

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

**Reset Form**

**Company Name and NAIC Number:**

**SERFF Tracking Number:**

**Effective Date:**

**Revised Rates**  
**Average Annual Premium Per Member:**

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

**Minimum Requested Percentage Rate Change Per Member:**

**Maximum Requested Percentage Rate Change Per Member:**

**Number of Policy Holders Affected :**

**Plans Affected  
(The Form Number and "Product Name")**

Form#	"Product Name"(if applicable)
P1-N0075-A45, P1-N0076-A45, P1-N0080-A45, P1-N0081-A45, P1-N0085-A45, P1-N0086-A45, P1-N0090-A45, P1-N0091-A45, P1-N0095-A45, P1-N0096-A45, P1-N0100-A45, P1-N0101-A45 Rider: R1-N0078-A, R1-N0088-A R1-N0079-A, R1-N0098-A R1-N0103-A R1-N0104-A R1-N0105-A R1-N0106-A, R1-N0108-A R1-N0107-A	"Preferred Solution"           Rider Description: Compound Automatic Increase Rider Simple Automatic Increase Rider Survivorship Benefit Rider Dual Waiver of Premium Rider Shared Advantage Rider Restoration of Benefits Rider Cost of Living Increase Rider

Attach a brief 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.***

**Continental Casualty Company (CCC)**  
**Address: 151 N Franklin St, Chicago, IL 60606**

**Virginia Long Term Care Insurance Rate Request Summary Narrative**  
**November 6, 2018**

This is a supporting narrative for 'Preferred Solution' rate increase filing, SERFF Tracking # CNAB-131651014, on policies with automatic increase benefit rider issued under the policy forms listed in the table above.

The rate increase requested is reflective of the rate required to restore this block of policies to a lifetime loss ratio of 100%, an actuarially appropriate level in excess of the originally priced targets. The proposed rate increases are less than what can be actuarially justified.

CNA, like most long term care insurers, used certain assumptions when originally setting the premium price of your policy. These assumptions were our best estimates of future experience for these policies. Unfortunately, CNA, and the long term care industry in general, has seen experience emerging differently than expected. Specifically, more policyholders are going on claim and claims are lasting longer. Therefore, we have determined that we must increase premiums to reflect the future claim expectations on these policies.

Comparisons of the company's best estimate assumptions to actual experience can be found in Exhibit 3 of the Actuarial Memorandum submitted with this filing. Section 5 of the Actuarial Memorandum highlights the Company's best estimate assumptions used in this filing and also the company's 2017 GAAP and statutory reserve adequacy testing.

The decision to implement a premium increase is a difficult one, however, as a responsible insurer, it is important for us to take appropriate actions to ensure we can fulfill our obligations to our policyholders.