

**Long Term Care Insurance Rate Request Summary**  
**Part 2 – Completed by the Bureau of Insurance of the Virginia State Corporation**  
**Commission (Bureau)**

Company Name and NAIC Number: Brighthouse Life Insurance Company; NAIC # 87726

SERFF Tracking Number:

Disposition: Approved and Filed

Approval Date: 03/238/2021

Current Average Annual Premium Per Member: \$5,740

**Rate Changes**

Average Requested Percentage Rate Change Per Member: 114%

Minimum Requested Percentage Rate Change Per Member: 114%

Maximum Requested Percentage Rate Change Per Member: 114%

Number of Policy Holders Affected: 1,648

**Summary of the Bureau's review of the rate request:**

The Company requested a 222.2% rate increase for this block of individual long-term care insurance policy forms. However, after discussion with the Bureau, they reduced it to 114%.

The filing was reviewed by the Bureau and its consulting actuary and was determined to comply with the statutes and regulatory requirements in 14VAC5-200-150 of the Virginia Administrative Code. The review indicated that the anticipated lifetime loss ratio after the increase will be 130.6%, which exceeds the minimum required loss ratio of 60%.

While the Company has advised that they are likely to file for additional rate increases in the future, these will first need to be approved by the Bureau.

The primary reasons for the rate increase are that policyholders are living longer and keeping their policies in force longer, which has resulted in more claims being filed than the Company anticipated when the policy was originally priced. The Company determined that a premium increase is necessary to reflect that future claims are expected to be significantly higher on these policies than originally expected or priced and to ensure that sufficient funds are available to pay claims.

The Company is offering all policyholders options to reduce the premium increase by reducing their coverage. These reductions could be in the form of lower daily benefits, a shorter benefit

period, a longer elimination period, the termination of riders or any combination of these reductions, or a paid-up policy. Information will be included in the letter sent to all policyholders notifying them of the rate increase and can be discussed with the Company by calling its customer service department.

The filing can be reviewed on the Bureau's webpage under the Rate/Policy Form Search at: <https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>.