

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

**Company Name and NAIC Number:** John Hancock Life Insurance Company (U.S.A), 69477

**SERFF Tracking Number:** MULF-132321888

**Revised Rates**

**Average Annual Premium Per Member:** \$3,242

**Average Requested Percentage Rate Change Per Member:** 19.4%

**Range of Requested Rate Changes:** 10.6% to 27.8%

**Number of Virginia Policyholders Affected:** 8,084

Form Number	Product Name	Issue Dates	Prior Rate Increases – Date and Percentage Approved	Outlook for Future Rate Increases
LTC-96 VA	Advantage Gold Select	September 1996- Marc 1998	13% - 07/17/2009 46.2% - 12/01/2011 50.3% - 04/21/2016 77.6% - 07/03/2019	If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.
LTC-96 VA 9/96 (pre-RS)	Advantage Gold Select	January 1997 – September 2003	13% - 07/17/2009 46.2% - 12/01/2011 50.3% - 04/21/2016 77.6% - 07/03/2019	If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.
LTC-96CL VA LTC-96CL VA 9/96	Advantage Classic	November 1996 – November 1997	13% - 07/17/2009 46.2% - 12/01/2011 50.3% - 04/21/2016 77.6% - 07/03/2019	If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.
NH-99 VA 4/99	Advantage Gold Facility Only	January 2000 – February 2003	13% - 07/17/2009 46.2% - 12/01/2011 50.3% - 04/21/2016 77.6% - 07/03/2019	If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.
LTC2000 VA 4/00	Fidelity Advantage Gold Select	May 2002 – December 2002	13% - 07/17/2009 46.2% - 12/01/2011 50.3% - 04/21/2016 77.6% - 07/03/2019	If the requested premium rate schedule increase is implemented and the underlying assumptions are realized, no further premium rate schedule increases are anticipated.

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

This document is prepared by the carrier to help explain the requested rate change and 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 at <https://www.scc.virginia.gov/boi/SERFFInquiry/default.aspx>.

## **Summary of the John Hancock's 2019 Rate Increase Request on John Hancock Life Insurance Gold Policy Series**

When pricing a long-term care insurance product, insurance companies use the best available information at that time to predict how many policyholders might ultimately use the benefit in the future. This involves making certain assumptions about a variety of factors including: particular medical conditions, the expected lifespan of policyholders, the length of time policyholders keep their policies, and the cost of receiving long-term care services. If the actual experience differs in an unfavorable way from the expected experience based on these assumptions, a premium rate increase may become necessary. John Hancock previously requested and implemented rate increases on the John Hancock Life Insurance Company long-term care policy series in 2008, 2010, 2013, and 2016.

John Hancock continuously monitors the experience of our in-force LTC insurance policies. Our most recent analysis demonstrates that claims continue to last longer than expected. Unfortunately, based on that data, we have determined that there is a need to increase premiums so we can meet our future claims obligations.

Increases will vary by issue age, inflation, benefit period, policy series, and state. The filing will vary by state based on the amount and timing of prior increases that we were permitted to implement in that state. In this way, policyholders are not subsidizing policyholders in other states.

In Virginia, on our John Hancock Life Insurance Company block of business, we are requesting an average rate increase of 19.4% which ranges from 10.6% to 27.8%. This includes the Gold policy forms.

No individual has been singled out for an increase, nor is the increase due to a policyholder's advancing age or changing health. John Hancock's decision to increase premiums on certain policies is based upon the future claims anticipated on these policies.

As with the 2010, 2013, and 2016 rate actions, there will be a number of benefit adjustment options to help keep premiums at or close to their current level. For example, policyholders will have the option of electing the new, actuarially equivalent Shared Cost option. Customers can also reduce their benefit period, adjust their daily/monthly benefit amount, extend their elimination period, or drop riders from their coverage.

After the rate increase is accepted by the Virginia Insurance Department, affected policyholders will be provided with an extensive and personalized notification communication at least 90 days prior to the effective date, which will describe the increase and options available to mitigate the impact of the rate increase. In addition, customer support will be available through a dedicated customer service team in order to help our policyholders navigate through their choices and respond to any questions.