



Avoiding the Long-Term Care Wipeout By Riding the Life-Extension Wave

By promoting longer, healthier lives, we can assure affordable care for all who need it while contributing to a more robust society.

It's a "win-win-win" strategy that can enrich three constituencies while helping America thrive again.

By Richard W. Samson

Failure to plan adequately for the long-term care needs of our longer-living population is putting more than just the people at risk, who stand to lose trillions. Federal and state governments along with the long-term care insurance industry also face multi-trillion-dollar losses, and may be flirting with insolvency. And all three constituencies – industry, government, aging Americans – face untold intangible losses as well.

This problem is highlighted by the fact that only about 8% to 10% of consumers who could benefit from long-term care insurance have it, and by the likelihood that Medicaid, in a time of belt-tightening, will lack the means to care for the rest.

We can avoid the three-part wipeout by catching an unprecedented wave: the trend toward healthy life-extension. It promises not only to lengthen our lives but also to raise the quality of our lives, yielding more peak-productive years.

THE SCOPE OF THE PROBLEM

Consider the impending losses of the three constituencies:

FIRST: Millions of aging Americans stand to lose their shirts as well as care-free lifestyles beyond 40 or 50.

Many will be hit twice by long-term care needs. Lacking financial protection such as long-term care insurance for family members, they will be forced to care personally for an incapacitated parent, spouse, or other loved one. Then, as the years pass, they are likely to face long-term care needs of their own.

This one-two punch will be expensive. According to a study by the MetLife Mature Market Institute¹, America's 10 million employed caregivers face \$3 trillion in lifetime losses for missed pay, pensions, and social security. That amounts to \$304,000 per worker.

The average 401k totaled \$71,500 in 2010, a fraction of the looming double whammy from long-term care costs.

The bill for the caregivers' own care will magnify this loss. The annual cost of a private room in a nursing home rose to \$83,500-plus in 2010, up 4.6% from 2009, according to MetLife². The cost of home health care by a trained assistant was \$21 per hour in 2010.

If this care were needed an average of six hours a day, the cost would be about \$46,000 for a year. If either nursing-home or in-home care were required over several years, the total bill could easily rival the \$304,000 lifetime-earnings cost suffered earlier, for a total hit of half a million or more. Imagine the impact on one's retirement dreams.

According to a February report from Fidelity Investments³, the average 401k totaled \$71,500 in 2010, a fraction of the looming double whammy.

A separate issue, not addressed here, is how to manage the obscenely large medical expenses often incurred at life's end in the vain attempt to keep a terminal patient going.

SECOND: Government faces future bills it can't hope to pay without compromising security, education, infrastructure, scientific research, and more.

The cost of Medicaid accounts for a significant part of mushrooming federal expenditures that have become hard to sustain. According to annual government projections published in *Health Affairs*, total Medicaid expenditures are expected to grow to \$794 billion in 2019 from \$378 billion in 2009⁴. Let's assume total expenditures average \$586 billion per year over the next 30 years, probably a very low estimate. Long-term care accounts for 32% of the Medicaid budget. That would be \$188 billion of the \$586 billion. Over a 30-year period, that amounts to about \$5.6 trillion. The total could be much larger, especially when inflation ups the ante and aging Baby Boomers, 77 million strong, swell the ranks of those needing care.



Washington and the states are likely to shift much of the LTC burden off of Medicaid. A reasonable option would be to make it much harder for people with means to qualify for Medicaid. Another reasonable option would be to reduce the overall need for LTC by promoting better health with a lower incidence of adult-onset diseases that necessitate care. An unthinkable option would be to abandon millions to a squalid end.

THIRD: The long-term care insurance industry risks pale profits, business failure, and mammoth lost-opportunity costs.

The rapidly-rising cost of care challenges the profitability of LTC policies, forces unpopular rate hikes, and has induced some carriers to exit the business. According to the American

Association for Long-Term Care Insurance (AALTCI), in 2010 major carriers such as Genworth, John Hancock, Prudential, and Mutual of Omaha paid out 53% more in claims than four years earlier. In addition carriers face a big opportunity loss. Let's assume that market penetration is 10% or less, a conservative estimate based on the statement from the U.S. Department of Health and Human Services that only about 3 percent of adults have a private LTC policy.⁵ The lion's share of

the potential income is left on the table. AALTCI reports that total earned premium for the LTCI industry in 2010 was about \$11.7 billion⁶. Over the next decade, that amounts to \$117 billion, not including inflation and the coming Baby Boomer bump. Multiply that by 10 (based on the estimate of 10% market penetration), and you end up with a whopping trillion dollars plus in potential revenue foregone, more than \$3 trillion over 30 years.

CAUSAL FACTORS

Why do we find ourselves in this situation? Three factors conspire to make the constituencies slow to solve the common problem:

(1) LTC policies are promoted in a way that turns many consumers off. The term “long-term care insurance” emphasizes a positive remedy for a negative development: needing help with the tasks of daily living, such as moving around, washing, or dressing. Help is a good thing, but who wants to think about needing it? Who wants to imagine being unable to eat without help, or requiring assistance to urinate or change diapers? Who wants to contemplate months in a sickbed on a downward slide toward death?

(2) Governmental incentives keep millions from taking responsibility for their own long-term care. Current law allows middle-class and even affluent Americans to artificially impoverish themselves to qualify for nursing-home care through Medicaid. Financial advisors often coach clients to transfer assets to children or other relatives -- to become “poor” on paper for Medicaid qualification purposes.

(3) Too many people need care for too long. According to U.S. Department of Health and Human Services (HHS), about 70% of people over 65 will require long-term care services at some point in their lives⁷. Why this percentage? Why not 60% or 50%?

The need for care is triggered by incapacitating adult-onset diseases such as Multiple Sclerosis, Parkinson's Disease, and Heart Disease, which have been on the rise; and by Alzheimer's and other forms of dementia, which are becoming more prevalent.

Why aren't these conditions waning instead of waxing, when prevention is well within our grasp?

According to the U.S. Department of Health and Human Services, the average stay in a nursing home is 2.2 years for men and 3.5 for women⁸; and long-term care insurance claims (which may be for assisted living or home care as well as nursing home care) go on for about 3 years⁹. Why that long? Why not less when prevention is waiting in the wings?

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In addition to reducing the number who need care and the duration of care, prevention also enables us to reduce the *percentage* of one's life devoted to long-term care, by adding healthy years to one's lifespan. Over three decades, trillion-dollar savings are possible.

Even more savings are possible. Poor health of aging Americans affects us in the pocketbook far beyond the cost of two or three years of long-term care. LTC benefits are triggered when the insured person can no longer perform two or more tasks of daily living, including bathing, dressing, eating, toileting, walking or wheeling, and transferring into and out of bed. Before that time, millions muddle through unable to perform ONE of the tasks.

Imagine not being able to take a bath by yourself, dress yourself, feed yourself, go to the bathroom by yourself, etc. This diminished capacity makes millions less productive as employees or citizens, and saps energy from others who must accommodate their disability. The “pre-LTC” costs to society, if calculated,

would be enormous. No wonder it seems as if America is just limping along. To convert the mammoth disability crisis into an equally gigantic opportunity, we need three solutions that address each of the three causal factors head-on.

SOLUTION 1: FOCUS ON “HEALTH” MORE THAN “CARE”

Long-term care insurance, a good thing, need not be viewed through a dark lens, the “needing care” perspective. Today’s Baby Boomers and Gen X’ers would prefer a rosier image, a 100% positive one. They’d rather think about robust health than about care for failed health, essential as the care might be.

Long-term care policies could and should be sold under the umbrella of long-term health. “Health” in big, bold type; “care” in small, subordinate type. With this shift in emphasis, a much larger percentage of Americans would be likely to go for the protection.



Which would you buy?

According to advertising-industry lore, a company marketing slippers found that the headline “Keep Feet Toasty Warm” sold far more slippers than “Keep Feet from Getting Cold.” How come? In the first case, the prospect’s mind was focused on sensations of warmth and comfort; while in the second case, the prospect’s mind was bathed in frigid, uncomfortable images. Same product, different mindset.

Soft drinks are sold with images of happily imbibing the tasty, frosty fluids. We don’t see many successful ads that dwell on uncomfortable, parched throats in need of lubrication.

Ads for many products, such as pain remedies, do portray the problem that needs solving, but they seldom dwell on it. They quickly get off the problem and portray the desired pain-free state: people smiling again, getting back to work, interacting normally again with friends or children.

Problem identification is of course a key part of selling, but care must be taken to “get off it” quickly and get on to the positive result everyone wants. What images come into a consumer’s mind when “long-term care” is read or heard? Anything most people would want or strive for? Or images of –

- Suffering from a disease or injury that might never leave you,
- Spending time in a sickbed or wheelchair,
- Needing help to eat or go to the bathroom.

Now let’s try another phrase: “long-term health.” If the industry used this term, or one like it, as a broader umbrella in which to present LTC protection, insurance buyers would be induced to visualize –

- Living a good long life,
- Staying healthy into old age,
- Enjoying the ability to walk, work, and play for many years.

Put aside, for the moment, the question of whether a care-free future is a result that should be offered. Which set of images would people rather entertain?

People gravitate toward positive prospects; they shrink from negative ones, even when it’s rational to entertain them. Auto accident insurance would be a harder sell if the law did not mandate it.

The shift in focus from “long-term care” to “long-term health” would require new substance from carriers, not just words.

Examples of substance include –

- **Longevity insurance:** Introducing and/or more aggressively promoting longevity policies such as those now offered by MetLife and Hartford Financial Services Group¹⁰. This coverage, if teamed with long-term care insurance, would bolster the vision of living a long time.
- **Hybrid longevity-LTC products:** Introducing and/or more aggressively promoting policies that combine long-term care and longevity insurance features – again, strengthening the long-life expectation.
- **Pocketbook incentives:** Offering financial rewards, such as discount vouchers for joining health clubs, to encourage policyholders to think about keeping fit, and hopefully put off the day they need to claim LTC benefits. These incentives could be patterned after those now offered by many health insurers.
- **Healthcare partnerships:** Forming alliances with health organizations, especially those that prescribe lifestyle enhancements such as healthy diets, exercise, and stress reduction – again, focusing minds on keeping fit and vigorous.
- **Better-health education:** Providing prevention information and tools, arming policy-holders with facts and reminders on how to live healthier. According to a Sun Life Financial survey, over 90 percent of Americans either underestimate or have no idea how much they will spend on healthcare in retirement¹¹. The need for information is enormous -- to minimize those expenses and, more importantly, boost healthy, productive longevity.

Better-health education is perhaps the simplest of the options, and some insurance carriers are already doing something about it. Genworth Financial's new Live+WellSM program, developed with the Mayo Clinic, is one good example. Another is Performance Matters, announced in 2011 by John Hancock Financial Network.

MetLife offers the Disability Health and Wellness Connection program to help companies control costs and maximize productivity by reducing illness or injuries. Prudential Financial offers the Health, Life and Wellness program to its own employees and advice to other organizations on how to implement similar programs of their own.

In the interests of public well-being and their own bottom lines, carriers could offer such better-health education more widely and promote it more aggressively in conjunction with long-term care and longevity insurance.

There needs to be AN ACTUAL IMPROVEMENT IN HEALTH.

The shift in focus from “long-term care” to “long-term health” must be more than semantic. In the case of “keeps feet toasty warm” versus “keeps feet from getting cold,” the product stayed the same; only the sales pitch changed. If we shift the emphasis from “long-term care” to “long-term health,” the product as well as the pitch must change. For maximum effect, there needs to be *an actual improvement in health* with a corresponding decrease in the degree and duration of incapacity. There are two key reasons why doing this is imperative:

- The American economy can't perform at its best when undue resources must be devoted to care. That's a route to second-class nationhood.
- Insurance companies will find it hard to pay benefits, without escalating premiums, when increasing millions live for long periods in a state of incapacity. Carriers could flee the business, finding it unprofitable. And market penetration could shrink to well below the current 8% to 10% as policy rates exceed the ability to pay.

Going forward, if we're to have the robust, growing country we want, we have *no choice* but to improve actual health rather than just tinkering with the system of delivering care once health has gone, or bickering over who pays for it.

SOLUTION 2:**USE GOVERNMENTAL CARROTS TO MOTIVATE CHANGE**

We can create additional state and federal incentives for consumers to take responsibility for their own care. A lot can be done to promote long-term care planning, at a reasonable level, under the umbrella of longevity and wellness. Helpful measures include –

- **Medicaid reform:** New, stronger legislation to reserve Medicaid for the truly poor.
- **Bigger LTC tax incentives:** An increase in the current federal and state tax deductions or credits for LTC insurance premiums, motivating wider purchase of the insurance.
- **More tax incentives for building health:** Wide-ranging deductions that encourage prevention. We need to move beyond today's emphasis on illness and disability-based deductions.

We need to move beyond today's disability-based deductions.

- **Fewer barriers to local food production and distribution:** Food grown organically and nearby is far better for us than processed food from afar, including nutrient-poor fast foods, but current law and subsidies favor big, distant sources. Community farms, markets, and restaurants are thriving, but with a level playing field they could improve our health even more, even faster. Consumers will of course decide what to eat and from whom or where, but present farm and food-industry legislation biases the array of choices toward poor ones.
- **State “partnerships”:** Extension of the “LTC Partnership” programs to states not yet participating, and stronger promotion of existing programs¹².

- **A long-term health awareness campaign:** A government-industry program alerting the public to their positive options, including lifestyle choices for living longer in good shape; and ways to plan for long-term care. This campaign could parallel and find synergy with the “3 in 4 Need More” campaign¹³, run by the 3in4 Association, which seeks to alert the public to the need for some form of long-term care planning to address longer-lasting illnesses and disabilities not covered by regular insurance or Medicare.



Dr. Marion Somers kicking off national bus tour for “3 in 4 Need More” campaign -- a good model for a long-term health campaign.

The proposed long-term health awareness campaign would involve working with publishers, media companies, insurance carriers, and national insurance agencies to make the government's vast arsenal of health-improvement information more accessible to ordinary people. It might, for example, leverage the "Healthy People 2020" program, announced by the U.S. Department of Health and Human Services¹⁴ in 2010, or the "Go4Life" campaign announced by the National Institute on Aging¹⁵ in 2011.

- **Online tools & apps:** A government-industry web portal, plus smart-phone and tablet apps, that help people choose the right LTC protection for their situation; and a similar portal and apps that help people choose health-enhancement services, products, and behaviors that suit their individual needs and tastes.

SOLUTION 3:

FACILITATE LONGER, HEALTHIER LIVES

The long-term care insurance industry, government, and other stakeholders can support a development already well underway, the emerging trend toward healthy life extension.

Geometric growth of medical technology, together with Internet-speed dissemination of prevention information, promises to yield much longer lifespans for at least some Americans over the next few decades. This prospect, while good news for the public, involves challenges for government and private-sector planners.

How can we plan for such an uncertain future? Who could possibly predict the coming onrush of life-extending advances and their impact? Three concerns need to be addressed:

Concern 1: *If people are insured today based on current projections, and they actually live a lot longer, won't there be a big surge in long-term care claims? And might not the length of incapacity, during which long-term care is needed, be greatly extended?*

Yes, if medical advances are used merely to extend the length of unhealthy, degraded existence. But that's not the aim of leading researchers. They're out to keep people healthy, robust and productive during their extra years of life. Through cell therapies and nanobiology, they're out to slow and even reverse aging processes, so that in time an 80- or 90-something might have the body and mental agility of a much younger person. How soon this will happen is unclear, even IF it will happen.

Concern 2: *Won't a swelling mass of longer-living Americans put an intolerable strain on society? Should we think twice before encouraging extended lifespans? Some observers point to dangers such as these:*

- With more people over 65, more would have dementia and not be able to live independently.
- Millions in wheelchairs could overburden the remainder who are fit.

- The primary homes in America could become nursing homes and assisted living facilities. How could we care for all the residents?
- Today we rely on unskilled, cheap immigrant laborers to care for the elderly, but will that labor source still be available in 2040 or 2050?
- As doddering seniors displace sharp, energetic young people, America could suffer a "skill and brain drain," falling behind other nations.

It's wise to confront such possibilities, but they're not show stoppers. Far from it. They all rest on the assumption that increased age spells decreased ability. Older means weaker, sicker, and slower in the head. But that's a prejudice based on outmoded thinking. Modern prevention and emerging biotechnology promise to do much more than lengthen a doddering old age. They promise to counteract aging and in fact make body and mind better than ever. The effect will be to enhance all one's years and extend one's "peak years" by a significant margin.

Life expectancy rose in wealthy pockets of the U.S. but declined in poorer ones.

Concern 3: *Recently, health and longevity appear to be declining for some of us. On the heels of poor nutrition, sedentary lifestyles, and stress, the obesity epidemic and other poor-health trends could throw a monkey wrench into long-life expectations. How should we react to this? Some scientists, analyzing the effect of obesity on longevity, warn that the steady increase in life expectancy over the past 200 years may soon end¹⁶.*

Others cite negative influences in addition to obesity. A study led by Majid Ezzati, associate professor of international health at Harvard, has uncovered a

disturbing correlation between declining longevity and increasing income disparity since 1983.

The study found that life expectancy rose in wealthy pockets of the U.S. but declined significantly in poor ones. Earlier, from 1961 to 1983, no U.S. county had a statistically significant decline in life expectancy according to the study, but after 1983 life expectancy went down in many less-affluent counties, especially for women. Contributing factors appeared to be cardiovascular disease, lung cancer, and diabetes as well as obesity. “What’s driving the disparity is the worsening of the worst off,” said Dr. Ezzati, quoted in the New York Times¹⁷.

Nobody knows the future for sure. With political, social, and environmental threats of all kinds, we could be in for a long spell of poorer, sicker, nastier existence – even a downward spiral toward planetary suicide. But we’d be wise to bet on the opposite.



Age 71

Age 93

Through prevention and age-fighting innovations, many Americans may fare even better than Jack LaLanne ...

... the fitness advocate who stayed in shape until his death in January, 2011 at age 96. He had been sick just a week -- with pneumonia resulting in respiratory failure -- and kept up his daily workout until the day before he died.

The following three compelling facts support a bullish outlook:

COMPELLING FACT 1: Modern prevention, which employs the environmental tools currently at our disposal, could greatly expand healthy lifespans today. Right now -- with the proper dietary, exercise, stress-management, and other lifestyle choices – we can combat most adult-onset diseases.

This does NOT mean we can succeed in delaying, minimizing or preventing such diseases in specific individuals.

Statistically, however, over the broad population, prevention appears to correlate with longer, healthier lives. We should be jumping for joy at this development. With concerted effort, we may be able to delay and shrink the need for long-term care in America.

According to a study by the Harvard School of Public Health, the top 12 preventable causes of death¹⁸ in the U.S. are (based on 2005 data) –

1. **Smoking:** 467,000 deaths
2. **High blood pressure:** 395,000 deaths
3. **Overweight-obesity:** 216,000 deaths
4. **Inadequate physical activity and inactivity:** 191,000 deaths
5. **High blood sugar:** 190,000 deaths
6. **High LDL cholesterol:** 113,000 deaths
7. **High dietary salt:** 102,000 deaths
8. **Low dietary omega-3 fatty acids (seafood):** 84,000 deaths
9. **High dietary trans fatty acids:** 82,000 deaths
10. **Alcohol use:** 64,000 deaths
11. **Low intake of fruits and vegetables:** 58,000 deaths
12. **Low dietary poly-unsaturated fatty acids:** 15,000 deaths

Note that some of these, such as smoking, seem a lot like slow suicide; and all are under our control. They’re not like freak accidents or bad throws of genetic dice. By allowing or inviting them, we court death through our own free will, and we can do the opposite.

Consider three of the top causes of needing long-term care:

- **Fractured bones that never seem to heal, typically resulting from a fall.** Older people don’t fall just because of carelessness. More often it’s due to crippling arthritis that makes walking difficult, loss of muscle tone and strength, declining stability and balance, or strokes.

All these causal conditions may be postponed or prevented by lifestyle practices including regular exercise, good diet, and stress management.

- **Parkinson's, Alzheimer's, and other nervous system diseases.** Exercise, according to developing knowledge, has been linked to the creation of new brain cells including memory cells. Creative activity involving the mastery of novel situations appears to enhance the connections or "programming" between cells, important in memory, perception, and mental agility¹⁹. Good diet and proper exercise have been shown to fight inflammation, which may be a factor in Parkinson's disease, Alzheimer's disease, and other neurological disorders²⁰.
- **Heart disease.** Based on extensive research, the Mayo Clinic offers five practices²¹ that can help keep our blood pumps pumping: avoid tobacco, exercise 30 minutes on most days, eat a heart-healthy diet (avoiding saturated and trans fats), maintain a healthy weight, and get regular health screenings -- all things most of us can do.

If Americans want longer, healthier lives – with briefer periods of disability – and if LTC insurance companies want to keep benefit payments under control without raising premiums, a powerful tool is already at our disposal: prevention. We just need to use it.

Doing so will require addressing economic, political and social issues such as poverty, lack of education, and policies favoring nutrition-poor foods, but success is not beyond the grasp of an informed public.

Governmental, for-profit, and non-profit organizations of many kinds are now doing much to improve the health of their constituencies, customers, and employees; and they can do even more. For example, wellness programs – seen as a productivity booster – are taking hold as an employee benefit.

Companies that offer health-related products have a special opportunity to promote life-enhancing behaviors as well as their wares. For example, the Dole Food Company – which claims to be the world's largest producer of fresh fruits and vegetables – promotes healthy habits on its home page (dole.com) through a series of dynamically-changing ads that link

to added information. Consumers may also sign up for "Nutrition News."



Long-term healthcare insurance carriers are well advised to form alliances with organizations of many types that have chosen to walk the prevention path.

Prevention is the nearest thing we have to a panacea or magic cure-all. Most forms are free or cost less than nothing by replacing expensive alternatives. Best of all, prevention prevents more than illness and death; it also prevents premature aging and loss of productive capacity.

Prevention is a much more pervasive and powerful tool than often realized, yet a new, additional set of powerful tools is at hand.

Modern prevention and emerging biotechnology promise to do much more than lengthen a doddering old age.

COMPELLING FACT 2: Genetic and nano biotechnologies are poised to boost human lifespans, possibly through the roof. Longevity and health are determined by two factors – environment and heredity. Only the first has been under our control; soon the second will be too, if current advances reach widespread fruition. Environmental factors, which we now routinely modify, include the internal environment of our bodies as well as the spaces we move around in. We know we can have an impact here; but until now we couldn't do anything about our heredity. We were stuck with genetic predispositions for certain diseases and the certainty of decay and death. But that was before biotech.

Thanks to health-care advances even before the dawn of gene sequencing, lifespans have been lengthening. In 1900, the average American life expectancy was about 49; now it's about 78, a leap of 29 years²². Adding another 29 years would mean a life expectancy of 107. Can we expect that to happen any time soon?

Most experts agree that lifespans are increasing, but estimates of how fast vary widely.

- **Standard estimate:** According to the U.S. Census Bureau, by 2050 the average American life expectancy at birth will reach an estimated 83.1 years, up about 5 years from today's 78.3²³.
- **Higher estimate:** A larger increase is predicted by S. Jay Olshansky and other investigators with the MacArthur Research Network on an Aging Society. They estimate that U.S. life expectancy will be at least 86 and possibly as high as 90 by 2050, up 8 to 12 years beyond today's 78.3²⁴.
- **Much higher estimate:** Considerably longer lifespans are in store for us according to James W. Vaupel, founder of the Max Planck Institute for Demographic Research.



James Vaupel

He bases his views on research by demographers at the Max Planck Institute, which are consistent with tables published by the German Actuarial Society, which advises German insurance companies. Agencies such as the U.S. Census Bureau commonly underestimate longevity, according to Vaupel. In nations such as Germany, Great Britain, and the United States, life expectancy is increasing by three months per year, or six hours each and

every day, he says; and half of German babies born today can expect to live to age 105.²⁵

If, going forward, life expectancy keeps increasing six hours per day, who knows how long Germans or Americans may be living a few decades from now?

- **Off the charts:** Over the past 200 years, longevity growth has been linear, according to Vaupel: lifespans have been steadily increasing, but the rate of increase has not. That may be changing. Thanks to the biotech revolution, linear may be giving way to geometric, with gains that come faster and faster. That's the view of Ray Kurzweil, author of *Fantastic Voyage: Live Long Enough to Live Forever*. Using his "Law of Accelerating Returns" – which accurately describes exponential progress in electronics, communications, DNA sequencing, and other high-tech fields – Kurzweil predicts that by 2022 we'll be increasing life expectancy by an average of one year for every subsequent year.

If a person can keep alive until then, medical breakthroughs will be restoring health faster than aging degrades it, he says. Kurzweil bases his prediction on rapid progress in gene modification and bio-nanotechnology, with testing now being done on animals. This progress, though in its infancy, is geometric, not linear²⁶.

Gerontologist Aubrey de Grey views aging as a disease that can be cured like any other disease.

Another proponent of radical life-extension, Aubrey de Grey, is a gerontologist and Chief Science Officer of the SENS Foundation²⁷. He views aging as a disease that can be cured like any other disease. His mission is to find and promote age-slows and reversing technologies of all types.

He aims to counter the accumulated side effects from metabolism that eventually kill us, asserting that the basic knowledge we need is already here.

Let's take a closer look at the high end of life expectancy projections. It could be decades before we see any significant “accelerating returns” across the broad population, but that’s not long in actuarial time. Consider 60-year-olds who buy long-term care insurance today. It could be 2041 before they become eligible for benefits – 30 years from now. Multi-decade thinking is called for. Those seeking insurance are well-advised to plan well ahead; and insurers face the difficult task of making sure policy features stay in sync with light-speed developments. Imagine the advances that could be possible in 30 years. In 1981, we didn’t have the World Wide Web, ubiquitous cellphones, or robotic surgery. What if genetic healthcare and life extension technologies are progressing as fast as computer chips? Electronic memory has been doubling its capacity about every two years. Fifteen doubling's, in 30 years, mean more than a 16,000-fold increase in capacity. If even a fraction of such progress happens in medical technology, the impact is hard to imagine today.



Ray Kurzweil

In light of the uncanny accuracy of Kurzweil's electronic-industry predictions, his life-extensions estimates should not be lightly dismissed. If we achieve even a fraction of the projected medical-technology progress, significant changes in behavior may be expected. Embracing the view that their healthy years could be extended by decades, millions might be inspired to jump on the life-extension bandwagon – suddenly in the market for conventional prevention as well as cutting-edge biotech. The health food, organic farming, fitness, preventive medicine, and longevity/LTC insurance industries could boom.

COMPELLING FACT 3: Millions could be living not just longer in good health, but longer in GREAT health, with enhanced capabilities. Modern prevention and emerging biotechnology promise not only to give us more peak-performance years, but higher peaks during those years.

Prevention alone holds great promise. It is well known that proper exercise, nutrition, sleep, stress management and other lifestyle practices can –

- Make us physically stronger,
- Increase our endurance,
- Reduce accident-proneness,
- Increase alertness,
- Remove blocks to creative thinking,
- Improve moods and outlooks.

A single night of good sleep, for example, may result in a safer drive to work and brighter contributions in a meeting. Over-indulging at lunch can make for a foggy afternoon, while a light, nutritious meal can revive body and mind. Results of positive choices can be immediate as well as accumulative. The literature on the potential of prevention is immense and need not be detailed here.

The point is that prevention has the power to elevate us to a physical and mental level much higher than the one we normally experience. Add to that the health-enhancement potential of the new genetic and nano biotechnologies. Thanks to these we could be even stronger physically, even brighter mentally, even more focused in purpose and persistence²⁸.

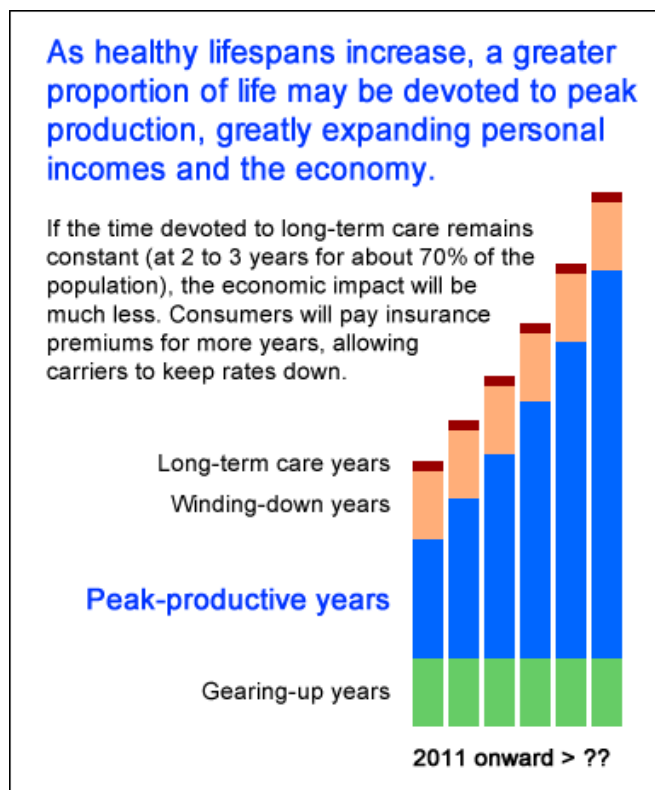
What might be the economic impact of this? Imagine 20-somethings, 40-somethings, and 80-somethings performing not just well but spectacularly -- in a state of super-health. They will be in a position to contribute to society not just longer, but more significantly too –

- Greater productivity,
- More projects completed,
- More innovations,
- Fewer avoidable errors,
- More accomplishments of all kinds.

One’s “life’s work” or contribution could dwarf that of today’s shorter-lived citizen. Today the “peak performance” years extend over perhaps 45 years. In the relatively near future that may seem brief.

Imagine reaching 60- or 70-something, with a wealth of knowledge and wisdom, and feeling even more energetic, enthusiastic, creative and ambitious than today’s 20-somethings. Wouldn’t you want to keep on achieving and contributing?

Prevention and biotechnology promise to do more than lengthen a doddering old age. They promise to counteract aging and make body and mind better than ever. We could be in for an unprecedented extension and magnification of youthful vigor.



With all those extra healthy years, some with the means might choose an extended self-indulgent retirement, but millions might be otherwise inclined. Why “drop out” of productive engagement when you’ve still got a lot of juice in you? Many might not choose to labor in the same occupation for more than a few decades, but go for active engagement in something worthwhile. They might opt for a second career; or contribute as a philanthropist or volunteer; or make an artistic contribution. With wellness

resources always at hand, why would they elect to stop thinking, doing, or creating? Why would they suddenly decide, fit as ever, to drop out and become a social burden?

Some may worry that a longer-living population means a less productive nation, but statistics indicate otherwise. If longer life expectancies correlated with diminished national vigor, one would expect nations with life expectancies above 80 -- such as Japan, Canada, and France -- to be economically weak. But they’re not. The economic weaklings tend to be countries such as Somalia, Nigeria, and Afghanistan with life-expectancies at 50 or below.

CONCLUSION AND QUALIFICATIONS: A positive view of long-lasting good health seems consistent with emerging life-enhancement research. Bullish expectations should be seasoned by a sober statistic, however. According to the CIA World Factbook, in 2011 America ranks 34th in life expectancy among 191 UN member states, behind Japan, Canada, most European countries, and even Jordan, Greece and Portugal²⁹. That’s a pitiful performance for the world’s richest nation, but on the bright side, consider our great potential for improvement. Bottom line, what’s going to happen with longevity and health in the decades ahead? No one can say for sure.

The future doesn’t roll out on automatic, like a robotic train on fixed tracks. A positive future isn’t assured; neither is a negative one. And we can’t tell which it will be because we ourselves, not just circumstances, are causal forces; and since we have free will, we’re inherently unpredictable. Our intentions make a difference. If most of us *want* a positive future, that will make a difference. Desire is the first step; if we then add smart planning, our prospects will brighten even more.

A future of longer, healthier lives appears within our reach. We could go backward, but if we go forward, we face a range of possible lifespans. Whether, within a few decades, life expectancy increases by just a few years or many, it’s in our interest to enhance life’s quality. Why not go for more peak health with less downtime and need for care? American citizens, the insurance industry, and government all have the opportunity to embrace that positive prospect and aggressively plan for it.

A SUMMARY OF POTENTIAL GAINS

Here is how the three constituencies stand to benefit, over the next few decades, from a “long-term health” initiative:

- **Aging Americans:** Avoid trillions in unnecessary care-related expenses and losses.
- **The federal and state governments:** Save trillions by making care less necessary and by helping citizens provide for their own care.
- **Long-term care insurance carriers:** Take in trillions by increasing market penetration and by taming excessive, growing care claims.

Americans may benefit even more from an aggressive “long-term health” thrust. The greatest gain may come from increasing the peak-productive years.

Imagine a brighter, stronger, longer-living American workforce – millions able to pull their weight 5 to 30-plus years longer.

The greatest gain may come from increasing the peak productive years.

During the period of contribution beyond age 60, these “super seniors” may possess the brains and stamina sufficient for their tasks plus an invaluable extra: reserves of knowledge and wisdom earned only through long years of experience. Their later-life contributions could have enormous economic and social value for us all. America could be on the verge of an unprecedented golden age.

NEXT STEPS

The fastest, best way to promote the needed changes may be to launch a non-profit organization that engages the most knowledgeable, action-oriented people in government and the private sector. The organization would establish goals and develop strategy for rapidly improving the long-term health of America’s longer-living citizens over the next few decades. The resulting health-improvement program would include but not be limited to –

- A national public awareness campaign,
- Recommendations for phasing out subsidies that contribute to health problems such as obesity,
- Recommendations of new federal and state legislation that encourages healthy consumer choices through tax and other incentives,

- Guidelines and support for company and community wellness programs,
- Guidelines and support for wellness services as a more important segment of the health-care industry,
- Guidelines and support for new private companies that promote healthy life-extension by means of products, services, the media, or electronic applications,
- Promotion of health synergies that might be achieved in various fields ranging from energy and autos to movies and city planning, and
- Implementation of other ideas in this report.

More information and networking opportunities are available at EraNova.com/LongTermHealth.

LEADERS & EXPERTS WEIGH IN

The following quotes are drawn from public statements or interviews for this report:



Barack Obama, President of the United States:

“Building a health care system that promotes prevention rather than just managing diseases will require all of us to do our part. It will take doctors telling us what risk factors

we should avoid and what preventive measures we should pursue. And it will take employers following the example of places like Safeway that is rewarding workers for taking better care of their health while reducing health care costs in the process....

“And we are open to doing more to help employers adopt and expand programs like this one....

“Five of the costliest illnesses and conditions – cancer, cardio-vascular disease, diabetes, lung disease, and strokes – can be prevented. And yet only a fraction of every health care dollar goes to prevention or public health. That is starting to change with an investment we are making in prevention and wellness...”³⁰



Kathleen Sebelius, Secretary of the U.S. Department of Health and Human Services (HHS):

“By 2020, we know that an estimated 15 million Americans will need some kind of long-term care.

If we want our family members, friends, and neighbors to be able to live with the maximum amount of freedom and independence, we need to make sure they have access to the long-term supports that make that possible.

“We will continue to work with the Congress, consumer advocates, health care providers, insurers and other stakeholders to ensure that all Americans have access to long-term care choices that best meet their needs.”³¹



Howard K. Koh, M.D., M.P.H., Assistant Secretary for Health, U.S. Department of Health and Human Services (HHS):

“Despite the indisputable wisdom of investing in prevention, currently less than one percent of all health care dollars spent in the United States are dedicated to these scientifically-proven, effective strategies.

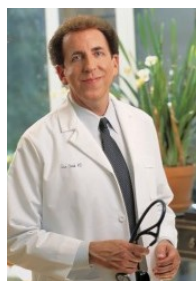
“If we managed heart disease better, for example, by 2023 we could reduce associated health care costs by \$76 billion. And, if stronger prevention and care management systems are implemented across the nation for the seven leading chronic diseases, our economy could see \$1 trillion in savings by 2023. By investing in prevention, we can transition our current medical care system from a sick care system to one based on prevention and wellness.”³²



Ronald Leopold, Vice President and National Medical Director, MetLife:

"Health insurance is not health assurance. While health insurance can offer ... important financial protection for acute medical events, most health insurance is not

designed to help employees and their employers take a preventive approach to serious conditions that can often be avoided with healthy lifestyle decisions. Helping employees see the value of wellness programs ... could affect not only their own ... finances and productivity but that of their employers.”³³



Dean Ornish, M.D., Founder and President, Preventive Medicine Research Institute, and Clinical Professor of Medicine, University of California, San Francisco, CA:

"Our 'health-care system' is primarily a disease-care system. Last year, \$2.1 trillion was spent in this country on medical care ... and 95 cents of every dollar ... to treat disease after it had already occurred. Heart disease, diabetes,

prostate/breast cancer, and obesity account for 75% of health care costs, yet these are largely pre-ventable and even reversible by an integrative medicine program of comprehensive lifestyle changes.¹³⁴



David H. Murdock, Chairman of Dole Food Company:

“Is it possible to live to 125 or maybe 150? ... By eating many fruits and vegetables in place of fast food and junk food, people could avoid obesity [which] accelerates aging even faster than smoking....

We created the North Carolina Research Campus to study the health benefits of fruits and vegetables....

“We've gathered a comprehensive array of famous scientists and scientific equipment under one roof [and] we are constantly doing research on all fruit and vegetables....”³⁵



Craig Smith, President of LTC Financial Partners (large national long-term care insurance agency representing multiple carriers):

“Health-focused long-term care insurance marketing can reduce premiums and greatly expand the

accessible market. When we talk to people about long-term care insurance, we encourage them to consider it when they're younger and still healthy and active. We point out that today healthy younger people qualify for lower rates, while those with health problems may not qualify for coverage at any price.

“To offer even more affordable rates than at present, an insurance company needs more young healthy clients, and by first offering more affordable rates, that's exactly what they'd get. The industry needs to proactively move in that direction to make the biggest possible impact on this national problem. We'd be delighted to work with carriers on new ways to market to a younger, healthier client while rewarding healthy habits such as good diet, exercise, and stress reduction for clients of all ages.”³⁶



Jonas Roeser, President of the 3in4 Association (educating Americans on the need for long-term care planning):

“With the present state of health in this country, longer-living Americans face a big problem, the likely

need for long-term care services they are ill-prepared for. That's why we launched the '3 in 4 Need More' campaign. We ask people if they plan to live beyond 65. If the answer is yes, we ask them to reflect on the following: Prudential Financial Inc. notes that 74% of consumers ages 55 to 65 polled for a recent survey said they are concerned about needing some kind of long term care. That's about three in every four of us! But the consumer concern has not yet been translated into action in most cases. For example, only 22% of the survey participants mentioned the idea of using private LTC insurance to pay for care. Clearly there's a need for our educational campaign.

“We'd be glad to collaborate with a parallel effort to help people stay healthier longer, to keep the need for care to a manageable level.”³⁷



John J. Ratey, M.D., Clinical Associate Professor of Psychiatry at Harvard Medical School:

“Many of the mental and physical diseases we face in old age are tied to a failure of the underlying

connections of the cardiovascular and metabolic systems, which explains why people who are obese are twice as likely to suffer from dementia, and why those with heart disease are at far greater risk of developing Alzheimer's.

“We've had the medical proof that exercise protects against these diseases for decades, yet about a third of the population over 65 reports that they engage in no leisure-time activity. But the effect of being fit goes far beyond cardiovascular system and metabolic balance. Exercise actually makes the brain cells more resistant to stress, increases life proteins while slowing the death march, increases the telomeres, and a lot more.”³⁸



Dr. Marion Somers, elder care expert and author, long-time advocate for long-term care, and spokesperson for the “3 in 4 Need More” campaign:

“As more and more Americans need long-term care, seniors and their caregivers need timely, relevant education, resources, products and services for a better life. My mission is to help provide these things, for a positive difference in the lives of the caregivers as well as their elders.

A big challenge is maintaining the health and well-being not just of the elders, but also those who provide the care. Too often the stress and strain of care-giving undermines the caregiver's own health, precipitating a premature need for long-term care by that person. This needs to change.”³⁹



Buck Stinson, President of U.S. Insurance Products for Genworth Financial:

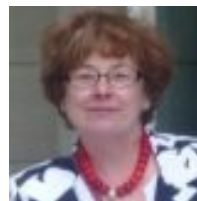
“Wellness education is the next frontier in promoting disease-free and disability-free living. Baby Boomers entering retirement increasingly seek to learn more about how the actions they take today can influence their future health.... We researched many world-class healthcare providers before deciding to work with Mayo Clinic [to develop the Live+Well program]. Mayo Clinic’s culture of innovation and dedication to helping people achieve healthier lifestyles dovetails perfectly with Genworth’s goal of helping consumers live the life they expect in retirement.”⁴⁰



Vice Admiral Regina M. Benjamin, M.D., M.B.A., U.S. Surgeon General:

“If we want to become a healthy and fit nation, we need to increase the number of Americans who are healthy at every stage of life. 'Go4Life' [a private-public effort led by the U.S. National Institutes of Health] provides older adults with the tools and resources to get moving and keep moving.

“With the release of the National Prevention Strategy, we are moving our health care system from a focus on sickness and disease to a focus on wellness and prevention.”⁴¹



Beverly J. Orth, actuary and attorney in the Retirement, Risk and Finance business of Mercer in Portland, OR:

“My view is that, as we eliminate causes of early death from diseases, most humans will live to between 130 and 150 years of age and then die from the effects of dementia. Reproductive years will continue into the 70’s or later and we will be able to (and need to) work beyond age 100.

“The challenge will be to postpone the onset of dementia to the very end of life so that its financial and emotional effects are brief.”⁴²

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More information and networking opportunities are available at EraNova.com/LongTermHealth.

About the author:

Richard W. Samson is Director of the EraNova Institute and has served as consultant to IBM, AT&T and other large organizations. In the long-term healthcare field, he is Director of the Long Term Care Insurance Guild (LTCguild.com), a professional network embracing local chapters in various states.

He serves as consultant to LTC Financial Partners, one of the nation's largest long-term care insurance agencies representing leading carriers; and was

instrumental, with Jonas Roeser, in creating the “3 in 4 Need More” campaign, now run by the non-profit 3in4 Association. Focusing on mental as well as physical improvement, he is the author of several books including *Mind Over Technology* and *The Mind Builder*.

In 2005 he foresaw the current employment crisis and offered strategies for resolving it, in an article appearing in *The Futurist* magazine, “Hyperjobs: The New Higher-Level Work and How to Grow Into It.”

CONTACT: dicksamson@eranova.com – 973-335-3699

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- ⁷ National Clearinghouse for Long Term Care Information -- http://www.longtermcare.gov/LTC/Main_Site/index.aspx
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<http://www.amazon.com/Spark-Revolutionary-Science-Exercise-Brain/dp/0316113506>

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