

**Health Insurance Rate Request Summary  
Part 1 – To Be Completed By Company**

**Company Name and NAIC Number:**

**SERFF Tracking Number:**

**Effective Date:**

**(Projected) Number of Insureds**

**Affected:**

**New Rates**

**Average Annual Premium Per Member:**

**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:**

**Plans Affected**

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

**Form#**

**"Product Name"(if applicable)**

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

## **Health Insurance Rate Request Summary**

Accurate forecasting and projecting of future claims experience on LTC insurance policies is complex in its detail and application. Many factors are considered at the time that pricing is established, such as the frequency and severity of particular medical conditions, the expected lifespan of policyholders, the length of time policies are expected to remain in force, and the cost of care, to name a few. As claims are paid, these factors can change over time.

Unfortunately, the most recent detailed review of our pricing assumptions confirms that the expected claims over the life of your policy series are significantly higher today than they were expected to be when the premiums were originally determined. In general, we are seeing more, longer-lasting claims - claim incidence has increased, claim terminations have decreased, claim utilization has increased, and mortality have decreased.

Our decision to increase premiums is solely related to the future claims anticipated on these policies and not to the recent recession, interest rate environment, or any other investment-related reason

As an alternative to paying higher premiums, we are offering several benefit reduction alternatives and, in most cases, at least one option that will enable the policyholder to keep their premiums at or close to the same level as what is being paid before the rate increase.