



Pension & Health Benefits Committee

Agenda Item 6c

March 17, 2026

Item Name: Long-Term Care Market Research

Program: CalPERS Long-Term Care Program

Item Type: Information Agenda

Executive Summary

CalPERS' Long-Term Care Program will provide an update on ongoing market research on stand-alone long-term care insurance products that are available in the state of California and nationwide for those aged 18 to 79. A key focus of this research is to understand whether, and to what degree, long-term care insurers actively partner with employers and associations (including public and private organizations, associations, and non-profits) to offer standalone long-term care insurance products to employees and members.

Strategic Plan

This agenda item supports the CalPERS 2022-2027 Strategic Goal of Exceptional Health Care.

Background

CalPERS has offered a voluntary self-insured long-term care insurance program to its members since 1995. However, new applications were suspended as of June 2020 due to premium volatility, rising costs, and uncertainty in the long-term care market.

Given these challenges, CalPERS began to explore alternative ways to provide value to our members who are interested in purchasing long-term care insurance. One potential avenue is partnering with external insurers that offer fully insured, stand-alone long-term care insurance products.

CalPERS is conducting market research to better understand the products currently filed and approved for sale in California, their availability nationwide, and the potential for discounted offerings to members. CalPERS is also evaluating how insurers collaborate with large employers and associations to offer long-term care insurance as a member benefit, including program administration, marketing, management, and what discounts may be available through such partnerships.

Analysis

There are currently eight carriers offering standalone long-term care insurance products in California. CalPERS reached out to these carriers to assess their experience partnering with large employers and associations. Two insurers responded and demonstrated the ability to offer discounted long-term care products to CalPERS members. Both have established processes for working with employers and associations, including dedicated agents or specialized brokers to assist members through the application process. Products, rates, and marketing materials must be approved by the Department of Insurance, ensuring regulatory oversight and product stability. CalPERS is continuing discussions with these insurers to evaluate their offerings, marketing strategies, and potential benefits for members.

Budget and Fiscal Impacts

There are no budget or fiscal impacts.

Benefits and Risks

Market research will provide CalPERS with a better understanding of the long-term care marketplace, the products available in California and nationwide, and how insurers may partner with employers and associations. There are no risks associated with conducting this research.

Attachments

Attachment 1 – Long-Term Care Insurance: Market Research and Future Opportunities Presentation

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