

**State:** Virginia **Filing Company:** The State Life Insurance Company  
**TOI/Sub-TOI:** LTC Annual Rate Report/LTCINLM  
**Product Name:** S-8000 Annual Rate Report  
**Project Name/Number:** /

## Filing at a Glance

Company: The State Life Insurance Company  
Product Name: S-8000 Annual Rate Report  
State: Virginia  
TOI: LTC Annual Rate Report  
Sub-TOI: LTCINLM  
Filing Type: LTC Annual Rate Report  
Date Submitted: 09/22/2022  
SERFF Tr Num: LFCR-133408525  
SERFF Status: Closed-Filed  
State Tr Num: LFCR-133408525  
State Status: Filed  
Co Tr Num: VA STATE LIFE LTCINLM S-8000  
  
Effective: On Approval  
Date Requested:  
Author(s): Scarlett Nazari, Anoush Chngidakyan, Dianne Bowdish  
Reviewer(s): Bill Dismore (primary)  
Disposition Date: 10/21/2022  
Disposition Status: Filed  
Effective Date:

**State:** Virginia  
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**Project Name/Number:** /

**Filing Company:** The State Life Insurance Company

## General Information

Project Name:  
Project Number:  
Requested Filing Mode: Informational  
Explanation for Combination/Other:  
Submission Type: New Submission  
Overall Rate Impact:

Status of Filing in Domicile:  
Date Approved in Domicile:  
Domicile Status Comments:  
Market Type: Individual  
Individual Market Type:  
Filing Status Changed: 10/21/2022  
State Status Changed: 10/21/2022  
Created By: Dianne Bowdish  
Corresponding Filing Tracking Number:  
State TOI: LTC Annual Rate Report 2022

Deemer Date:  
Submitted By: Dianne Bowdish

Filing Description:  
September 22, 2022

Virginia Bureau of Insurance  
P.O. Box 1157  
Richmond, Virginia 23218-1157

Re:State Life Insurance Company (NAIC No: 69116)  
Policy Forms: S-8000-P-VA

To Whom It May Concern:

We are filing the Annual Rate Report for the above referenced policy form on behalf of State Life Insurance Company per 14VAC5-200-125.

Thank you for your assistance in reviewing this filing.

Sincerely,

Xiaoyan Song, FSA, MAAA, FLMI, LTCP  
Consulting Actuary  
21600 Oxnard Street, Suite 1500  
Woodland Hills, CA 91367  
800-366-5463 ext. 2232  
Xiaoyan.Song@LifeCareAssurance.com

## Company and Contact

### Filing Contact Information

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**State:** Virginia

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**Filing Company Information**

(This filing was made by a third party - LCA01)

The State Life Insurance Company

CoCode: 69116

State of Domicile: Indiana

Long Term Care Administrative

Group Code: 619

Company Type:

Office

Group Name:

State ID Number:

P.O. Box 4243

FEIN Number: 35-0684263

Woodland Hills, CA 91365-4243

(818) 867-2450 ext. [Phone]

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## Filing Fees

### State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State: Virginia Filing Company: The State Life Insurance Company  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Bill Dismore	10/21/2022	10/21/2022

SERFF Tracking #:

LFCR-133408525

State Tracking #:

LFCR-133408525

Company Tracking #:

VA STATE LIFE LTCINLM S-8000

State: Virginia

Filing Company: The State Life Insurance Company

TOI/Sub-TOI: LTC Annual Rate Report/LTCINLM

Product Name: S-8000 Annual Rate Report

Project Name/Number: /

## Disposition

Disposition Date: 10/21/2022

Effective Date:

Status: Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The State Life Insurance Company	0.000%	0.000%	\$0	20	\$48,102	0.000%	0.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate	LTCINLM	Filed	Yes
Supporting Document	Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document	Product Checklist		Yes
Supporting Document	LTC Annual Report Instructions		Yes
Supporting Document	TPA Authorization Letter	Received & Acknowledged	Yes

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### Rate Information

Rate data applies to filing.

**Filing Method:** SERFF  
**Rate Change Type:** Neutral  
**Overall Percentage of Last Rate Revision:** 35.000%  
**Effective Date of Last Rate Revision:** 09/04/2021  
**Filing Method of Last Filing:** SERFF  
**SERFF Tracking Number of Last Filing:** LFCR-132958292

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The State Life Insurance Company	0.000%	0.000%	\$0	20	\$48,102	0.000%	0.000%

**SERFF Tracking #:**

LFCR-133408525

**State Tracking #:**

LFCR-133408525

**Company Tracking #:**

VA STATE LIFE LTCINLM S-8000

**State:**

Virginia

**Filing Company:**

The State Life Insurance Company

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## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		LTCINLM	S-8000-P-VA, S-8000-R1-VA, S-8000-R12-VA, S-8000-R2-VA, S-8000-R3, S-8000-R4, S-8000-R5-VA, S-8000-R10-VA, S-8000-R11-VA, S-8000-R13-VA, S-8000-R14-VA	Other	Previous State Filing Number: LFCR-132958292 Rate Action Other Explanation: Annual Rate Certification filing	LTCINLM.pdf,



**Annual Rate Report for Long-Term Care Insurance Policies  
Issued On or After October 1, 2003 that are No Longer Marketed**

[14 VAC 5-200-125 A 1 a. \(2\)](#)

**Reporting Period      1/1/2021 – 12/31/2021**

Company Name	The State Life Insurance Company
Company NAIC Number	69116
Form Number(s)	S-8000-P-VA, S-8000-R1-VA, S-8000-R2-VA, S-8000-R3, S-8000-R4, S-8000-R5-VA, S-8000-R10-VA, S-8000-R11-VA, S-8000-R12-VA, S-8000-R13-VA, S-8000-R14-VA
Issue Date(s)	2/26/2004 – 10/17/2005
SERFF Filing Number	LFCR-133408525
Prior SERFF Filing Number(s)	LFCR-132958292

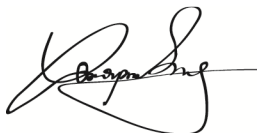
I, Xiaoyan Song, am a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing and reviewing long-term care insurance premiums.

In my opinion, the premium rate schedules are not sufficient to cover anticipated costs under best estimate assumptions and the premium rate schedules may not be reasonably expected to be sustainable over the life of the policies with no future premium increases anticipated. Based on my review of recent experience of the policies involved, in my opinion, a rate action is necessary at this time as a result of this analysis.

The following is the specific plan of corrective action submitted by the Company for approval by the commissioner:

- a) VA approved a single rate increase of 35% on October 26, 2020 (SERFF tracking number: LFCR-131973730) for this block of business.
- b) The company will continue to monitor the experience of these policy forms at least annually.
- c) The company will periodically review its determination of whether to request corrective action.
- d) In the future, if the company decides to request corrective action, such request would be made in accordance with Virginia laws and regulations.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. The details of my review are included in the attached actuarial memorandum that provides the historical experience and the expected future and lifetime loss ratios based on the current best-estimate assumptions; and a detailed description and actuarial support for each assumption used in the projections.



Xiaoyan Song, FSA, MAAA, FLMI, LTCP  
Post Office Box 4243  
Woodland Hills, California 91365-4243  
(818)867-2232  
9/23/2022

LTCINLM

09/22

**SERFF Tracking #:**

LFCR-133408525

**State Tracking #:**

LFCR-133408525

**Company Tracking #:**

VA STATE LIFE LTCINLM S-8000

**State:**

Virginia

**Filing Company:**

The State Life Insurance Company

**TOI/Sub-TOI:**

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**Product Name:**

S-8000 Annual Rate Report

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## Supporting Document Schedules

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	
<b>Attachment(s):</b>	S-8000 VA ARC Actuarial Memo 2021.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/21/2022

<b>Bypassed - Item:</b>	Product Checklist
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	LTC Annual Report Instructions
<b>Comments:</b>	See report submitted in Rate/Rule Schedule
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	TPA Authorization Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	State Life Authorization Letter 2.15.22.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/21/2022

**The State Life Insurance Company**

**Home Office: Indianapolis, Indiana  
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Woodland Hills, California 91365-4243**

**Actuarial Memorandum**

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<b>LONG TERM CARE INSURANCE POLICY:</b>	<b>FORM S-8000-P-VA</b>
<b>FULL SHORTENED BENEFIT PERIOD NONFORFEITURE RIDER:</b>	<b>FORM S-8000-R1-VA</b>
<b>LIMITED SHORTENED BENEFIT PERIOD NONFORFEITURE RIDER:</b>	<b>FORM S-8000-R12-VA</b>
<b>SHORTENED BENEFIT PERIOD NONFORFEITURE RIDER:</b>	<b>FORM S-8000-R2-VA</b>
<b>COMPOUND BENEFIT INCREASE RIDER:</b>	<b>FORM S-8000-R3</b>
<b>SIMPLE BENEFIT INCREASE RIDER:</b>	<b>FORM S-8000-R4</b>
<b>FACILITY CARE &amp; HOME &amp; COMMUNITY BASED CARE INDEMNITY BENEFIT RIDER:</b>	<b>FORM S-8000-R5-VA</b>
<b>WEEKLY HOME &amp; COMMUNITY BASED CARE BENEFIT RIDER:</b>	<b>FORM S-8000-R10-VA</b>
<b>INFORMAL CAREGIVER INDEMNITY BENEFIT RIDER:</b>	<b>FORM S-8000-R11-VA</b>
<b>FACILITY CARE ONLY INDEMNITY BENEFIT RIDER:</b>	<b>FORM S-8000-R13-VA</b>
<b>HOME &amp; COMMUNITY BASED CARE WAIVER OF PREMIUM BENEFIT RIDER:</b>	<b>FORM S-8000-R14-VA</b>

These form and riders were issued in Virginia from 2004 through 2005. The above form and riders are no longer being marketed.

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**Actuarial Memorandum**

September 2022

**1. Purpose of Filing**

This actuarial memorandum has been prepared for the purpose of demonstrating that the rates meet the requirements in the statutes of Virginia. It may not be suitable for other purposes.

**2. Premiums**

Premiums are unisex, level, lifetime or limited pay. Premiums vary by issue age, initial daily benefit, benefit period, elimination period, risk class, individual vs. joint coverage, and the riders selected. Please see Exhibit A for rates.

**3. Description of Benefits**

BASE POLICY BENEFITS PER (\$10.00) UNIT OF COVERAGE

- a. Facility Care Benefit (FC) - Actual expenses incurred up to \$10.00 per day for FC (qualified long term care services, including skilled, intermediate and custodial care) while confined in a qualified Nursing Facility or Assisted Living Facility and maintenance or personal care performed in an Assisted Living Facility. Benefits paid are deducted from the Benefit Amount.
- b. Home and Community Based Care (HCBC) - This optional benefit must be selected by the insured to be covered under the policy. Actual expenses incurred up to \$10.00 per day. Coverage is provided for Home Health Care (services performed through a home health care agency or independent home health caregiver, including care by a professional nurse, therapist, dietician or home health aide, and homemaker services) Adult Day Care, Hospice Care and Caregiver Training. The Caregiver Training benefit payable is a maximum lifetime benefit equal to three times the daily benefit selected. Benefits paid are deducted from the Benefit Amount.
- c. Facility Bed Reservation Benefit - Actual FC expenses incurred up to \$10.00 per day to reserve a bed in a Nursing Facility or Assisted Living Facility during a temporary absence from the facility. Benefit is payable up to 30 days per calendar year. Benefits paid are deducted from the Benefit Amount.

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- d. Respite Care - Actual expenses incurred up to \$10.00 per day for FC or HCBC (if covered) payable as short term care to relieve primary caregiver. Benefit is payable up to 30 days per calendar year. Benefits paid are deducted from the Benefit Amount.
- e. Alternative Plan of Care Benefit - Provides for qualified long term care services not specifically shown as being available under the policy, if agreed upon by the insured, licensed health care practitioner and the company, which may include equipment purchases or rentals; permanent or temporary modifications to the insured's residence (such as ramps or rails) or care services not normally covered under the HCBC. The Alternative Plan of Care is not available for providing HCBC on policies providing FC benefits only.
- f. Personal Care Advisor, accessible through toll-free telephone number, is available to insured to provide assistance with any questions about their coverage. The cost of these services is not deducted from the Benefit Amount.
- g. Care Coordination, at the insured's option a toll-free number is accessible to arrange with the company for contact to be made by a care coordinator. If the insured wishes, a RN will be available to assist with assessment and coordination of appropriate care and services. The cost of these services is not deducted from the Benefit Amount.
- h. Waiver of Premium is provided after confinement in a Nursing Facility or an Assisted Living Facility for a period of 90 days. Premiums already paid, but not earned will be refunded on a pro-rata basis.

**OPTIONAL BENEFIT RIDERS**

- a. Full Shortened Benefit Period Nonforfeiture Rider (Full NF) - This rider provides a nonforfeiture benefit without a claims offset in the event of policy lapse. If the policy lapses due to nonpayment of premiums, coverage will continue and benefits will be payable at the daily benefits in effect on the date of lapse. No further benefit increases will occur under any Benefit Increase Rider, if attached to the policy. The new Benefit Amount becomes equal to the total of premiums paid for the policy and all riders. Any benefits paid after lapse will be deducted from this new Benefit Amount. Any of the new Benefit Amount that is not paid as benefits after lapse will be paid to the beneficiary upon the insured's death (last of the deaths in the case of joint coverage). If the policy lapses due to death of the insured (last of the deaths in the case of joint coverage) and has not previously lapsed for nonpayment of premium, the total of premiums paid, with no deduction for benefits paid, will be paid to the beneficiary.

**The State Life Insurance Company**

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- b. Limited Shortened Benefit Period Nonforfeiture Rider (LTD NF) - This rider provides a nonforfeiture benefit with a claim offset in the event of policy lapse. If the policy lapses due to nonpayment of premiums, coverage will continue and benefits will be payable at the daily benefits in effect on the date of lapse. No further benefit increases will occur under any Inflation Protection Rider, if attached to the policy. The new Benefit Amount becomes equal to the total of premiums paid for the policy and all riders. Any benefits paid after lapse will be deducted from this new Benefit Amount. Any of the new Benefit Amount that is not paid as benefits after lapse will be paid to the beneficiary upon the insured's death (last of the deaths in the case of joint coverage). If the policy lapses due to death of the insured (last of the deaths in the case of joint coverage) and has not previously lapsed for nonpayment of premium, the total of premiums paid, reduced by the total of benefits received, will be paid to the beneficiary.
- c. Shortened Benefit Period Nonforfeiture Rider (SBP) - This rider provides the nonforfeiture credit as adopted by the NAIC. If the policy has been in force for at least three years and lapses due to nonpayment of premiums, coverage will continue and benefits will be payable based on the daily benefits in effect on the date of lapse. No further benefit increases will occur under any Inflation Protection Rider, if attached to the policy. The new Benefit Amount becomes equal to the greater of: (a) the total of premiums paid for the policy and riders; or (b) 30 times the daily benefit in effect on the date of lapse. Any benefits paid after lapse will be deducted from this new Benefit Amount.
- d. Compound Benefit Increase Rider (CBI) - This rider increases the daily benefits and the remaining Benefit Amount by 5%, compounded annually. Increases are made regardless of claims status.
- e. Simple Inflation Protection Rider (SBI) - This rider increases the daily benefits and the Benefit Amount annually by 5% of the dollar amounts originally issued. The remaining Benefit Amount will be increased by the same proportion as the increase in daily benefits. Increases are made regardless of claims status.
- f. Facility Care & HCBC Indemnity Benefit Rider (FCHCIB) - This rider provides that all benefits covered under the policy will be payable on an indemnity basis at the full daily benefit selected, regardless of actual expenses incurred. This rider is not available if either the WHCBC Rider or ICIB Rider is purchased.

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- g. Weekly Home & Community Based Care Benefit Rider (WHCBC) - This rider provides that all Home and Community Based Care benefits covered under the policy will be payable on a weekly basis rather than a daily basis (Sunday through Saturday) up to seven (7) times the daily benefit. This rider is not available if the FCHCIB is purchased.
- h. Informal Caregiver Indemnity Benefit Rider (ICIB) - This rider provides that all benefits covered under the policy will be payable on an indemnity basis at the full daily benefit selected, regardless of actual expenses incurred. In addition, benefits for HCBC will be payable regardless of the service provider, which may include any non-professional, family members or friends of the insured. This rider is available only to insureds in the Preferred risk class and is not available if the Indemnity Benefit riders, WHCBC Rider or limited Pay options are selected.
- i. Facility Care Only Indemnity Benefit Rider (FCIB) - This rider provides that all benefits payable for Facility Care under the policy will be payable on an indemnity basis at the full daily benefit selected, regardless of actual expenses incurred. This rider is not available if the ICIB Rider is purchased.
- j. Home & Community Based Care Waiver of Premium Benefit Rider (HCBCWP) – This rider waives premiums after 90 HCBC service days.

#### **4. Marketing Method**

This policy form was marketed by individual agents who primarily sell on an individual basis.

#### **5. Underwriting Description**

This policy form was fully underwritten with the use of various underwriting tools in addition to the application, which may have included medical records, an attending physician's statement, telephone interview and/or face-to-face assessment.

#### **6. Renewability**

These policies are guaranteed renewable for life.

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**7. Applicability**

This filing is applicable to all in force policies issued in Virginia on the above referenced form.

**8. Actuarial Assumptions**

a. Interest

The maximum valuation interest rate for contract reserves, 4.5%, has been used for accumulating historical experience and for discounting projected future experience.

b. Lapse

The current best estimate ultimate lapse rate is assumed to be 0.75%, formulated by analyzing the trend in lapse rates of later durations. Exhibit B shows the comparison of actual lapses and expected lapses based on best estimate assumptions by duration.

Mortality

The current best estimate mortality assumptions are based on experience from the reinsurer's entire similarly underwritten and administered block of LTC policies. The attained age mortality is assumed to be 85% of the 1994 Group Annuity Mortality Table for ages 85 and younger and graded to 100% of the 1994 Group Annuity Mortality Table at age 90 and older, with duration selection factors, varied by single vs. joint, shown in Exhibit C1. No mortality improvement is assumed in the projection.

Exhibit C2 shows the comparison of actual deaths and expected deaths based on best estimate assumptions for the combined reinsurer's block of LTC policies.

c. Morbidity

The current best estimate morbidity assumptions are also based on the reinsurer's combined experience. Studies are performed for incidence, continuance, utilization, and recovery from claim data. Incidence rates by gender, marital status, and attained age have been developed.

Continuance termination rates are derived from reinsurer data that has been credibility blended with the



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latest industry data. Utilization factors are then applied to the claim costs, which are as follows: 78% for COLA reimbursement policies and 92% for non-COLA reimbursement policies. No underwriting selection durational factors or morbidity improvement is assumed in the projection.

Policy design features have been taken into consideration. Benefit provisions, elimination periods, benefit periods, number of units, benefit growth, etc. have been accounted for either in the development of claim costs or projection model formulas.

Exhibit D1 shows the best estimate incidence rates by gender and marital status. Exhibit D2 shows the best estimate claim continuance rates. Exhibit D3 shows the best estimate claim recovery rates.

Exhibits D4 and D5 contain the analysis of actual to expected incidence and termination, with expected based on best estimate assumptions, for the combined reinsurer's block of LTC policies.

d. Expenses

Expenses have not been explicitly projected. It is assumed that the originally filed expenses assumptions remain appropriate.

The above discussed current best estimate assumptions are based on the experience of the company, reinsurer and industry experience, and judgement. The best estimate assumptions reflect an estimate of the most likely outcome and do not reflect an explicit margin for conservatism.

**9. Issue Age Range**

The issue ages are from 40 to 84 on an age nearest birthday basis, except for endorsed groups where the issue age range is 18 to 84.

**10. Claim Liability and Reserves**

Claim reserves as of December 31, 2021 have been discounted to the incurral date of each respective claim and included in historical incurred claims. Incurred but not reported reserve balances as of December 31, 2021 have been allocated to a calendar year of incurral and included in historic incurred claims. Paid claims have been allocated to a calendar year of incurral and included in historical incurred claims. Claim reserves are calculated for active and

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pending claimants as present value of benefit payments discounted by interest and terminations. The IBNR is based on lag factors which are applied to the claim reserves and survivor payments based on the difference between the incurral date and the valuation date.

**11. Trend Assumptions**

As this is not medical insurance, we have not included any explicit medical cost trends in the projections.

**12. Past and Future Policy Experience**

Earned premiums and incurred claims for projection years 2022 through 2061 are developed from a projection model representing actual contracts in force as of December 31, 2021. The assumptions described above for morbidity, voluntary lapse and mortality are used to project life years, earned premiums, and incurred claims.

Nationwide and Virginia historical experience and projections are shown in the following exhibits:

Nationwide Experience and Projection:	Exhibit E1
Virginia Experience and Projection:	Exhibit E2

**13. Loss Ratio Requirement Compliance Demonstration**

Historical experience and projected experience using current best estimates are shown in Exhibits E1 and E2, which demonstrate that the accumulated lifetime loss ratio exceeds the minimum loss ratio requirement.

**14. Distribution of Business as of December 31, 2021**

The distributions of policies and premiums as of December 31, 2021 are shown in the following exhibits:

Nationwide distribution:	Exhibit F1
Virginia distribution:	Exhibit F2

**The State Life Insurance Company**  
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**15. Rate Increase History**

A flat rate increase of 35.0% was approved on October 26, 2020 and became effective on September 4, 2021. The SERFF tracking number is LFCR-131973730.

**16. Credibility of Experience Data**

According to Florida's insurance regulation (FAC Rule 69O-149.0025) regarding credible data, for policy forms with low expected claims frequency, a total of 1,000 claims shall be assigned 100 percent credibility; 200 claims shall be assigned 0 percent credibility. If 100 percent credibility is not achieved by using the most recent five-year period, the data from the most recent five-year period only shall be used. Long Term Care insurance falls into this category of policy forms with low expected claim frequency.

Since this block of business is 100% reinsured, the experience from the reinsurer's similarly underwritten and administered long term care products is pooled together to set the best estimate assumptions.

The reinsurer's data contains over 9,800 claims incurred between 2017 and 2021. Therefore, we believe the reinsurer's experience data used to set the best estimate assumption is fully credible on an aggregate basis. However, it may not be 100 percent credible at each individual attained age. The industry experience, SOA LTC Intercompany Experience Study 2000-2011 Report, has been blended with reinsurer's data where credibility is low for some attained ages.

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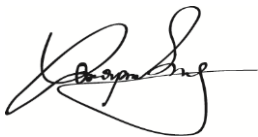
September 2022

**17. Actuarial Certification**

I, Xiaoyan Song, am a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing and reviewing long-term care insurance premiums.

In my opinion, the premium rate schedules are not sufficient to cover anticipated costs under best estimate assumptions and the premium rate schedules may not be reasonably expected to be sustainable over the life of the policies with no future premium increases anticipated. Based on my review of recent experience of the policies involved, in my opinion, a rate action is necessary at this time as a result of this analysis.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Attached is an actuarial memorandum that provides the historical experience and the expected future and lifetime loss ratios based on the current best estimate assumptions; and a detailed description and actuarial support for each assumption used in the projections.



Xiaoyan Song, FSA, MAAA, FLMI, LTCP  
Consulting Actuary

The State Life Insurance Company  
Policy Form S-8000-P-VA

Exhibit A  
Rates and Factors  
Individual / Select Risk / Lifetime Benefit Period / 90 Day Elimination Period

Issue Age	Facility Care \$10 DB	Comprehensive \$10 DB	Comp Ben Inc	Simple Ben Inc	Full Nonforf	Limited Nonforf	SBP Nonforf	One Pay Factor	One Pay w/Nonf	10 Pay Factor	20 Pay Factor	Limited Pay	
												CBI	SBI
40	45.36	56.70	3.000	2.180	1.472	1.360	1.243	24.75	36.43	2.750	1.620	3.500	2.552
41	46.65	58.32	2.950	2.160	1.486	1.370	1.249	24.30	36.11	2.720	1.610	3.450	2.479
42	47.95	59.94	2.900	2.140	1.500	1.380	1.254	23.85	35.78	2.690	1.600	3.400	2.407
43	49.24	61.56	2.850	2.120	1.515	1.390	1.260	23.40	35.45	2.660	1.590	3.350	2.334
44	50.54	63.18	2.800	2.100	1.529	1.400	1.265	22.95	35.09	2.630	1.580	3.300	2.262
45	51.84	64.80	2.750	2.080	1.543	1.410	1.271	22.50	34.72	2.600	1.570	3.250	2.270
46	53.13	66.42	2.700	2.060	1.558	1.420	1.276	22.05	34.35	2.560	1.560	3.200	2.233
47	54.43	68.04	2.650	2.040	1.572	1.430	1.282	21.60	33.96	2.520	1.550	3.150	2.197
48	55.72	69.66	2.600	2.020	1.586	1.440	1.287	21.15	33.54	2.480	1.540	3.100	2.161
49	57.02	71.28	2.550	2.000	1.601	1.450	1.293	20.70	33.14	2.440	1.530	3.050	2.125
50	58.32	72.90	2.500	1.980	1.615	1.460	1.298	20.25	32.70	2.400	1.520	3.000	2.089
51	62.20	77.76	2.450	1.960	1.629	1.470	1.304	19.89	32.40	2.360	1.510	2.950	2.052
52	66.09	82.62	2.400	1.940	1.643	1.480	1.309	19.53	32.09	2.320	1.500	2.900	2.016
53	69.98	87.48	2.350	1.920	1.658	1.490	1.315	19.17	31.78	2.280	1.490	2.850	1.980
54	73.87	92.34	2.300	1.900	1.672	1.500	1.320	18.81	31.45	2.240	1.480	2.800	1.943
55	77.76	97.20	2.250	1.880	1.686	1.520	1.326	18.45	31.11	2.200	1.470	2.750	1.907
56	82.94	103.68	2.200	1.860	1.701	1.540	1.331	18.09	30.77	2.150	1.460	2.700	1.871
57	88.12	110.16	2.150	1.840	1.715	1.560	1.337	17.73	30.41	2.100	1.450	2.650	1.834
58	93.31	116.64	2.100	1.820	1.729	1.580	1.342	17.37	30.03	2.050	1.440	2.600	1.798
59	98.49	123.12	2.050	1.800	1.744	1.600	1.348	17.01	29.67	2.000	1.430	2.550	1.762
60	103.68	129.60	2.000	1.780	1.758	1.620	1.353	16.65	29.27	1.950	1.420	2.500	1.725
61	116.64	145.80	1.960	1.760	1.772	1.640	1.359	16.29	28.87	1.910	1.410	2.400	1.737
62	129.60	162.00	1.920	1.740	1.786	1.660	1.364	15.93	28.45	1.870	1.400	2.300	1.751
63	142.56	178.20	1.880	1.720	1.801	1.680	1.370	15.57	28.04	1.830	1.390	2.200	1.765
64	155.52	194.40	1.840	1.700	1.815	1.700	1.375	15.21	27.61	1.790	1.380	2.100	1.781
65	168.48	210.60	1.800	1.680	1.844	1.710	1.386	14.85	27.38	1.750	1.370	2.000	1.798
66	190.51	238.14	1.770	1.650	1.872	1.720	1.397	14.49	27.13	1.710	1.360	1.960	1.769
67	212.54	265.68	1.740	1.620	1.901	1.730	1.408	14.13	26.86	1.670	1.350	1.920	1.739
68	234.57	293.22	1.710	1.590	1.929	1.740	1.419	13.77	26.56	1.630	1.340	1.880	1.710
69	256.60	320.76	1.680	1.560	1.958	1.750	1.430	13.41	26.26	1.590	1.330	1.840	1.680
70	278.64	348.30	1.650	1.530	1.987	1.760	1.441	13.05	25.93	1.550	1.320	1.800	1.651
71	307.15	383.94	1.620	1.500	2.015	1.770	1.452	12.87	25.93	1.510	1.310	1.770	1.622
72	335.66	419.58	1.590	1.470	2.044	1.780	1.463	12.69	25.94	1.470	1.300	1.740	1.593
73	364.17	455.22	1.560	1.440	2.072	1.790	1.474	12.51	25.92	1.430	1.290	1.710	1.564
74	392.68	490.86	1.530	1.410	2.101	1.800	1.485	12.33	25.91	1.390	1.280	1.680	1.535
75	421.20	526.50	1.500	1.380	2.115	1.810	1.491	12.15	25.70	1.350	1.270	1.650	1.512
76	486.00	607.50	1.480	1.360	2.130	1.820	1.496	11.97	25.50	1.330	1.260	1.620	1.500
77	550.80	688.50	1.460	1.340	2.144	1.830	1.502	11.79	25.28	1.310	1.250	1.590	1.488
78	615.60	769.50	1.440	1.320	2.158	1.840	1.507	11.61	25.05	1.290	1.240	1.560	1.476
79	680.40	850.50	1.420	1.300	2.173	1.850	1.513	11.43	24.84	1.270	1.230	1.530	1.464
80	745.20	931.50	1.400	1.280	2.187	1.860	1.518	11.25	24.60	1.250	1.220	1.500	1.452
81	810.00	1012.50	1.380	1.260	2.201	1.870	1.524	11.07	24.37	1.230	1.210	1.470	1.440
82	874.80	1093.50	1.360	1.240	2.215	1.880	1.529	10.89	24.12	1.210	1.200	1.440	1.380
83	939.60	1174.50	1.340	1.220	2.230	1.890	1.535	10.71	23.88	1.190	1.170	1.410	1.340
84	1004.40	1255.50	1.320	1.200	2.244	1.900	1.540	10.53	23.63	1.170	1.150	1.380	1.300

Factors:

Elimination Period :		Benefit Period :		Risk Classes :	
0 Day	1.40	Lifetime	1.00	Preferred	0.75
30 Day	1.20	5 Year	0.88	Select	1.00
90 Day	1.00	3 Year	0.65	Standard	1.25
180 Day	0.90			Substandard	1.50

Facility Care and HCBC Indemnity Benefit Rider (S-8000-R5)	1.18
Facility Care Only Indemnity Benefit Rider (S-8000-R13)	1.05
Informal Caregiver Indemnity Benefit Rider (S-8000-R11)	2.00
Weekly HCBC Benefit Rider (S-8000-R10)	1.10
HCBC Waiver of Premium Rider (S-8000-R14)	1.12

Joint Coverage - Premiums for joint rate combinations are calculated as 140% of the base policy premium of the older insured, multiplied by the following factors:			
2 Preferred - 0.750	2 Select - 1.000	2 Standard - 1.250	
1 Preferred / 1 Select - 0.875	1 Select / 1 Standard - 1.125	1 Standard / 1 Substandard - 1.375	
1 Preferred / 1 Standard - 1.000	1 Select / 1 Substandard - 1.250	2 Substandard - 1.500	
1 Preferred / 1 Substandard - 1.125			

Modal Premium Factors: PAC/EFT - 0.085; Quarterly - 0.27 Semi-annual - 0.52

**State Life Insurance Company of America**  
**Combined Reinsurer Experience**  
**Exhibit B**  
**Lapse Rates**

Duration*	Exposure**	Lapses	Actual Lapse Rates	Best Estimate Lapse Rates	A/E
12	136,874	874	0.64%	0.75%	0.85
13	129,480	759	0.59%	0.75%	0.78
14	122,016	613	0.50%	0.75%	0.67
15	113,920	542	0.48%	0.75%	0.63
16	105,589	473	0.45%	0.75%	0.60
17	92,286	369	0.40%	0.75%	0.53
18	76,366	384	0.50%	0.75%	0.67
19	59,492	299	0.50%	0.75%	0.67
20	43,486	218	0.50%	0.75%	0.67
21	33,014	170	0.51%	0.75%	0.69
22	25,772	123	0.48%	0.75%	0.64
23	17,433	112	0.64%	0.75%	0.86
24	10,971	69	0.63%	0.75%	0.84
25	6,248	41	0.66%	0.75%	0.87
26	3,099	17	0.55%	0.75%	0.73
27	1,355	10	0.74%	0.75%	0.98
28	523	1	0.19%	0.75%	0.26
29	261	1	0.38%	0.75%	0.51
30	92	1	1.09%	0.75%	1.45
31	28	0	0.00%	0.75%	0.00
Average	978,306	5,076	0.52%	0.75%	0.69

\* All S-6000 policies are duration 12+.

\*\* Lifetime pay policies only

**The State Life Insurance Company  
Combined Reinsurer Experience**

**Exhibit C1: Mortality Selection Factors**

Policy Duration	Selection Factors	
	Single	Joint
1	0.164	0.112
2	0.325	0.184
3	0.379	0.267
4	0.450	0.288
5	0.451	0.326
6	0.465	0.370
7	0.492	0.370
8	0.494	0.405
9	0.582	0.405
10	0.587	0.405
11	0.615	0.436
12	0.635	0.475
13	0.660	0.479
14	0.684	0.495
15	0.758	0.495
16	0.758	0.521
17	0.814	0.556
18	0.877	0.594
19	0.897	0.650
20	0.863	0.665
21	0.942	0.665
22	0.953	0.727
23	0.984	0.730
24	1.000	0.752
25	1.000	0.848
26	1.000	0.850
27	1.000	1.000
28	1.000	1.000
29	1.000	1.000
30	1.000	1.000

**The State Life Insurance Company  
Combined Reinsurer Experience**

**Exhibit C2: Mortality A to E Analysis**

Attained Age	Single Lives Death Counts			Joint Lives Death Counts**			Total Death Counts		
	Actual	Expected*	A/E	Actual	Expected*	A/E	Actual	Expected*	A/E
<40	1	1	78%	1	2	50%	2	3	61%
40-44	2	4	56%	14	8	169%	16	12	135%
45-49	27	14	192%	56	34	166%	83	48	174%
50-54	71	56	127%	166	133	125%	237	189	125%
55-59	197	197	100%	550	475	116%	747	672	111%
60-64	493	596	83%	1,307	1,401	93%	1,800	1,997	90%
65-69	984	1,310	75%	2,241	2,929	77%	3,225	4,239	76%
70-74	1,697	1,981	86%	3,637	4,208	86%	5,334	6,189	86%
75-79	2,342	2,545	92%	4,778	4,884	98%	7,120	7,430	96%
80-84	2,972	2,772	107%	5,050	4,576	110%	8,022	7,347	109%
85-89	2,648	2,367	112%	3,800	2,965	128%	6,448	5,332	121%
90+	2,111	1,735	122%	1,574	1,232	128%	3,685	2,967	124%
Total	13,545	13,578	100%	23,174	22,847	101%	36,719	36,425	101%

\* Expected - 85% of 94 GAM and graded to 100% from ages 85 to 90 with selection

\*\* Joint lives - joint policy at issue



The State Life Insurance Company  
Policy Form: S-8000-P

Exhibit D1: Incidence Rates Per 100

Best Estimate						
Attained Age	Nursing Facility Care Incidence Rates				Incidence Rate Factors	
	Single Male	Single Female	Married Male	Married Female	Home and Community Based Care and Assisted Living Facility	Assisted Living Facility
40	<b>0.0019</b>	<b>0.0016</b>	<b>0.0005</b>	<b>0.0004</b>	<b>1.550</b>	<b>0.300</b>
41	0.0022	0.0020	0.0006	0.0005	1.550	0.300
42	0.0026	0.0023	0.0007	0.0006	1.550	0.300
43	0.0030	0.0027	0.0008	0.0007	1.550	0.300
44	0.0035	0.0032	0.0010	0.0008	1.550	0.300
45	0.0041	0.0038	0.0012	0.0010	1.550	0.300
46	0.0049	0.0046	0.0015	0.0012	1.550	0.300
47	0.0057	0.0054	0.0018	0.0015	1.550	0.300
48	0.0067	0.0064	0.0022	0.0018	1.550	0.300
49	0.0078	0.0076	0.0026	0.0022	1.550	0.300
50	<b>0.0092</b>	<b>0.0090</b>	<b>0.0032</b>	<b>0.0027</b>	<b>1.550</b>	<b>0.300</b>
51	0.0108	0.0106	0.0038	0.0033	1.550	0.300
52	0.0127	0.0126	0.0046	0.0040	1.550	0.300
53	0.0149	0.0149	0.0055	0.0049	1.550	0.300
54	0.0175	0.0177	0.0067	0.0060	1.550	0.300
55	0.0205	0.0209	0.0081	0.0073	1.550	0.300
56	0.0242	0.0248	0.0098	0.0089	1.550	0.300
57	0.0284	0.0295	0.0118	0.0109	1.550	0.300
58	0.0350	0.0367	0.0149	0.0139	1.436	0.290
59	0.0434	0.0459	0.0191	0.0179	1.311	0.290
60	<b>0.0536</b>	<b>0.0571</b>	<b>0.0242</b>	<b>0.0230</b>	<b>1.206</b>	<b>0.280</b>
61	0.0659	0.0709	0.0305	0.0293	1.111	0.270
62	0.0800	0.0869	0.0381	0.0370	1.045	0.270
63	0.0963	0.1056	0.0472	0.0462	0.969	0.260
64	0.1175	0.1299	0.0591	0.0585	0.872	0.260
65	0.1420	0.1585	0.0735	0.0734	0.795	0.250
66	0.1709	0.1925	0.0909	0.0918	0.728	0.240
67	0.2048	0.2328	0.1119	0.1142	0.671	0.240
68	0.2444	0.2805	0.1373	0.1415	0.613	0.230
69	0.2921	0.3382	0.1687	0.1756	0.555	0.230
70	<b>0.3470</b>	<b>0.4055</b>	<b>0.2060</b>	<b>0.2166</b>	<b>0.507</b>	<b>0.220</b>
71	0.4095	0.4829	0.2498	0.2654	0.470	0.220
72	0.4770	0.5676	0.2991	0.3209	0.452	0.210
73	0.5639	0.6772	0.3634	0.3939	0.425	0.210
74	0.6673	0.8087	0.4420	0.4840	0.397	0.200
75	0.7898	0.9660	0.5378	0.5948	0.369	0.200
76	0.9351	1.1543	0.6544	0.7312	0.341	0.190
77	1.0991	1.3691	0.7906	0.8924	0.323	0.190
78	1.2979	1.6316	0.9596	1.0941	0.305	0.190
79	1.5210	1.9296	1.1559	1.3313	0.297	0.180
80	<b>1.7964</b>	<b>2.2999</b>	<b>1.4032</b>	<b>1.6326</b>	<b>0.279</b>	<b>0.180</b>
81	2.1219	2.7416	1.7036	2.0023	0.261	0.170
82	2.4868	3.2425	2.0521	2.4364	0.253	0.170
83	3.0274	3.8076	2.5346	3.0617	0.235	0.170
84	3.6098	4.4743	3.1067	3.7562	0.227	0.160
85	4.2295	5.2334	3.7583	4.5046	0.219	0.160
86	4.8509	6.0344	4.4499	5.2545	0.212	0.150
87	5.4415	6.8274	5.1405	5.9491	0.204	0.150
88	5.9183	7.4955	5.7361	6.4666	0.196	0.150
89	6.2426	7.9732	6.1773	6.7203	0.188	0.140
90	<b>6.6986</b>	<b>8.7403</b>	<b>6.7504</b>	<b>7.2671</b>	<b>0.180</b>	<b>0.140</b>
91	7.0706	9.3960	7.2376	7.7222	0.182	0.140
92	7.5715	10.2220	7.8561	8.3178	0.174	0.130
93	8.0792	10.2921	8.4831	8.9216	0.166	0.130
94	8.5131	10.2657	8.4613	8.8987	0.169	0.130
95	8.4986	10.2482	8.4469	8.8835	0.171	0.130
96	8.5570	10.3187	8.5050	8.9446	0.163	0.120
97	8.5350	10.2921	8.4831	8.9216	0.166	0.120
98	8.5204	10.2745	8.4686	8.9063	0.168	0.120
99	8.4986	10.2482	8.4469	8.8835	0.171	0.110
100	<b>8.4768</b>	<b>10.2220</b>	<b>8.4253</b>	<b>8.8608</b>	<b>0.174</b>	<b>0.110</b>
101	8.4624	10.2046	8.4109	8.8457	0.176	0.110
102	8.4409	10.1786	8.3895	8.8232	0.179	0.110
103	8.4266	10.1614	8.3753	8.8082	0.181	0.100
104	8.4052	10.1356	8.3541	8.7859	0.184	0.100
105	8.3840	10.1100	8.3330	8.7637	0.187	0.100
106	8.3699	10.0930	8.3190	8.7490	0.189	0.100
107	8.3488	10.0676	8.2980	8.7270	0.192	0.100
108	8.3279	10.0423	8.2772	8.7051	0.195	0.100
109	8.3140	10.0256	8.2634	8.6905	0.197	0.100
110	<b>8.2932</b>	<b>10.0005</b>	<b>8.2427</b>	<b>8.6688</b>	<b>0.200</b>	<b>0.100</b>

The State Life Insurance Company  
Policy Form: S-8000-P

Exhibit D2  
Claim Continuance\*

Male

Claim Month	Incurral Age							
	<60	60-64	65-69	70-74	75-79	80-84	85-89	90+
0	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
3	0.5162	0.4944	0.5965	0.6231	0.6707	0.7231	0.7412	0.7536
6	0.3916	0.3769	0.4834	0.5260	0.5755	0.6300	0.6492	0.6548
9	0.3420	0.3270	0.4308	0.4703	0.5176	0.5691	0.5803	0.5712
12	0.3099	0.2928	0.3947	0.4300	0.4755	0.5206	0.5220	0.5090
24	0.2352	0.2337	0.3038	0.3247	0.3499	0.3707	0.3555	0.3171
36	0.1997	0.1967	0.2397	0.2469	0.2561	0.2568	0.2320	0.1793
48	0.1682	0.1699	0.1957	0.1821	0.1803	0.1737	0.1398	0.0957
60	0.1534	0.1465	0.1541	0.1362	0.1259	0.1106	0.0796	0.0472
72	0.1252	0.1226	0.1242	0.1013	0.0869	0.0703	0.0502	0.0317
84	0.1011	0.1116	0.0942	0.0713	0.0599	0.0466	0.0294	0.0072
96	0.0977	0.0988	0.0754	0.0532	0.0402	0.0315	0.0205	0.0071
108	0.0941	0.0847	0.0680	0.0448	0.0262	0.0233	0.0078	0.0071
120	0.0935	0.0780	0.0538	0.0304	0.0194	0.0161	0.0023	0.0064
132	0.0803	0.0703	0.0439	0.0206	0.0105	0.0090	0.0023	0.0045
144	0.0652	0.0490	0.0310	0.0117	0.0071	0.0037	0.0019	0.0032
156	0.0648	0.0393	0.0219	0.0067	0.0046	0.0017	0.0010	0.0021
168	0.0647	0.0392	0.0209	0.0060	0.0010	0.0012	0.0005	0.0014
180	0.0646	0.0392	0.0097	0.0041	0.0006	0.0008	0.0004	0.0009
300	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Female

Claim Month	Incurral Age							
	<60	60-64	65-69	70-74	75-79	80-84	85-89	90+
0	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
3	0.5898	0.4877	0.5762	0.6692	0.7085	0.7635	0.8051	0.7932
6	0.4339	0.3657	0.4675	0.5766	0.6282	0.6930	0.7343	0.7181
9	0.3726	0.3200	0.4196	0.5290	0.5849	0.6472	0.6892	0.6647
12	0.3284	0.2891	0.3898	0.4975	0.5527	0.6116	0.6501	0.6172
24	0.2550	0.2243	0.3106	0.4078	0.4592	0.5008	0.5159	0.4586
36	0.2104	0.1862	0.2625	0.3372	0.3774	0.3975	0.3855	0.2958
48	0.1819	0.1572	0.2211	0.2761	0.3018	0.3069	0.2784	0.2004
60	0.1669	0.1295	0.1835	0.2236	0.2344	0.2271	0.1891	0.1203
72	0.1481	0.1160	0.1565	0.1828	0.1850	0.1669	0.1306	0.0779
84	0.1314	0.0964	0.1330	0.1476	0.1454	0.1254	0.0896	0.0454
96	0.1232	0.0894	0.1092	0.1181	0.1120	0.0915	0.0603	0.0243
108	0.1149	0.0805	0.0892	0.0938	0.0811	0.0680	0.0459	0.0167
120	0.1034	0.0677	0.0667	0.0726	0.0583	0.0496	0.0306	0.0077
132	0.0963	0.0550	0.0585	0.0587	0.0460	0.0342	0.0239	0.0043
144	0.0914	0.0448	0.0449	0.0509	0.0318	0.0229	0.0109	0.0005
156	0.0847	0.0171	0.0404	0.0335	0.0191	0.0138	0.0006	0.0003
168	0.0742	0.0127	0.0322	0.0206	0.0133	0.0115	0.0006	0.0002
180	0.0583	0.0127	0.0207	0.0097	0.0115	0.0079	0.0006	0.0002
300	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

\* Claim continuance reflects total terminations from both death and recovery.

**The State Life Insurance Company  
Policy Form: S-8000-P**

**Exhibit D3  
Claim Recovery**

<b>Attained Age</b>	<b>Recovery Rates*</b>
40	36.76%
45	29.22%
50	23.23%
55	18.47%
60	14.68%
65	11.67%
70	9.28%
75	7.38%
80	5.86%
85	4.66%
90	3.71%
95	2.95%
100	2.34%
105	1.86%
110	1.48%
115	1.18%
120+	0.00%

\* Claim recovery is based on Lifetime Benefit Period policies.  
Claim recovery rates are developed using a linear regression method.

**The State Life Insurance Company  
Combined Reinsurer Experience**

**Exhibit D4: Incidence A to E Analysis**

Attained Age	Single Male				Single Female			
	Exposure	Claim Count	Expected Claim Count	A/E	Exposure	Claim Count	Expected Claim Count	A/E
40-44	1,373	0	0	0%	1,700	0	0	0%
45-49	4,192	6	1	743%	6,477	9	1	748%
50-54	9,858	7	4	167%	18,707	24	8	298%
55-59	21,305	36	20	179%	45,893	71	46	156%
60-64	35,804	77	74	104%	85,058	218	194	113%
65-69	46,764	192	200	96%	116,663	584	571	102%
70-74	45,076	407	385	106%	117,133	1,233	1,198	103%
75-79	31,647	594	559	106%	87,505	2,011	1,937	104%
80-84	17,359	689	655	105%	52,140	2,573	2,521	102%
85-89	6,686	498	501	99%	22,845	2,094	2,160	97%
90+	1,752	206	186	111%	7,020	1,003	966	104%
Total	221,815	2,712	2,585	105%	561,141	9,820	9,602	102%

Attained Age	Married Male				Married Female			
	Exposure	Claim Count	Expected Claim Count	A/E	Exposure	Claim Count	Expected Claim Count	A/E
40-44	4,401	1	0	919%	7,848	6	0	3895%
45-49	14,952	5	1	536%	23,905	18	1	1446%
50-54	39,623	24	6	382%	58,441	49	8	604%
55-59	94,706	87	38	228%	125,352	127	46	274%
60-64	175,639	249	177	141%	206,425	311	201	155%
65-69	235,068	559	554	101%	240,263	600	575	104%
70-74	219,787	1,151	1,182	97%	200,665	1,157	1,153	100%
75-79	144,383	1,960	1,829	107%	122,637	1,828	1,750	104%
80-84	69,695	2,188	2,133	103%	56,809	2,139	2,062	104%
85-89	21,718	1,500	1,499	100%	17,578	1,369	1,410	97%
90+	3,509	432	373	116%	3,176	403	361	111%
Total	1,023,481	8,156	7,792	105%	1,063,099	8,007	7,568	106%

**The State Life Insurance Company  
Combined Reinsurer Experience**

**Exhibit D5: Claim Termination A to E Analysis**

Duration	Claim Exposure	Actual	Expected	A/E
1st quarter	2,116	552	617	89%
2nd quarter	5,215	806	653	123%
3rd quarter	4,439	397	381	104%
4th quarter	3,939	306	284	108%
2	13,877	3,288	3,157	104%
3	9,583	2,310	2,343	99%
4	6,542	2,058	1,805	114%
5	3,993	1,068	1,103	97%
6	2,605	632	679	93%
7	1,742	405	466	87%
8	1,179	274	294	93%
9	792	179	183	98%
10	540	125	146	86%
11	365	87	91	96%
12	245	65	81	80%
13	153	26	53	49%
14	101	54	25	218%
15	68	34	21	163%
16	48	22	8	265%
17	34	16	6	251%
18	22	11	3	384%
19	13	6	2	303%
20	9	4	1	322%
21	6	3	1	424%
22	3	2	0	502%
23	2	2	0	504%
24	1	1	0	253%
25	1	1	0	253%
Average	57,634	12,734	12,405	103%

The State Life Insurance Company  
Policy Form: S-8000-P

Exhibit E1  
Nationwide Experience Projection

	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	At Year End 2021	4.50% Factor 1.0450	
Historical Experience	2003	356,914	0	0%	18.5	2.2576	
	2004	3,915,986	0	0%	17.5	2.1604	
	2005	6,351,267	0	0%	16.5	2.0674	
	2006	7,647,703	876	0%	15.5	1.9783	
	2007	7,236,601	626,210	9%	14.5	1.8932	
	2008	7,311,917	206,845	3%	13.5	1.8116	
	2009	7,105,856	423,204	6%	12.5	1.7336	
	2010	6,987,657	102,167	1%	11.5	1.6590	
	2011	6,920,083	405,777	6%	10.5	1.5875	
	2012	6,809,127	683,647	10%	9.5	1.5192	
	2013	6,602,051	579,329	9%	8.5	1.4537	
	2014	6,037,109	488,637	8%	7.5	1.3911	
	2015	4,028,050	2,252,256	56%	6.5	1.3312	
	2016	3,531,828	1,196,147	34%	5.5	1.2739	
	2017	3,419,188	2,016,142	59%	4.5	1.2191	
	2018	3,487,906	1,208,990	35%	3.5	1.1666	
	2019	3,515,685	1,414,400	40%	2.5	1.1163	
	2020	3,649,795	2,489,959	68%	1.5	1.0683	
	2021	3,720,672	4,651,987	125%	0.5	1.0223	
	Projected Future Experience	2022	3,620,918	3,848,977	106%	-0.5	0.9782
		2023	3,411,636	4,349,643	127%	-1.5	0.9361
2024		3,184,230	6,876,582	216%	-2.5	0.8958	
2025		2,923,650	7,577,269	259%	-3.5	0.8572	
2026		2,712,959	8,275,404	305%	-4.5	0.8203	
2027		2,519,781	8,964,456	356%	-5.5	0.7850	
2028		2,329,430	9,630,671	413%	-6.5	0.7512	
2029		2,141,787	10,261,360	479%	-7.5	0.7188	
2030		1,958,133	10,824,663	553%	-8.5	0.6879	
2031		1,780,577	11,284,812	634%	-9.5	0.6583	
2032		1,609,869	11,633,428	723%	-10.5	0.6299	
2033		1,446,645	11,854,537	819%	-11.5	0.6028	
2034		1,291,696	11,940,485	924%	-12.5	0.5768	
2035		1,145,718	11,891,691	1038%	-13.5	0.5520	
2036		1,009,288	11,712,796	1161%	-14.5	0.5282	
2037		882,801	11,422,719	1294%	-15.5	0.5055	
2038		766,591	11,026,704	1438%	-16.5	0.4837	
2039		660,785	10,539,153	1595%	-17.5	0.4629	
2040		565,364	9,979,878	1765%	-18.5	0.4429	
2041		480,097	9,358,215	1949%	-19.5	0.4239	
2042		404,630	8,695,954	2149%	-20.5	0.4056	
2043		338,465	8,021,130	2370%	-21.5	0.3882	
2044		280,988	7,353,882	2617%	-22.5	0.3714	
2045		231,551	6,711,669	2899%	-23.5	0.3554	
2046		189,401	6,107,603	3225%	-24.5	0.3401	
2047		153,774	5,543,210	3605%	-25.5	0.3255	
2048		123,952	5,007,981	4040%	-26.5	0.3115	
2049		99,204	4,504,962	4541%	-27.5	0.2981	
2050		78,842	4,044,091	5129%	-28.5	0.2852	
2051		62,232	3,614,872	5809%	-29.5	0.2729	
2052		48,805	3,224,759	6607%	-30.5	0.2612	
2053		38,045	2,871,045	7547%	-31.5	0.2499	
2054		29,486	2,532,171	8588%	-32.5	0.2392	
2055		22,733	2,220,868	9769%	-33.5	0.2289	
2056	17,427	1,942,991	11150%	-34.5	0.2190		
2057	13,289	1,687,912	12701%	-35.5	0.2096		
2058	10,086	1,457,456	14450%	-36.5	0.2006		
2059	7,618	1,246,533	16362%	-37.5	0.1919		
2060	5,724	1,051,521	18369%	-38.5	0.1837		
2061	4,276	877,061	20512%	-39.5	0.1758		
	Past	98,635,395	18,746,573	19%			
	Future	38,602,483	271,971,115	705%			
	Lifetime	137,237,878	290,717,689	212%			
Interest	4.50%						
	Past w/ int	157,435,555	23,054,422	15%			
	Future w/ int	28,230,521	147,302,060	522%			
	Lifetime w/ int	185,666,076	170,356,482	92%			

The State Life Insurance Company  
Policy Form: S-8000-P

Exhibit E2  
Virginia Experience Projection

	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	At Year End 2021	4.50% Factor 1.0450	
Historical Experience	2003	0	0	0%	18.5	2.2576	
	2004	60,134	0	0%	17.5	2.1604	
	2005	127,962	0	0%	16.5	2.0674	
	2006	135,602	0	0%	15.5	1.9783	
	2007	140,390	0	0%	14.5	1.8932	
	2008	139,387	0	0%	13.5	1.8116	
	2009	131,092	0	0%	12.5	1.7336	
	2010	142,586	0	0%	11.5	1.6590	
	2011	133,370	0	0%	10.5	1.5875	
	2012	141,916	0	0%	9.5	1.5192	
	2013	133,211	0	0%	8.5	1.4537	
	2014	121,747	0	0%	7.5	1.3911	
	2015	53,576	0	0%	6.5	1.3312	
	2016	50,855	0	0%	5.5	1.2739	
	2017	49,688	0	0%	4.5	1.2191	
	2018	48,750	0	0%	3.5	1.1666	
	2019	48,725	0	0%	2.5	1.1163	
	2020	48,930	0	0%	1.5	1.0683	
	2021	48,455	0	0%	0.5	1.0223	
	Projected Future Experience	2022	44,121	102,438	232%	-0.5	0.9782
		2023	36,389	90,101	248%	-1.5	0.9361
2024		30,516	77,876	255%	-2.5	0.8958	
2025		25,863	81,863	317%	-3.5	0.8572	
2026		22,248	88,503	398%	-4.5	0.8203	
2027		19,398	97,117	501%	-5.5	0.7850	
2028		17,121	106,957	625%	-6.5	0.7512	
2029		15,248	116,986	767%	-7.5	0.7188	
2030		13,655	126,574	927%	-8.5	0.6879	
2031		12,257	135,601	1106%	-9.5	0.6583	
2032		10,992	143,956	1310%	-10.5	0.6299	
2033		9,831	150,060	1526%	-11.5	0.6028	
2034		8,757	154,409	1763%	-12.5	0.5768	
2035		7,762	158,892	2047%	-13.5	0.5520	
2036		6,841	162,234	2372%	-14.5	0.5282	
2037		5,997	166,386	2775%	-15.5	0.5055	
2038		5,226	171,782	3287%	-16.5	0.4837	
2039		4,520	176,135	3897%	-17.5	0.4629	
2040		3,879	181,296	4673%	-18.5	0.4429	
2041		3,297	188,035	5703%	-19.5	0.4239	
2042		2,775	194,160	6997%	-20.5	0.4056	
2043		2,314	199,535	8622%	-21.5	0.3882	
2044		1,911	204,658	10709%	-22.5	0.3714	
2045		1,562	208,496	13344%	-23.5	0.3554	
2046		1,266	210,187	16600%	-24.5	0.3401	
2047		1,017	210,431	20698%	-25.5	0.3255	
2048		807	208,927	25902%	-26.5	0.3115	
2049		633	202,703	32021%	-27.5	0.2981	
2050		490	193,482	39446%	-28.5	0.2852	
2051		375	184,197	49117%	-29.5	0.2729	
2052		284	171,871	60556%	-30.5	0.2612	
2053		212	156,264	73553%	-31.5	0.2499	
2054		157	139,430	88734%	-32.5	0.2392	
2055		115	120,696	105206%	-33.5	0.2289	
2056	83	102,347	123938%	-34.5	0.2190		
2057	59	86,732	148207%	-35.5	0.2096		
2058	41	72,574	177993%	-36.5	0.2006		
2059	27	59,742	217855%	-37.5	0.1919		
2060	18	48,749	265315%	-38.5	0.1837		
2061	12	38,701	319382%	-39.5	0.1758		
	Past	1,756,376	0	0%			
	Future	318,078	5,691,084	1789%			
	Lifetime	2,074,453	5,691,084	274%			
Interest	4.50%						
	Past w/ int	2,844,923	0	0%			
	Future w/ int	243,032	2,570,981	1058%			
	Lifetime w/ int	3,087,955	2,570,981	83%			

**The State Life Insurance Company**  
**Policy Form: S-8000-P**

**Exhibit F1**  
**Nationwide Policy and Premium Distribution**

	Policies*	Premium**	% of Policies	% of Premium
<b>Base</b>				
Comprehensive	1,607	3,472,431	93%	93%
Nursing Home Only	129	273,230	7%	7%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>COLA Options</b>				
No COLA	292	592,409	17%	16%
Simple COLA	232	502,415	13%	13%
Compound COLA	1,212	2,650,837	70%	71%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Nonforfeiture Options</b>				
None	1,638	3,472,156	94%	93%
SBP	3	7,962	0%	0%
ROP & SBP	7	6,027	0%	0%
Limited ROP	19	71,392	1%	2%
Full ROP	69	188,125	4%	5%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Pay Period</b>				
Single Pay	19	0	1%	0%
10 Pay	433	0	25%	0%
20 Pay	26	105,677	1%	3%
Lifetime	1,258	3,639,984	72%	97%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Joint/Single Life</b>				
Joint	922	2,185,097	53%	58%
Single	814	1,560,565	47%	42%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Billing Mode</b>				
Annual	770	1,626,109	44%	43%
Semi-Annual	74	149,592	4%	4%
Quarterly	165	265,883	10%	7%
Monthly	727	1,704,077	42%	45%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Elimination Period</b>				
0 Days	35	87,763	2%	2%
30 Days	136	313,241	8%	8%
60 Days	44	79,136	3%	2%
90 Days	1,443	3,092,345	83%	83%
180 Days	78	173,177	4%	5%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Benefit Period (NH/HH)</b>				
Lifetime / Lifetime	1,430	3,107,670	82%	83%
5 Year / 5 Year	128	310,335	7%	8%
3 Year / 3 Year	178	327,657	10%	9%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Issue Age Cohort</b>				
16-25	1	1,349	0%	0%
26-35	13	5,781	1%	0%
36-45	87	80,802	5%	2%
46-55	581	893,181	33%	24%
56-65	891	2,142,722	51%	57%
66-75	156	531,553	9%	14%
76-85	7	90,273	0%	2%
86+	0	0	0%	0%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>
<b>Daily Benefit Cohort</b>				
\$1-\$50	43	55,063	2%	1%
\$51-\$100	678	1,348,526	39%	36%
\$101-\$150	755	1,697,083	43%	45%
\$151-\$200	198	456,730	11%	12%
\$201-\$250	40	135,849	2%	4%
\$251-\$300	22	52,410	1%	1%
<b>Total</b>	<b>1,736</b>	<b>3,745,661</b>	<b>100%</b>	<b>100%</b>

\* Includes policies in active premium paying, active on waiver and paid-up statuses.

\*\* Includes premiums for policies in active premium paying and active on waiver statuses.



**The State Life Insurance Company**  
**Policy Form: S-8000-P-VA**

**Exhibit F2**  
**Virginia Policy and Premium Distribution**

	Policies*	Premium**	% of Policies	% of Premium
<b>Base</b>				
Comprehensive	20	48,102	100%	100%
Nursing Home Only	0	0	0%	0%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>COLA Options</b>				
No COLA	2	31,240	10%	65%
Simple COLA	1	2,353	5%	5%
Compound COLA	17	14,508	85%	30%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Nonforfeiture Options</b>				
None	18	19,716	90%	41%
SBP	0	0	0%	0%
ROP & SBP	0	0	0%	0%
Limited ROP	0	0	0%	0%
Full ROP	2	28,386	10%	59%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Pay Period</b>				
Single Pay	0	0	0%	0%
10 Pay	10	0	50%	0%
20 Pay	0	0	0%	0%
Lifetime	10	48,102	50%	100%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Joint/Single Life</b>				
Joint	12	13,392	60%	28%
Single	8	34,710	40%	72%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Billing Mode</b>				
Annual	8	3,236	40%	7%
Semi-Annual	2	5,651	10%	12%
Quarterly	3	0	15%	0%
Monthly	7	39,215	35%	82%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Elimination Period</b>				
0 Days	0	0	0%	0%
30 Days	0	0	0%	0%
60 Days	0	0	0%	0%
90 Days	19	48,102	95%	100%
180 Days	1	0	5%	0%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Benefit Period (NH/HH)</b>				
Lifetime / Lifetime	17	40,746	85%	85%
5 Year / 5 Year	3	7,355	15%	15%
3 Year / 3 Year	0	0	0%	0%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Issue Age Cohort</b>				
16-25	0	0	0%	0%
26-35	0	0	0%	0%
36-45	5	0	25%	0%
46-55	6	4,732	30%	10%
56-65	8	14,984	40%	31%
66-75	0	0	0%	0%
76-85	1	28,386	5%	59%
86+	0	0	0%	0%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>
<b>Daily Benefit Cohort</b>				
\$1-\$50	1	734	5%	2%
\$51-\$100	7	7,177	35%	15%
\$101-\$150	7	8,950	35%	19%
\$151-\$200	4	2,855	20%	6%
\$201-\$250	1	28,386	5%	59%
\$251-\$300	0	0	0%	0%
<b>Total</b>	<b>20</b>	<b>48,102</b>	<b>100%</b>	<b>100%</b>

\* Includes policies in active premium paying, active on waiver and paid-up statuses.

\*\* Includes premiums for policies in active premium paying and active on waiver statuses.



THE STATE LIFE  
INSURANCE COMPANY®  
a ONEAMERICA® company

P.O. Box 406  
Indianapolis, IN 46206-0406

Phone 1-800-275-5101

February 15, 2022

Ms. Pam Corbally  
Assistant Vice President Compliance  
LifeCare Assurance Company  
21600 Oxnard Street, Suite 1500  
Woodland Hills, CA 91367

**RE: STATE LIFE INSURANCE COMPANY**  
**NAIC # 69116**  
**Group # 619**  
**FEIN # 35-0684263**

Dear Ms. Corbally,

Pursuant to an Administration and Marketing Services Agreement, as amended, between The State Life Insurance Company (“State Life”) and LifeCare Assurance Company (“LifeCare”), LifeCare is authorized to perform certain functions on State Life’s behalf.

This letter is to confirm that LifeCare is authorized by State Life to submit to state insurance regulators State Life’s required annual reports with regard to State Life’s long term care insurance standard policy form numbers 6000/6001 and 8000/9000 and their allied state variations.

This authorization remains in effect from January 1, 2022 through December 31, 2022.

Sincerely,

Bud Graessle  
Vice President, Financial Performance – Individual Life & Financial Services