

**Long Term Care Insurance Rate Request Summary
Part 2 –To Be Completed By Bureau of Insurance**

Company Name and NAIC Number: New York Life Insurance Company; 66915

SERFF Tracking Number: NWLT-128928316

Disposition: Approved

Approval Date: 03/24/15

Revised Rates

Average Annual Premium Per Member:	\$1,825
Average Requested Percentage Rate Change Per Member:	23.0%
Minimum Requested Percentage Rate Change Per Member:	0%
Maximum Requested Percentage Rate Change Per Member:	40%
Number of Policy Holders Affected:	1863

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

New York Life Insurance Company (the Company) requested an increase which varies by issue age according to the following table. The rate increase will be implemented over a 3 year period as follows.

Age Criteria	Requested Increase
Attained Age <75	40% (15% in years 1 and 2, and 10% in year 3)
Attained Age >74	No rate change

The same increase is being requested nationwide for these individual policies that are still being sold. The overall effect is a rate increase of 21.2% nationwide and 23.0% in Virginia, and will affect approximately 1863 policyholders in Virginia although 514 are over age 74 and will not receive a rate increase. This is the first rate increase on this block of business.

The rate increase was reviewed under the requirements of 14VAC5-200-150 for those policies issued prior to October 1, 2003. There are 30 post rate stabilization policies in Virginia, but the Company is not requesting a rate increase for these in this filing. Under 14VAC5-200-150, the company had to demonstrate that after the proposed rate changes both the future and lifetime loss ratios would be no less than 60%. The Bureau's analysis indicated that the anticipated future loss ratio is projected to be 65.1% and the lifetime loss ratio is projected to be 95.7%.

The Company requested the rate increase because policy terminations have been much lower than assumed in the original pricing. When policyholders terminate at a lower rate, there are many more policyholders continuing to the high claim costs in later years. The Company has found that lapses have been only 0.65% as compared to the 5.00% expected in pricing. This is a significant difference as the effect is compounded over many years. Even with the full requested rate increase, the Company expects to pay out more than 85% of the premium in claims which is greater than the original expectation that the Company would pay out 60% of the premium in claims.

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.