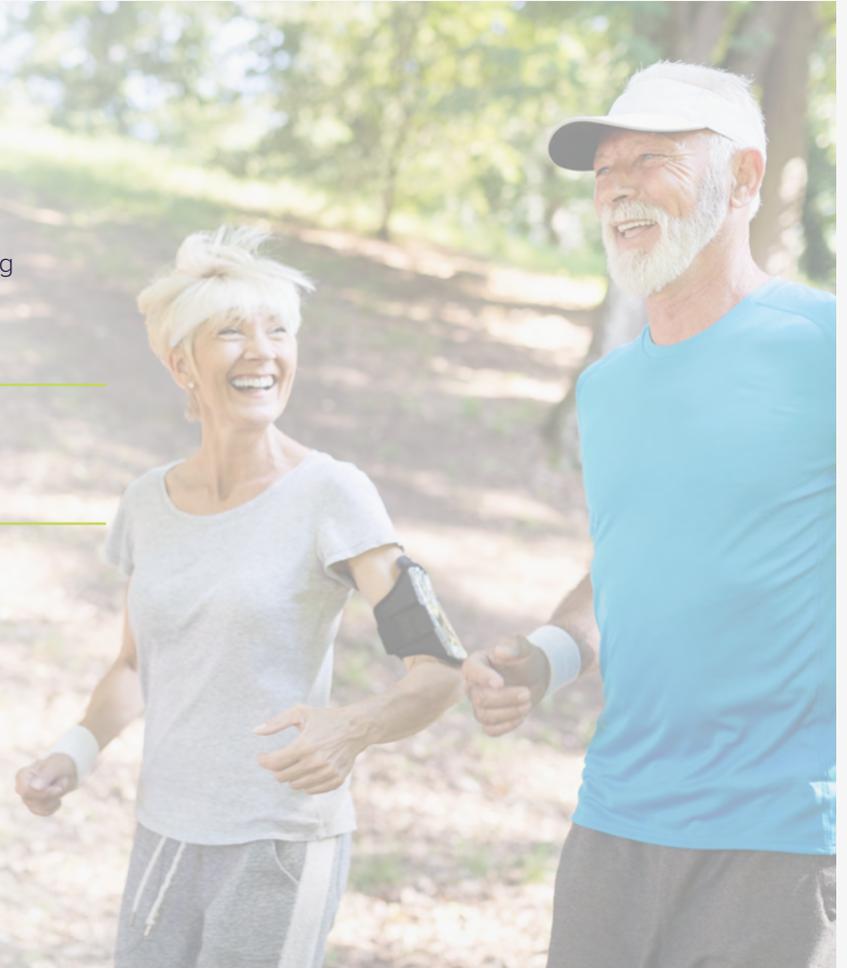
**Explore eldercare solutions** or offerings to keep the elderly population living independently financially, while providing preventive health solutions that support a healthier life and support inforce management offerings.



Test and validate concepts using design thinking sprints and pilots



- Leverage RGA's data-driven research and expertise that is available
- Access our subject matter expertise



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