

SERFF Tracking Number: PRUD-127625547 State: Pennsylvania
Filing Company: The Prudential Insurance Company of America State Tracking Number: PRUD-127625547
Company Tracking Number: IIGHILTC1ILTC2RERATE-RP-PA
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Filing at a Glance

Company: The Prudential Insurance Company of America

Product Name: Individual Long Term Care Insurance SERFF Tr Num: PRUD-127625547 State: Pennsylvania

TOI: LTC03I Individual Long Term Care SERFF Status: Assigned State Tr Num: PRUD-127625547
Sub-TOI: LTC03I.001 Qualified Co Tr Num: State Status: Received Review in
IIGHILTC1ILTC2RERATE-RP-PA Progress

Filing Type: Rate-G.I.(Guaranteed Issue) Reviewer(s): Jim Lavery (AH)

Authors: Laura Hughes, Raenonna Ransom Disposition Date:

Ransom

Date Submitted: 09/30/2011

Disposition Status:

Implementation Date Requested: 12/01/2011

Implementation Date:

State Filing Description:

Proposed 19% increase on 3,544 policies.

General Information

Project Name: ILTC-1 2nd rd & ILTC-2Rerate Filing

Project Number: 2793

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 19%

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Filed Concurrently.

Market Type: Individual

Individual Market Type:

Filing Status Changed: 10/03/2011

State Status Changed: 10/04/2011

Created By: Raenonna Ransom

Corresponding Filing Tracking Number: PRUD-127672615 & PRUD-127672627

Deemer Date: 12/28/2011

Submitted By: Raenonna Ransom

Filing Description:

Individual Long Term Care Insurance - Please refer to the Filing Cover Letter attached to the Supporting Documentation Tab of this filing.

Company and Contact

Filing Contact Information

Karen Smyth, Vice President

karen.smyth@prudential.com

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 Product Name: Individual Long Term Care Insurance
 Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

2101 Welsh Road 215-658-6279 [Phone]
 Dresher, PA 19025 888-294-6332 [FAX]

Filing Company Information

The Prudential Insurance Company of America CoCode: 68241 State of Domicile: New Jersey
 751 Broad Street Group Code: 304 Company Type: Life
 Newark, NJ 07102-3777 Group Name: State ID Number:
 (973) 802-6000 ext. [Phone] FEIN Number: 22-1211670

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: Yes

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Prudential Insurance Company of America	\$0.00	09/30/2011	

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Correspondence Summary

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	PA Checklist	Raenonna Ransom	09/30/2011	09/30/2011

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Amendment Letter

Submitted Date: 09/30/2011

Comments:

Please be advised that we have added the stated required checklist to the Supporting Documentation Tab of this filing.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: PA Checklist

Comment:

PA Checklist(Rates) - 9-30-2011.pdf

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 TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
 Product Name: Individual Long Term Care Insurance
 Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 21.000%
Effective Date of Last Rate Revision: 10/01/2009
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
The Prudential Insurance Company of America	19.000%	19.000%	\$1,361,507	3,544	\$7,179,290	30.000%	15.000%

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 TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
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Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
	Exhibit 1 (ILTC-1)	GRP 98720, GRPNew 98721, GRP 98722			PA - Exhibit 1 (ILTC-1) - 9-2011.pdf PA - Exhibit 1 (ILTC-1) - 9-2011.xls
	Exhibit 1 (ILTC-2)	GRP 112687, GRP 112685	New		PA - Exhibit 1 (ILTC-2) - 9-2011.pdf PA - Exhibit 1 (ILTC-2) - 9-2011.xls

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
With Automatic Simple Interest Inflation Protection
Base Rates and Adjustment Factors

GRP 98720
Page 1 of 2

NATIONWIDE BASE RATES BEFORE ADJUSTMENTS			
Gross Annual Preferred Single Premium Per \$10.00 of Institutional Care Daily Benefit Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period			
Age	Base Rate	Age	Base Rate
18-30	39.96	60	168.33
31	41.99	61	178.81
32	44.13	62	189.94
33	46.38	63	201.77
34	48.77	64	214.36
35	51.26	65	227.69
36	53.87	66	249.00
37	56.63	67	272.31
38	59.51	68	297.79
39	62.55	69	325.63
40	65.75	70	356.11
41	68.14	71	393.07
42	70.62	72	433.87
43	73.21	73	478.90
44	75.86	74	528.58
45	78.64	75	583.47
46	81.50	76	646.89
47	84.47	77	717.26
48	87.56	78	795.25
49	90.75	79	881.74
50	94.06	80	977.62
51	99.67	81	1,055.50
52	105.66	82	1,139.59
53	111.99	83	1,230.38
54	118.72	84	1,328.42
55	125.82	85	1,434.26
56	133.36		
57	141.36		
58	149.82		
59	158.80		

ADJUSTMENT FACTORS – UNDERWRITING CLASS	
Underwriting Class	All Ages
Preferred	1.000
Standard	1.250

ADJUSTMENT FACTORS – PREMIUM PAYMENT MODE	
Premium Payment Mode	All Ages
Annual	1.000
Semi-Annual	0.510
Quarterly	0.265
Monthly	0.090
Auto-Monthly	0.085

ADJUSTMENT FACTORS – MARITAL STATUS			
Marital Status	All Ages		Minimum Factor for all Discounts combined
	Without Good Health Discount	With Good Health Discount	
Married Joint	0.80	0.70	0.70
Married Single	0.90	0.75	0.75
Single (Not Married)	1.00	0.85	0.75

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
With Automatic Simple Interest Inflation Protection
Base Rates and Adjustment Factors

GRP 98720
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ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.856	0.840	0.833	0.831	0.824	0.813
4 YEAR	0.940	0.934	0.931	0.930	0.927	0.922
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.330	1.361	1.359	1.343	1.346	1.368

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.105	1.134	1.165	1.191	1.225	1.269
30 DAY	1.078	1.101	1.126	1.145	1.165	1.187
60 DAY	1.045	1.058	1.071	1.080	1.092	1.105
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.926	0.924	0.926	0.935	0.941	0.941
100%	1.057	1.062	1.065	1.058	1.042	1.033

Select only one (if any) of the following two Home & Community Based Care Options: Monthly or Cash Benefit Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.060	0.071	0.082	0.077	0.057	0.051
50%	0.094	0.100	0.100	0.090	0.082	0.082
100%	0.034	0.047	0.059	0.056	0.045	0.051
ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.564	0.564	0.531	0.474	0.448	0.436
50%	0.507	0.499	0.462	0.404	0.377	0.360
100%	0.594	0.599	0.570	0.521	0.519	0.530

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDER ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.197	0.185	0.161	0.152	0.180	0.190

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
With Automatic Compound Interest Inflation Protection
Base Rates and Adjustment Factors

GRP 98721
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NATIONWIDE BASE RATES BEFORE ADJUSTMENTS			
Gross Annual Preferred Single Premium Per \$10.00 of Institutional Care Daily Benefit Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period			
Age	Base Rate	Age	Base Rate
18-30	52.67	60	201.97
31	55.13	61	212.44
32	57.72	62	223.47
33	60.42	63	235.06
34	63.25	64	247.27
35	66.21	65	260.10
36	69.31	66	282.71
37	72.56	67	307.27
38	75.96	68	333.99
39	79.51	69	363.03
40	83.23	70	394.59
41	85.90	71	432.53
42	88.66	72	474.15
43	91.49	73	519.76
44	94.41	74	569.75
45	97.45	75	624.57
46	100.56	76	688.21
47	103.78	77	758.34
48	107.10	78	835.59
49	110.53	79	920.73
50	114.08	80	1,014.55
51	120.77	81	1,091.21
52	127.87	82	1,173.69
53	135.40	83	1,262.37
54	143.36	84	1,357.77
55	151.78	85	1,460.37
56	160.70		
57	170.16		
58	180.14		
59	190.75		

ADJUSTMENT FACTORS – UNDERWRITING CLASS	
Underwriting Class	All Ages
Preferred	1.000
Standard	1.250

ADJUSTMENT FACTORS – PREMIUM PAYMENT MODE	
Premium Payment Mode	All Ages
Annual	1.000
Semi-Annual	0.510
Quarterly	0.265
Monthly	0.090
Auto-Monthly	0.085

ADJUSTMENT FACTORS – MARITAL STATUS			
Marital Status	All Ages		Minimum Factor for all Discounts combined
	Without Good Health Discount	With Good Health Discount	
Married Joint	0.80	0.70	0.70
Married Single	0.90	0.75	0.75
Single (Not Married)	1.00	0.85	0.75

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Individual Long Term Care Insurance Plan
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Base Rates and Adjustment Factors

GRP 98721
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ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.844	0.837	0.832	0.832	0.825	0.815
4 YEAR	0.935	0.933	0.931	0.931	0.928	0.923
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.342	1.359	1.354	1.338	1.341	1.364

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.137	1.144	1.171	1.196	1.226	1.270
30 DAY	1.102	1.109	1.130	1.147	1.166	1.187
60 DAY	1.057	1.063	1.073	1.081	1.092	1.105
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.927	0.925	0.928	0.936	0.942	0.943
100%	1.057	1.056	1.057	1.049	1.034	1.029

Select only one (if any) of the following two Home & Community Based Care Options: Monthly or Cash Benefit Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.065	0.062	0.069	0.062	0.046	0.046
50%	0.094	0.099	0.097	0.089	0.082	0.080
100%	0.042	0.033	0.039	0.040	0.041	0.052
ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.540	0.553	0.517	0.464	0.447	0.438
50%	0.480	0.488	0.448	0.397	0.374	0.359
100%	0.574	0.599	0.567	0.526	0.528	0.538

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDER ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.266	0.230	0.183	0.164	0.176	0.186

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
With Periodic Inflation Protection Offers
Base Rates and Adjustment Factors

GRP 98722
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NATIONWIDE BASE RATES BEFORE ADJUSTMENTS			
Gross Annual Preferred Single Premium Per \$10.00 of Institutional Care Daily Benefit Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period			
Age	Base Rate	Age	Base Rate
18-30	27.17	60	100.99
31	28.37	61	108.18
32	29.62	62	115.89
33	30.93	63	124.16
34	32.30	64	133.01
35	33.73	65	142.49
36	35.24	66	157.72
37	36.80	67	174.59
38	38.42	68	193.26
39	40.13	69	213.93
40	41.91	70	236.81
41	43.25	71	264.53
42	44.64	72	295.45
43	46.06	73	330.01
44	47.55	74	368.61
45	49.07	75	411.72
46	50.64	76	461.90
47	52.26	77	518.18
48	53.94	78	581.34
49	55.67	79	652.16
50	57.45	80	731.65
51	60.79	81	795.69
52	64.31	82	865.36
53	68.05	83	941.09
54	71.99	84	1023.49
55	76.18	85	1113.08
56	80.60		
57	85.27		
58	90.22		
59	95.46		

ADJUSTMENT FACTORS – UNDERWRITING CLASS	
Underwriting Class	All Ages
Preferred	1.000
Standard	1.250

ADJUSTMENT FACTORS – PREMIUM PAYMENT MODE	
Premium Payment Mode	All Ages
Annual	1.000
Semi-Annual	0.510
Quarterly	0.265
Monthly	0.090
Auto-Monthly	0.085

ADJUSTMENT FACTORS – MARITAL STATUS			
Marital Status	All Ages		Minimum Factor for all Discounts combined
	Without Good Health Discount	With Good Health Discount	
Married Joint	0.80	0.70	0.70
Married Single	0.90	0.75	0.75
Single (Not Married)	1.00	0.85	0.75

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
With Periodic Inflation Protection Offers
Base Rates and Adjustment Factors

GRP 98722
Page 2 of 2

ADJUSTMENT FACTORS – LIFETIME MAXIMUM (BENEFIT PERIOD)						
Benefit Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
3 YEAR	0.896	0.875	0.863	0.857	0.845	0.835
4 YEAR	0.959	0.950	0.945	0.942	0.938	0.934
5 YEAR	1.000	1.000	1.000	1.000	1.000	1.000
Unlimited	1.217	1.262	1.283	1.286	1.305	1.329

ADJUSTMENT FACTORS – BENEFIT WAITING PERIOD						
Benefit Waiting Period	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
0 DAY	1.085	1.118	1.156	1.190	1.231	1.277
30 DAY	1.063	1.090	1.121	1.147	1.172	1.193
60 DAY	1.037	1.053	1.069	1.081	1.096	1.108
100 DAY	1.000	1.000	1.000	1.000	1.000	1.000

ADJUSTMENT FACTORS – HOME & COMMUNITY-BASED CARE DAILY BENEFIT						
% of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	1.000	1.000	1.000	1.000	1.000	1.000
50%	0.928	0.921	0.922	0.930	0.936	0.937
100%	1.067	1.076	1.081	1.074	1.059	1.048

Select only one (if any) of the following two Home & Community Based Care Options: Monthly or Cash Benefit Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDERS ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.077	0.092	0.107	0.108	0.084	0.071
50%	0.089	0.101	0.104	0.097	0.089	0.088
100%	0.053	0.069	0.088	0.092	0.071	0.062
ADJUSTMENT FACTORS – CASH BENEFIT RIDER (RIDERS ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.514	0.534	0.519	0.469	0.439	0.419
50%	0.456	0.467	0.447	0.399	0.368	0.344
100%	0.533	0.557	0.547	0.504	0.493	0.496

ADJUSTMENT FACTORS - SHORTENED BENEFIT PERIOD NONFORFEITURE (RIDERS ONLY)						
(applies to base plan and rider premiums)						
Included	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
NO	0.000	0.000	0.000	0.000	0.000	0.000
YES	0.172	0.181	0.173	0.168	0.200	0.203

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Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Attachment "PA - Exhibit 1 (ILTC-1) - 9-2011.xls" is not a PDF document and cannot be reproduced here.

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors

GRP 112687 and GRP 112685
Page 1 of 3

NATIONWIDE BASE RATES BEFORE ADJUSTMENTS					
Gross Annual Standard Unmarried (Single) Premium Per \$10.00 of Institutional Care Daily Benefit					
Home Care Daily Benefit: 100% of Institutional Care Daily Benefit					
\$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period)					
90 Day Elimination Period					
Lifetime Premium Payment Option					
Inflation Option					
Issue Age	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)	5% Automatic Compound (No Maximum)
18-30	42.19	45.37	69.21	43.13	98.19
31	42.67	45.87	69.98	44.92	99.28
32	43.13	46.38	70.75	46.71	100.37
33	43.60	46.87	71.52	48.51	101.45
34	44.07	47.38	72.29	50.31	102.55
35	44.53	47.89	73.06	52.11	103.64
36	45.00	48.39	73.82	53.90	104.73
37	45.47	48.90	74.59	55.69	105.82
38	45.93	49.39	75.36	57.49	106.90
39	46.40	49.90	76.13	59.28	108.00
40	46.87	50.40	76.90	61.09	109.09
41	48.07	51.69	79.75	64.11	113.36
42	49.27	52.98	82.65	67.21	117.71
43	50.46	54.27	85.58	70.33	122.13
44	51.67	55.56	88.55	73.52	126.65
45	52.87	56.84	91.56	76.75	131.24
46	54.06	58.13	94.63	80.02	135.92
47	55.26	59.42	97.73	83.34	140.68
48	56.47	60.71	100.87	86.72	145.51
49	57.66	62.00	104.04	90.14	150.43
50	58.86	63.30	107.27	93.61	155.43
51	63.01	67.76	113.78	100.51	161.76
52	67.17	72.23	120.24	107.35	167.99
53	71.32	76.69	126.64	114.13	174.11
54	75.47	81.17	132.96	120.83	180.14
55	79.64	85.63	139.23	127.48	186.07
56	83.79	90.10	145.43	134.06	191.90
57	87.94	94.56	151.56	140.56	197.63
58	92.10	99.04	157.64	147.00	203.24
59	96.26	103.50	163.65	153.38	208.76
60	100.42	107.97	169.59	159.68	214.19
61	108.95	117.15	182.08	174.34	227.80
62	117.48	126.33	192.52	187.34	238.77
63	126.02	135.50	202.72	200.08	249.54
64	134.55	144.68	210.96	211.22	257.75
65	143.09	153.86	229.32	229.86	279.36
66	160.08	172.12	254.96	255.78	303.52
67	177.07	190.39	280.59	281.72	327.19
68	194.05	208.66	306.22	307.65	350.32
69	211.04	226.93	331.86	333.58	372.95
70	228.03	245.19	357.49	359.51	395.06
71	259.50	279.04	402.45	407.43	440.23
72	290.97	312.88	447.41	455.37	485.39
73	322.45	346.73	492.37	503.30	530.56
74	353.92	380.57	537.33	551.23	575.72
75	385.40	414.41	582.29	599.16	620.90
76	438.60	471.62	655.52	674.50	691.89
77	491.80	528.83	728.76	749.83	762.88
78	545.00	586.03	801.99	825.16	833.85
79	598.20	643.23	875.22	900.50	904.84
80	651.39	700.44	948.46	975.83	975.83
81	741.31	797.11	1,065.50	1,087.41	1,087.41
82	831.22	893.79	1,182.55	1,198.97	1,198.97
83	921.14	990.47	1,299.59	1,310.54	1,310.54
84	1,011.05	1,087.15	1,416.64	1,422.11	1,422.11

Pennsylvania Rates
August 1, 2011

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors

GRP 112687 and GRP 112685
Page 2 of 3

Lifetime Maximum (Benefit Period)		Adjustment Factors - Policy Benefit Options			Home and Community Based Care Daily Benefit	
Benefit Period		Elimination Period	Service Day Definition	Calendar Day Definition	HHC % of Institutional Benefit	
2 YEAR	0.73	30 DAY*	1.14	1.15		
3 YEAR	0.82	60 DAY	1.08	1.10	50%	0.93
4 YEAR*	0.91	90 DAY	1.00	1.04	75%	0.97
5 YEAR*	1.00	180 DAY	0.91	0.93	100%	1.00
UNLIMITED*	1.28					

* Note available for issue ages 80 - 84

Adjustment Factors - Monthly Benefit Rider					
Inflation Option					
HHC % of Institutional Benefit	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)	5% Automatic Compound (No Maximum)
50%	1.070	1.070	1.075	1.100	1.100
75%	1.053	1.053	1.058	1.088	1.088
100%	1.035	1.035	1.040	1.075	1.075

Adjustment factors - Cash Benefit Rider							
Issue Ages	HHC % of Institutional Benefit	Benefit Period	Inflation Option				
			None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)	5% Automatic Compound (No Maximum)
18 - 64	50%	2	1.28	1.28	1.30	1.36	1.36
		3	1.36	1.36	1.38	1.44	1.44
		4	1.44	1.44	1.46	1.51	1.51
		5	1.51	1.51	1.54	1.59	1.59
		Unlimited	1.75	1.75	1.77	1.83	1.83
	75%	2	1.44	1.44	1.47	1.56	1.56
		3	1.51	1.51	1.55	1.64	1.64
		4	1.59	1.59	1.63	1.72	1.72
		5	1.67	1.67	1.71	1.80	1.80
		Unlimited	1.92	1.92	1.96	2.06	2.06
	100%	2	1.58	1.58	1.64	1.75	1.75
		3	1.66	1.66	1.72	1.83	1.83
4		1.74	1.74	1.80	1.91	1.91	
5		1.82	1.82	1.88	1.99	1.99	
Unlimited		2.08	2.08	2.14	2.26	2.26	
65+	50%	2	1.16	1.16	1.19	1.24	1.24
		3	1.24	1.24	1.27	1.32	1.32
		4	1.32	1.32	1.35	1.40	1.40
		5	1.40	1.40	1.42	1.48	1.48
		Unlimited	1.63	1.63	1.65	1.72	1.72
	75%	2	1.32	1.32	1.36	1.45	1.45
		3	1.40	1.40	1.44	1.53	1.53
		4	1.48	1.48	1.51	1.61	1.61
		5	1.56	1.56	1.59	1.68	1.68
		Unlimited	1.80	1.80	1.83	1.93	1.93
	100%	2	1.47	1.47	1.53	1.64	1.64
		3	1.55	1.55	1.61	1.72	1.72
		4	1.63	1.63	1.68	1.80	1.80
		5	1.71	1.71	1.76	1.88	1.88
		Unlimited	1.96	1.96	2.02	2.14	2.14

Pennsylvania Rates
August 1, 2011

Exhibit 1
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors

GRP 112687 and GRP 112685
Page 3 of 3

Restoration of Benefits Rider		Adjustment Factors - Additional Riders			Shortened Benefit Period Nonforfeiture Rider	
Benefit Period		Issue Age	Shared Care Rider	Survivor Benefit Rider	Included	
2 YEAR	1.03	18 - 55	1.01	1.12		
3 YEAR	1.02	56 - 67	1.02	1.12	Yes	1.11
4 YEAR*	1.01	68 - 72	1.05	1.12	No	1.00
5 YEAR*	1.01	73 - 77	1.11	1.10		
UNLIMITED*	1.00	78 +	1.20	1.05		

Adjustment Factors - Underwriting Class	
Underwriting Class	
Standard	1.00
Rated	1.25

Adjustment Factors - Marital / Caregiver Status			
Marital/Caregiver Status	Without Select Health Discount	With Select Health Discount	Minimum Discount Factor
Married Single	0.90	0.75	0.70
Married Joint	0.80	0.70	0.70
Qualified Adult	0.85	0.70	0.70
Single (Not Married)	1.00	0.85	0.70

* An additional discount may apply for Employed-Sponsored or Affiliation groups. In no event will the combined effect of all discounts exceed 30%.

Adjustment Factors - Premium Payment Mode	
Premium Payment Mode	
Annual	1.000
Semi-Annual	0.515
Quarterly	0.265
Auto-Monthly	0.085

Pennsylvania Rates
August 1, 2011

SERFF Tracking Number: PRUD-127625547 State: Pennsylvania
Filing Company: The Prudential Insurance Company of America State Tracking Number: PRUD-127625547
Company Tracking Number: IIGHILTC1ILTC2RERATE-RP-PA
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Attachment "PA - Exhibit 1 (ILTC-2) - 9-2011.xls" is not a PDF document and cannot be reproduced here.

SERFF Tracking Number: PRUD-127625547 State: Pennsylvania
 Filing Company: The Prudential Insurance Company of America State Tracking Number: PRUD-127625547
 Company Tracking Number: IIGHILTC1ILTC2RERATE-RP-PA
 TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
 Product Name: Individual Long Term Care Insurance
 Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Transmittal Letter (A&H)		
Comments:		
Attachment:		
PA - Filing Letter - 9-30-2011.pdf		

	Item Status:	Status Date:
Bypassed - Item: Actuarial Certification (A&H)		
Bypass Reason: Please refer to Section 27 of the Actuarial Memorandum attached to the Supporting Documentation Tab of this filing.		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Actuarial Memorandum and Explanatory Information (A&H)		
Comments:		
Attachments:		
PA - Actuarial Memorandum - 9-2011.pdf		
PA - Exhibit 2- Assumption Comparison - 9-2011.pdf		
PA - Exhibit 3 - Incurred Claims Experience - 9-2011.pdf		
PA - Exhibit 4 - Termination Rates - 9-2011.pdf		

	Item Status:	Status Date:
Bypassed - Item: Advertisements (A&H)		
Bypass Reason: N/A		
Comments:		

	Item Status:	Status

SERFF Tracking Number: PRUD-127625547 State: Pennsylvania
 Filing Company: The Prudential Insurance Company of America State Tracking Number: PRUD-127625547
 Company Tracking Number: IIGHILTC1ILTC2RERATE-RP-PA
 TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
 Product Name: Individual Long Term Care Insurance
 Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793

Bypassed - Item: Authorization to File (A&H)
Bypass Reason: N/A
Comments:

Date:

Item Status:

Bypassed - Item: Insert Page Explanation (A&H)
Bypass Reason: N/A
Comments:

Status Date:

Item Status:

Bypassed - Item: Rate Table (A&H)
Bypass Reason: N/A - This is not a new forms filing.
Comments:

Status Date:

Item Status:

Bypassed - Item: Replacement Form with Highlighted Changes (A&H)
Bypass Reason: N/A
Comments:

Status Date:

Item Status:

Bypassed - Item: Reserve Calculation (A&H)
Bypass Reason: Please refer to the Actuarial Memorandum and Explanatory Information attached to the Supporting Documentation Tab of this filing.
Comments:

Status Date:

Item Status:

Bypassed - Item: Variability Explanation (A&H)

Status Date:

SERFF Tracking Number: PRUD-127625547 State: Pennsylvania
Filing Company: The Prudential Insurance Company of America State Tracking Number: PRUD-127625547
Company Tracking Number: IIGHILTC1ILTC2RERATE-RP-PA
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 2nd rd & ILTC-2Rerate Filing/2793
Bypass Reason: N/A

Comments:

Item Status:

**Status
Date:**

Satisfied - Item: PA Checklist

Comments:

Attachment:

PA Checklist(Rates) - 9-30-2011.pdf



Barbara A. Rothermel
Assistant Secretary, Long Term Care

The Prudential Insurance Company of America
Long Term Care Unit
2101 Welsh Road
Dresher, Pennsylvania 19025
Tel 800 732-0416 Fax 877 773-9515

September 30, 2011

The Honorable Michael F. Consedine
Commissioner of Insurance
Pennsylvania Department of Insurance
1326 Strawberry Square
Harrisburg, PA 17120

Re.: The Prudential Insurance Company of America
NAIC #304-68241
Individual Long Term Care Insurance
Form Numbers: GRP 98720, GRP 98721, GRP 98722, et al, GRP 112202, et al & GRP 112685, et al

Dear Commissioner Consedine:

We enclose for your review a long-term care insurance rate schedule change. We are requesting the approval of a premium rate increase for the above referenced forms.

Forms GRP 98720, GRP 98721 and GRP 98722 were previously approved by the Department on April 12, 1999. Form GRP 112687 was previously approved by the Department on March 11, 2001 – DOI# A77050001 and GRP 112685 was previously approved by the Department on February 9, 2004 DOI# A70608001. The policy series of forms GRP 98720, GRP 98721 and GRP 98722 were sold nationwide during the period of 1998 through 2004 and GRP 112687 and GRP 112685 were sold nationwide during the period of 2002 through 2009. These three products are no longer being marketed in any state.

For the policy series of forms GRP 98720, GRP 98721 and GRP 98722 we are proposing the premiums on policies that do not include the optional Cash Benefit Rider be increased by 17%. The premiums on policies with the optional Cash Benefit Rider would be increased by 30%. For the policy series of forms GRP 112687 and GRP 112685 we are proposing the premiums on policies that do not include the optional Cash Benefit Rider be increased by 15%. The premiums on policies with the optional Cash Benefit Rider would be increased by 30%.

Some of Prudential's pricing assumptions for these policies, although based on the best information then available, were not consistent with our emerging experience. In addition, the historical and projected loss ratios of the business with the Cash Benefit Rider are significantly higher than those of the reimbursement model business. The rate increase is needed to help ensure that future premiums, in combination with existing reserves, will be adequate to fund anticipated claims. This same increase is also being requested nationwide on the comparable forms to those listed above. We have tried to keep these increases as low as reasonably possible in the hope of minimizing the impact on our policyholders. We will continue to monitor the performance of this block of business after this rate action. It is possible that as we continue to

The Honorable Michael F. Consedine
September 30, 2011
Page 2

regularly review the experience of these policies, another increase may be needed in the future.

The proposed premium rates will be effective on each policy's first modal premium due date that is on or after the state increase effective date established by Prudential following state approval. This state increase effective date will be no earlier than December 1, 2011 and will allow for a 60-day policyholder advance notification. Prudential will also offer the policyholders affected by this premium increase alternative options to reduce coverage in order to moderate the impact of the increase, as well as a contingent nonforfeiture benefit for those receiving a "substantial" rate increase.

The following items are included with this submission:

- All Actuarial Material
- All Required Certifications
- State transmittal and checklists (If applicable)

Additionally, the updated suitability documents, the "Personal Worksheet" for Prudential's currently marketed individual long term care insurance product line have been submitted under separate cover. These documents would be placed into use following the implementation of the new premium rates.

Correspondence: Please correspond directly with my associate if there are any questions concerning this filing.

Raenonna Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
P. O. Box 7907
Philadelphia, PA 19101-7907
Voice: (800) 732-0416 or (215) 658-6281
Fax: (888) 294-6332
e-mail: raenonna.prince@prudential.com

Very truly yours,



Barbara A. Rothermel
Assistant Secretary

Enclosures

August 3, 2011

**Actuarial Memorandum Supporting Rate Revision for
The Prudential Insurance Company of America
Individual Long-Term Care Insurance Plans
(Page 1 of 8)**

1. Scope and Purpose

The purpose of this memorandum is to provide actuarial information supporting a rate revision to premiums for the following The Prudential Insurance Company of America's Tax-Qualified individual long term care Forms and their associated riders:

ILTC1: GRP 98720, GRP 98721, and GRP 98722

LTC By Design (ILTC2): GRP 112687 and GRP 112685

Some riders may not be available in all states.

ILTC1 policies were sold nationwide from 1998 to 2004, while LTC By Design policies were sold nationwide from 2002 to 2009. Both products are no longer being marketed in any state. This is the second rate increase request for ILTC1 and the first request for LTC By Design.

This rate filing is not intended to be used for other purposes.

The rate revision is necessary because the current best estimate projections of the nationwide lifetime loss ratios are in excess of expected. The higher lifetime loss ratios are due to adverse experience to morbidity and persistency. In addition, LTC By Design was developed and filed under the rate stabilization requirements established in the 2000 LTC NAIC Model Regulation. Our current best estimate assumptions have exceeded the margin for moderately adverse conditions as set in the initial premium rate filing.

Prudential is filing for premium rate increases in each state where policies of these forms were issued.

The body of this actuarial memorandum was written to apply to each state where the policy form was issued. Any reference to information that is specific to a particular state is included in Appendix A. Both ILTC1 and LTC By Design have their own Appendices included in this filing.

Please refer to Section 26 for a description of the information contained in each Appendix.

2. Description of Benefits

The policies issued on these forms are referred as the “ILTC1” product series or “LTC By Design”. These products were individually underwritten and provide comprehensive long-term care coverage for care received in a nursing home, assisted living facility, hospice or home and community-based care. These products are intended to be Tax Qualified Long Term Care Insurance Contracts as defined by the internal revenue code section 7702B(b).

These products reimburse covered long-term care expenses subject to the amount of coverage purchased. A waiting period, institutional daily benefit amount, home and community care percentage, maximum lifetime benefit amount and inflation protection option are selected at issue. The available choices can be found in the attached premium rate tables.

The benefit eligibility criteria is based on the insured’s loss of the ability to perform two of the six activities of daily living (ADLs) or having a severe cognitive impairment. Activities of Daily Living are bathing, continence, dressing, eating, toileting, and transferring. Premiums will be waived beginning the first day of the next month following when LTC benefits are payable.

There are several optional riders that were sold with these products, a cash benefit option and a monthly benefit option. The cash benefit option allows the insured to choose to receive benefits for Home and Community-Based Care as a cash benefit rather than as reimbursement. Policies with the cash benefit option are referred to as “Cash Plans” and plans without the cash benefit option are referred to as “Reimbursement Plans”. The monthly benefit option provides benefits for Home and Community-Based Care on a monthly basis such that any or all of the benefits for Home and Community-Based Care can be used within the time frames that meet the insured’s needs.

3. Renewability Clause

These products are Guaranteed Renewable, Individual Long Term Care policies.

4. Marketing Method

This plan was marketed to individuals by licensed agents.

5. Applicability

The revised rates contained in this memorandum will be applicable to all renewals of the policy form and riders described in Section 1 as well as all future periodic inflation protection offers. The revised premium rate schedules can be found in Exhibit 1.

6. Actuarial Assumptions

Exhibit 2 compares our current best estimate assumptions to the originally filed assumptions for these products as well as the assumptions used in our previous ILTC1 rate increase filing. The current assumptions are best estimate expectations of future experience and do not include any provisions for adverse experience.

7. Morbidity

The best estimate morbidity assumptions are based on a combination of the Prudential's historical claim experience from 1999 to August 31, 2010, the Milliman USA 2002 *Long Term Care Guidelines (Guidelines)* and judgment. The Guidelines reflect over \$1.8 billion of insured data and the experience and judgment of Milliman actuaries. The policy design and coverages, the underwriting used at the time, and the claim adjudication process were all considered when setting the claim cost assumptions. The claim cost assumptions reflect Prudential's current best estimate of future morbidity and do not include morbidity improvement or adverse selection from the rate increase.

The actual to expected incurred claim experience for ILT1 and LTC By Design can be found in Exhibit 3. The actual experience is compared to the projections used in this filing. The claim costs used in our projections are based on factors that increase the Guidelines by 37% in policy durations 1 – 10 then grade down to 0% by the 25th policy duration. As shown in Exhibit 3, the actual claim costs are still higher than our expected. Actual incurred claim experience for ILTC1 is 30% worse than the experience reported in the 2008/09 in-force rate increase filing.

8. Mortality

The best estimate mortality assumption is the 1994 GAM Mortality Table on a sex distinct basis with mortality selection factors starting at 0.25 in duration 1 and grading up to 1.00 in duration 15. No mortality improvement is assumed. The best estimate assumption was developed using actual experience through October 31, 2009 and judgment. The mortality assumption was compared to actual mortality experience for reasonableness and can be found in Exhibit 4.

9. Lapses

Voluntary lapse rates have been updated to reflect Prudential’s actual experience through October 31, 2009. Exhibit 4 shows our actual individual long term care voluntary lapse rates compared to the pricing assumptions that are assumed in this filing. A shock lapse was not experienced in the first ILTC1 rate increase, thus it was not assumed in this filing. Lapses rates used in this projection vary by issue age and policy duration and are shown below.

Lifetime Premium Payment Option							
	Issue Age						
Duration	30	40	50	60	65	70	75+
1	12.50%	10.00%	6.63%	5.75%	5.75%	6.13%	6.50%
2	9.50%	7.50%	4.80%	4.05%	4.00%	4.25%	4.50%
3	7.50%	5.75%	3.50%	3.00%	3.00%	3.38%	3.75%
4	5.50%	4.50%	2.90%	2.40%	2.30%	2.43%	2.75%
5	4.00%	3.25%	2.25%	1.75%	1.75%	2.00%	2.00%
6	2.50%	2.25%	1.75%	1.50%	1.75%	2.00%	2.00%
7	2.00%	1.75%	1.50%	1.50%	1.50%	1.50%	1.50%
8	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
9+	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

10. Expenses and Investment Earnings

Changes in expenses and investment earnings have not been considered as justification for the need of this rate action and are not reflected in our projections.

11. Premium Classes

The Company used several premium classes based on the underwriting assessment of the potential policyholder at time of issue. These premium classes are shown in the premium rate schedules included in Exhibit 1.

12. Issue Age Range

These products were available for issue ages up to 84. Premiums are based on issue age.

13. Area Factors

The Company did not use area factors within the state in the premium scale for this form.

14. Average Annual Premium

The average annual premium for these products for both prior to the impact of the requested rate increase, and after, is indicated in Appendix A to this memorandum.

15. Modal Premium Factors

Modal loads are required because of the varied expenses incurred by the Company and the effect of interest and persistency. The modal factors can be found in the premium rate schedules in Exhibit 1.

16. Claim Liability and Reserve

Claim reserves were calculated using appropriate actuarial methods for IBNR and for open claims on a disabled life basis. The claim reserves were discounted to the date of incurral for each claim and have been included in the historical incurred claims. An annual interest rate of 4.5% was used to calculate the present value of future claims in the supporting exhibits.

17. Active Life Reserves

We have provided supporting evidence for the justification of the proposed increase based on the relationship of incurred claims divided by earned premium compared to the minimum required loss ratios. Incurred claims exclude any change in active life reserves.

18. Trend Assumption

Benefits payable are equal to or less than the daily benefit limit. We have not included any medical trend in the projections.

19. Maximum Allowable Increase

The maximum allowable rate increase is shown in Appendix A under two different approaches. The first approach applies to policies sold prior to the rate stabilization date and is based on a minimum loss ratio. The state's rate stabilization date and minimum loss ratio are shown in Appendix A. The second approach applies to policies sold on or after the rate

stabilization date and is based on a 58% loss ratio on the initial premium and an 85% loss ratio on the increased premium. The requested rate increase is less than the maximum allowed increase under either approach.

20. Distribution of Business

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of August 31, 2010 to project future experience.

21. Experience – Past and Future

The historical and projected nationwide experience, both with and without the rate increase, is contained in Appendix B.

The historical and projected experience for this state, both with and without the rate increase, is contained in Appendix C.

22. Lifetime Loss Ratio

The development of the anticipated nationwide lifetime loss ratio, both without a rate increase and with the requested rate increase, is shown in Appendix B. The rate increase is assumed effective December 1, 2011.

Please note that for ILTC1 the nationwide premiums reflect the premium levels for the specific state in this filing. This was done to reflect what the nationwide experience would be if all states approved the same amount of a rate increase in 2008/09 as the state in this filing. (i.e. the nationwide premiums have been restated as if the rate increase approved in your state was approved nationwide.)

23. History of Rate Adjustments

ILTC1 has had one prior rate increase filing. The details of this filing can be found in Appendix A.

There have been no previous rate adjustments on LTC By Design.

24. Number of Policyholders

Please refer to Appendix A for the current number of policyholders as of August 31, 2010 in this state.

25. Proposed Effective Date

This rate will be implemented as soon as possible after approval has been granted as allowed based on regulation.

26. Summary of Appendices

ILTC1 and LTC By Design each contain a separate file with the appropriate Appendices.

Appendix A contains information that is specific to the state in which this filing is made. Examples of some items include are the requested rate increase, the average annual premium, the number of policyholders inforce, etc.

Appendix B contains historical and projected nationwide experience for all policies issued under this form. The appendix also includes the projected lifetime loss ratios both without and with the proposed increase.

Appendix C contains the same information as Appendix B except it contains only state specific experience and projections.

27. Actuarial Certification

I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing long term care insurance premiums.

To the best of my knowledge and judgment this rate filing is in compliance with the applicable laws and regulations of this State as they relate to premium rate developments and revisions.

Attached are the premium rate schedules to be used with these policies upon approval of this filing. In aggregate, the premium rates are less than our new business premium rates for comparable benefits.

The policy design and coverages, the underwriting used at the time, and the claim adjudication process were all considered when setting the actuarial assumptions.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. The pricing assumptions are consistent with Prudential's best estimates at the time of this filing and do not include a margin for adverse experience.

The premium rates are not excessive or unfairly discriminatory. Although it is not anticipated at this time, Prudential may need to file for additional in-force premium increases on these forms in the future.

Jennifer Caplin, FSA, MAAA
Vice President & Actuary
August 3, 2011

Exhibit 2

	Original Filed Assumptions (ILTC1)	Original Filed Assumptions (LTC By Design)	Assumptions Used in Previous Rate Increase Filing (ILTC1)	Current Best Estimate Assumptions Used in Current Filing (ILTC1 and LTC By Design)
Morbidity	<p>1997 Milliman Internal Guidelines</p> <p>No morbidity improvement assumed.</p>	<p>1997 Milliman Internal Guidelines, adjusted.</p> <p>No morbidity improvement assumed.</p>	<p>2002 Milliman Claim Cost Guidelines, adjusted for company experience. Company experience based on then current experience data (2005-2007 ILTC Claim Cost Experience).</p> <p>No morbidity improvement assumed.</p>	<p>2002 Milliman Claim Cost Guidelines, adjusted for company experience. Company experience based on current experience data (2005-2009 ILTC Claim Cost Experience).</p> <p>No morbidity improvement assumed.</p>
Mortality	<p>1983 GAM</p> <p>No mortality improvement assumed.</p>	<p>1983 GAM</p> <p>No mortality improvement assumed.</p>	<p>1994 GAM with company experience selection factors based on then current experience data (1990-2007). Selection factors start at 0.40 in policy duration 1 grading to 1.0 by duration 9.</p> <p>No mortality improvement assumed.</p>	<p>1994 GAM with company experience selection factors based on current experience data (1990-October 2009). Selection factors start at 0.25 in policy duration 1 grading to 1.0 by duration 15.</p> <p>No mortality improvement assumed.</p>
Lapses	<p>Original pricing lapse rates.</p> <p>Lapse rates vary by issue age, duration, and inflation type.</p> <p>Ultimate lapse rate of 4% to 6%.</p>	<p>Original pricing lapse rates.</p> <p>Lapse rates vary by issue age, duration, and premium paying period.</p> <p>Ultimate lapse rate of 3% in most cases.</p>	<p>Company experience lapse rates based on then current experience data (1990-2007)</p> <p>Varies by issue age, duration, and premium paying period.</p> <p>Ultimate lapse rate of 1.5% in most cases.</p>	<p>Company experience lapse rates based on then current experience data (1990-October 2009)</p> <p>Varies by issue age, duration, and premium paying period.</p> <p>Ultimate lapse rate of 1.5% in most cases.</p>

Exhibit 3
The Prudential Insurance Company of America
Long Term Care Insurance Filing
Actual to Expected Incurred Claims: 1999 - August 2010
ILTC1 and LTC By Design Combined

Data												
Calendar Year	Total Lives	Actual Claims Count	Actual Severity	Total Paid	Total Reserve	Actual Incurred Claims	Expected Claim Count	Expected Severity	Expected Incurred Claims	A/E - Incidence	A/E - Severity	A/E - Incurred Claims
	(1)	(2)	(3) = (6)/(2)	(4)	(5)	(6)=(4)+(5)	(7)	= (9)/(7)	(8)	(9)	(10)=(2)/(7)	(11)=(3)/(8)
1999	423	0	0	0	0	0	1	74,929	51,344	0.00	0.00	0.00
2000	3,681	4	15,283	61,132	0	61,132	6	76,617	461,821	0.66	0.20	0.13
2001	9,325	34	50,679	1,496,932	226,164	1,723,096	17	79,213	1,385,238	1.94	0.64	1.24
2002	18,339	48	94,112	3,595,211	922,176	4,517,388	37	84,390	3,125,592	1.30	1.12	1.45
2003	31,726	77	91,020	5,769,256	1,239,253	7,008,509	65	89,006	5,755,171	1.19	1.02	1.22
2004	39,874	82	95,676	5,754,718	2,090,709	7,845,427	97	89,844	8,706,285	0.85	1.06	0.90
2005	44,809	118	105,310	9,601,886	2,824,717	12,426,603	132	91,649	12,098,383	0.89	1.15	1.03
2006	46,862	158	106,305	12,129,589	4,666,637	16,796,226	171	93,043	15,945,362	0.92	1.14	1.05
2007	48,093	236	110,622	14,530,624	11,576,154	26,106,777	212	95,616	20,306,916	1.11	1.16	1.29
2008	47,298	237	133,207	13,019,228	18,550,854	31,570,082	255	98,227	25,004,380	0.93	1.36	1.26
2009	45,594	277	134,101	7,345,509	29,800,361	37,145,870	295	101,060	29,768,204	0.94	1.33	1.25
2010	29,524	204	116,415	569,668	23,179,041	23,748,709	204	109,570	22,345,769	1.00	1.06	1.06
Grand Total	365,548	1,475	114,542	73,873,755	95,076,065	168,949,820	1,492	97,179	144,954,467	0.99	1.18	1.17

Expected rates in this document are the same as what was used in the loss ratio projections provided in this filing.

Exhibit 4
The Prudential Insurance Company of America
Long Term Care Insurance Filing
Actual to Expected Termination Rates: 1999 - October 2009
Total Individual LTC

ILTC														
Policy Duration	Lapse Exposure	Mortality Exposure	Lapses	Deaths	Total Terms	Lapse Rate			Mortality Rate			Total Termination Rate		
						Actual	Expected	Actual to Expected	Actual	Expected	Actual to Expected	Actual	Expected	Actual to Expected
1	75,321	78,465	4,863	136	4,999	6.46%	6.35%	102%	0.17%	0.19%	90%	6.63%	6.54%	101%
2	63,577	66,447	2,993	169	3,162	4.71%	4.51%	104%	0.25%	0.26%	97%	4.96%	4.77%	104%
3	53,869	56,906	1,909	224	2,133	3.54%	3.38%	105%	0.39%	0.39%	100%	3.94%	3.77%	104%
4	46,086	48,628	1,293	206	1,499	2.81%	2.64%	106%	0.42%	0.44%	95%	3.23%	3.08%	105%
5	39,085	41,667	828	227	1,055	2.12%	2.04%	104%	0.54%	0.56%	98%	2.66%	2.60%	103%
6	31,509	34,722	608	226	834	1.93%	1.73%	112%	0.65%	0.62%	105%	2.58%	2.35%	110%
7	18,892	24,889	479	161	640	2.54%	1.51%	167%	0.65%	0.70%	93%	3.18%	2.21%	144%
8	9,505	13,046	215	126	341	2.26%	1.50%	151%	0.97%	0.84%	115%	3.23%	2.34%	138%
9	3,912	5,916	114	58	172	2.91%	1.50%	194%	0.98%	0.97%	101%	3.89%	2.47%	157%
10	695	1,918	32	27	59	4.60%	1.50%	307%	1.41%	1.25%	112%	6.01%	2.75%	218%
11	2	105	0	2	2	0.00%	1.50%	0%	1.91%	1.63%	118%	1.91%	3.13%	61%
TOTAL	342,453	372,708	13,334	1,562	14,896	3.89%	3.66%	106%	0.42%	0.42%	99%	4.31%	4.08%	106%

Expected rates in this document are the same as what was used in the loss ratio projections provided in this filing.

Company Name:
The Prudential Insurance company of America Contact: Raenonna Prince

SERFF TRACKING #: PRUD-127625547 Date Filed: 09/30/2011

ACCIDENT & HEALTH FORMS & RATES FILING SUBMISSION REQUIREMENTS CHECKLIST
INDIVIDUAL LONG TERM CARE
Updated October 14, 2008

This checklist applies to Individual Long Term Care policies, rates, rules and supplementary rating. Form, rates, rules, and other supplementary information proposed to be issued in this Commonwealth shall be submitted for approval. This checklist is not considered all inclusive and only functions as a guide. For a complete understanding of the filing requirements and instructions, please refer to the applicable laws and regulations. (40 P.S. § 991.1101 and 40 P.S § 3801 et Seq.)

X	REVIEW REQUIREMENTS	REFERENCE	COMMENTS
SUBMISSION REQUIREMENTS			
N/A	FILING FEES	40 P.S. § 50	Any filing fee as required by the retaliatory requirements of Section 212 of the Insurance Department Act.
X	TRANSMITTAL LETTER Transmittal Letter Requirements below for complete requirements)	31 Pa. code § 89b4(a) 31 Pa. Code § 89b.5	Duplicate copies of the Letter of Submission for hard copy submissions. Company must supply a listing of forms as required.
N/A	FORMS REQUIREMENTS (See Form Requirements Section below for complete requirements)	31 Pa. Code §89b.4	Duplicate copies of the form(s) if submitted in hard copy. For electronic submissions, only one copy of form(s) is required.
N/A	ADVERTISEMENTS	31 Pa. Code § 51 31 Pa. Code § 89a.120 40 P.S. § 1171.1 – § 1171.15 40 P.S. § 991.1113	Advertisements are included or will be filed.
X	ACTUARIAL DOCUMENTATION RATE TABLE NUMERICAL DATA (see Actuarial Requirements section below for complete requirements)	31 Pa. Code § 89a.109(b) 31 Pa. Code § 89a.108	Actuarial certification, memorandum and explanatory exhibits for new forms and/or rate changes are required. A rate table must be included with the submission. Numerical Data must be provided on Microsoft Excel spreadsheets (version 2000 or less), on a CD or electronically.
TRANSMITTAL LETTER REQUIREMENTS			
X	REPRESENTATIVE/INSURER IDENTITY & AUTHORIZATION TO FILE	31 Pa. Code § 89b.4(f) 31 Pa. Code § 89b.5 & § 89b.11(a)	1. Identify the insurer whose name appears on each filed form. 2. Identify the representative of the insurer or other party authorized to make the filing. 3. If the filing is being submitted by a separate party on behalf of the insurer, a letter of authorization is needed from the insurer authorizing the separate party to submit the filing.
X	FORMS REQUIREMENT FOR EACH SUBMITTED FORM	31 Pa. Code § 89b.4 31 Pa. Code § 89b.5 31 Pa. Code § 89b.11 40 P.S. § 752	Duplicate copies of the form(s) if submitted in hard copy. For electronic submissions, only one copy of form(s) is required. A separate listing of all the submitted forms is required. When listing all submitted forms, identify each form by: 1. Type of form. 2. Form number. 3. Product category. Identify whether it is an individual or group policy form and the coverage of each policy form filed 4. State whether or not each submitted form is intended to replace a previously approved or filed form. If replacement is involved, the submission letter must identify:

			(a). The form number of the form to be replaced. (b). The date that the form was approved or filed. (c). All replacement forms that have the same form number as the original filing need a revision date as part of the form number. The form number shall be adequate to distinguish the policy from all others used by the insurer and placed in the lower left-hand corner of the document. (d). A description of the changes made to the form to be replaced. **The Department requires that a highlighted copy representing changes be submitted.
N/A	STATEMENT OF ANY INTENDED VARIABILITY	31 Pa. Code § 89b.11(e)	An explanation of the variability of any information appearing in the contract which is noted as variable. All such information shall be bracketed to clearly denote variability.
N/A	INNOVATIVE FEATURES	31 Pa. Code § 89b.5(4)	Briefly describe any new or innovative benefits to be offered in the policy form in addition to the benefits provided in the policy form that otherwise complies with the applicable Long Term Care standards.
N/A	INSERT PAGE REQUIREMENTS	31 Pa. Code § 153.2	If the filing includes an insert page(s), an explanation of when the insert page(s) will be used.
X	RATE ADJUSTMENT REQUIREMENTS		Company must identify adjustment percentage and if the adjustment varies by age, benefit, etc., the range of variation, Pennsylvania form numbers affected and the number of Pennsylvania policyholders affected.

FORMS REQUIREMENTS

FORMS REQUIRED BY PRODUCT LINE:

LONG TERM CARE:

LONG TERM CARE PARTNERSHIP PROGRAM CERTIFICATION:

READABILITY REQUIREMENTS

N/A	GENERAL READABILITY	31 Pa. Code § 89b.11(f) 31 Pa. Code § 89b.4(b)	Forms shall be clearly legible, concise, accurate and consistent.
N/A	TYPE (FONT)	40 P.S. § 752(A)(4) 31 Pa. Code § 89.783(d)(3) 31 Pa. Code § 89.784(4)	Each form shall be presented in at least 10 point type with the exception of the Outline of Coverage and the Notice Regarding Replacement which are to be 12 point type.
N/A	PROMINENCE	40 P.S. § 752(A)(4) 31 Pa. Code § 89b.1	The style, arrangement and overall appearance of the policy shall give no undue prominence to any portion of the text of the policy or to any endorsements or riders.
N/A	VARIABILITY	31 Pa. Code § 89b.11(e)	1. The blank spaces of each form, except an application, shall be filled in with hypothetical data to indicate the purpose of the form. 2. The data shall be realistic and consistent with the other contents of the form. 3. Information appearing in a form, except an application, which is variable shall be bracketed or otherwise marked to denote variability.
N/A	FORM NUMBER	31 Pa. Code § 89b.11(b) 40 P.S. § 752(A)(6)	Each form must encompass a form number in the lower left hand corner which is adequate to distinguish such form from all others used by the Insurer.

POLICY FORM GENERAL REQUIREMENTS

N/A	COVER PAGE: COMPANY NAME & ADDRESS LOGO SIGNATURES	31 Pa. Code § 89b.11(a) 40 P.S. § 440	1. The full corporate name of the insuring company shall appear prominently on the first page of the policy. 2. The insuring company address, consisting of at least a city and state shall appear on the first page of the policy. 3. A marketing name or logo may be used on the first page of the policy provided that neither misleads as to the identity of the Insuring company. 4. Signatures of two company officers shall appear on the first page of the policy.
N/A	COVER PAGE: FREE LOOK	40 P.S. § 991.1110	The policy shall contain a right to examine provision that shall appear on the cover page of the policy or is visible without opening the policy. This must include the address of the company so that the policy can be returned directly to the company rather than through the Producer.
N/A	COVER PAGE: FORM NUMBER	31 Pa. Code § 89b.11(b) 40 P.S. § 752(A)(6)	A form identification number shall appear at the bottom of the policy. The form number shall be adequate to distinguish the form from all others used by the insurer and placed in the lower left-hand corner of the document.

N/A	COVER PAGE: DESCRIPTION OF COVERAGE	31 Pa. Code § 89a. 107 31 Pa. Code § 89a. 108 31 Pa. Code § 89b.11(c)	The policy shall contain a brief description that shall appear prominently on the cover page of the policy or is visible without opening the policy. The brief description shall contain at least the following information: 1. A caption of the type of coverage provided (i.e.: Long Term Care Policy providing Nursing Home and Home Health Care Benefits.) 2. A provision indicating that the policy coverage shall be guaranteed renewable. 3. A provision that the insurer reserves the right to change premiums and a provision regarding any renewal premium increases.
N/A	COVER PAGE: PARTICIPATING/NONPARTICIPATING	31 Pa. Code § 89b.11(c)(3)	Disclose whether or not the policy is participating or non-participating.
N/A	COVER PAGE: NOTICE TO BUYER	31 Pa. Code § 89a.120(a)(2)	The policy shall display a notice that states "Notice to buyer: This policy may not cover all your medical expenses." Such notice shall appear prominently on the first page of the policy by type, stamp or other appropriate means.
N/A	COVER PAGE: RENEWABILITY	31 Pa. Code § 88.11 31 Pa. Code § 89.74 31 Pa. Code § 89a.105(a) 31 Pa. Code § 89a.107(a) 31 Pa. Code § 89a.108(a) 31 Pa. Code § 89a.120	A Renewability provision must be appropriately captioned. It must include the insurers' right to change premiums. If applicable, it must include any automatic renewal premiums increases based on age and give 45 days prior notice of premium change.
N/A	COVER PAGE: TAX-QUALIFIED/NON TAX-QUALIFIED	31 Pa. Code § 89a.107(g)&(h)	A disclosure statement must appear, stating that the policy is intended to be or not intended to be a qualified long-term care insurance contract.
N/A	COVER PAGE: ASSESSABLE POLICY	31 Pa. Code § 88.122 31 Pa. Code § 89.73	A disclosure is required if the policy is assessable.
N/A	COVER: CAUTION	31 Pa. Code § 89a.110	A "caution" notice of accuracy if the application contains medical questions.
N/A	SCHEDULE OF BENEFITS PAGE	31 Pa. Code § 89b.11(e) 31 Pa. Code § 153.2 40 P.S. § 752	1. If the specifications page of the policy is submitted, it shall be completed with hypothetical data. This data must be realistic and consistent with the other contents of the policy. 2. Any variable information appearing in the policy shall be bracketed to clearly denote variability. 3. A complete statement of variability is required. **This information is required to be in the Policy: 1. Entire Money and Consideration. 2. Effective date of coverage. 3. Identification of Insured. 4. All eligible family members. 5. Overview of Coverage
POLICY FORM REQUIRED PROVISIONS			
40 P.S. § 753(C) Inapplicable or Inconsistent Provisions. If any provision of this section (40 P.S. § 753) is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy, the insurer, with the approval of the commissioner, shall omit from such policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision of part of the provision in such manner as to make the provision as contained in the policy consistent with the coverage provided by the policy. (D) Order of Certain Policy Provisions. The provisions which are the subject of subsections (A) and (B) of this section, or any corresponding provisions which are used in lieu there of in accordance with such subsections, shall be printed in the consecutive order of the provisions in such subsections or, at the option of the insurer, any such provision may appear as a unit in any part of the policy, with other provisions to which it may be logically related, provided the resulting policy shall not be in whole or in part unintelligible, uncertain, ambiguous, abstruse, or likely to mislead a person to whom the policy is offered, delivered or issued.			
N/A	ENTIRE CONTRACT	40 P.S. § 753(a)(1) P.L. 682, No. 284 § 618	The policy shall contain a provision regarding what constitutes the entire contract between the insurer and the policyholder. If the application is to be a part of the policy the entire contract provision shall state that the application is a part of the policy.
N/A	TIME LIMITS ON CERTAIN DEFENSES(Non-Tax Qualified)		1. The policy shall contain a provision regarding time limits on certain defenses. 2. The contestable period shall be no greater than 3 years from the date of policy issue. 3. Coverage may be contested based on a statement contained in an application made a part of the policy, therefore if the issuing company expects to rely on an

	INCONTESTABILITY (Tax Qualified)	40 P.S. § 753(a)(2) 40 P.S. § 991.1107 HIPAA § 326	application to contest the policy, the company must attach or otherwise make the application a part of the policy. 4. The policy may only include the following exception to the time limit on certain defense provisions: fraudulent misstatement. 5. Exclusionary riders are prohibited. 6. Previously paid LTC qualified benefits may NOT be recovered. 7. For tax qualified policies, use Incontestability Period instead of Time Limit on Certain Defenses.
N/A	GRACE PERIOD	40 P.S. § 753 31 Pa. Code § 89a.106 P.L. 682, No. 284 § 618	1. The policy shall contain a grace period provision and include the conditions of the provision. 2. A minimum of 65 days grace period shall be provided for the payment of any premium due except the first. 3. The coverage shall continue in force during the grace period and may not be back-dated.
N/A	REINSTATEMENT- GENERAL AND COGNITIVE IMPAIRMENT	31 Pa. Code § 89a.106 40 P.S. § 753(a)(4) P.L. 682, No. 284 § 618	1. The policy shall contain a reinstatement of the policy for nonpayment of premiums provision and include the conditions of the reinstatement. 2. Application/evidence of insurability may be required.
N/A	NOTICE OF CLAIM	40 P.S. § 753(a)(5) P.L. 682, No. 284 § 618	1. The policy shall contain a notice of claim provision that provides for written notice of the claim by the policyholder within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. 2. The provision shall contain an address to which the policyholder shall submit the notice of claim.
N/A	CLAIMS FORMS	40 P.S. § 753(a)(6) 40 P.S. § 991.1202 40 P.S. § 991.1205 P.L. 682, No.284 § 618	The policy shall contain a claim forms provision which provides the following: 1. The insurer, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. 2. If such forms are not furnished within fifteen (15) days after such notice, the claimant shall be deemed to have complied with the requirements of the policy as to proof of loss.
N/A	PROOF OF LOSS	40 P.S. § 753(a)(7) P.L. 682, No. 284 § 618	1. The policy shall contain a proof of loss provision and include the conditions of the provision. 2. The provision shall provide that notice to the insurer be made within 90 days of the date of such loss. 3. The provision shall also provide that failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time.
N/A	TIME OF PAYMENT OF CLAIMS	40 P.S. § 753(a)(8) P.L. 682, No. 284 § 618	The policy shall contain a time of payment of claims provision which shall provide for the immediate payment upon receipt of written proof of loss.
N/A	PAYMENT OF CLAIMS	40 P.S. § 753(a)(9) P.L. 682, No. 284 § 618	The policy shall contain a payment of claims provision that includes conditions for payment of claims in the event where there is no beneficiary designation.
N/A	PHYSICAL EXAMINATIONS	40 P.S. § 753(a)(10) 31 Pa. Code § 89a. 125 P.L. 682, No. 284 § 618	1. The policy shall contain a physical examination provision. 2. The provision shall indicate that the insurer, at its own expenses, shall have the right and opportunity to examine the person of the insured when and as often as it may reasonable require during the pendency of a claim. The initial certification by a Licensed Health Care Practitioner may not be rescinded and additional examinations/assessments may not occur until after the expiration of the 90-day certification period.
N/A	LEGAL ACTIONS	40 P.S. § 753(a)911) P.L. 682, No. 284 § 618	1. The policy shall contain a legal actions provision. The provision shall indicate that no action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this policy. 2. In addition, the provision shall indicate that no such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.
N/A	MISSTATEMENT OF AGE	40 P.S. § 753(b)(2) & § 754 P.L. 682, No. 284 § 618 & § 619	The policy shall contain a misstatement of age provision providing that the amount payable shall be such as the premiums would have purchased at the correct age.

		31 Pa. Code § 88.41	
N/A	OTHER INSURANCE WITH THIS INSURER AND OTHER INSURERS	40 P.S. § 753(B)	Sets forth requirements.
	CONFORMITY WITH STATE STATUTES	40 P.S. § 753(B)(9)	All provisions of this policy must conform with State Statutes.
BENEFIT PROVISIONS AND STANDARDS			
N/A	POLICY DEFINITIONS	31 Pa. Code § 89a.103 & 104 31 Pa. Code § 89a.107 & 125 26 U.S.C.A. § 7702B(c)(2) 26 U.S.C.A. § 7702(c)(1) 40 P.S. § 991.1101(a)(7) 40 P.S. § 991.1103 & 1201 IRS Notice 9731	The policy definitions must contain at least the minimum language of the regulations. Thereafter, the company may add more liberal language in addition to the required minimum language.
N/A	BENEFIT STANDARDS	31 Pa. Code § 89a.105(b) 31 Pa. Code § 89a.106 31 Pa. Code § 89a.107(f)(e) 31 Pa. Code § 89a.111 & 112 31 Pa. Code § 89a.123, 124, 125 40 P.S. § 991.1105	The policy provisions shall comply with all the standards provided, including: 1. A section captioned “Eligibility for the Payment of Benefits” is required. 2. A section titled “Limitations or Conditions on Eligibility for Benefits” is required of any limitations/conditions apply. 3. Benefit triggers, pre-existing requirements and the fact that services must be qualified LTC service shall be addressed.
N/A	PRE-EXISTING CONDITIONS	31 Pa. Code § 88.51 & § 88.52 31 Pa. Code § 89a.107 40 P.S. § 753(a)(2) 40 P.S. § 991.1105 & 1107 P.L. 682, No. 284 § 618(a)(2)	Covered or Excluded?
N/A	HOME HEALTH & COMMUNITY CARE STANDARDS	40 P.S. 991.1101 et. seq. 31 Pa. Code § 89a.111	If included, can be no less than 50% of the facility benefit.
N/A	INFLATION PROTECTION	31 Pa. Code § 89a.112	Must be offered to the policyholder/certificate holder. Minimum requirements established.
N/A	NONFORFEITURE REQUIREMENTS	31 Pa. Code § 89a.123	Required to be offered to the policyholder/certificate holder. Minimum requirements established. If insured does not elect nonforfeiture, they automatically receive contingent nonforfeiture benefits.
N/A	EXTENSION OF BENEFITS AND TERMINATION OF COVERAGE	40 P.S. § 752 31 Pa. Code § 88.41 (6 – 9) 31 Pa. Code § 89a.105 31 Pa. Code § 89a.106 40 P.S. § 991.1105	Disclosure of when insurance terminates required. Unintentional lapse – insurer must provide “Notice Before Lapse or Termination”. Insured may name a third party to receive such notice. Notice cannot be given until 30 days after a premium is due and unpaid. Extension of coverage is required if insured was institutionalized while policy was in force, then lapses during institutionalization.
N/A	EXCLUSIONS AND LIMITATIONS	31 Pa. Code § 89a.105 & 107 & 122 31 Pa. Code § 89a.126(10) 40 P.S. § 991.1107 & § 991.1105	Cannot limit or exclude coverage by type of illness, by type of treatment, by medical condition or accident unless permitted in these cites.
N/A	DISCLOSURE: PERSON(S) INSURED	31 Pa. Code § 88.31 31 Pa. Code § 113.81 40 P.S. § 752	Disclose who is insured / named insured.
N/A	DISCLOSURE: RATE INCREASE	31 Pa. Code § 89a.108	45-day notification required.
N/A	DISCLOSURE: COPY OF REQUIRED DISCLOSURE OF RATING PRACTICES TO CONSUMERS	31 Pa. Code § 89a.108	Sets forth requirements.
N/A	REPLACEMENT/PRE-EXISTING OR PROBATIONARY PERIODS	31 Pa. Code § 89a.122	If a LTC policy or certificate replaced another LTC policy or certificate, the replacing insurer shall waive time periods applicable to pre-existing conditions and probationary periods in the new LTC policy for similar benefits to the extent that similar exclusions have been satisfied under the original policy.

N/A	REPLACEMENT/WAITING PERIOD	40 P.S. § 991.1105	Can't establish a new waiting period when existing coverage is converted or replaced by a new or other form within the same Company – except in respect to any increase in benefits voluntarily selected by the insured individual or group policyholder.
N/A	CONVERSION/CONTINUATION	31 Pa. Code § 89a.105	Sets forth requirements.
N/A	REPLACEMENT OF GROUP POLICY	31 Pa. Code § 89a.105	Sets forth requirements.
N/A	MISCELLANEOUS PROVISIONS	40 P.S. § 991.1101 – § 991.1115	<ol style="list-style-type: none"> 1. Alternative Plan of Care is permitted. Alternative Plan of Care must provide the insured the ability at any time to discontinue the Alternative Plan of Care and resume the benefits provided in the policy. 2. Care Coordination is permitted. It must be at the option of the insured and cannot be a mandatory requirement. All benefits provided in the policy must be available to insureds whether or not care coordination is used. Disclosure must be made that the policy contains care coordination requirements. The policy must identify the appeal process and any other requirements relating to care coordination. 3. References to Tax Qualification should not be made in Non-Tax Qualified Policies.
REQUIREMENTS FOR APPLICATION			
N/A	FRAUD LANGUAGE	18 Pa. C.S.A. § 4117	Applications for insurance must contain the required Pennsylvania fraud language.
N/A	MEDICAL QUESTIONS APPLICATION/POST CLAIMS UNDERWRITING	<p>31 Pa. Code § 88.121 31 Pa. Code § 89.12 31 Pa. Code § 89.72 31 Pa. Code § 89a.110</p>	<ol style="list-style-type: none"> 1. Applications shall contain clear and direct questions by the insurer permitting answers by the applicant only in the form of direct statements of known facts. 2. Applications may not contain questions or representations based on indefinite or ambiguous terms(i.e.: Questions should be designed to elicit information as to whether the applicant has been medically diagnosed and/or advised by a member of the medical profession) 3. Opinion-type questions regarding the past or present health of the applicant should provide that the applicant answer to the best of his knowledge. 4. Except Guaranteed Issue Policy Forms, the application form must contain clear and unambiguous questions designed to ascertain the health condition of the applicant. 5. If the application questions whether the applicant has had medication prescribed by a physician, it must also ask the applicant to list the medication. 6. The Policy or Certificate may not be rescinded if the medication listed in the application were known by the insurer or should have been known at the time of the application to be directly related to the medical condition for which coverage would otherwise been denied.
N/A	FRATERNAL BENEFIT SOCIETY		Refer to Fraternal Benefit Society Checklist
N/A	APPLICATION TERMINOLOGY & NOTICE REQUIREMENTS	<p>31 Pa. Code § 88.53 & 88.121 31 Pa. Code § 89.12 & 89.72 31 Pa. Code § 89a.106(a)(2) 31 Pa. Code § 89a. 108 31 Pa. Code § 89a.113 Title 18 Crimes and Offenses 4117(k)(1) 31 Pa. Code § 89b.11</p>	<ol style="list-style-type: none"> 1. The application or enrollment form must clearly indicate the payment plan selected by the applicant. 2. Requirements/questions to elicit whether, as of the date of the application, the applicant has other insurance policies related to Long Term Care insurance currently in force.
N/A	REQUIRED QUESTIONS	31 Pa. Code § 89a.113	Questions required to be answered by applicant and producer, if producer is involved in the sale.
N/A	REPLACEMENT COVERAGE & NOTICE REQUIREMENTS	<p>31 Pa. Code § 88.101 31 Pa. Code § 89a. 113 40 P.S. § 991.1103</p>	Requirements for replacement coverage and notice of replacement.
N/A	UNDERWRITING	40 P.S. § 991.1107	Insurer may use an application to elicit the complete health history of the applicant and on the basis of such answers, underwrite the applicant in accordance with the insurer's established underwriting standards.
N/A	INFLATION PROTECTION REJECTION STATEMENT/ SIGNATURE REQUIREMENT	31 Pa. Code § 89a.112	Rejection statement with signature line required.

N/A	CAUTION	31 Pa. Code § 89a.110	Must be set out conspicuously and in close conjunction to the applicant's signature block on the application for a LTC policy or certificate.
ADDITIONAL FORMS REQUIRED			
N/A	OUTLINE OF COVERAGE	31 Pa. Code § 89.783(e) 31 Pa. Code § 89a.126 31 Pa. Code § 89a.107(g)&(h)	Filing must include an outline of coverage. It shall have: 1. A unique form number that is not the same as the policy number. 2. Standard Format Notice – This is not a Med Supp. 3. A disclosure statement must appear, stating that the policy is intended to be or not intended to be a qualified insurance product.
N/A	APPENDIX B	31 Pa. Code § 89a.108(b), (c) 31 Pa. Code § 89a.120(a)(3) & 121 31 Pa. Code § 89a. Appendix B	LTCI Personal Worksheet required in format provided.
N/A	APPENDIX C	31 Pa. Code § 89a.121(e) 31 Pa. Code § 89a. Appendix C	Things You Should Know Before Buying LTCI required in format provided. Must be given at same time Personal Worksheet is provided to the applicant. Must be in 12 point type.
N/A	APPENDIX D	31 Pa. Code § 89a.121(f) 31 Pa. Code § 89a. Appendix D	LTCI Suitability Letter required in format provided or substantially similar language conveying same content.
N/A	APPENDIX F	31 Pa. Code § 89a.108 (b), (c) 31 Pa. Code § 89a. Appendix F	Potential Rate Increase Disclosure form required in format provided.
N/A	DISCLOSURE / SHOPPER'S GUIDE	31 Pa. Code § 89a. 127	Producer shall deliver the shopper's guide prior to the presentation of an application or enrollment form. Direct Response Solicitations must present a shopper's guide with an application or enrollment form.
N/A	NOTICE: REPLACEMENT	31 Pa. Code § 88.102 & 103	Notice to applicant regarding replacement of accident and sickness insurance.

ELECTRONIC TRANSACTIONS ACT

****NOTICE REGARDING FILINGS SUBMITTED FOR ELECTRONIC TRANSACTIONS:

Electronic commerce is expanding rapidly and is an engine for economic growth in this Commonwealth and the United States. State laws recognizing the validity and enforceability of electronic signatures, records and writings are important to the continued expansion of electronic commerce. The rights of consumers under existing laws need to be protected and preserved; therefore the insurer must comply with the Unconsolidated Pennsylvania Statutes, Title 73 (Trade and Commerce), Electronic Transactions Act.

X	REVIEW REQUIREMENTS	REFERENCE	COMMENTS
LONG TERM CARE PARTNERSHIP PROGRAM CERTIFICATION			
Act 40 of 2007: On September 28, 2007, the Secretary of the Department of Public Welfare (DPW) submitted a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services for approval of Pennsylvania's qualified long-term care insurance partnership (Qualified Partnership). The SPA was approved on December 19, 2007, with an effective date of the Qualified Partnership of July 1, 2007. For information regarding the Long Term Care Partnership Program, please refer to Pa. Bulletin, Notice 2008-05 (38 Pa.B. 1907). This information can be found on the Department website at www.ins.state.pa.us . Forms to be completed, and additional information regarding the Long Term Care Partnership Program, can be found on the above referenced website under the Accident & Health Checklists - Long Term Care Partnership Program. Once a Carrier has a filing approved for use, the contact information for that carrier will be placed on a listing on the Department website. This listing is accessible by the general public.			
N/A	ISSUER CERTIFICATION FORM	Pa. Bulletin, Notice 2008-05, Attachment A Send Completed copy of all pages of the "PA Issuer Certification Form" found on the PA Insurance Department Website.	Under the DRA, at 42 U.S.C. § 1396p(b)(5)(B)(iii), the Insurance Commissioner may certify that policies identified as Qualified Partnership Policies meet certain consumer protection requirements set forth in the DRA. To provide to the Insurance Commissioner the information necessary to provide such certification, issuers of long-term care insurance policies identified as Qualified Partnership Policies may provide the Department information and a certification as described in Attachment A which is available on the Department's web site.
N/A	LISTING OF FORMS AND FORM #	Pa. Bulletin, Notice 2008-05, Attachment A Send Completed copy of all pages of the "PA Issuer	1. Policy form number(s) (or other identifying information, such as certificate series) for policies covered by this Issuer Certification Form. 2. All Policies must be Tax qualified and comprehensive. 3. Specimen copies of each of the above policy forms, including any riders and endorsements, shall be provided

		Certification Form” found on the PA Insurance Department Website. Act 40 of 2007, Section 1103	with the filing. 4. Previously approved LTC Policies and Forms presented for Certification shall be presented with disclosure of the Department’s approval stamp as part of the form.
N/A	INFLATION PROTECTION RIDERS	Pa. Bulletin, Notice 2008-05, Attachment A Send Completed copy of all pages of the “PA Issuer Certification Form” found on the PA Insurance Department Website.	All Riders that will be used to comply with the above requirements must be listed and a copy included with filing. If the rider has been previously approved, include a copy of the rider with the Department’s approval stamp shown on the form. Identify the policy number the rider was approved to be used with.
N/A	INFLATION PROTECTION REQUIREMENTS	Pa. Bulletin, Notice 2008-05 DRA at 42 U.S.C. § 1396p(b)(1)(A)(iii)(IV) 31 Pa. Code § 89a.112 Send Completed copy of all pages of the “PA Issuer Certification Form” found on the PA Insurance Department Website.	Inflation Protection must meet the requirements stipulated by the Deficit Reduction Act. On a separate page, stating the full corporate or legal name of the company, association, exchange or society, provide the Department with an explanation of how Inflation Protection Offers identified in the filing will be used by Issue Age of the Insured. The explanation must list compliance by issue age. The following is an example of acceptable Inflation Protection by issue age: 1. <u>Issue age 60 and under</u> : The policy must be <i>issued</i> with Annual <i>Compound</i> Inflation that automatically increases annually at a rate equal to the Consumer Price Index (CPI) or at a fixed compound rate of not less than 3%. Note: 31 Pa. Code Section 89a.112 requires an offer of a 5% Compound annual inflation protection be made on all long term care policies offered in Pennsylvania. 2. <u>Issue Ages 61 – 75</u> : The policy must be <i>issued</i> with some form of inflation protection –either compound or simple inflation protection at a rate equal to the Consumer Price Index (CPI) or at a fixed rate not less than 3%. 3. <u>Issue Age 76+</u> : Inflation protection must be <i>offered</i> . 4. <u>All issue ages</u> : 5% annual compound (lifetime) option must be <i>offered</i> . Note: A future or guaranteed purchase option for inflation protection does <i>not</i> meet the requirements of the Deficit Reduction Act except for Applicant’s age 76+. Note: Inflation Protection with a limited term (that is, 10-years or 20-years) does <i>not</i> meet the requirements of the Deficit Reduction Act.
N/A	IMPORTANT POLICY LTCP STATUS NOTICE	Pa. Bulletin, Notice 2008-05, Attachment B	A copy of Attachment B on Issuer letterhead should be submitted with filing.
N/A	LTCP PROGRAM POLICY SUMMARY	Pa. Bulletin, Notice 2008-05, Attachment C	A copy of Attachment C on Issuer letterhead should be submitted with filing.
	REQUIREMENT FOR POLICY EXCHANGES	Act 40 of 2007 (40-39-710.1) 40 P.S. § 991.1111	The Insurer must offer to exchange any policy or certificate issued between February 8, 2006 and the effective date of the State Plan Amendment with a Qualified LTC Partnership Program policy.
X	REVIEW REQUIREMENTS	REFERENCE	COMMENTS
ACTUARIAL CERTIFICATION			
N/A	STATEMENTS TO BE CERTIFIED IN ACTUARIAL CERTIFICATION	31 Pa. Code § 89a.109(b)(2)(i) 31 Pa. Code § 89a.109(b)(2)(ii) 31 Pa. Code § 89a.109(b)(2)(iii)	A statement that the initial premium rate schedule is sufficient to cover anticipated costs under moderately adverse experience and that the premium rate schedule is reasonably expected to be sustainable over the life of the form with no future premium increases anticipated. A statement that the policy design and coverage provided have been reviewed and taken into consideration. A statement that the underwriting and claims adjudication processes have been reviewed and taken into consideration. A complete description of the basis for contract reserves that are anticipated to be held under the form. To include

		31 Pa. Code § 89a.109(b)(2)(iv)	the following: Sufficient detail or sample calculations provided so as to have a complete depiction of the reserve amounts to be held. A statement that the assumptions used for reserves contain reasonable margins for adverse experience. A statement that the net valuation premium for renewal years does not increase (except for attained-age rating where permitted). A statement that the difference between the gross premium and the net valuation premium for renewal years is sufficient to cover expected renewal expenses; or if this statement cannot be made, a complete description of the situations where this does not occur.
		31 Pa. Code § 89a.109(b)(2)(v)	A statement that the premium rate schedule is not less than the premium rate schedule for existing similar policy forms also available from the insurer except for reasonable differences attributable to benefits and a comparison of the premium schedules for similar policy forms that are currently available from the insurer with an explanation of the differences.
N/A	NET-TO-GROSS TEST	31 Pa. Code § 89a.109(b)(2)(iv)	The following information must be provided to show that the requirement that the present value of the difference between the renewal-year gross premiums and the renewal-year net valuation premiums exceeds the present value of the renewal expenses is met. 1.) A table that shows the present value of the gross premiums in renewal years, the present value of the net valuation premiums in renewal years, and the present value of the expenses in renewal years using issue ages 25, 30, 35, 40, 45, 50, 55, 60, 65, 70 and 75. The table should show values for each age for each combination of available benefit periods, elimination periods, inflation options (including the no inflation option) and HHC and Assisted Living Facility options of the nursing home daily maximum. 2.) Estimate the percent of expected sales that would come from pricing cells that fail this test. 3.) Include the expected distributional weight for each cell in the table.

ACTUARIAL MEMORANDUM

N/A	SCOPE AND PURPOSE		The scope and purpose of the rate filing must be clearly indicated.
N/A	GENERAL DESCRIPTION		A general description of the policy and benefits included either within the policy or by optional rider should be provided and include the following items: Issuer name; Pennsylvania form number of the policy and any optional riders; Type of policy (i.e., comprehensive, nursing home, home health care, tax-qualified, non-tax qualified, etc.); Benefit description; Renewal provisions; Marketing approach; Underwriting method; Pre-existing condition exclusion; Issue-age limits; Premium basis (i.e., attained age or issue age); The date the form being submitted was approved by the issuer's domiciliary state (if it was filed in that state).
N/A	METHODOLOGY AND ASSUMPTIONS	31 Pa. Code § 89a.109(c) 31 Pa. Code § 89a.129 31 Pa. Code § 89a.109(c) 31 Pa. Code § 89a.129	The methodology and assumptions used to determine the rates should be provided and include the following items: The general rate methodology used to calculate the rates; The degree to which provisions for inflation trends, aging, and the wearing-off of the effects of selection have been provided for in the pricing; The commission schedule which must be in compliance with Section 89a.129 of Title 31; Actuarial assumptions, including: 1. Voluntary lapse rates and the basis for choosing the lapse rates. 2. Mortality assumptions. 3. Morbidity assumptions, including the source of the assumptions and the effects of selection year by year. 4. Expected distribution of insureds by type of inflation protection purchased. 6. Expected percentage of policyholders that will choose various optional riders to be offered with the policy. 7. Interest rate used to discount cash flows. 8. Expense assumptions by general expense application categories (i.e., percent of premium, cost per policy, percent of claims). 9. Average annual premium.
N/A	PRODUCER COMPENSATION LIMITS	31 Pa. Code § 89a.129	Commission or other compensation to a producer is limited to a first year commission or other compensation to an amount not greater than 50% of the first year

			premium. Renewal compensation for the next 5 subsequent years may not exceed 10% of the renewal premium. Replacement or Duplication of coverage shall be limited to the renewal compensation payable.
RATE TABLE			
N/A	RATE TABLE		A rate table showing the proposed rates for the state must be provided. This table should include all of the following: a.) Complete Pennsylvania form number for the policy and all riders to be offered with the policy, b.) All applicable rating factors such as area, smoker/non-smoker, standard/substandard, modal, etc., c.) Policy fees, if applicable, d.) Notation indicating if rates are based on issue age or attained age.
RATE ADJUSTMENTS			
ACTUARIAL CERTIFICATION FOR FORMS ISSUED AFTER 09/16/2002			
X	STATEMENTS TO BE CERTIFIED IN ACTUARIAL CERTIFICATION	31 Pa. Code § 89a.118(b)(2)(i) 31 Pa. Code § 89a.118(b)(2)(ii)	If the requested premium rate schedule increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized, no further premium rate schedule increases are anticipated. The premium rate filing is in compliance with this section.
ACTUARIAL MEMORANDUM FOR FORMS ISSUED ON OR AFTER 09/16/2002			
X	STATEMENT OF PURPOSE		A statement that the purpose of the filing is to request a rate revision (increase, decrease, change in methodology) and demonstrate compliance with loss ratio standards. The reason for the rate revision must be clearly described.
X	SCOPE OF RATE REVISION		The reason for the rate revision must be clearly described. The scope of the rate revision must be clearly indicated – whether it applies uniformly or varies by area, age, etc. If there are variations, a strong justification based on actual company experience must be provided. The current average annual premium and expected average annual premium after the rate increase. The effective date and timing of the rate revision should be described.
X	GENERAL DESCRIPTION		A general description of the policy and benefits included either within the policy or by optional rider should be provided and include the following items: Issuer name; Pennsylvania form number of the policy and any optional riders; Type of policy (i.e., comprehensive, nursing home, home health care; tax-qualified, non-tax qualified), Benefit description, Renewal provision, Marketing approach, Underwriting method, Pre-existing condition exclusion, Issue-age limits, Premium basis (e.g., attained age or issue age).
X	NUMBER OF POLICIES		The number of policies in force for the policy form(s) in Pennsylvania and nationally must be shown.
X	HISTORY OF RATE CHANGES		The history of rate changes in Pennsylvania and nationally for the form(s) must be provided. The history needs to include the implementation dates and amount of change. If the rate revisions were not applied uniformly across all rating factors, this should be noted.
X	LIFETIME PROJECTIONS WHEN INCREASE IS NOT AN EXCEPTIONAL INCREASE	31 Pa. Code § 89a.118(b)(3)(i) 31 Pa. Code § 89a.118(b)(3)(i)(b)	Lifetime projections of earned premiums and incurred claims based on the filed premium rate schedule increase; and the method and assumptions (morbidity, mortality, voluntary lapse, trend) used in determining the projected values, including reflection of assumptions that deviate from those used for pricing other forms currently available for sale. The projections shall include the development of the lifetime loss ratio.
X	EXHIBITS OF HISTORICAL EXPERIENCE	31 Pa. Code § 89a.118(c)(2)(i) 31 Pa. Code § 89a.118(c)(2)(iii)	Two exhibits, one for the entire nation and one for Pennsylvania alone, of historical experience by calendar year that includes the following information for each year since policy inception:

			<p>i. Earned premiums, separated into premium earned at original rate level and premium earned at each rate increase level,</p> <p>ii. Paid claims,</p> <p>iii. Claim reserves (separated into reported and unreported accrued claim liabilities),</p> <p>iv. Incurred claims,</p> <p>v. Active life reserves held (as of a recent valuation date).</p>
X	EXHIBITS OF PROJECTED EXPERIENCE	<p>31 Pa. Code § 89a.118(c)(2)(ii)</p> <p>31 Pa. Code § 89a.118(c)(2)(iv)</p>	<p>Two exhibits, one for the entire nation and one for Pennsylvania alone, of projected future calendar year experience for at least 25 years which include:</p> <p>i. Earned premiums, separated into premium earned at original rate level and premium earned at each rate increase level.</p> <p>ii. Incurred claims.</p>
X	LOSS RATIO	<p>31 Pa. Code § 89a.118(c)(2)(i)</p> <p>31 Pa. Code § 89a.118(c)(2)(ii)</p> <p>31 Pa. Code § 89a.118(c)(2)(iii)</p> <p>31 Pa. Code § 89a.118(c)(2)(iv)</p> <p>31 Pa. Code § 891.118(c)(3)</p>	<p>The increase shall be calculated so that the sum of the accumulated value of incurred claims, without the inclusion of active life reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, will not be less than the sum of 58% of the accumulated and discounted original premium plus 85% of the accumulated and discounted premium from non-exceptional rate increases plus 70% of the accumulated and discounted exceptional increase premium.</p>
X	INTEREST RATE	31 Pa. Code § 89a.118(c)(4)	<p>The calculation of the present and accumulated values used in the loss ratio calculation will use the maximum valuation interest rate for contract reserves as specified in Chapter 84a (relating to minimum reserve standards for individual and group health and accident insurance contracts). The actuary shall disclose as part of the actuarial memorandum the use of appropriate averages.</p>
X	DISCLOSURE OF WHY INCREASE IS NECESSARY	31 Pa. Code § 89a.118(b)(3)(iii)	<p>Disclosure of the analysis performed to determine why a rate adjustment is necessary, which pricing assumptions were not realized and why, and what other actions taken by the company have been relied on by the actuary.</p>
X	DISCLOSURE OF RESERVES	31 Pa. Code § 89a.118(b)(3)(ii)	<p>Disclosure of how reserves have been incorporated in this rate increase whenever the rate increase will trigger contingent benefit upon lapse.</p>
X	POLICY DESIGN AND CLAIMS ADJUDICATION STATEMENT	31 Pa. Code § 89a.118(b)(3)(iv)	<p>A statement that policy design, underwriting and claims adjudication practices have been taken into consideration.</p>
X	RATE COMPARISON STATEMENT	31 Pa. Code § 89a.118(g)(4)	<p>A statement that renewal premium rate schedules are not greater than new business premium rate schedules except for differences attributable to benefits, unless sufficient justification is provided to the Commissioner.</p>
X	INFORMATION TO BE FILED WHEN MAJORITY OF POLICIES ARE ELIGIBLE FOR CONTINGENT NONFORFEITURE	<p>31 Pa. Code § 89a.118(g)(1)</p> <p>31 Pa. Code § 89a.118(g)(2)</p>	<p>A plan for improved administration and/or claims processing designed to eliminate the potential for further deterioration of the policy form requiring further premium rate schedule increases, or a plan that demonstrates that appropriate administration and claims processing have been implemented or are in effect.</p> <p>The original anticipated lifetime loss ratio, and the premium rate schedule increase that would have been calculated according to subsection (c) had the greater of the original anticipated lifetime loss ratio or 58% been used in the calculations described in 31 Pa. Code 89a.118(c)(2)(i) and (iii).</p>
X	INFORMATION TO BE FILED WHEN RATE INCREASE REQUESTED IS NOT THE FIRST REQUESTED FOR FORM AND MAJORITY OF POLICIES ARE ELIGIBLE FOR CONTINGENT BENEFIT UPON LAPSE	31 Pa. Code § 89a.118(h)	<p>Provide the projected lapse rates and the past lapse rates during the 12 months following each increase.</p>
X	RATE TABLE	40 P.S. § 3803(c)	<p>One copy of the current rate table must be provided with the filing. Two copies of a rate table showing the proposed rates for the state must also be provided. For electronic submissions, only one copy of the proposed rate table is required. The proposed rate table should include all of the following:</p>

			<p>a. Complete Pennsylvania form number</p> <p>b. All applicable rating factors such as area, standard/substandard, modal, and spousal discounts, etc.</p> <p>c. Policy fee, if applicable</p> <p>d. Notation indicating if rates are based on issue age or attained age</p>
ACTUARIAL MEMORANDUM FOR FORMS ISSUED PRIOR TO 09/16/2002			
X	DEMONSTRATION OF RATE CHANGES		An actuarial memorandum that demonstrates that the proposed rates are expected to comply with the loss ratio standards of Section 89.117(b) of Title 31 (i.e. produce an expected loss ratio of 60% over the life of the policy).
X	STATEMENT OF PURPOSE		A statement that the purpose of the filing is to request a rate revision (increase, decrease, change in methodology) and demonstrate compliance with loss ratio standards.
X	GENERAL DESCRIPTION		A general description of the policy and benefits should be provided and include the following items: Issuer name; Form number; Type of policy (i.e., facility, home health, or comprehensive), Benefit description, Disclosure of whether or not the policy form is open or closed and if closed the date it was closed, The date the rate request being submitted was approved by the issuer's domiciliary state (if it was filed in that state). The name, address, and phone number of an insurance company representative who will be available to answer questions relating to the rate revision.
X	SCOPE OF RATE REVISION		The reason for the rate revision must be clearly described. The scope of the rate revision must be clearly indicated – whether it applies uniformly or varies by area, age, etc. If there are variations, a strong justification based on actual company experience must be provided. The current average annual premium and expected average annual premium after the rate increase. The effective date and timing of the rate revision should be described.
X	HISTORY OF RATE CHANGES	31 Pa. Code § 89a.117	The history of rate changes in Pennsylvania and nationally for the form(s) must be provided. The history needs to include the implementation dates and amount of change. If the rate revisions were not applied uniformly across all rating factors, this should be noted.
X	NUMBER OF POLICIES		The number of policies in force for the policy form(s) in Pennsylvania and nationally must be shown.
X	METHODOLOGY AND ASSUMPTIONS	31 Pa. code § 89a.117	The methodology and assumptions used to determine the new rates should be provided and include the following items: The general rate methodology used to calculate the revised rates, The basis of any change in the morbidity assumption, The voluntary lapse rates assumed, The mortality rates assumed, The interest rate used to discount cash flows A description of the original pricing assumptions, including: 1) Voluntary lapse rates, 2) Mortality assumptions, 3) Sample claim costs, 4) Interest rate used to discount cash flows. A description of any other change in the original pricing assumptions that materially affects the requested rate revision.
X	EXHIBITS OF HISTORICAL EXPERIENCE	31 Pa. Code § 89a.117	Two exhibits, one for the entire nation and one for Pennsylvania alone, of historical experience by calendar year that includes the following information for each year since policy inception: i. Earned premiums. ii. Paid claims. iii. Claim reserves (separated into reported and unreported accrued claim liabilities). iv. Incurred claims. v. Active life reserves held (as of a recent valuation date).
X	EXHIBITS OF PROJECTED EXPERIENCE	31 Pa. Code § 89a.117	Four exhibits, two for the entire nation and two for Pennsylvania alone, of projected future calendar year experience. i. Two calendar year projections of future experience (for at least 25 years) on a nationwide basis must include: 1) Earned premiums, 2) Incurred claims, 3) The first national

			<p>projection must assume the requested rate change is granted, 4) The second national projection must assume no rate change occurs.</p> <p>ii. Two projections of future experience (for at least 25 years) for Pennsylvania policyholders must include: 1) Earned premiums, 2) Incurred claims, 3) The first Pennsylvania projection must assume the requested rate change is granted, 4) The second Pennsylvania projection must assume no rate change occurs.</p>
X	LOSS RATIO INFORMATION	31 Pa. Code § 89a.117	<p>The exhibits of historical and projected experience must demonstrate that the following loss ratio standards are expected to be met.</p> <p>The sum of accumulated past incurred claims plus the present value of projected future claims divided by the sum of accumulated past earned premiums plus projected future earned premiums must equal or exceed the 60% loss ratio required by Section 89.117 (b) of Title 31.</p> <p>If the anticipated loss ratio are expected to differ by age or age band or other rating factors, separate demonstrations of loss ratio compliance must be included by age band or rating factor as applicable.</p>
X	ACTUARIAL CERTIFICATION		<p>An actuarial certification should state that, to the best of the actuary's knowledge and judgment, the following items are true with respect to the filing:</p> <p>i. The assumptions present the actuary's best judgment as to the expected value for each assumption and are consistent with the issuer's business plan at the time of the filing,</p> <p>ii. The anticipated lifetime loss ratio will exceed the applicable ratio,</p> <p>iii. The filing was prepared based on the current standards of practice as promulgated by the Actuarial Standards Board including the data quality standard of practice,</p> <p>iv. The filing is in compliance with applicable laws and regulations in the state,</p> <p>v. The rates are reasonable in relationship to the benefits.</p>
X	RATE TABLE	40 P.S. § 3803(c)	<p>One copy of the current rate table must be provided with the filing. Two copies of a rate table showing the proposed rates for the state must also be provided. For electronic submissions, only one copy of the proposed rate table is required. The proposed rate table should include all of the following:</p> <p>a. Complete Pennsylvania form number</p> <p>b. All applicable rating factors such as area, standard/substandard, modal, and spousal discounts, etc.</p> <p>c. Policy fee, if applicable</p> <p>d. Notation indicating if rates are based on issue age or attained age</p>

Extra/Additional information may be needed at a later date.

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