

**Long Term Care Insurance Rate Request Summary  
Part 1 – To Be Completed By Company**

**Company Name and NAIC Number:** Allianz Life Insurance Company of North America - 90611

**SERFF Tracking Number:** ALLB-133556439

**Revised Rates**

**Average Annual Premium Per Member:** \$2,663

**Average Requested Percentage Rate Change Per Member:** 67%

**Range of Requested Rate Changes:** 30% - 95%

**Number of Virginia Policyholders Affected:** 1,654

Form Number	Product Name	Issue Dates	Prior Rate Increases – Date and Percentage Approved	Outlook for Future Rate Increases
10-P-Q-VA	Generation Protector	2003 - 2007	6/8/2016 - 56.3%	The proposed premium rate increase is not sufficient to prevent future rate actions by the company and benefits currently are not reasonable in relation to the premiums charged.

**Attach a narrative to summarize the key information used to develop the rates including the main drivers for the revised rates.**

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When Allianz designed the LTC products years ago, we based your initial premium on actuarial assumptions, using the best information available to us at that time. We continually monitor LTC policies and work to balance the needs of our LTC policyholders with the sustainability of the business. LTC insurance rates are affected by many complex factors including interest rates, the number of people who continue coverage, how many of them collect benefits, and for how long.

Based on our actual experience, it's clear we will need to pay substantially more claims than anticipated. We know that policyholders are keeping their policies longer than originally expected, and therefore are incurring more claims due to the longer duration. As a result of these longer durations coupled with higher utilization, we are experiencing increases in claims costs.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium.