

Reframe Financial – Reimagining Insurance to Help Families Plan for and Manage the Financial Issues of Aging



Karan Aneja
Co-founder/CEO

Laura Vail Wooster
Head of Marketing

Reframe Financial

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: *Mr. Aneja, the first thing I see on the Reframe site is "Reimagining Insurance for a New Generation." Would you tell us what that means at Reframe Financial?*

Mr. Aneja: At Reframe, we're focused on helping families plan for and manage the financial issues of aging. We 'reimagine' insurance by placing our customers at the center of everything we do and developing new solutions to fulfill their unmet needs. For example, our first product, Reframe LifeStage, is a hybrid Life/Long-term care solution designed specifically for the GenX and Millennial generations. We're equally focused on demystifying insurance and making it easier to buy (and sell) through our proprietary, digital-first tech platform.

On our team we have seasoned insurance industry experts along with tech trailblazers (with domain expertise formed in other industries) who collaborate to 'reimagine' and develop new insurance/tech solutions for the future.

CEOCFO: *What are the challenges when someone is looking at long-term care insurance?*

Mr. Aneja: One of the challenges is that most people do not think about long-term care insurance in the same way that they think about a 401K or other employee benefits. In the past, people started to realize the value when they saw their parents or grandparents needing care later in life, but by then it can be too late (or too expensive) to purchase insurance.

Our research shows that people are beginning to understand the value of long-term care coverage at younger ages, and they especially appreciate when you couple it with another type of coverage they may need more imminently, like life insurance. LifeStage is a hybrid Life/LTC policy that does exactly that and is designed to grow and evolve over the course of a lifetime, as your needs change. We are also providing caregiver support services so our policyholders can help their elder family members who are going through the process of aging and needing care.

CEOCFO: *When should someone who is not looking at any long-term challenges start looking for insurance, and how do you get people to learn that it needs to be looked at early on?*

Mr. Aneja: People should buy this as early as possible (meaning in their 30s-50s) because the earlier you buy it the more affordable it is. And the healthier you are, the more likely you'll qualify.

To build awareness, we decided as a company to sell through financial planners, who are qualified to understand you as an individual and can educate you on what your insurance needs may be in the future.

CEOCFO: *Where does your technology come in and how do you make things run smoothly through the technology?*

Mr. Aneja: Our target market is a younger demographic that is tech-savvy and more inclined to be engaged with newer forms of technology. It is exciting to build the tech that reduces the friction in the insurance purchase process. For example, we have enhanced the underwriting process from something that typically took many weeks or months, to giving applicants a decision within minutes or hours. 90% of people who apply will get an answer within a day.

Maximize your profitability with anytime access your very own secure, online merchant portal! Leverage all the industry-leading perks, tools, and solutions you need to streamline your operations and take your business to a whole new level. Call NOW 727-480-7070

CEOCFO: *If someone has diabetes, most people know there will be consequences along the line and it might be a good reason to look at long-term care. If you are an average person who does not see or know something genetically could go wrong, how do you help them figure out what they might need even if there are no indications that anything is likely to happen?*

Mr. Aneja: Even when you are healthy you are predisposed to certain risks. We have a prequalification questionnaire that prospective applicants can take to understand if they are good candidates for our LifeStage product.

"Our brand is consumer-facing, but unlike other D2C insurance start-ups, we partner with established insurance carriers, reinsurers, and distributors to foster innovation and bring our products to market."
Karan Aneja

CEOCFO: *How do people respond to the cost and how do you explain why they need it?*

Mr. Aneja: We conducted some research on this about a year-and-a-half ago with consumers. One of the interesting things that came out of COVID was an increased awareness of the need for long-term care insurance among the younger generations, and by that, I mean millennials, and Gen-Xers, who are the majority of the workforce. Ten years ago there was low awareness at the younger ages. During COVID they saw what happened to people as they age over time, and now there is a higher appreciation for the importance of having coverage for long-term care.

Almost everyone has a personal Long-term care story. In my case, I watched as my grandparents began to need care, and that is partly how I got into this business. We all have stories in our own families where we have seen the impact of a long-term care situation and the financial consequences of not having insurance available to cover the costs. Putting the cost of the insurance in perspective relative to the potential cost of the care itself enables people to better understand its value.

CEOCFO: *Do you see working with your customers mostly direct or through employers or financial professionals?*

Mr. Aneja: The reality is a lot of people understand that they need coverage like this, but they don't know it exists, unlike a product like Term Life, which has been around forever and is mass-marketed. We believe our product is best sold with advice and assistance from either someone selling into a worksite or an association or your financial planner. So this will not be a direct-to-consumer sale, though it's worth noting that we have created a consumer-facing digital enrollment site which makes online education, quoting and applying much simpler and more automated than in the past.

CEO CFO: *How are you getting a foot in the door with the various parties that could be working with Reframe?*

Mr. Aneja: The reason we have been able to make so much headway in such a short amount of time is the fact that we have phenomenal people on our team who have been in the industry for a while and personally know many of the key players, such as our carrier and reinsurance partners. We also have strong distribution relationships. They have been bullish on our product and have guided us along the way, so I think we are very fortunate.



CEO CFO: *When did you realize you had something special?*

Mr. Aneja: When we brought people into the fold who have been in the industry for 20 or more years and we heard their excitement. Our market research also confirmed our hunch that the product (and process) would be appealing to a younger generation of buyers. And now we're beginning to see our distribution partners bring people to the table with an interest in buying, which is incredibly exciting.

CEO CFO: *Does what you are doing fall under insurance regulators?*

Mr. Aneja: Yes, our product has been filed and approved by the Interstate Insurance Compact and our policies will be issued by Federal Life Insurance Company, with Swiss Re as a reinsurer. We have approval in 34 states and we will be filing in other states soon. The process is measured and we are following the industry's guidelines, though as a start-up we strive to move at light speed. We are focused on improvement, being nimble, listening to the customers' needs, and providing value to them.

CEO CFO: *Are you seeking funding, investment, and partnerships, as you continue to grow?*

Mr. Aneja: We're always open to new partnerships and may be seeking additional funding from investors in about 18 months. We are fortunate to have raised about \$14 million to date from some prominent investors who understand the Insurtech space and support our mission.

CEO CFO: *What does the next year or so look like for Reframe?*

Mr. Aneja: We came out of stealth mode and soft-launched Reframe LifeStage insurance in April to a select group of key distributors. The industry has responded with a great response and a lot of support. Looking ahead, we are planning a full-fledged launch of our product to the broader market in the fall, and I could not be more excited!

CEO CFO: *What might people miss or misunderstand about Reframe Financial that they should know?*

Mr. Aneja: We're a unique start-up in the Insurtech space. We are focused on helping families address the financial and emotional issues of aging by providing innovative insurance solutions on our proprietary tech platform, which enables a fully digital and simplified purchase process. Our brand is consumer-facing, but unlike other D2C insurance start-ups, we partner with established insurance carriers, reinsurers, and distributors to foster innovation and bring our products to market.