Filing at a Glance

Company:	Kanawha Insurance Company
Product Name:	LTC2
State:	Virginia
TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care
Sub-TOI:	LTC05I.001 Qualified
Filing Type:	Rate
Date Submitted:	11/04/2014
SERFF Tr Num:	HUMA-129780509
SERFF Status:	Closed-Approved and Filed
State Tr Num:	HUMA-129780509
State Status:	Approved & Filed
Co Tr Num:	LTC2 10242014
Implementation Date Requested:	On Approval
Author(s):	Stephen Sorensen, Andrew Besendorf, Mindy Fu, Daniel Rosenberg, Sean Mendes
Reviewer(s):	Janet Houser (primary), Elsie Andy
Disposition Date:	03/10/2017
Disposition Status:	Approved and Filed
Implementation Date:	

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

General Information

Project Name: Kanawha LTC2 Premium Inc.2014
Project Number: LTC2 2014
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 73%

Deemer Date:
Submitted By: Andrew Besendorf

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Individual Market Type:
Filing Status Changed: 03/10/2017
State Status Changed: 03/10/2017
Created By: Mindy Fu
Corresponding Filing Tracking Number:
State TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care

Filing Description:

October 23, 2014
Subject: Kanawha Insurance Company
Company NAIC No: 65110
Policy Form Numbers: 80650 1/97 VA, 80880 NTQ 1/98 VA & Riders

Dear Sir or Madam:

The purpose of this rate filing is to request a rate revision on the above referenced form. Based on the experience, an increase has become necessary for the long term care policies referenced in the enclosed filings. These policies refer to Kanawha's second generations of products, hereafter referred to as LTC2. Kanawha is requesting a 25% rate increase on policies without inflation riders and a 90% rate increase on policies with compound inflation riders. Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time.

As of December 31, 2013, there were 632 policyholders in your state (not including any paid up policies) with a total annualized premium of $1,292,457.

We trust that this submission is in order and look forward to working with you. If you have any questions regarding this filing, please feel free to contact me at (502) 580-2262.

Sincerely,

Andrew J. Besendorf

Company and Contact

Filing Contact Information

Andrew Besendorf, Actuarial Director
500 West Main Street
Louisville, KY 40202

dbesendorf@humana.com
502-580-2262 [Phone]

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Filing Company Information

Kanawha Insurance Company	CoCode: 65110	State of Domicile: South Carolina
210 South White Street	Group Code: 119	
Lancaster, SC 29720	Group Name:	Company Type:
(800) 635-4252 ext. [Phone]	FEIN Number: 57-0380426	State ID Number:

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved and Filed	Janet Houser	03/10/2017	03/10/2017

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Janet Houser	10/26/2016	10/27/2016
Info has been requested from company	Janet Houser	08/23/2016	08/23/2016
Info has been requested from company	Janet Houser	08/23/2016	08/23/2016
Disapproved	Elsie Andy	12/28/2015	12/28/2015
Info has been requested from company	Janet Houser	12/15/2015	12/15/2015
Info has been requested from company	Janet Houser	09/14/2015	09/14/2015
Info has been requested from company	Janet Houser	09/14/2015	09/14/2015
Disapproved	Janet Houser	05/28/2015	05/28/2015
Disapproved	Janet Houser	01/23/2015	01/23/2015
Disapproved	Janet Houser	11/07/2014	11/07/2014

Response Letters

Responded By	Created On	Date Submitted
Daniel Rosenberg	02/07/2017	02/10/2017
Andrew Besendorf	10/07/2016	10/07/2016
Andrew Besendorf	10/07/2016	10/07/2016
Andrew Besendorf	06/30/2016	06/30/2016
Andrew Besendorf	06/30/2016	06/30/2016
Andrew Besendorf	11/23/2015	11/23/2015
Andrew Besendorf	11/23/2015	11/23/2015
Andrew Besendorf	09/04/2015	09/04/2015
Andrew Besendorf	04/30/2015	04/30/2015
Andrew Besendorf	01/19/2015	01/19/2015

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	L&H Actuarial Memorandum	Daniel Rosenberg	02/24/2017	02/24/2017
Form	LTC Policyholder Letter	Daniel Rosenberg	08/17/2016	08/23/2016

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	LTC Policyholder Endorsement	Daniel Rosenberg	08/17/2016	08/23/2016
Supporting Document	Response to 12/15/2015 & 12/28/2015 Questions	Daniel Rosenberg	08/17/2016	08/23/2016
Supporting Document	Response to 12/14/2015 Questions	Daniel Rosenberg	12/16/2015	12/16/2015
Supporting Document	Response to 12/14/2015 Questions	Daniel Rosenberg	12/15/2015	12/15/2015

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
LTC Rate Request Summary	Note To Filer	Janet Houser	03/10/2017	03/10/2017
Rate/Rule Schedule	Note To Filer	Janet Houser	02/13/2017	02/13/2017
Additional Objections	Note To Filer	Janet Houser	08/23/2016	08/23/2016
8/23/2016 Amendment	Note To Filer	Janet Houser	08/23/2016	08/23/2016
12/14/15 phone message	Note To Filer	Janet Houser	12/14/2015	12/14/2015
RRS	Reviewer Note	Janet Houser	03/10/2017	
Email correspondence dated 3/8/17 to finalize filing	Reviewer Note	Janet Houser	03/09/2017	
Act Review	Reviewer Note	Janet Houser	01/20/2015	

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Disposition

Disposition Date: 03/10/2017

Implementation Date:

Status: Approved and Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Kanawha Insurance Company	500.000%	48.200%	$695,469	715	$1,443,869	62.800%	20.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Certification of Compliance	Received & Acknowledged	Yes
Supporting Document (revised)	L&H Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document (revised)	Sample Policyholder Letters	Received & Acknowledged	Yes
Supporting Document	Policy Forms	Received & Acknowledged	Yes
Supporting Document	Supporting Exhibits for Response to Nov 7, 2014 Questions	Received & Acknowledged	Yes
Supporting Document	Response to 1/23/2015 Questions	Received & Acknowledged	Yes
Supporting Document	Response to 5/28/2015 Questions	Received & Acknowledged	Yes
Supporting Document	Response to 9/14/2015 Questions	Received & Acknowledged	Yes
Supporting Document	Readability certification 14VAC5-100-60 (Response to 9/14/2015 Questions)	Received & Acknowledged	Yes
Supporting Document (revised)	Response to 12/14/2015 Questions	Received & Acknowledged	Yes
Supporting Document	Response to e-mail sent on 3/14/2016	Received & Acknowledged	Yes
Supporting Document (revised)	Response to 12/15/2015 & 12/28/2015 Questions	Received & Acknowledged	Yes
Supporting Document	Response to 8/23/2016 Questions	Received & Acknowledged	Yes
Supporting Document	Response to 10/26/2016 Questions	Received & Acknowledged	Yes
Supporting Document	Certification of Compliance	Withdrawn	Yes
Supporting Document	Certification of Compliance	Withdrawn	Yes
Supporting Document	Certification of Compliance	Withdrawn	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	Yes

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	L&H Actuarial Memorandum	Withdrawn	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	Yes
Supporting Document	Sample Policyholder Letters	Withdrawn	Yes
Supporting Document	Sample Policyholder Letters	Withdrawn	Yes
Supporting Document	Response to 12/14/2015 Questions	Withdrawn	Yes
Supporting Document	Response to 12/15/2015 & 12/28/2015 Questions	Withdrawn	Yes
Form	Comprehensive LTC(Tax-Qualified)	Withdrawn	Yes
Form	Comprehensive LTC(Non-Tax Qualified)	Withdrawn	Yes
Form (revised)	LTC Policyholder Letter - No inflation	Withdrawn	Yes
Form (revised)	LTC Policyholder Letter - Compound inflation	Withdrawn	Yes
Form (revised)	LTC Policyholder Letter - Compound inflation	Withdrawn	Yes
Form	LTC Policyholder Letter - No inflation	Withdrawn	Yes
Form	LTC Policyholder Endorsement - No inflation	Withdrawn	Yes
Form	LTC Policyholder Endorsement - Compound Inflation	Withdrawn	Yes
Form (revised)	LTC Policyholder Letter	Filed	Yes
Form (revised)	LTC Policyholder Endorsement	Approved	Yes
Form	LTC Policyholder Policy Schedule Page	Approved	Yes
Form	LTC Policyholder Letter and Endorsement - No inflation	Withdrawn	Yes
Form	LTC Policyholder Letter and Endorsement - Compound Inflation	Withdrawn	Yes
Form	LTC Policyholder Letter and Endorsement - Compound Inflation	Withdrawn	Yes
Form	LTC Policyholder Letter	Withdrawn	Yes
Form	LTC Policyholder Letter	Withdrawn	Yes
Form	LTC Policyholder Letter	Withdrawn	Yes
Form	LTC Policyholder Endorsement	Disapproved	Yes
Form	LTC Policyholder Endorsement	Withdrawn	Yes
Form	LTC Policyholder Endorsement	Withdrawn	Yes
Rate (revised)	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20%	Approved	Yes

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Schedule	Schedule Item	Schedule Item Status	Public Access
	for those with no inflation rider.		
Rate (revised)	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	Approved	Yes
Rate	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes
Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	Withdrawn	Yes

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/26/2016
Submitted Date	10/27/2016
Respond By Date	

Dear Andrew Besendorf,

Introduction:

Thank you for your recent response to our objections.

There are a few remaining concerns that need to be addressed as follows:

Objection 1

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: Thank you for your explanation with how the rates were calculated. Our objection concerning this has been resolved.

Objection 2

- Response to 8/23/2016 Questions (Supporting Document)

Comments: Thank you for providing the additional information in response to our concerns regarding state of residence vs. state of issue. After further review and discussion, our position remains the same. Pursuant to Section 38.2- 316 A of the Code of Virginia, we are only authorized to review and approve rates for policies issued or issued for delivery in the state of Virginia and a copy of the form has been filed with the Commonwealth. We have no authority over policies issued by other states and it would be misleading and incorrect to state otherwise.

Objection 3

- Response to 8/23/2016 Questions (Supporting Document)
- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Letter, 17452L 7/16 VA (Form)
- LTC Policyholder Endorsement, 17452 7/16 VA (Form)

Comments: Thank you for the changes made in the policyholder letters. There still remains a few concerns to be addressed after further review:

1) The letters currently advises the insured premiums rates may be increased in the future since a much higher rate increase is supportable. Please revise the sentence or use words of similar import to state to provide the policyholder a clearer understanding of what may happen in the future:

"While the increase of [xx%] is significant, a rate increase in excess of 100% is currently actuarially supportable; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases."

2) Thank you for modifying the contingent benefit upon lapse benefit; however, the letter stays the paid up value will not exceed the maximum number of "days" that would be payable. For compliance with 14VAC5-200-185 F the language actually states the value would not exceed the maximum "benefits" that would be payable. Please amend the wording. This objection would also apply to the endorsement and Statement of Variability.

3) Thank you for making the revision as requested in "Your Class of Policies" provision. Please clarify what the company means in regards to "existing premium paying policies" in that section.

Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1) Please amend the Actuarial Memorandum from a 60 day notice to a 75 day notice.

2) The certification language in the Actuarial Memorandum indicates premiums will be enhanced but may not be sufficient to prevent future rate action. Please explain what the company means by "enhanced"? If the experience develops as projected, does the company expect to still request future increases? If so, what would need to happen for the company to request another increase?

3) Thank you for providing the addendum to the Actuarial Memorandum. For our purposes, please revise Section 17 to indicate the request was modified to implement the increases over three years for the LTC 2 plan in increments of 20%, 18% and 15% for compound and 1 year 20% for no inflation policies; and for the LTC 3 plan, increments of 15% for each of three years for simple and compound and 1 year of 15% for no inflation policies. All exhibits should be revised accordingly.

Objection 5

- LTC Policyholder Endorsement, 17452 7/16 VA (Form)

Comments: There appears to be some confusion regarding the endorsement form. This form is intended to become a part of the policy and lists eleven possible options depending on whether or not inflation protection is included. What it does not do, is update the policy when an option has been selected. What does the company provide when the option has been selected and the policy is changed?

The Company initially indicated that it updated the Policy Schedule according to its response to our 9/14/2015 objection letter. This was followed up with another objection in our 12/15/2015 letter which questioned if the Policy Schedule was approved with this type of variability. The Company again stated it did not intend to change the Policy Schedule already approved. Another objection was sent on 8/23/2016 regarding the endorsement form sent with the revised Policy Schedule that is attached to the policy if the benefit is reduced, removed, or the policy becomes paid-up. The response to this referenced Form # 17452 7/16 VA which doesn't resolve our concern as noted above.

The Policy Schedule sent with the 9/14/2015 response stated this at the bottom of the form:

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

"This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy. This schedule page is effective September 28,2015, and replaces any prior schedule page."

There has been some confusion regarding the statement above that indicates endorsements may have been attached to the policy. What endorsements is the company referring to and is there already an endorsement that is used if the insured changes the benefits in some manner?

If the policy schedule was originally approved with the above statement, please provide evidence of this which would resolve our concerns. If it was not approved in this fashion, we need to address this issue by either amending the Statement of Variability for the Schedule to have such variability or have an endorsement form that is attached to the policy to state specifically what change has been made.

Objection 6

- Response to 8/23/2016 Questions (Supporting Document)

- L&H Actuarial Memorandum (Supporting Document)

Comments: There needs to be consistency among the Company Rate Information on the Rate/Rule Schedule, the Actuarial Memorandum and the Rate Request Summary in regards to the overall percentage rate change and the minimum and maximum percentage of change. The Rate/Rule Schedule indicates 20% as the minimum and 62.840% as the maximum increase with an overall impact of 48.879%. The Rate Request Summary indicates 20% to 62.8% as the range with the overall average being 48.2% which is consistent with the Actuarial Memorandum addendum.

Please do a post submission update to revise the Rate/Rule Schedule. In addition, the overall percentage indicated change should be the percentage increase that would have been needed to meet the minimum loss ratios. The letter indicates this would be over 100%.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	08/23/2016
Submitted Date	08/23/2016
Respond By Date	

Dear Andrew Besendorf,

Introduction:

Thank you for your amendment dated today. We have reviewed the letter and do not have any concerns with the letter clarifying the time limit being variable when a rate increase is implemented as a series of increases.

In further review of the filing, we need to amend our objection 7 in our prior letter dated today regarding how the policy is updated. The company previously provided copies of letters that are sent to policyholders with updated Schedule of Benefits to acknowledge the changes made in the contract. We had requested in our December 15, 2015 objection letter to provide evidence the Schedule of Benefits was approved for such variability. The company's response what that the language was approved at that time and felt it was unnecessary to submit a revised form for review and approval.

If the policy is updated via an endorsement, we agree the Policy Schedule does not need to be amended at this time. It appears, however, based on previous correspondence as mentioned above, an endorsement is not provided to the insured. And if that is the case, the policy schedule must updated accordingly. When the form was originally approved, there was no anticipation that such rate increases would be required in the future. That is no longer the case. The policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. The current Policy Schedule does not satisfy these requirements. The Schedule should include variability in regards to premium amounts, riders and wherever else such variability is applicable.

If the company does not wish to change the Schedule, then endorsements will be needed before the filing can be approved. One endorsement with the appropriate variability to cover all options would resolve our objection.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	08/23/2016
Submitted Date	08/23/2016
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

Objection 1

- Response to e-mail sent on 3/14/2016 (Supporting Document)

Comments: Thank you for completing the Part 1 Long Term Care Insurance Rate Request Summary. As noted at the bottom of the form, a brief narrative should be attached that summarizes the key information used to develop the rates include the main drivers for revised rates. This information will be on our web page for consumers to access. Please provide this information in consumer friendly language that explains the drivers of the rate increase and the process the company used to develop such rates.

We note the minimum requested rate increase is listed as 20% and a maximum of 62.8%. According to our records, the LTC 2 policies were lowered to 20%, 18% and 15% on policies with inflation and 20% as a single increase on policies without inflation. As a result, the minimum increase should be 15%. The maximum is correct (20%x18% x 15%) at 62.8%. Please amend the form accordingly.

The effective date should be a date in the future or "on approval."

Objection 2

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: Thank you for updating the Rate/Rule Schedule. We are able to locate the rates for all form numbers except: 80660 1/97 and 80900 NTQ 1/98. Please advise.

It is our understanding the company wishes to raise the rates on these policies and riders 20% the first year, 18% the second year and 15% the third year for those with inflation riders and only 20% for the first year and no increases on the second and third year for polices with no inflation rider.

In reviewing the rate schedules for forms 80650 1/97 and Riders, it appears under Exhibit II VA Year 1 Premium rates were increased by 20% which would be applicable to all policyholders. The second and third year rates for the base policies and riders are the same as the first year rates except for the inflation rider factors for forms 80680 or 93072. Our expectation would have been that all factors stay the same and the base premium would have been adjusted 18% for the second year and 15% for the third year for those policies that have inflation riders. In other words, we would need two sets of base rates for the second and third year: one for those policies with no inflation rider and a second set for polices with the inflation riders. The company could simply indicate on Exhibit II that Year 1 rates apply to all policies and Year 2 and Year 3 are only applicable to those with inflation riders.

Please explain how the factors were determined in Years 2 and 3 and demonstrate those factors result in the same premium if the rate increases were applied to the base rates with no change in the inflation factors as explained above.

Objection 3

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)

Comments: We reviewed your response to Objection 1 from our Objection Letter dated 12/28/15, and it appears that form numbers 17452NL 1 yr, 17452CL 1 yr, 17452CL 3 yr, 17452NL 3 yr, and 17452N are intended to be withdrawn from the filing. Please confirm.

Objection 4

- Certification of Compliance (Supporting Document)
- LTC Policyholder Letter, 17452L (Form)
- LTC Policyholder Endorsement, 17452 (Form)

Comments: Related to the objection directly above, the remaining form numbers are inconsistent with the form numbers identified in the Form Schedule. Please note that the number appearing in the Form Schedule must mirror that appearing in the form. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of the forms are correct, please revise the Form Schedule to display the correct form numbers. If the Form Schedule is correct, please provide us with revised forms.

The Certification of Compliance should also be amended to reflect the complete form number of each form.

Objection 5

- LTC Policyholder Letter, 17452L (Form)
- LTC Policyholder Endorsement, 17452 (Form)

Comments: Thank you for providing the statements of variability; however, they should not be attached to the Form Schedule. Only forms subject to review for approval should be attached to the Form Schedule. As such, please remove it from the Form Schedule under both forms and attach it as supporting documentation.

Objection 6

- LTC Policyholder Letter, 17452L (Form)

Comments: In regards to the policyholder letter, the following concerns need to be addressed:

1) The Contingent Benefit Upon Lapse should include the maximum payable under this benefit and state that in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

2) Please add language that similar options will be available in the future at the time of each increase and benefits may be changed at any time (not just at the time of a rate increase) for compliance with 14VAC5-200-75 D 1.

3) For clarification purposes, we suggest under the question "What happens if no Option is elected" should state that "If the premium

is not paid and you do not choose an option...." to avoid any misunderstanding of the process.

4) Under the class of policies section on the last page, please remove the following language "or to all residents of the state of VA with premium paying policies issued in another state or on a form number of similar series." Pursuant to Section 38.2-316 A of the Code of Virginia we are only authorized to review and approve rates for policies issued or issued for delivery in the State of Virginia.

5) In reviewing the reason for the rate increase in paragraph two, there is concern that stating in the last sentence the rate increase is to ensure the company is appropriately positioned may be misunderstood by policyholders. As a suggestion, it would be better to simply state: "Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims."

Objection 7

- Response to 12/15/2015 & 12/28/2015 Questions (Supporting Document)
Comments: Thank you for your response to our objection 4; however, our concerns are not completely resolved.

What endorsement forms will be used if the insured decides to reduce benefits or request a paid up option through the contingent benefit upon lapse or nonforfeiture benefit? The endorsement attached to this filing provides only general information regarding options available. Please attach a copy of the endorsement that is provided if the benefit is reduced or removed or the policy becomes paid-up. Please include the SERFF tracking number, if applicable, and date of approval of such endorsements.

The triggers for a substantial premium increase were lowered as of September 1, 2015 and 14VAC5-200-185 D revised accordingly. Please confirm the company will administer the contingent benefit upon lapse and any contractual non-forfeiture option pursuant to the revised regulation.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	12/28/2015
Submitted Date	12/28/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

Kanawha Insurance Company
SERFF Tracking No: HUMA-129780509
Form Nos.: 17452NL 12/15 VA, et al.

We have completed our review of the forms and we have the following concerns. These concerns are in addition to the ones previously addressed.

Objection 1

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: The form numbers in the Form Schedule are inconsistent with the related forms. Items 3, 4, 7 and 8 conflict with the form number stated in the Form Schedule. The forms attached as Items 5 and 6 are identified with the same form number as Items 3 and 4. 14 VAC 5-100-40 1 provides that each form submitted must have a number which may consist of digits, letters or a combination of both. The number must distinguish the form from all other forms used by the insurer. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of each form is correct, please revise the Form Schedule to display the correct form number. If the Form Schedule is correct, please provide us with revised forms.

Objection 2

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: The forms contain variable fields. Please provide us with a statement of variability that identifies each variable field appearing in the forms and describe specifically how that field might vary from the text as presented. Please be aware that all fields intended to be variable, even those that are self-explanatory, must be bracketed in the form and described in the statement of variability.

Objection 3

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Comments: Please provide us with John Doed versions of the forms.

Objection 4

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)

Comments: The Policyholders Already on Claim section states that once off claim, if applicable, the rate increase will apply and the insured will have the opportunity to elect one of the options described in this letter. In all other cases the letter refers to options described in the Endorsement. For purposes of clarity and consistency, this section should similarly refer to options explained in the Endorsement.

Objection 5

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: The Termination of this Endorsement provision states that the endorsement will terminate upon conversion of the policy to a reduced paid-up policy. Please note that the endorsement may not terminate under this circumstance since the endorsement contains explanatory language about the reduced paid-up policy that amends the policy.

Objection 6

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Please confirm that the offer to convert the policy to a reduced paid-up benefit is available to all recipients of the premium increase.

Objection 7

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: One of the options to premium increase is to reduce the benefit period. Please advise the minimum benefit period allowable.

Objection 8

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Option 2 is appropriately referred to as a contingent benefit upon lapse; however, Option 2 Limitations refer to the Non-forfeiture Benefit Calculation and the Non-Forfeiture benefits. For the purposes of clarity and consistency with other endorsement language, please refer to the Contingent Benefit Upon Lapse Calculation and the Contingent Benefits Upon Lapse.

Objection 9

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Please show conformity with 14 VAC 5-200-183 A 3 with respect to the Option 2 Limitations statement that inflation protection riders will terminate without value.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Sincerely,
Elsie Andy
Senior Insurance Market Examiner

Sincerely,
Elsie Andy

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/15/2015
Submitted Date	12/15/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

Objection 1

Comments: The company has provided separate policyholder letters and endorsements depending upon what inflation rider may be included in the policy and if the rate increase will be implemented over one year or three years for both long term care rate filings HUMA-129780509 and HUMA-129780458.

I just wanted to bring to your attention, the company, if it so chooses, only needs to submit one set of letters to be filed and one set of forms for approval as long as there is sufficient variability in each letter and endorsement to meet the different policy scenarios. It is not necessary to create duplicate letters with different form numbers. The same letter and form could be used with future long term care rate filings and avoid having to be re-submitted with each filing. If you have any questions regarding this, please contact me at 804-371-9390.

Objection 2

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: In regards to the policyholder letters, please address the following:

1) Please provide a Statement of Variability for each letter.

2) According to your response, the company is willing to implement a series of increases over three years and would like, however, to do a single increase for the policies with no inflation rider. This is an acceptable arrangement.

3) The company felt it was in compliance with 14VAC5-200-75 A 2 by including a statement in the endorsement indicating these options are available anytime while the Endorsement is in effect. According to the first sentence in the endorsement, however, this endorsement refers to benefits you may elect "only" when there is a state approved premium increase. It does not state these options are available at any other time. A policyholder may request changes in the benefits at any time the policy is in force that may reduce or may raise premiums. Please revise the letter and/or endorsement accordingly for compliance with the regulation.

4) We appreciate your response our request to include a statement in the letter that the insured has a right to a revised premium rate or rate schedule upon request as set forth in 14VAC5-200-75 A 4 b. After further review, our objection remains unresolved. The paragraph as referenced does not specifically include the language as required by the regulation. Again, we request that it be added for compliance purposes.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection 3

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: For clarification purposes, please confirm the company intends for these endorsements to be attached and made a part of the the policyholder's policy. Policy forms will be reviewed and approved by a forms examiner who will submit any objections under a separate cover. There are, however, some preliminary concerns we have with the endorsement forms as follows:

1) As an observation, we note the company is referring to these forms as "endorsements". The term "Endorsement" normally indicates a section of the policy is being replaced by the language noted in the "endorsement." That is not the case in this situation; the company is actually providing additional information, and, it would seem the word "rider" may be more appropriate.

2) Under "What happens if no Option is elected?" should clearly indicate the first option is the Contingent Benefit Upon Lapse (CBUL) and the second option is a Non-Forfeiture Rider if the policy includes such.

3) Please confirm what the minimum policy benefit period can be.

4) Option 2 refers to the CBUL calculation but Option 2: Limitations refers to a Non-Forfeiture Benefit Calculation. Should this not reference the CBUL calculation in this sentence?

Option 2: Limitations also states that "if you are benefit eligible." Where is that information provided in the policy; and if the person is not eligible, is the company offering this to everyone regardless of eligibility at the time of a rate increase?

As mentioned previously, the Virginia State Corporation Commission earlier this year adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748. If the policy contains or does not contain a CBUL benefit and/or nonforfeiture benefit, the company will need to amend the policy for compliance with the revised regulations 14VAC5-200-185E of the Code of Virginia by submitting a separate form filing in SERFF.

5) Although the endorsement twice states all options are not of equal value, this does not satisfy our request that as a disclosure this information must be emphasized and draw attention to it. Please amend the language so it is clear this important information has been clearly disclosed as set forth in 14VAC5-200-75 D 2 b.

Objection 4

Comments: Thank you for providing information in regards to how the policy is updated. According to your response, the policy schedule page was already filed and approved by the state of Virginia at the time of the policy contract form filing.

Was the form approved with the variable language noted on the bottom of the policy schedule? If so, please provide us with documentation that reflects such variable in the form was approved. Otherwise, please attach a revised Policy Schedule to the Form Schedule in compliance with 14VAC5-110-50 and include a Certification of Compliance in accordance with 14VAC5-100-40 3. Please include a Statement of Variability, if appropriate.

For our purposes, please clarify why the Policy Schedule states "This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy." There is no mention of any endorsement being sent with the letter and policy schedule.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection 5

- Certification of Compliance (Supporting Document)

Comments: Since the endorsement forms and letters have separate form numbers, please provide an updated Certification of Compliance as set forth in 14VAC5-100-40 3.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/14/2015
Submitted Date	09/14/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Through an oversight on my part, the following should have been added to the objection letter sent earlier today:

For compliance with 14VAC5-200-75 D1, the letter should indicated the insured as a right to a revised premium or rate schedule upon request as noted in 14VAC5-200-75 A 4b.

It should also be made clear to the insured, changes in the benefits may be made at the insured's request at any time, not just at the time of a rate increase.

I apologize for any inconvenience or confusion this may have caused.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/14/2015
Submitted Date	09/14/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Please confirm that for nationwide projections, the earned premiums were adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia (i.e., that any difference between the 2010 rate increase in Virginia vs. the average nationwide is reflected.)

2. We need to clarify one of the requests from our previous objection. For the projections provided in the files ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf and ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf, our intention was that the historical information would match the actual experience and the projected future premium and claims would be based on the inforce policies on the projection date (12/31/2013) using the original premium rate scale and original assumptions. Please revise those particular exhibits and resubmit.

3. For the projections provided in the files ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf and ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf, we would expect that the projected premiums in years after full implementation of the requested increase (2016 and beyond) would match the premiums assuming the requested rate increase is implemented. Please revise as appropriate and resubmit.

Note, as before, please observe the following:

a. Projections should be provided on both Virginia-only and nationwide basis.

b. Projections should not include any paid-up policies.

c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

Objection 2

- LTC Policyholder Letter and Endorsement - No inflation, 17452N (Form)

- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 1 yr (Form)

- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 3 yr (Form)

Comments: 1. Since the letters must now be filed in accordance with 14 VAC5-200-75 D, please include a form number in the lower left-hand corner of the first page of each letter for compliance with 14VAC5-100-50 1.

2. There are three endorsement forms attached to the letters: 17452N, 17452C, and 174532C. It is our assumption the endorsements, and not the letters which relate to a specific rate increase, would be attached to the policy. As a result, please separate the endorsements from the letters and attach each to the Form Schedule for review and approval. The form number should be listed on the lower left hand corner of the form pursuant to 14VAC-100-50 1 and the complete form number should appear under the Form Number column under the Form Schedule in SERFF.

3. The endorsements, as presented, provide the insured the options available to reduce the impact of the rate increase. The endorsement, itself, does not indicate what option the insured may have chosen. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract.

The company previously indicated the individual will be furnished a designation form to elect an option in lieu of the fully approved rate increase. Please provide us a copy of that form. Does that form become a part of the policy? If so, please provide the SERFF tracking number and approval date.

The company also indicated a final communication is generated indicating their option choice and and updated Schedule Page is included. The policyholder is advised to file these documents with their current policy. Please provide a copy of the communication and Schedule Page the insured would receive. Please provide the SERFF tracking number and approval date of the final communication that is attached to the policy.

4. As a preliminary review of the Endorsement form which is currently a part of the letter, the following concerns should be addressed:

a. For compliance with 14VAC5-100-50 2, the full and proper corporate name of the insurer should prominently appear.
b. The name of the policyholder, policy number and effective date of change should be clearly indicated.
c. Please expand the first sentence on page 2 of the Endorsement to clearly identify this option as a Contingent Benefit Upon Lapse as opposed to the non-forfeiture option which an individual may have purchased.

Objection 3

- LTC Policyholder Letter and Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 1 yr (Form)
- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 3 yr (Form)
Comments: In regards to the letters, the following concerns need to be addressed:

1. The second paragraph addresses the reason for the rate increase as actual experience being "materially different from our assumptions." To more clearly identify the driving factors pursuant to 14VAC5-200-75 D 3, the language should be expanded by adding language similar to the following:

"...since more policyholders are keeping than policies than projected, insureds are filing a higher number of claims than expected, and insureds are living longer than originally expected."

2. In the General Information section in SERFF, the company states the following:

"Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time."

Under the section entitled "Your New Premium" or "Your Premium" (depending upon the letter), would it not be beneficial for the company to include this information since this section is discussing the possibility of future rate increases? If experience comes in close to what the company is projecting based on the proposed rate increases, would the company not file for future rate increases?

3. 14VAC5-200-75 D 2b requires a disclosure stating that all options may not be of equal value." The letter states "The value of the

Option you choose can vary depending upon on your future use of policy benefits." Because this is a disclosure, it should be more prominent and clearly state all options are not of equal value.

4. If the rate increase is implemented over three years, what letter will the company use for the policyholders whose policies doe not have the inflation rider? What does the company mean in its response" Given the size of the increase requested, we have included only a "one year" sample letter for policies without inflation riders" ?

Objection 4

- Response to 5/28/2015 Questions (Supporting Document)

Comments: Please move the Readability Certification to a separate line in Supporting Documentation so that it may be easily located for future reference. Also, it appears the Readability Certification does not include the number of syllables as set forth in 14VAC5-110-60. Please revise accordingly.

Objection 5

- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider., [80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: According to the Rate/Rule Schedule, there should be rates for the following form numbers:

80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97 AND 80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98.

Please confirm these form numbers match exactly the form number as approved.

There are no rate schedules attached for the second set of form numbers which should be added.

Please be sure it is clear what policies have the 90% rate increase, the 75% increase and 25% rate increase.

If the rate increase will be implemented over three years, the company will need to attach rate schedules for each implementation period.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned at 804-371-9390.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	05/28/2015
Submitted Date	05/28/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

1.It does not appear that a complete set of demonstrations was provided for all scenarios as required. Please provide the following projections:
For all scenarios listed in the attached pdf file, please observe the following:
a.Projections should be provided on both Virginia-only and nationwide basis.
b.Projections should not include any paid-up policies.
c.For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

2.For each projection above, please provide the policy reserve at the projection date applicable to that subset of policies.

3.In the previous response, it was stated that the number of claims over the past five years was 2,485. Is the company only using the claims from the last five years to validate its morbidity assumptions? If not, please provide the total claim count for the data used to validate the morbidity.

4. The Virginia State Corporation Commission recently adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commission's website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases. A summary of the new requirements are:

• The notice is required to be filed with the commission at the time the premium rate increase is filed;

• The insurer is required to provide the notice at least 75 days prior to the implementation of the premium rate schedule increase;

• The notice is required to include at least the following information:

1. All applicable information identified in 14VAC5-200-75 A;
2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:
a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
b. A disclosure stating that all options available to the policyholder may not be of equal value;
c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections; and
d. Contact information that will allow the policyholder to contact the insurer for additional options available;
3. A clear identification of the driving factors of the premium rate increase; and

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
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4. A statement substantially similar to the following:

The rate increase request was reviewed by the Virginia State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI.

Because this rate filing remains under review, it is questionable the proposed rate increase would be approved prior to the revised regulations taking effect on policies renewing on or after September 1, 2015. As a result, the company will need to submit for review policyholder notification letters in compliance with the requirements of 14VAC5-200-75, as revised. Because the letters must be "filed", please attach the amended letters to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance and a Readability Certification.

Please ensure the policyholder letters satisfies all the requirements as noted above. In addition, please expand the reason for the increase as explained in the second paragraph. Please be more specific as to what assumptions have proven to be different. The company may also want to explain what it meant by "class".

The company stated it is willing to not seek a rate increase for three years if the full increase is approved or may be willing the spread the increase over three years. In either case, the letter should clearly indicate the company's intention. Please amend the letters accordingly to reflect both variations for review.

5. Only those rates subject to approval should be included in the Rate Attachment on the Rate/Rule Schedule in SERFF. Please move the current rates to Supporting Documentation.

6. Please amend the Rate/Rule Schedule to include the form numbers exactly as approved of all riders for which this rate increase will apply.

7. The Bureau of Insurance has recently directed long term care policies must be updated via an endorsement for any changes the policyholder has requested. Because this would be a part of the entire contract, such a form would require review and approval; the company can no longer simply send a revised policy schedule page. If the company already has such forms previously approved, please attach a copy of the form and provide the SERFF tracking number and date of approval. If a new form is needed, please attach the form to this filing for review and approval. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well a readability certification in accordance with 14VAC5-110-60.

For clarification purposes, the company may include a revised Schedule of Benefits page in addition to the endorsement if the company so chooses.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate
Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%
Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%
Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%
Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%
Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%
Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%
Pre-Stability	Lifetime	No inflation	Original	Original	7.0%
Pre-Stability	Lifetime	5% Compound	Original	Original	7.0%
Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate
Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate
Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate
Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	01/23/2015
Submitted Date	01/23/2015
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

1.Please reconcile the number of insureds in section 21 of the actuarial memorandum versus those shown in Rate Information tab in SERFF.
2.Please provide a discussion of the number of claims underlying the morbidity experience and the corresponding measure of credibility. Also discuss the granularity of the adjustments made to the Milliman guidelines based on the Kanawha experience.
3.Please provide actual-to-expected ratios by duration for total terminations based on the current best-estimate assumptions for lapse and mortality.
4.Please provide a chart of the status of rate increase in all states, including annual premiums by state so that a weighted average can be calculated.
5.If policies in paid-up status are included in the exhibits provided, please provide a complete set of projections (preferably in .xls format) that excludes all policies that are in paid-up status.
6.Please explain why the premium in future years (after the rate increase is fully implemented) differs between the exhibits "with Historical Premiums Restated to Proposed Rate Revision" and "with Rate Revision".
7.Please demonstrate that the elimination of all future increases is actuarially equivalent to the requested rate increase.
8.Your response indicated the company was compliant with the NAIC Executive/Plenary Bulletin; however, these items were not specifically addressed:

a) If a single rate increase of the requested amount is approved, is the insurer agreeable to not implement future rate increase for three years from the date of implementation?

b) In lieu of a single increase, the Bureau may approve a series of scheduled rate increases that are actuarially equivalent to the single amount requested by the insurer over the lifetime of the policy. The entire series would be approved at one time as part of the current increase filing. If the rate increase is approved in a series of scheduled rate increases and the sum of all scheduled rate increases would ultimately trigger the offering of the contingent benefit upon lapse, the insurer will be required to include contingent benefit upon lapse at the time of each scheduled increase. If the company is agreeable to this, what implementation schedule would be offered?

c) The Bureau will require the implementation of the contingent benefit upon lapse as outlined in the bulletin. Please confirm the company is willing to comply with this by providing the benefit:

1)For a block of business for which the contingent benefit upon lapse is not required for pre-rate-stability policies; and
2)Contingent Benefit upon lapse may be required to be provided without reference to the table of trigger percentages for policies that have reached their 20th duration and for policies that have not reached that point, any percentage value in excess of 100% will be reduced to 100%.

d) The policyholder letter should clearly indicate premium rates may increase again in the future. We note this is indicated on the chart under the options but could be overlooked. We suggest this information also be provided on the first page of the letter. We also note in the options available to reduce future premiums do not include reducing or removing riders. Is this not available?

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
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The company should clearly indicate option two would convert the policy to a "reduced" paid-up long term care insurance policy.

In addition, the management of the Bureau of Insurance (BOI) has also provided direction that policyholder letters provide an explanation for the rate increase in consumer friendly language including the driving factors contributing to the increase. Please expand the second paragraph of the letter accordingly.

Given that most policyholders do not have the sophistication to understand the relative value of each option presented to them in lieu of an increase, please describe how the policyholder will be appropriately educated about the available choices.

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	11/07/2014
Submitted Date	11/07/2014
Respond By Date	

Dear Andrew Besendorf,

Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

A preliminary review of the submitted filing indicates the following concerns and questions. We'll continue our review of the submitted filing upon receipt of the following information:

Please state when each form was last issued in Virginia. Long term care policies issued on or after October 1, 2003 are subject to the rate stabilization standards set forth in 14VAC5-200-153. Issue dates prior to that date are subject to the loss ratio standards set forth in 14VAC5-200-150. If forms were issued prior and subsequent to that date, the company will need to demonstrate compliance with both 14VAC5-200-150 and 14VAC5-200-153.

Please identify all rider forms that will be affected by the proposed rate increase and be sure that all experience and projection exhibits include the experience of those forms as well.

Please provide an explanation of the reserve basis and justification for the reserve levels.

Please provide the anticipated loss ratio where the numerator is equal to the anticipated incurred claims less the policy reserves, and the denominator is equal to the anticipated earned premium.

Please state the lifetime loss ratio anticipated in the original filing and, if applicable, an explanation why the current projected loss ratio is less than the originally anticipated.

Please provide a separate calculation of the Lifetime Loss Ratio so that the historical premium component is restated to what it would be if the proposed premium had been charged (collected) since the forms' introduction.

Please state the interest rate originally assumed in the determination of the premiums. If greater than the discount rate used in the projections, then please revise the projections by using the original rate.

Please review the attached NAIC's Executive/Plenary Bulletin adopted on December 18, 2013. Although Virginia has not yet adopted this, because there is so much national attention on long term care regulation, we have now added this to our review process. Is this filing consistent or not with its recommendations? Please provide details that support your response.

Please make the following changes to the Rate/Rule Schedule:

- Add the rider forms exactly as approved to the "Affected Form Number" column
- Change the Rate Action from new to revised
- Update the Rate Action Information with the SERFF tracking number of the previously approve rate increase and the proposed rate increase of 73%
- Attach rate schedules that correspond to each affected form number

Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Janet Houser

MODEL BULLETIN

DATE: [Insert Date]

TO: All Licensed Insurers Writing Long-Term Care Insurance

FROM: [Insert Name & Title]

RE: Announcement of Alternative Filing Requirements for Long-Term Care Premium Rate Increases

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Effective *[insert date three (3) months after issuance of this bulletin]*, the following guidelines will be used in the review of pre-rate-stability and post-rate-stability premium rate adjustment filings for long-term care insurance policies. The intent of this bulletin is to address rate increases for long-term care insurance policies currently in force, in particular pre-rate-stability policies.

For purposes of this bulletin, "rate stability" is defined as provisions contained in the 2000 NAIC Long-Term Care Insurance Model Regulation (Model 641) as adopted by [*insert state name]* on *[insert date of adoption of Section 20 et al]*. Policies with effective dates prior to *[insert rate stability adoption date]* are referred to as "pre-rate-stability" policies, and policies with effective dates on or after *[insert rate stability adoption date]* are referred to as "post-rate-stability" policies.

Drafting Note: States may need to consider whether their state rules allow these provisions to be issued as a bulletin, or whether some or all of these provisions may require adoption through other state regulatory procedures.

Actuarial Assumptions for Establishing Rate Increase Requests:

When rate adjustments are filed with the [Department] for both pre-rate-stability and post-rate-stability policy forms, it is the intent of the [Department] to work with the insurer, to the extent appropriate, to review the reasonableness of the set of assumptions by which to determine the rate increase(s) necessary to reach adequate ultimate premiums and that can be used to monitor developing experience. When disclosing assumptions to the [Department], the insurer will provide the resulting rate revision request at the same time so that the [Department] may include this in their review.

In assessing these assumptions as proposed by the insurer, the [Department] may use the services of an independent actuary and, if appropriate under state law, may charge the insurer for the costs of these services. The [Department] may also accept a review done by or for another state or states for the same or substantially the same policy form where any differences in benefits and premiums are not material and such review was completed within eighteen months of the date of the rate adjustment filing and such review substantially complies with the [Department]'s rate review standards.

The assumptions will be consistent with the following:

1. All present and accumulated values used to determine rate increases shall use the maximum valuation interest rate for contract reserves. The actuary shall disclose as part of the actuarial memorandum the use of any averages.

2. All accumulated values used to determine rate increases shall use the actual experience of the product in as close a manner to that used in the original development of rates as possible. This is not intended to preclude the inclusion of multiple policy forms into one rate increase determination if such pooling increases the credibility of the combined accumulated experience.

3. All present values calculated to determine rate increases shall use reasonable estimates of future premium payments and claims payments. Such estimates are to be part of the assumptions as anticipated above and, for post-rate-stability policies this would include a margin for moderately adverse experience, while for pre-rate-stability policies, this would be based on best estimate assumptions for the future lifetime of the policies, including potential margins.

Drafting Note: While not limiting each state's authority with respect to the approval of rate increases, the intention of the development of a set of assumptions is to increase the uniformity and fairness of premium rate schedule changes for all policyholders regardless of the state of issue of each policy or the current state of residence.

Approval of Rate Increases:

In approving rate increase requests for both pre-rate-stability policies and post-rate-stability policies consistent with the assumptions described in the section above, the [Department], with the concurrence of the insurer where such concurrence is appropriate, will determine ways in which the following may be included to benefit policyholders:

1. The [Department] may approve a single increase of the requested amount and the insurer agrees to not implement future rate increases on each subject policy for three years from the date of implementation of the rate increase for each policy form; or

2. In lieu of a single increase, the [Department] may approve a series of scheduled rate increases that are actuarially equivalent to the single amount requested by the insurer over the lifetime of the policy. The entire series would be approved at one time as part of the current rate increase filing. For pre-rate-stability policy forms, the approval includes a three-year monitoring provision similar to that currently applicable to post-rate-stability rate increases to allow modification of later increases that were not appropriate based on the experience following the initial rate increase. When determining the rate comparison for new business, forms subject to a series of increases shall not be included.

Requirement to Administer Contingent Benefit Upon Lapse:

For pre-rate-stability policies, the [Department] will require the implementation of the contingent benefit upon lapse[1] as outlined below, as a condition of approval of a rate increase for a block of business for which the contingent benefit upon lapse is not otherwise required. The contingent benefit upon lapse is already required for post-rate-stability policies.

For both pre-rate-stability and post-rate-stability policies, if the rate increase is approved in a series of scheduled rate increases and the sum of all scheduled rate increases would ultimately trigger the offering of the contingent benefit upon lapse, the insurer will be required[2] to include contingent benefit upon lapse at the time of each scheduled increase.

For policies or certificates which have reached their twentieth duration, the [Department] may require the insurer to provide the contingent benefit upon lapse[3] without reference to the table of trigger percentages. For policies which have not reached their twentieth duration, any percentage value in excess of 100% will be reduced to 100%.

The insurer shall notify policyholders and certificate holders of the contingent benefit upon lapse when required by the [Department] in conjunction with the implementation of a rate increase.

Policyholder Notification of Premium Increase:

The insurer shall file with the [Department] the premium increase notification letter to policyholders at the time of the premium rate increase for informational purposes. The insurer shall clearly disclose to policyholders the following elements:

1. the amount of the premium rate increase requested and implementation schedule (e.g., single premium increase applied or phased in a series of premium increases);
2. available benefit reduction/rate increase mitigation actions;
3. clear disclosure addressing the guaranteed renewable nature of the policy/coverage and that the insured should understand that premium rates may increase again in the future; and
4. offer of contingent benefit upon lapse, if applicable.

Application of New Loss Ratio Standards:

The [Department] will require the insurer to limit the increase based on the use of a dual loss-ratio approach for pre-rate-stability policy forms. The recommended loss-ratio would be:

[1] A company may provide alternative nonforfeiture benefits in lieu of the benefit required by the contingent benefit upon lapse, if approved by the [Commissioner].
[2] Any such additional requirements, with respect to contingent benefit upon lapse, shall not change the determination of whether or not a majority of policies or certificates are eligible for contingent benefit upon lapse.
[3] A company may provide alternative nonforfeiture benefits in lieu of the benefit required by the contingent benefit upon lapse, if approved by the [Commissioner].

- the greater of 60% or the lifetime loss ratio used in the original pricing, applied to the current rate schedule on the effective date of these new requirements; plus
- 80% applied to any premium increase that is filed after that date on an individual policy form; or
- 75% applied to any premium increase that is filed on a group policy form.

For post-rate-stability policy forms, the current loss-ratio standards are unchanged.

Consideration of New Approaches:

At the request of the insurer, the [Department] may also consider
other options which may be made available to insureds which may mitigate the impact of the rate increases on the insured population or alternative actuarial methodologies relating to the rate increase. The insurer shall provide an explanation and demonstration on how such methodology is actuarially justified and/or how such new mitigation option may reasonably benefit insureds. No alternative method/approach may be used until it has been accepted by the [Department].

_____
(INSERT COMMISSIONER NAME)
(INSERT COMMISSIONER TITLE)
(INSERT STATE NAME)

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/07/2017
Submitted Date	02/10/2017

Dear Janet Houser,

Introduction:

Thanks for all of your help on this filing. We appreciate it.

Response 1

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 1

Applies To:

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: Thank you for your explanation with how the rates were calculated. Our objection concerning this has been resolved.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 2

Applies To:

- Response to 8/23/2016 Questions (Supporting Document)

Comments: Thank you for providing the additional information in response to our concerns regarding state of residence vs. state of issue. After further review and discussion, our position remains the same. Pursuant to Section 38.2- 316 A of the Code of Virginia, we are only authorized to review and approve rates for policies issued or issued for delivery in the state of Virginia and a copy of the form has been filed with the Commonwealth. We have no authority over policies issued by other states and it would be misleading and incorrect to state otherwise.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 3

Applies To:

- *LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)*
- *LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)*
- *LTC Policyholder Letter, 17452L 7/16 VA (Form)*
- *LTC Policyholder Endorsement, 17452 7/16 VA (Form)*
- *Response to 8/23/2016 Questions (Supporting Document)*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Comments: Thank you for the changes made in the policyholder letters. There still remains a few concerns to be addressed after further review:

1) The letters currently advises the insured premiums rates may be increased in the future since a much higher rate increase is supportable. Please revise the sentence or use words of similar import to state to provide the policyholder a clearer understanding of what may happen in the future:

"While the increase of [xx%] is significant, a rate increase in excess of 100% is currently actuarially supportable; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases."

2) Thank you for modifying the contingent benefit upon lapse benefit; however, the letter stays the paid up value will not exceed the maximum number of "days" that would be payable. For compliance with 14VAC5-200-185 F the language actually states the value would not exceed the maximum "benefits" that would be payable. Please amend the wording. This objection would also apply to the endorsement and Statement of Variability.

3) Thank you for making the revision as requested in "Your Class of Policies" provision. Please clarify what the company means in regards to "existing premium paying policies" in that section.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L 7/16 VA	POL	Initial		45.500	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf	Date Submitted: 02/10/2017 By: Daniel Rosenberg
Previous Version								
1	*LTC Policyholder Letter*	*17452L 7/16 VA*	*POL*	*Initial*		*47.600*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf*	*Date Submitted: 10/07/2016 By: Andrew Besendorf*
Previous Version								
1	*LTC Policyholder Letter*	*17452L*	*POL*	*Initial*		*47.800*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 08/23/2016 By:*
Previous Version								
1	*LTC Policyholder Letter*	*17452L*	*POL*	*Initial*		*47.800*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*
2	LTC Policyholder Endorsement	17452 7/16 VA	POL	Initial		42.400	Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf	Date Submitted: 02/10/2017 By: Daniel Rosenberg
Previous Version								
2	*LTC Policyholder Endorsement*	*17452 7/16 VA*	*POL*	*Initial*		*42.900*	*Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf*	*Date Submitted: 10/07/2016 By: Andrew Besendorf*
Previous Version								
2	*LTC Policyholder*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Ra*	*Date Submitted:*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L 7/16 VA	POL	Initial		45.500	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf	Date Submitted: 02/10/2017 By: Daniel Rosenberg
	Endorsement						*te Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*08/23/2016 By:*
Previous Version								
2	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 4

Applies To:

- *L&H Actuarial Memorandum (Supporting Document)*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Comments: 1) Please amend the Actuarial Memorandum from a 60 day notice to a 75 day notice.

2) The certification language in the Actuarial Memorandum indicates premiums will be enhanced but may not be sufficient to prevent future rate action. Please explain what the company means by "enhanced"? If the experience develops as projected, does the company expect to still request future increases? If so, what would need to happen for the company to request another increase?

3) Thank you for providing the addendum to the Actuarial Memorandum. For our purposes, please revise Section 17 to indicate the request was modified to implement the increases over three years for the LTC 2 plan in increments of 20%, 18% and 15% for compound and 1 year 20% for no inflation policies; and for the LTC 3 plan, increments of 15% for each of three years for simple and compound and 1 year of 15% for no inflation policies. All exhibits should be revised accordingly.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

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SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
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SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

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Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."112016") to account for the changes requested in the 10/26/2016 objections. 2). Exhibit I nationwide experience - updated to reflect the note in #1 above 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter 5) Exh II - includes current and proposed premiums. 6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 130HUM0122.VA.LTC2ActMemo.022017.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above* *5) Exh II - includes current and proposed premiums. Thanks.* *6) Addendum to the Actuarial Memo showing the revised requested rate increases.*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf* *130HUM22.VA.LTC2.ExhibitII.pdf* *0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf*
Previous Version	

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above 5) Exh II - includes current and proposed premiums. Thanks.
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf
Previous Version	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above
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Previous Version	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum 2). Exhibit I nationwide experience 3). Exhibit I VA state experience 4). Cover Letter
Attachment(s):	130HUM0122.VA.LTC2ActMemo.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.pdf LTC2_VA_Cover Letter.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 5

Applies To:

- LTC Policyholder Endorsement, 17452 7/16 VA (Form)

Comments: There appears to be some confusion regarding the endorsement form. This form is intended to become a part of the policy and lists eleven possible options depending on whether or not inflation protection is included. What it does not do, is update the policy when an option has been selected. What does the company provide when the option has been selected and the policy is changed?

The Company initially indicated that it updated the Policy Schedule according to its response to our 9/14/2015 objection letter. This was followed up with another objection in our 12/15/2015 letter which questioned if the Policy Schedule was approved with this type of variability. The Company again stated it did not intend to change the Policy Schedule already approved. Another objection was sent on 8/23/2016 regarding the endorsement form sent with the revised Policy Schedule that is attached to the policy if the benefit is reduced, removed, or the policy becomes paid-up. The response to this referenced Form # 17452 7/16 VA which doesn't resolve our concern as noted above.

The Policy Schedule sent with the 9/14/2015 response stated this at the bottom of the form:

"This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy. This schedule page is effective September 28,2015, and replaces any prior schedule page."

There has been some confusion regarding the statement above that indicates endorsements may have been attached to the policy. What endorsements is the company referring to and is there already an endorsement that is used if the insured changes the benefits in some manner?

If the policy schedule was originally approved with the above statement, please provide evidence of this which would resolve our concerns. If it was not approved in this fashion, we need to address this issue by either amending the Statement of Variability for the Schedule to have such variability or have an endorsement form that is attached to the policy to state specifically what change has been made.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
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SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Endorsement	17452 7/16 VA	POL	Initial		42.400	Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf	Date Submitted: 02/10/2017 By: Daniel Rosenberg
Previous Version								
1	*LTC Policyholder Endorsement*	*17452 7/16 VA*	*POL*	*Initial*		*42.900*	*Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf*	*Date Submitted: 10/07/2016 By: Andrew Besendorf*
Previous Version								
1	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 08/23/2016 By:*
Previous Version								
1	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*
2	LTC Policyholder Policy Schedule Page	17452S 7/16 VA	POL	Initial			Policy Schedule Page LTC2 17452S 7-16 VA - Variable.pdf	Date Submitted: 02/10/2017 By: Daniel Rosenberg

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Related Objection 6

Applies To:

- *Response to 8/23/2016 Questions (Supporting Document)*
- *L&H Actuarial Memorandum (Supporting Document)*

Comments: There needs to be consistency among the Company Rate Information on the Rate/Rule Schedule, the Actuarial Memorandum and the Rate Request Summary in regards to the overall percentage rate change and the minimum and maximum percentage of change. The Rate/Rule Schedule indicates 20% as the minimum and 62.840% as the maximum increase with an overall impact of 48.879%. The Rate Request Summary indicates 20% to 62.8% as the range with the overall average being 48.2% which is consistent with the Actuarial Memorandum addendum.

Please do a post submission update to revise the Rate/Rule Schedule. In addition, the overall percentage indicated change should be the percentage increase that would have been needed to meet the minimum loss ratios. The letter indicates this would be over 100%.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 10/26/2016 Questions
Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017
Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

	Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."112016") to account for the changes requested in the 10/26/2016 objections. 2). Exhibit I nationwide experience - updated to reflect the note in #1 above 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter 5) Exh II - includes current and proposed premiums. 6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 130HUM0122.VA.LTC2ActMemo.022017.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above* *5) Exh II - includes current and proposed premiums. Thanks.* *6) Addendum to the Actuarial Memo showing the revised requested rate increases.*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf* *130HUM22.VA.LTC2.ExhibitII.pdf* *0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf*
Previous Version	

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above 5) Exh II - includes current and proposed premiums. Thanks.
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf
Previous Version	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf
Previous Version	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum 2). Exhibit I nationwide experience 3). Exhibit I VA state experience 4). Cover Letter
Attachment(s):	130HUM0122.VA.LTC2ActMemo.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.pdf LTC2_VA_Cover Letter.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks again.

Daniel Rosenberg FSA, MAAA

Sincerely,

Daniel Rosenberg

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/07/2016
Submitted Date	10/07/2016

Dear Janet Houser,

Introduction:

Thanks again.

Response 1

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks again.

Andrew Besendorf FSA, MAAA
dbesendorf@humana.com
502.580.2262

Sincerely,
Andrew Besendorf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/07/2016
Submitted Date	10/07/2016

Dear Janet Houser,

Introduction:

Hi Janet,

Thanks for all of your help on this filing. We appreciate it. Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections and references our updates to all sections in SERFF.

Response 1

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 1

Applies To:

- Response to e-mail sent on 3/14/2016 (Supporting Document)

Comments: Thank you for completing the Part 1 Long Term Care Insurance Rate Request Summary. As noted at the bottom of the form, a brief narrative should be attached that summarizes the key information used to develop the rates include the main drivers for revised rates. This information will be on our web page for consumers to access. Please provide this information in consumer friendly language that explains the drivers of the rate increase and the process the company used to develop such rates.

We note the minimum requested rate increase is listed as 20% and a maximum of 62.8%. According to our records, the LTC 2 policies were lowered to 20%, 18% and 15% on policies with inflation and 20% as a single increase on policies without inflation. As a result, the minimum increase should be 15%. The maximum is correct (20%x18% x 15%) at 62.8%. Please amend the form accordingly.

The effective date should be a date in the future or "on approval."

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Response 2

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 2

Applies To:

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: Thank you for updating the Rate/Rule Schedule. We are able to locate the rates for all form numbers except: 80660 1/97 and 80900 NTQ 1/98. Please advise.

It is our understanding the company wishes to raise the rates on these policies and riders 20% the first year, 18% the second year and 15% the third year for those with inflation riders and only 20% for the first year and no increases on the second and third year for polices with no inflation rider.

In reviewing the rate schedules for forms 80650 1/97 and Riders, it appears under Exhibit II VA Year 1 Premium rates were increased by 20% which would be applicable to all policyholders. The second and third year rates for the base policies and riders are the same as the first year rates except for the inflation rider factors for forms 80680 or 93072. Our expectation would have been that all factors stay the same and the base premium would have been adjusted 18% for the second year and 15% for the third year for those policies that have inflation riders. In other words, we would need two sets of base rates for the second and third year: one for those policies with no inflation rider and a second set for polices with the inflation riders. The company could simply indicate on Exhibit II that Year 1 rates apply to all policies and Year 2 and Year 3 are only applicable to those with inflation riders.

Please explain how the factors were determined in Years 2 and 3 and demonstrate those factors result in the same premium if the rate increases were applied to the base rates with no change in the inflation factors as explained above.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,	10/07/2016 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,*	*06/30/2016 By: Daniel Rosenberg*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,*	*09/04/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Rate/Rule Schedule Item Changes

	compound inflation rider and 25% for those with no inflation rider.			*Percent Rate Change Request: 73*		
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,	10/07/2016 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,*	*06/30/2016 By: Daniel Rosenberg*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*09/04/2015 By: Andrew Besendorf*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Rate/Rule Schedule Item Changes

Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*01/19/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

Response 3

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 3

Applies To:

- *LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)*
- *LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)*
- *LTC Policyholder Endorsement - No inflation, 17452N (Form)*

Comments: We reviewed your response to Objection 1 from our Objection Letter dated 12/28/15, and it appears that form numbers 17452NL 1 yr, 17452CL 1 yr, 17452CL 3 yr, 17452NL 3 yr, and 17452N are intended to be withdrawn from the filing. Please confirm.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 4

Applies To:

- LTC Policyholder Letter, 17452L (Form)
- LTC Policyholder Endorsement, 17452 (Form)
- Certification of Compliance (Supporting Document)

Comments: Related to the objection directly above, the remaining form numbers are inconsistent with the form numbers identified in the Form Schedule. Please note that the number appearing in the Form Schedule must mirror that appearing in the form. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of the forms are correct, please revise the Form Schedule to display the correct form numbers. If the Form Schedule is correct, please provide us with revised forms.

The Certification of Compliance should also be amended to reflect the complete form number of each form.

Changed Items:

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452 7-16 VA.pdf 14VAC5-100-40 3 Cert 17452L 7-16 VA.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.*
Attachment(s):	*14VAC5-100-40 3 Cert 17452.pdf* *14VAC5-100-40 3 Cert 17452L.pdf*
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 5

Applies To:

- *LTC Policyholder Letter, 17452L (Form)*
- *LTC Policyholder Endorsement, 17452 (Form)*

Comments: Thank you for providing the statements of variability; however, they should not be attached to the Form Schedule. Only forms subject to review for approval should be attached to the Form Schedule. As such, please remove it from the Form Schedule under both forms and attach it as supporting documentation.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 6

Applies To:

- LTC Policyholder Letter, 17452L (Form)

Comments: In regards to the policyholder letter, the following concerns need to be addressed:

1) The Contingent Benefit Upon Lapse should include the maximum payable under this benefit and state that in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

2) Please add language that similar options will be available in the future at the time of each increase and benefits may be changed at any time (not just at the time of a rate increase) for compliance with 14VAC5-200-75 D 1.

3) For clarification purposes, we suggest under the question "What happens if no Option is elected" should state that "If the premium is not paid and you do not choose an option...." to avoid any misunderstanding of the process.

4) Under the class of policies section on the last page, please remove the following language "or to all residents of the state of VA with premium paying policies issued in another state or on a form number of similar series." Pursuant to Section 38.2-316 A of the Code of Virginia we are only authorized to review and approve rates for policies issued or issued for delivery in the State of Virginia.

5) In reviewing the reason for the rate increase in paragraph two, there is concern that stating in the last sentence the rate increase is to ensure the company is appropriately positioned may be misunderstood by policyholders. As a suggestion, it would be better to simply state: "Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims."

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 7

Comments:

Please find our response document and attachments in the supporting document section of SEFF. The response document addresses each of the VA comments/questions/objections.

Related Objection 7

Applies To:

- Response to 12/15/2015 & 12/28/2015 Questions (Supporting Document)

Comments: Thank you for your response to our objection 4; however, our concerns are not completely resolved.

What endorsement forms will be used if the insured decides to reduce benefits or request a paid up option through the contingent benefit upon lapse or nonforfeiture benefit? The endorsement attached to this filing provides only general information regarding options available. Please attach a copy of the endorsement that is provided if the benefit is reduced or removed or the policy becomes paid-up. Please include the SERFF tracking number, if applicable, and date of approval of such endorsements.

The triggers for a substantial premium increase were lowered as of September 1, 2015 and 14VAC5-200-185 D revised accordingly. Please confirm the company will administer the contingent benefit upon lapse and any contractual non-forfeiture option pursuant to the revised regulation.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452 7-16 VA.pdf 14VAC5-100-40 3 Cert 17452L 7-16 VA.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.*
Attachment(s):	*14VAC5-100-40 3 Cert 17452.pdf* *14VAC5-100-40 3 Cert 17452L.pdf*
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452 7-16 VA.pdf 14VAC5-100-40 3 Cert 17452L 7-16 VA.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.*
Attachment(s):	*14VAC5-100-40 3 Cert 17452.pdf* *14VAC5-100-40 3 Cert 17452L.pdf*
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

Satisfied - Item:	Response to 8/23/2016 Questions
Comments:	Please find: 1. Statement of Variability VA LTC - This was moved from the forms section of SERFF to the supporting document section per instructions from the state. This applies to forms 17452 7/16 VA and 17452L 7/16 VA. 2. John Doed Version of Endorsement for non inflation policies. 3. Jane Doed Version of Endorsement for inflation policies. 4. 14VAC5-110-60 Readability Certification for Letter 5. 14VAC5-110-60 Readability Certification for Endorsement 6. Part 1 LTC Rate Request Summary 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. 9. Jane Doed Version of 2nd year Letter for inflation policies. 10. Jane Doed Version of 3rd year Letter for inflation policies. 11. Response to Questions 08-23-2016.pdf (this is our document answering each question with references to the included attachments) 12. KIC_VA_Exhibit II_rate calculation example.xls (this is a spreadsheet showing formulas used to compute the premiums for a sample policy with and without inflation protection).

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	Statement_of_Variability_VA LTC.pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Part 1LTC Rate Request Summary 12 31 14.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Response to Questions 08-23-2016.pdf KIC_VA_Exhibit II rate calculation example.xlsx

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452 7-16 VA.pdf 14VAC5-100-40 3 Cert 17452L 7-16 VA.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.*
Attachment(s):	*14VAC5-100-40 3 Cert 17452.pdf* *14VAC5-100-40 3 Cert 17452L.pdf*
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

Satisfied - Item:	Response to 8/23/2016 Questions
Comments:	Please find: 1. Statement of Variability VA LTC - This was moved from the forms section of SERFF to the supporting document section per instructions from the state. This applies to forms 17452 7/16 VA and 17452L 7/16 VA. 2. John Doed Version of Endorsement for non inflation policies. 3. Jane Doed Version of Endorsement for inflation policies. 4. 14VAC5-110-60 Readability Certification for Letter 5. 14VAC5-110-60 Readability Certification for Endorsement 6. Part 1 LTC Rate Request Summary 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. 9. Jane Doed Version of 2nd year Letter for inflation policies. 10. Jane Doed Version of 3rd year Letter for inflation policies. 11. Response to Questions 08-23-2016.pdf (this is our document answering each question with references to the included attachments) 12. KIC_VA_Exhibit II_rate calculation example.xls (this is a spreadsheet showing formulas used to compute the premiums for a sample policy with and without inflation protection).

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	Statement_of_Variability_VA LTC.pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Part 1LTC Rate Request Summary 12 31 14.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Response to Questions 08-23-2016.pdf KIC_VA_Exhibit II rate calculation example.xlsx

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above 5) Exh II - includes current and proposed premiums. Thanks. 6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above* *5) Exh II - includes current and proposed premiums. Thanks.*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf*

	130HUM22.VA.LTC2.ExhibitII.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum* *2). Exhibit I nationwide experience* *3). Exhibit I VA state experience* *4). Cover Letter*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.pdf* *LTC2_VA_Cover Letter.pdf*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L 7/16 VA	POL	Initial		47.600	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf	Date Submitted: 10/07/2016 By: Andrew Besendorf
Previous Version								
1	*LTC Policyholder Letter*	*17452L*	*POL*	*Initial*		*47.800*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 08/23/2016 By:*
Previous Version								
1	*LTC Policyholder Letter*	*17452L*	*POL*	*Initial*		*47.800*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*
2	LTC Policyholder Endorsement	17452 7/16 VA	POL	Initial		42.900	Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf	Date Submitted: 10/07/2016 By: Andrew Besendorf
Previous Version								
2	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 08/23/2016 By:*
Previous Version								
2	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Va*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L 7/16 VA	POL	Initial		47.600	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf	Date Submitted: 10/07/2016 By: Andrew Besendorf
							riability_VA LTC.pdf	

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,	10/07/2016 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,*	*06/30/2016 By: Daniel Rosenberg*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,*	*09/04/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Rate/Rule Schedule Item Changes

	compound inflation rider and 25% for those with no inflation rider.			*Percent Rate Change Request: 73*		
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,	10/07/2016 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,*	*06/30/2016 By: Daniel Rosenberg*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*09/04/2015 By: Andrew Besendorf*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*01/19/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

Conclusion:

Thanks again,

Andrew Besendorf FSA, MAAA
dbesendorf@humana.com
502.580.2262

Sincerely,
Andrew Besendorf

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/30/2016
Submitted Date	06/30/2016

Dear Janet Houser,

Introduction:

Hi Janet,

Please our responses to the policyholder letter and endorsement questions.

Thanks for your suggestions. They are appreciated.

Response 1

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 1

Applies To:

- *LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)*
- *LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)*
- *LTC Policyholder Endorsement - No inflation, 17452N (Form)*
- *LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)*

Comments: The form numbers in the Form Schedule are inconsistent with the related forms. Items 3, 4, 7 and 8 conflict with the form number stated in the Form Schedule. The forms attached as Items 5 and 6 are identified with the same form number as Items 3 and 4. 14 VAC 5-100-40 1 provides that each form submitted must have a number which may consist of digits, letters or a combination of both. The number must distinguish the form from all other forms used by the insurer. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of each form is correct, please revise the Form Schedule to display the correct form number. If the Form Schedule is correct, please provide us with revised forms.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 2

Applies To:

- *LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)*
- *LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)*

- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: The forms contain variable fields. Please provide us with a statement of variability that identifies each variable field appearing in the forms and describe specifically how that field might vary from the text as presented. Please be aware that all fields intended to be variable, even those that are self-explanatory, must be bracketed in the form and described in the statement of variability.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 3

Applies To:

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Please provide us with John Doed versions of the forms.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 4

Applies To:

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Comments: The Policyholders Already on Claim section states that once off claim, if applicable, the rate increase will apply and the insured will have the opportunity to elect one of the options described in this letter. In all other cases the letter refers to options described in the Endorsement. For purposes of clarity and consistency, this section should similarly refer to options explained in the Endorsement.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 5

Applies To:

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: The Termination of this Endorsement provision states that the endorsement will terminate upon conversion of the policy to a reduced paid-up policy. Please note that the endorsement may not terminate under this circumstance since the endorsement contains explanatory language about the reduced paid-up policy that amends the policy.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 6

Applies To:

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Please confirm that the offer to convert the policy to a reduced paid-up benefit is available to all recipients of the premium increase.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Response 7

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 7

Applies To:

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: One of the options to premium increase is to reduce the benefit period. Please advise the minimum benefit period allowable.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 8

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 8

Applies To:

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Option 2 is appropriately referred to as a contingent benefit upon lapse; however, Option 2 Limitations refer to the Non-forfeiture Benefit Calculation and the Non-Forfeiture benefits. For the purposes of clarity and consistency with other endorsement language, please refer to the Contingent Benefit Upon Lapse Calculation and the Contingent Benefits Upon Lapse.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 9

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 9

Applies To:

- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: Please show conformity with 14 VAC 5-200-183 A 3 with respect to the Option 2 Limitations statement that inflation protection riders will terminate without value.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks.

Sincerely,

Daniel Rosenberg

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/30/2016
Submitted Date	06/30/2016

Dear Janet Houser,

Introduction:

Hi Janet,

Please our responses to the policyholder letter and endorsement questions.

Thanks for your suggestions. They are appreciated.

Response 1

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 1

Comments: The company has provided separate policyholder letters and endorsements depending upon what inflation rider may be included in the policy and if the rate increase will be implemented over one year or three years for both long term care rate filings HUMA-129780509 and HUMA-129780458.

I just wanted to bring to your attention, the company, if it so chooses, only needs to submit one set of letters to be filed and one set of forms for approval as long as there is sufficient variability in each letter and endorsement to meet the different policy scenarios. It is not necessary to create duplicate letters with different form numbers. The same letter and form could be used with future long term care rate filings and avoid having to be re-submitted with each filing. If you have any questions regarding this, please contact me at 804-371-9390.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to e-mail sent on 3/14/2016
Comments:	Please find: 1. Rate Summary Form 2. Exhibit II Current and Proposed Rate and Factor Tables (Tax Qualified) 3. Exhibit II Current and Proposed Rate and Factor Tables (Non-Tax Qualified)
Attachment(s):	Part 1LTC Rate Request Summary 12 31 14.pdf KIC_VA_LTC2_ActMemo_ExhibitII_TQ.pdf KIC_VA_LTC2_ActMemo_ExhibitII_NTQ.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to e-mail sent on 3/14/2016
Comments:	Please find: 1. Rate Summary Form 2. Exhibit II Current and Proposed Rate and Factor Tables (Tax Qualified) 3. Exhibit II Current and Proposed Rate and Factor Tables (Non-Tax Qualified)
Attachment(s):	Part 1LTC Rate Request Summary 12 31 14.pdf KIC_VA_LTC2_ActMemo_ExhibitII_TQ.pdf KIC_VA_LTC2_ActMemo_ExhibitII_NTQ.pdf

Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452.pdf 14VAC5-100-40 3 Cert 17452L.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to e-mail sent on 3/14/2016
Comments:	Please find: 1. Rate Summary Form 2. Exhibit II Current and Proposed Rate and Factor Tables (Tax Qualified) 3. Exhibit II Current and Proposed Rate and Factor Tables (Non-Tax Qualified)
Attachment(s):	Part 1LTC Rate Request Summary 12 31 14.pdf KIC_VA_LTC2_ActMemo_ExhibitII_TQ.pdf KIC_VA_LTC2_ActMemo_ExhibitII_NTQ.pdf

Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452.pdf 14VAC5-100-40 3 Cert 17452L.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

Satisfied - Item:	Response to 12/15/2015 & 12/28/2015 Questions
Comments:	Please find: 1. Tax Qualified Compound Inflation rider for LTC2 Policies 2. Non-tax Qualified Compound Inflation rider for LTC2 Policies 3. Endorsement for Tax Qualified LTC2 policies approved by VA in the past. 4. Endorsement for Non-tax Qualified LTC2 policies approved by VA in the past. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. 9. Jane Doed Version of 2nd year Letter for inflation policies. 10. Jane Doed Version of 3rd year Letter for inflation policies. 11. 14VAC5-110-60 Readability Certification for Letter 12. 14VAC5-110-60 Readability Certification for Endorsement

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

	13. Document with responses to the VA state objections sent 12/15/2016. 14. Document with responses to the VA state objections sent 12/28/2016. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.
Attachment(s):	80680 1-97.pdf 93072 NTQ 1-98.pdf 82000 101 CB - VA.pdf 82120 901 CB - VA.pdf Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2).pdf VA 2015_12_28 Responses - LTC2.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3).pdf 14VAC5-110-60 Cert 17452.pdf 14VAC5-110-60 Cert 17452L.pdf VA 2015_12_15 Responses - LTC2.pdf

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L	POL	Initial		47.800	Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf	Date Submitted: 06/30/2016 By: Daniel Rosenberg
2	LTC Policyholder Endorsement	17452	POL	Initial		41.900	Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf	Date Submitted: 06/30/2016 By: Daniel Rosenberg

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,	06/30/2016 By: Daniel Rosenberg
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,*	*09/04/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*

SERFF Tracking #:	*HUMA-129780509*	**State Tracking #:**	*HUMA-129780509*	**Company Tracking #:**	*LTC2 10242014*	

State:	*Virginia*	**Filing Company:**	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Rate/Rule Schedule Item Changes						
2	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,	06/30/2016 By: Daniel Rosenberg
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,*	*11/23/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*09/04/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*01/19/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

Response 2

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Related Objection 2

Applies To:

- LTC Policyholder Letter - No inflation, 17452NL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 1 yr (Form)
- LTC Policyholder Letter - Compound inflation, 17452CL 3 yr (Form)
- LTC Policyholder Letter - No inflation, 17452NL 3 yr (Form)
- LTC Policyholder Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)

Comments: In regards to the policyholder letters, please address the following:

1) Please provide a Statement of Variability for each letter.

2) According to your response, the company is willing to implement a series of increases over three years and would like, however, to do a single increase for the policies with no inflation rider. This is an acceptable arrangement.

3) The company felt it was in compliance with 14VAC5-200-75 A 2 by including a statement in the endorsement indicating these options are available anytime while the Endorsement is in effect. According to the first sentence in the endorsement, however, this endorsement refers to benefits you may elect "only" when there is a state approved premium increase. It does not state these options are available at any other time. A policyholder may request changes in the benefits at any time the policy is in force that may reduce or may raise premiums. Please revise the letter and/or endorsement accordingly for compliance with the regulation.

4) We appreciate your response our request to include a statement in the letter that the insured has a right to a revised premium rate or rate schedule upon request as set forth in 14VAC5-200-75 A 4 b. After further review, our objection remains unresolved. The paragraph as referenced does not specifically include the language as required by the regulation. Again, we request that it be added for compliance purposes.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Related Objection 3

Applies To:

- *LTC Policyholder Endorsement - No inflation, 17452N (Form)*
- *LTC Policyholder Endorsement - Compound Inflation, 17452C (Form)*

Comments: For clarification purposes, please confirm the company intends for these endorsements to be attached and made a part of the the policyholder's policy. Policy forms will be reviewed and approved by a forms examiner who will submit any objections under a separate cover. There are, however, some preliminary concerns we have with the endorsement forms as follows:

1) As an observation, we note the company is referring to these forms as "endorsements". The term "Endorsement" normally indicates a section of the policy is being replaced by the language noted in the "endorsement." That is not the case in this situation; the company is actually providing additional information, and, it would seem the word "rider" may be more appropriate.

2) Under "What happens if no Option is elected?" should clearly indicate the first option is the Contingent Benefit Upon Lapse (CBUL) and the second option is a Non-Forfeiture Rider if the policy includes such.

3) Please confirm what the minimum policy benefit period can be.

4) Option 2 refers to the CBUL calculation but Option 2: Limitations refers to a Non-Forfeiture Benefit Calculation. Should this not reference the CBUL calculation in this sentence?

Option 2: Limitations also states that "if you are benefit eligible." Where is that information provided in the policy; and if the person is not eligible, is the company offering this to everyone regardless of eligibility at the time of a rate increase?

As mentioned previously, the Virginia State Corporation Commission earlier this year adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748. If the policy contains or does not contain a CBUL benefit and/or nonforfeiture benefit, the company will need to amend the policy for compliance with the revised regulations 14VAC5-200-185E of the Code of Virginia by submitting a separate form filing in SERFF.

5) Although the endorsement twice states all options are not of equal value, this does not satisfy our request that as a disclosure this information must be emphasized and draw attention to it. Please amend the language so it is clear this important information has been clearly disclosed as set forth in 14VAC5-200-75 D 2 b.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 4

Comments: Thank you for providing information in regards to how the policy is updated. According to your response, the policy schedule page was already filed and approved by the state of Virginia at the time of the policy contract form filing.

Was the form approved with the variable language noted on the bottom of the policy schedule? If so, please provide us with documentation that reflects such variable in the form was approved. Otherwise, please attach a revised Policy Schedule to the Form Schedule in compliance with 14VAC5-110-50 and include a Certification of Compliance in accordance with 14VAC5-100-40 3. Please include a Statement of Variability, if appropriate.

For our purposes, please clarify why the Policy Schedule states "This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy." There is no mention of any endorsement being sent with the letter and policy schedule.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please find our responses to the Dec. 15th and 18th questions in the rate/rule, form, and supporting document sections of SERFF.

Related Objection 5

Applies To:

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

- Certification of Compliance (Supporting Document)

Comments: Since the endorsement forms and letters have separate form numbers, please provide an updated Certification of Compliance as set forth in 14VAC5-100-40 3.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452.pdf 14VAC5-100-40 3 Cert 17452L.pdf
Previous Version	
Satisfied - Item:	*Certification of Compliance*
Comments:	*Please find a certification signed by the appointed actuary/officer of the company.*
Attachment(s):	*KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf*
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks.

Sincerely,

Daniel Rosenberg

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/23/2015
Submitted Date	11/23/2015

Dear Janet Houser,

Introduction:

This was an additional question that we addressed in our response.

Thanks,

Response 1

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order (the 5 objections) and references exhibits or files included in the SERFF response.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks again.
Sincerely,
Andrew Besendorf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/23/2015
Submitted Date	11/23/2015

Dear Janet Houser,

Introduction:

Thanks for your work on this filing. It is appreciated.

Please see our response to your 9/14/2015 questions. Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order (the 5 objections) and references exhibits or files included in the SERFF response. We hope you find this response organized and easy to follow. If you have any questions or concerns, please don't hesitate to call me at 502.580.2262 or email me at dbesendorf@humana.com.

Andrew Besendorf FSA, MAAA

Response 1

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order and references exhibits or files included in the SERFF response.

Related Objection 1

Applies To:

- *L&H Actuarial Memorandum (Supporting Document)*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Comments: 1. Please confirm that for nationwide projections, the earned premiums were adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia (i.e., that any difference between the 2010 rate increase in Virginia vs. the average nationwide is reflected.)

2. We need to clarify one of the requests from our previous objection. For the projections provided in the files ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf and ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf, our intention was that the historical information would match the actual experience and the projected future premium and claims would be based on the inforce policies on the projection date (12/31/2013) using the original premium rate scale and original assumptions. Please revise those particular exhibits and resubmit.

3. For the projections provided in the files ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf and ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf, we would expect that the projected premiums in years after full implementation of the requested increase (2016 and beyond) would match the premiums assuming the requested rate increase is implemented. Please revise as appropriate and resubmit.

Note, as before, please observe the following:
a. Projections should be provided on both Virginia-only and nationwide basis.
b. Projections should not include any paid-up policies.
c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 9/14/2015 Questions
Comments:	Please find the following: 1-4. Nationwide Exhibits 5-8. Virginia Exhibits 9-15. Follow up documents sent to Policyholders. 16. Document with responses to each of the VA state questions. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.
Attachment(s):	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf Policy Schedule.pdf Plan Change_Benefit Period.pdf Plan Change_DailyBenefit_Px Refund.pdf Contingent Benefit Upon Lapse Notice_Post Rate Increase.pdf Plan Change_Reduce Inflation Protection Benefit.pdf PxQuote Ltr_Change Reqst_No InfReduction_lp_111615.pdf LTC2 Objection Letter 20150914.pdf PxQuote Ltr_Change Reqst_with InfReduction_lp_111615.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 9/14/2015 Questions
Comments:	Please find the following: 1-4. Nationwide Exhibits 5-8. Virginia Exhibits 9-15. Follow up documents sent to Policyholders. 16. Document with responses to each of the VA state questions. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.
Attachment(s):	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf Policy Schedule.pdf Plan Change_Benefit Period.pdf Plan Change_DailyBenefit_Px Refund.pdf Contingent Benefit Upon Lapse Notice_Post Rate Increase.pdf Plan Change_Reduce Inflation Protection Benefit.pdf PxQuote Ltr_Change Reqst_No InfReduction_lp_111615.pdf LTC2 Objection Letter 20150914.pdf PxQuote Ltr_Change Reqst_with InfReduction_lp_111615.pdf

Satisfied - Item:	Readability certification 14VAC5-100-60 (Response to 9/14/2015 Questions)
Comments:	Please Find: 1. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters.
Attachment(s):	14VAC5-110-60 Cert 17452.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
1	*LTC Policyholder Letter and Endorsement - No inflation*	*17452N*	*POL*	*Initial*		*40.000*	*ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
2	LTC Policyholder Letter - Compound inflation	17452CL 1 yr	POL	Initial		44.200	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 1 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
2	*LTC Policyholder Letter and Endorsement - Compound Inflation*	*17452C 1 yr*	*POL*	*Initial*		*40.100*	*ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
3	LTC Policyholder Letter - Compound inflation	17452CL 3 yr	POL	Initial		45.600	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 3 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
3	*LTC Policyholder Letter and Endorsement -*	*17452C 3 yr*	*POL*	*Initial*		*41.400*	*ENDORSEMENT Illustrative_Kanawha Rate*	*Date Submitted: 09/04/2015 By: Andrew*

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
	Compound Inflation						*Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf*	*Besendorf*
4	LTC Policyholder Letter - No inflation	17452NL 3 yr	POL	Initial		45.700	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 3 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
5	LTC Policyholder Endorsement - No inflation	17452N	POL	Initial		46.400	Endorsement_Rate Increase_No Inflation_VA LTC2 17452N.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
6	LTC Policyholder Endorsement - Compound Inflation	17452C	POL	Initial		46.400	Endorsement_Rate Increase_With Compound Inflation_VA LTC2 17452C.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,	11/23/2015 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,*	*09/04/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,	11/23/2015 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed,*	*80880 NTQ 1/98 VA, 80710 1/97, 80900*	*Revised*	*Previous State Filing Number:*		*09/04/2015 By: Andrew Besendorf*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Rate/Rule Schedule Item Changes

	90% for policies with compound inflation rider and 25% for those with no inflation rider.	NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98		MMTA-126092761 Percent Rate Change Request: 73		
Previous Version						
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73		01/19/2015 By: Andrew Besendorf
Previous Version						
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA	New			11/04/2014 By: Andrew Besendorf

Response 2

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order and references exhibits or files included in the SERFF response.

Related Objection 2

Applies To:

- LTC Policyholder Letter and Endorsement - No inflation, 17452N (Form)
- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 1 yr (Form)
- LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 3 yr (Form)

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Comments: 1. Since the letters must now be filed in accordance with 14 VAC5-200-75 D, please include a form number in the lower left-hand corner of the first page of each letter for compliance with 14VAC5-100-50 1.

2. There are three endorsement forms attached to the letters: 17452N, 17452C, and 174532C. It is our assumption the endorsements, and not the letters which relate to a specific rate increase, would be attached to the policy. As a result, please separate the endorsements from the letters and attach each to the Form Schedule for review and approval. The form number should be listed on the lower left hand corner of the form pursuant to 14VAC-100-50 1 and the complete form number should appear under the Form Number column under the Form Schedule in SERFF.

3. The endorsements, as presented, provide the insured the options available to reduce the impact of the rate increase. The endorsement, itself, does not indicate what option the insured may have chosen. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract.

The company previously indicated the individual will be furnished a designation form to elect an option in lieu of the fully approved rate increase. Please provide us a copy of that form. Does that form become a part of the policy? If so, please provide the SERFF tracking number and approval date.

The company also indicated a final communication is generated indicating their option choice and and updated Schedule Page is included. The policyholder is advised to file these documents with their current policy. Please provide a copy of the communication and Schedule Page the insured would receive. Please provide the SERFF tracking number and approval date of the final communication that is attached to the policy.

4. As a preliminary review of the Endorsement form which is currently a part of the letter, the following concerns should be addressed:

a. For compliance with 14VAC5-100-50 2, the full and proper corporate name of the insurer should prominently appear.
b. The name of the policyholder, policy number and effective date of change should be clearly indicated.
c. Please expand the first sentence on page 2 of the Endorsement to clearly identify this option as a Contingent Benefit Upon Lapse as opposed to the non-forfeiture option which an individual may have purchased.

Changed Items:

No Supporting Documents changed.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
1	*LTC Policyholder Letter and Endorsement - No inflation*	*17452N*	*POL*	*Initial*		*40.000*	*ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
2	LTC Policyholder Letter - Compound inflation	17452CL 1 yr	POL	Initial		44.200	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 1 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
2	*LTC Policyholder Letter and Endorsement - Compound Inflation*	*17452C 1 yr*	*POL*	*Initial*		*40.100*	*ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
3	LTC Policyholder Letter - Compound inflation	17452CL 3 yr	POL	Initial		45.600	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 3 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
3	*LTC Policyholder Letter and Endorsement -*	*17452C 3 yr*	*POL*	*Initial*		*41.400*	*ENDORSEMENT Illustrative_Kanawha Rate*	*Date Submitted: 09/04/2015 By: Andrew*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
	Compound Inflation						*Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf*	*Besendorf*

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order and references exhibits or files included in the SERFF response.

Related Objection 3

Applies To:

- *LTC Policyholder Letter and Endorsement - No inflation, 17452N (Form)*
- *LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 1 yr (Form)*
- *LTC Policyholder Letter and Endorsement - Compound Inflation, 17452C 3 yr (Form)*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Comments: In regards to the letters, the following concerns need to be addressed:

1. The second paragraph addresses the reason for the rate increase as actual experience being "materially different from our assumptions." To more clearly identify the driving factors pursuant to 14VAC5-200-75 D 3, the language should be expanded by adding language similar to the following:

"...since more policyholders are keeping than policies than projected, insureds are filing a higher number of claims than expected, and insureds are living longer than originally expected."

2. In the General Information section in SERFF, the company states the following:

"Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time."

Under the section entitled "Your New Premium" or "Your Premium" (depending upon the letter), would it not be beneficial for the company to include this information since this section is discussing the possibility of future rate increases? If experience comes in close to what the company is projecting based on the proposed rate increases, would the company not file for future rate increases?

3. 14VAC5-200-75 D 2b requires a disclosure stating that all options may not be of equal value." The letter states "The value of the Option you choose can vary depending upon on your future use of policy benefits." Because this is a disclosure, it should be more prominent and clearly state all options are not of equal value.

4. If the rate increase is implemented over three years, what letter will the company use for the policyholders whose policies doe not have the inflation rider? What does the company mean in its response" Given the size of the increase requested, we have included only a "one year" sample letter for policies without inflation riders" ?

Changed Items:

No Supporting Documents changed.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
1	*LTC Policyholder Letter and Endorsement - No inflation*	*17452N*	*POL*	*Initial*		*40.000*	*ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
2	LTC Policyholder Letter - Compound inflation	17452CL 1 yr	POL	Initial		44.200	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 1 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
2	*LTC Policyholder Letter and Endorsement - Compound Inflation*	*17452C 1 yr*	*POL*	*Initial*		*40.100*	*ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf*	*Date Submitted: 09/04/2015 By: Andrew Besendorf*
3	LTC Policyholder Letter - Compound inflation	17452CL 3 yr	POL	Initial		45.600	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 3 Yr Increase 17452CL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
Previous Version								
3	*LTC Policyholder Letter and Endorsement -*	*17452C 3 yr*	*POL*	*Initial*		*41.400*	*ENDORSEMENT Illustrative_Kanawha Rate*	*Date Submitted: 09/04/2015 By: Andrew*

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf	Date Submitted: 11/23/2015 By: Andrew Besendorf
	Compound Inflation						*Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf*	*Besendorf*

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order and references exhibits or files included in the SERFF response.

Related Objection 4

Applies To:

- Response to 5/28/2015 Questions (Supporting Document)

Comments: Please move the Readability Certification to a separate line in Supporting Documentation so that it may be easily located for future reference. Also, it appears the Readability Certification does not include the number of syllables as set forth in 14VAC5-110-60. Please revise accordingly.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please refer first to the document "LTC2 Objection Letter 20150914.pdf" in the supporting document section of SERFF under the subsection "Response to 9/14/2015 Questions". This document responds to each of your questions in order and references exhibits or files included in the SERFF response.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Related Objection 5

Applies To:

- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider., [80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97] (Rate)

- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider., [80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98] (Rate)

Comments: According to the Rate/Rule Schedule, there should be rates for the following form numbers:

80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97 AND 80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98.

Please confirm these form numbers match exactly the form number as approved.

There are no rate schedules attached for the second set of form numbers which should be added.

Please be sure it is clear what policies have the 90% rate increase, the 75% increase and 25% rate increase.

If the rate increase will be implemented over three years, the company will need to attach rate schedules for each implementation period.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,	11/23/2015 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,*	*09/04/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,	11/23/2015 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed,*	*80880 NTQ 1/98 VA, 80710 1/97, 80900*	*Revised*	*Previous State Filing Number:*		*09/04/2015 By: Andrew Besendorf*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

	90% for policies with compound inflation rider and 25% for those with no inflation rider.	*NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98*		*MMTA-126092761 Percent Rate Change Request: 73*		
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*01/19/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

Conclusion:

Thanks again for your work on this filing.

Sincerely,

Andrew Besendorf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/04/2015
Submitted Date	09/04/2015

Dear Janet Houser,

Introduction:

Thanks for your work on this filing. It is appreciated.

Response 1

Comments:

Please find our responses to the questions raised on 5/28/2015. Thanks for your patience as creating the endorsement, certifications, etc. were time consuming.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 5/28/2015 Questions
Comments:	Please find the following: 1. Document with responses to each of the VA state questions. The format simply copies the questions and injects responses under each question or section. "LTC 2 05282015 Questions from the state of VA.pdf" 2-4. Endorsements - policyholder letters - these are also included in the forms section of SERFF. 5-8. Nationwide Exhibits as referenced in the first document. 9-12. VA Exhibits as referenced in the first document. 13. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters. 14. Please find a transmittal letter for the policyholder letters/endorsements.
Attachment(s):	ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5-100-60 Readability Certification LTC 2 17452N 17452C.pdf LTC 2 05282015 Questions from the state of VA.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5 100 40 Transmittal Letter for Forms 1745.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 5/28/2015 Questions
Comments:	Please find the following: 1. Document with responses to each of the VA state questions. The format simply copies the questions and injects responses under each question or section. "LTC 2 05282015 Questions from the state of VA.pdf" 2-4. Endorsements - policyholder letters - these are also included in the forms section of SERFF. 5-8. Nationwide Exhibits as referenced in the first document. 9-12. VA Exhibits as referenced in the first document. 13. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters. 14. Please find a transmittal letter for the policyholder letters/endorsements.
Attachment(s):	ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5-100-60 Readability Certification LTC 2 17452N 17452C.pdf LTC 2 05282015 Questions from the state of VA.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5 100 40 Transmittal Letter for Forms 1745.pdf

Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company.
Attachment(s):	KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 5/28/2015 Questions
Comments:	Please find the following: 1. Document with responses to each of the VA state questions. The format simply copies the questions and injects responses under each question or section. "LTC 2 05282015 Questions from the state of VA.pdf" 2-4. Endorsements - policyholder letters - these are also included in the forms section of SERFF. 5-8. Nationwide Exhibits as referenced in the first document. 9-12. VA Exhibits as referenced in the first document. 13. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters. 14. Please find a transmittal letter for the policyholder letters/endorsements.
Attachment(s):	ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5-100-60 Readability Certification LTC 2 17452N 17452C.pdf LTC 2 05282015 Questions from the state of VA.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5 100 40 Transmittal Letter for Forms 1745.pdf

Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company.
Attachment(s):	KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*This is a rate increase filing.*
Attachment(s):	

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above

	5) Exh II - includes current and proposed premiums. Thanks.
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum* *2). Exhibit I nationwide experience* *3). Exhibit I VA state experience* *4). Cover Letter*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.pdf* *LTC2_VA_Cover Letter.pdf*

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter and Endorsement - No inflation	17452N	POL	Initial		40.000	ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf	Date Submitted: 09/04/2015 By: Andrew Besendorf
2	LTC Policyholder Letter and Endorsement - Compound Inflation	17452C 1 yr	POL	Initial		40.100	ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf	Date Submitted: 09/04/2015 By: Andrew Besendorf
3	LTC Policyholder Letter and Endorsement - Compound Inflation	17452C 3 yr	POL	Initial		41.400	ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf	Date Submitted: 09/04/2015 By: Andrew Besendorf

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	130HUM22.VA.LTC2.ExhibitII.Proposed.pdf,	09/04/2015 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*	*130HUM22.VA.LTC2.ExhibitII.pdf,*	*01/19/2015 By: Andrew Besendorf*
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73		09/04/2015 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*Revised*	*Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73*		*01/19/2015 By: Andrew Besendorf*
Previous Version						
2	*Premium Schedule-Current and Proposed,*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Rate/Rule Schedule Item Changes

	90% for policies with compound inflation rider and 25% for those with no inflation rider.					

Conclusion:

Thanks again. Don't hesitate to call me at 502.580.2262 or email at dbesendorf@humana.com if you have questions. Thanks,

Andrew Besendorf FSA, MAAA.

Sincerely,

Andrew Besendorf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/30/2015
Submitted Date	04/30/2015

Dear Janet Houser,

Introduction:

Please find our responses to your 1/23/2015 questions. Thanks for your time and work on this filing.

Response 1

Comments:

Please find a cover letter in the "Response to 1/23/2015 Questions" supporting documents section of SERFF.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Sample Policyholder Letters
Comments:	Please find revised letter reflecting comments in 1/23/2015 questions: 1). An illustrative policyholder letter for those with an inflation rider. 2). An illustrative policyholder letter for those without an inflation rider.
Attachment(s):	Illustrative_Kanawha Rate Increase Compound Inflation Letter.pdf Illustrative_Kanawha Rate Increase No Inflation Letter.pdf
Previous Version	
Satisfied - Item:	*Sample Policyholder Letters*
Comments:	*Please find:* *1). An illustrative policyholder letter for those with an inflation rider.* *2). An illustrative policyholder letter for those without an inflation rider.* *The letter without inflation riders was updated to be consistent with the inflation rider letter.*
Attachment(s):	*Illustrative KIC_LTC2_Rate Increase Letter with 5 Options 2014 Compound Inflation.pdf* *RateIncLetter_Sample_SCLTC2 no inflation.pdf*
Previous Version	
Satisfied - Item:	*Sample Policyholder Letters*
Comments:	*Please find:* *1). Traditional policyholder letter which will used for the policies without inflation riders.* *2). An illustrative policyholder letter for those with an inflation riders.*
Attachment(s):	*RateIncLetter_Sample (no inflation).pdf* *Illustrative KIC_LTC_Rate Increase Letter with 5 Options 2014.pdf*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Sample Policyholder Letters
Comments:	Please find revised letter reflecting comments in 1/23/2015 questions: 1). An illustrative policyholder letter for those with an inflation rider. 2). An illustrative policyholder letter for those without an inflation rider.
Attachment(s):	Illustrative_Kanawha Rate Increase Compound Inflation Letter.pdf Illustrative_Kanawha Rate Increase No Inflation Letter.pdf
Previous Version	
Satisfied - Item:	*Sample Policyholder Letters*
Comments:	*Please find:* *1). An illustrative policyholder letter for those with an inflation rider.* *2). An illustrative policyholder letter for those without an inflation rider.* *The letter without inflation riders was updated to be consistent with the inflation rider letter.*
Attachment(s):	*Illustrative KIC_LTC2_Rate Increase Letter with 5 Options 2014 Compound Inflation.pdf* *RateIncLetter_Sample_SCLTC2 no inflation.pdf*
Previous Version	
Satisfied - Item:	*Sample Policyholder Letters*
Comments:	*Please find:* *1). Traditional policyholder letter which will used for the policies without inflation riders.* *2). An illustrative policyholder letter for those with an inflation riders.*
Attachment(s):	*RateIncLetter_Sample (no inflation).pdf* *Illustrative KIC_LTC_Rate Increase Letter with 5 Options 2014.pdf*

Satisfied - Item:	Response to 1/23/2015 Questions
Comments:	Please find: 1. Cover letter with responses to 1/23/2015 questions... 2. KIC historical termination study (as referenced in the cover letter) 3. Rate increase status update by state with annualized premiums as of 12/31/2013. (as referenced in the cover letter) 4. Lifetime Payment option exhibit ID. (as referenced in the cover letter) 5. 1,2,3,4 Exhibit I's to reconcile using proposed premiums since issue (as referenced in the cover letter) 6. Appendix G (as referenced in the cover letter) Please see revised policyholder letters in the "sample Policyholder Letters" section of supporting documents in SERFF.
Attachment(s):	LTC2.Cover Letter Response 01232015.pdf Kanawha Historical Termination Rates Study.pdf Rate Increase StatusUpdate Response Workbook - VA.pdf 0130HUM22.LTC.ExhibitID.LifetimePay.Nationwide.pdf 1. 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

	2. VA.LTC2.Exhibit I E.VAState.pdf 3. ExhibitI.LTC2.ProposedPremiumsPaidSinceIssue.pdf 4. ExhibitI.LTC2.ActualPremiumExperienceWith100%ImplementationImmediately.pdf AdditionalItems.LTC.AppendixG.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Thanks again.

Sincerely,

Andrew Besendorf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/19/2015
Submitted Date	01/19/2015

Dear Janet Houser,

Introduction:

Thanks for your quick look at this filing.

Response 1

Comments:

Our responses to your November 7, 2014 questions are documented in the Supporting Document Schedule section of SERFF.

Please find our response document, policy forms and exhibits in the subsection "Supporting documentation for the response to the Nov 7, 2014 VA Questions".

We updated rate/rule schedule to say "revised" and included the SERFF #'s from our previous filings.

In prior work with the state of VA, VA has required "issue state" filings which is reflected in our administration of the Kanawha block. We have updated our exhibits to reflect this requirement.

We updated our policyholder letters to reflect the current format of the proposed letters.

Changed Items:

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Supporting Exhibits for Response to Nov 7, 2014 Questions
Comments:	Please find the following: 1. Response document showing our detailed responses to the November 7, 2014 VA Questions. 2. Policy forms 80660-93102. 3. Exhibits D, E, and F - which are noted in the response document.
Attachment(s):	VA. LTC2. Response 01162015.pdf 80660 1-97.pdf 80680 1-97.pdf 80710 1-97.pdf 80900 NTQ 1-98.pdf 90170 1-97.pdf 90175 1-97.pdf 93000 1-97.pdf 93000 1-98.pdf 93072 NTQ 1-98.pdf 93087 NTQ 1-98.pdf 93102 NTQ 1-98.pdf VA.LTC2.Exhibit I D.NW.pdf VA.LTC2.Exhibit I E.VAState.pdf VA.LTC2.Exhibit I F.NW.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Supporting Exhibits for Response to Nov 7, 2014 Questions
Comments:	Please find the following: 1. Response document showing our detailed responses to the November 7, 2014 VA Questions. 2. Policy forms 80660-93102. 3. Exhibits D, E, and F - which are noted in the response document.
Attachment(s):	VA. LTC2. Response 01162015.pdf 80660 1-97.pdf 80680 1-97.pdf 80710 1-97.pdf 80900 NTQ 1-98.pdf 90170 1-97.pdf 90175 1-97.pdf 93000 1-97.pdf 93000 1-98.pdf 93072 NTQ 1-98.pdf 93087 NTQ 1-98.pdf 93102 NTQ 1-98.pdf VA.LTC2.Exhibit I D.NW.pdf VA.LTC2.Exhibit I E.VAState.pdf VA.LTC2.Exhibit I F.NW.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum* *2). Exhibit I nationwide experience* *3). Exhibit I VA state experience* *4). Cover Letter*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Attachment(s):	130HUM0122.VA.LTC2ActMemo.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.pdf LTC2_VA_Cover Letter.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Supporting Exhibits for Response to Nov 7, 2014 Questions
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Attachment(s):	VA. LTC2. Response 01162015.pdf 80660 1-97.pdf 80680 1-97.pdf 80710 1-97.pdf 80900 NTQ 1-98.pdf 90170 1-97.pdf 90175 1-97.pdf 93000 1-97.pdf 93000 1-98.pdf 93072 NTQ 1-98.pdf 93087 NTQ 1-98.pdf 93102 NTQ 1-98.pdf VA.LTC2.Exhibit I D.NW.pdf VA.LTC2.Exhibit I E.VAState.pdf VA.LTC2.Exhibit I F.NW.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies). 2). Exhibit I nationwide experience - this exhibit has not changed from the original filing. 3). Exhibit I VA state experience - updated to reflect the note in #1 above 4). Cover Letter - updated to reflect the note in #1 above
Attachment(s):	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum* *2). Exhibit I nationwide experience* *3). Exhibit I VA state experience* *4). Cover Letter*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	*130HUM0122.VA.LTC2ActMemo.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.pdf* *LTC2_VA_Cover Letter.pdf*

Satisfied - Item:	Sample Policyholder Letters
Comments:	Please find: 1). An illustrative policyholder letter for those with an inflation rider. 2). An illustrative policyholder letter for those without an inflation rider. The letter without inflation riders was updated to be consistent with the inflation rider letter.
Attachment(s):	Illustrative KIC_LTC2_Rate Increase Letter with 5 Options 2014 Compound Inflation.pdf RateIncLetter_Sample_SCLTC2 no inflation.pdf
Previous Version	
Satisfied - Item:	*Sample Policyholder Letters*
Comments:	*Please find:* *1). Traditional policyholder letter which will used for the policies without inflation riders.* *2). An illustrative policyholder letter for those with an inflation riders.*
Attachment(s):	*RateIncLetter_Sample (no inflation).pdf* *Illustrative KIC_LTC_Rate Increase Letter with 5 Options 2014.pdf*

No Form Schedule items changed.

SERFF Tracking #: *HUMA-129780509* **State Tracking #:** *HUMA-129780509* **Company Tracking #:** *LTC2 10242014*

State: *Virginia* **Filing Company:** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80650 1/97 VA	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73	130HUM22.VA.LTC2.ExhibitII.pdf,	01/19/2015 By: Andrew Besendorf
Previous Version						
1	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80650 1/97 VA*	*New*		*130HUM22.VA.LTC2.ExhibitII.pdf,*	*11/04/2014 By: Andrew Besendorf*
2	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	80880 NTQ 1/98 VA	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 73		01/19/2015 By: Andrew Besendorf
Previous Version						
2	*Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.*	*80880 NTQ 1/98 VA*	*New*			*11/04/2014 By: Andrew Besendorf*

Conclusion:

Thanks again for your quick review. We look forward to working with you on this filing.

Sincerely,

Andrew Besendorf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Amendment Letter

Submitted Date: 02/24/2017

Comments:

Janet,

Please find the updated actuarial memorandum. We have reformated the rates in section 17 to match the rate summary form and rate/rule schedule section of SERFF. We have also included the average rate increase impact in section 17 of the actuarial memorandum.

Please see the updated rate/rule schedule as well.

Thanks for your work on this filing and please let me know if you need anything else to support this filing.

Daniel Rosenberg FSA, MAAA

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo to match the rate/rule schedule 2). Exhibit I nationwide experience 3). Exhibit I VA state experience 5) Exh II - includes current and proposed premiums. 6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf 130HUM0122.VA.LTC2ActMemo.022017 v2.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."112016") to account for the changes requested in the 10/26/2016 objections.* *2). Exhibit I nationwide experience - updated to reflect the note in #1 above* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter* *5) Exh II - includes current and proposed premiums.* *6) Addendum to the Actuarial Memo showing the revised requested rate increases.*
Attachment(s):	*LTC2_VA_Cover Letter.01162015.pdf* *130HUM22.VA.LTC2.ExhibitII.pdf* *130HUM0122.VA.LTC2ActMemo.022017.pdf* *0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf* *KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf* *KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above* *5) Exh II - includes current and proposed premiums. Thanks.*

	6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf* *130HUM22.VA.LTC2.ExhibitII.pdf* *0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above* *5) Exh II - includes current and proposed premiums. Thanks.*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf* *130HUM22.VA.LTC2.ExhibitII.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum - we have updated the memo and exhibits (with names..."01162015") to clarify that the filing applies to all policies issued in the state of VA and those policies residing in the state of VA with policies issued in other states (Kanawha submits resident state filings in all other states and excludes VA issued policies).* *2). Exhibit I nationwide experience - this exhibit has not changed from the original filing.* *3). Exhibit I VA state experience - updated to reflect the note in #1 above* *4). Cover Letter - updated to reflect the note in #1 above*
Attachment(s):	*130HUM0122.VA.LTC2ActMemo.01162015.pdf* *130HUM22.VA.LTC2.ExhibitI_NW.pdf* *130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf* *LTC2_VA_Cover Letter.01162015.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	*Please find:* *1). Actuarial Memorandum* *2). Exhibit I nationwide experience*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

	3). Exhibit I VA state experience 4). Cover Letter
Attachment(s):	130HUM0122.VA.LTC2ActMemo.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.pdf LTC2_VA_Cover Letter.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Amendment Letter

Submitted Date: 08/23/2016

Comments:

Janet,

We noticed one item within the policyholder letters in need of an update. The letters had a guarantee period of three years for all implementation years. The guarantee period should decrease within the 2nd and 3rd year policyholder letters making it a variable statement. We have updated the variable policyholder letter, statement of variability and the 2nd and 3rd year Jane Doed policyholder letters for inflation policies accordingly.

Thanks for your work on this filing and please let me know if you need anything else to support this filing.

Daniel Rosenberg FSA, MAAA

Changed Items:

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Policyholder Letter	17452L	POL	Initial		47.800	Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf	Date Submitted: 08/23/2016 By:
Previous Version								
1	*LTC Policyholder Letter*	*17452L*	*POL*	*Initial*		*47.800*	*Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*
2	LTC Policyholder Endorsement	17452	POL	Initial		41.900	Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf	Date Submitted: 08/23/2016 By:
Previous Version								
2	*LTC Policyholder Endorsement*	*17452*	*POL*	*Initial*		*41.900*	*Endorsement_Rate Increase_VA_LTC2_17452.pdf, Statement_of_Variability_VA LTC.pdf*	*Date Submitted: 06/30/2016 By: Daniel Rosenberg*

No Rate Schedule Items Changed.

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 12/15/2015 & 12/28/2015 Questions
Comments:	Please find: 1. Tax Qualified Compound Inflation rider for LTC2 Policies 2. Non-tax Qualified Compound Inflation rider for LTC2 Policies 3. Endorsement for Tax Qualified LTC2 policies approved by VA in the past. 4. Endorsement for Non-tax Qualified LTC2 policies approved by VA in the past. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. **9. Jane Doed Version of 2nd year Letter for inflation policies. (Updated Guarantee Period) **10. Jane Doed Version of 3rd year Letter for inflation policies. (Updated Guarantee Period) 11. 14VAC5-110-60 Readability Certification for Letter 12. 14VAC5-110-60 Readability Certification for Endorsement 13. Document with responses to the VA state objections sent 12/15/2016. 14. Document with responses to the VA state objections sent 12/28/2016. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.
Attachment(s):	80680 1-97.pdf 93072 NTQ 1-98.pdf 82000 101 CB - VA.pdf 82120 901 CB - VA.pdf Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf 14VAC5-110-60 Cert 17452.pdf 14VAC5-110-60 Cert 17452L.pdf VA 2015_12_15 Responses - LTC2.pdf VA 2015_12_28 Responses - LTC2.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3).pdf
Previous Version	
Satisfied - Item:	*Response to 12/15/2015 & 12/28/2015 Questions*
Comments:	*Please find:* *1. Tax Qualified Compound Inflation rider for LTC2 Policies* *2. Non-tax Qualified Compound Inflation rider for LTC2 Policies* *3. Endorsement for Tax Qualified LTC2 policies approved by VA in the past.* *4. Endorsement for Non-tax Qualified LTC2 policies approved by VA in the past.* *5. John Doed Version of Endorsement for non inflation policies.* *6. Jane Doed Version of Endorsement for inflation policies.* *7. John Doed Version of Letter for non inflation policies.* *8. Jane Doed Version of 1st year Letter for inflation policies.* *9. Jane Doed Version of 2nd year Letter for inflation policies.* *10. Jane Doed Version of 3rd year Letter for inflation policies.*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

	11. 14VAC5-110-60 Readability Certification for Letter *12. 14VAC5-110-60 Readability Certification for Endorsement* *13. Document with responses to the VA state objections sent 12/15/2016.* *14. Document with responses to the VA state objections sent 12/28/2016.* *Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.*
Attachment(s):	*80680 1-97.pdf* *93072 NTQ 1-98.pdf* *82000 101 CB - VA.pdf* *82120 901 CB - VA.pdf* *Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation).pdf* *Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation).pdf* *Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf* *Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf* *Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2).pdf* *VA 2015_12_28 Responses - LTC2.pdf* *Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3).pdf* *14VAC5-110-60 Cert 17452.pdf* *14VAC5-110-60 Cert 17452L.pdf* *VA 2015_12_15 Responses - LTC2.pdf*

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Amendment Letter

Submitted Date: 12/16/2015

Comments:

Janet,

Please find the cumulative rate increases by state and the summarized totals for our two LTC rate filings. As you can see from the annualized premiums, FL, NC, SC, TX, and VA are the biggest states and have been supportive of the LTC rate filings. With recent increases, FL, NC, SC, TX have moved ahead of VA on a cumulative basis. Second tier states, TN, IL, OH, MI, IA, PA have also been very supportive of the process. We've had considerable problems in filing in some other states which are not as supportive of the process.

I feel your current process of reviewing the nationwide exhibits on a "VA basis" is very appropriate and helps arrive at the need on a VA basis alone (without subsidies).

Thanks for your work on this filing and please let me know if you need anything else to support this filing.

Andrew Besendorf FSA, MAAA

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 12/14/2015 Questions
Comments:	Please find: 1. Rate increase status update by state with annualized premiums as of 12/31/2013 revised to include current status of rate increase filings.
Attachment(s):	Rate Increase StatusUpdate Response Workbook - VA.pdf
Previous Version	
Satisfied - Item:	*Response to 12/14/2015 Questions*
Comments:	*Please find:* *1. Rate increase status update by state with annualized premiums as of 12/31/2013 revised to include current status of rate increase filings.*
Attachment(s):	*Rate Increase StatusUpdate Response Workbook - VA.pdf*

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Amendment Letter

Submitted Date: 12/15/2015

Comments:

12/14/2015 VA Questions - "As stated in our my phone message, there is information we need prior to submitting the filing for approval by the Insurance Commissioner. Please provide an updated rate filing status update by state. Also needed is an exhibit of the nationwide cumulative average increase to compare to the Virginia cumulative increase."

This is an amendment to the filing responding to the 12/14/2015 filing note.

We have updated the rate increase status by state for this nationwide filing. We have filed for an increase on more than 90% of the block's premiums so far. Included in the exhibit is an updated estimate of the nationwide cumulative average increase for LTC 2 and LTC 3 filings. These numbers included recent approvals. Given the outstanding filings, we expect some marginal increase in both of the cumulative numbers.

Thanks for your time spent on this filing.
We do see the questions on the letters/endorsements. Given the phone message/filing note and the request for the rate increase update information, are the questions on the letters/endorsements under any time crunch? Please advise if so.

Thanks again,

Andrew Besendorf FSA, MAAA

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to 12/14/2015 Questions
Comments:	Please find: 1. Rate increase status update by state with annualized premiums as of 12/31/2013 revised to include current status of rate increase filings.
Attachment(s):	Rate Increase StatusUpdate Response Workbook - VA.pdf

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Note To Filer

Created By:

Janet Houser on 03/10/2017 10:50 AM

Last Edited By:

Janet Houser

Submitted On:

03/10/2017 10:50 AM

Subject:

LTC Rate Request Summary

Comments:

Please be advised I changed the policyholder count on the Part I Rate Request Summary submitted 10/7/2016 from 685 to 715 to match what appears in the Rate/Rule Schedule for consistency purposes. This would also correspond to the most recent post submission update approved on 2/27/2017.

If you have any questions, please let me know.

Janet

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Note To Filer

Created By:

Janet Houser on 02/13/2017 02:03 PM

Last Edited By:

Janet Houser

Submitted On:

02/13/2017 02:03 PM

Subject:

Rate/Rule Schedule

Comments:

Our objection 6 from our 10/27/2016 letter for HUMA-129780509 indicated the need for consistency amount the Company Rate Information on the Rate/Rule Schedule, the Long Term Care Rate Request Summary and the Actuarial Memorandum. The response was that the Rate/Rule Schedule had been updated to 48.879% to reflect the average rate increase needed. The last post submission update was received on 10/7/2016. The percentages must match each other exactly.

The Rate/Rule Schedule indicates the Overall % indicated change and the Overall % rate impact are 48.879%. The maximum is 62.84% and minimum is 20%.

The LTC Rate Request Summary submitted 8/24/2016 indicates the average rate change is 48.2% and the maximum is 62.8% and the minimum is 20%.

The Actuarial Memorandum Addendum states the proposed average increase was 68.8%, the rate impact is 48.2% and maximum is 62.8% and the minimum is 20%.

First question, is the 68.8% the rate increase that would be necessary to bring the pre stability block to its original pricing loss ratio? What amount is actually supportable? Whatever that number is, is what should be on the Rate/Rule Schedule. If it is less than the 100% indicated in the letter, we may need to correct the letter.

Secondly, the 48.879% and the 48.2% need to be the same figure. It would seem based on Addendum Exhibit 1, the 48.2% is correct and should be reflected on the Rate/Rule Schedule. This would also apply to the 62.84% and the 62.8%. Please correct the Rate/Rule Schedule to read 62.8%.

In summary, we need the Rate/Rule Summary to reflect the overall % indicated change to be what is supportable, the overall % impact to be 48.2% and the maximum to be 62.8% and the minimum to 20% to match the Actuarial Memorandum and the LTC Rate Request Summary.

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Note To Filer

Created By:

Janet Houser on 08/23/2016 02:10 PM

Last Edited By:

Janet Houser

Submitted On:

08/23/2016 02:10 PM

Subject:

Additional Objections

Comments:

We apologize the following was not included in our previous objection letters dated today:

1) Please provide an updated Actuarial Memorandum reflecting the revised proposed increases as noted in the email dated 1/25/16 from Drew Besendorf.

2) In addition, please submit a post submission update to revise the Rate/Rule Schedule accordingly to reflect an overall change 48.2% with a range from 20% to 62.8%. The Rate Action Information should also be corrected to state the Percent Rate Change Request to be 48.2%.

3) Please disregard item 2 in our objection 1 in our 8/23 letter sent at 9:56 Am regarding the Long Term Care Insurance Rate Request Summary. The minimum increase should be 20% and not 15%. I apologize for any confusion this may have caused.

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Note To Filer

Created By:

Janet Houser on 08/23/2016 10:07 AM

Last Edited By:

Janet Houser

Submitted On:

08/23/2016 10:07 AM

Subject:

8/23/2016 Amendment

Comments:

It appears that while I was working on our 8/23/2016 objection letter, the company submitted an amendment at the same time. I will review this shortly and let you know if we have any concerns.

I apologize for any inconvenience or confusion this may have caused.

Janet Houser
804-371-9390

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Note To Filer

Created By:

Janet Houser on 12/14/2015 07:10 AM

Last Edited By:

Janet Houser

Submitted On:

12/14/2015 07:10 AM

Subject:

12/14/15 phone message

Comments:

As stated in our my phone message, there is information we need prior to submitting the filing for approval by the Insurance Commissioner. Please provide an updated rate filing status update by state. Also needed is an exhibit of the nationwide cumulative average increase to compare to the Virginia cumulative increase.

If you have any questions, please feel free to contact me at 804-371-9390.

Thank you.

Janet Houser

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Reviewer Note

Created By:

Janet Houser on 03/10/2017 08:21 AM

Last Edited By:

Janet Houser

Submitted On:

03/10/2017 12:19 PM

Subject:

RRS

Comments:

see attached

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

Company Name and NAIC Number: Kanawha Insurance Company 65110

SERFF Tracking Number: HUMA-129780509

Disposition: Approve

Approval Date: 3/10/2017

Revised Rates

Average Annual Premium Per Member: $1496

Average Requested Percentage Rate Change Per Member: 48.2%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 62.8%

Number of Policy Holders Affected: 715

Click here to enter text.

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

Kanawha Insurance Company (the Company) initially requested a rate increase of 25% on policies without inflation riders and 90% on policies with inflation riders, averaging a 69% increase. After discussions with the Bureau, the Company modified its request. For policies with inflation riders the rate increase will be 62.8% implemented in a series of 20%, 18% and 15% over a three year period. For policies with no inflation rider, a 20% rate increase will be implemented. This will result in an overall increase of 48.2%.

This is an individual, closed block of business issued from 1997 through 2003 and is subject to the requirements of 14VAC5-200-150. There has been one previous rate increase of 60% implemented in 2010. As of the date of submission, there were 715 premium paying policies in force in Virginia.

The Company stated that "lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business", which will result in higher claims than originally anticipated in the pricing." Since actual claims experience has proven to be materially different from the company's original pricing assumptions and is expected to continue in the future as a result of more policyholders finding greater value in their policies, keeping their policies longer, and living longer than originally expected, a premium increase is needed to ensure that sufficient funding is available to pay all expected claims.

The projected anticipated future loss ratio with the increases is 167.4% and the lifetime loss ratio future loss ratio 130.4%, both which exceed the original pricing loss ratio of 61%. The Bureau's review, using actuarially accepted and justified assumptions, indicated the proposed rate increase meets the requirements set forth in Virginia law and regulation. Since the filing met the requirements of 14 VAC5-200-150 after implementation of the rate increase, approval was recommended.

Policyholders have several available options to reduce or eliminate the premium increase by reducing coverage. Policyholders can lower daily benefits, decrease the benefit period, increase the elimination period, terminate riders or take a paid-up policy.
The filing can be reviewed on the Bureau's webpage under the Rate/Policy Form Search at:
http://www.scc.virginia.gov/boi/SERFFInquiry/default.aspx

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

Reset Form

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

Company Name and NAIC Number: Kanawha Insurance Company - 65110

SERFF Tracking Number: HUMA-129780509

Effective Date: On Approval

Revised Rates

Average Annual Premium Per Member: 1496

Average Requested Percentage Rate Change Per Member: 48.2%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 62.8%

Number of Policy Holders Affected : 715

Plans Affected
(The Form Number and "Product Name")

Form#	"Product Name"(if applicable)
80650 1/97 VA 80880 NTQ 1/98 VA	Comprehensive Long-Term Care (Tax Qualified) Comprehensive Long-Term Care (Non-Tax Qualified)

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

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When originally determining the premiums to charge for these LTC contracts, assumptions were made about a policyholder's:

1. Mortality,
2. Continued ability or desire to pay the policy premiums and keep the policy inforce,
3. Probability of a policyholder making a claim, and
4. Time on claim (once on claim).

The Company tracks the actual experience of the block versus each of these assumptions and updates its future claim predictions based upon this study.

In doing this study, the Company has seen:

1. Policyholders are living longer than originally expected. Lower death rates mean that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
2. Policyholders are continuing to pay their premiums and keeping their policies inforce longer than expected. Lower lapse rates of long term care policies means that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
3. The probability of a policyholder making a claim has been tracking well with original expectations.
4. Once the policyholder has made a claim, the policyholder's time on claim has been longer than originally expected. Staying on claim longer increases the need for future premiums.

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Reviewer Note

Created By:

Janet Houser on 03/09/2017 06:07 AM

Last Edited By:

Janet Houser

Submitted On:

03/10/2017 12:19 PM

Subject:

Email correspondence dated 3/8/17 to finalize filing

Comments:

See attached

From: Drew Besendorf
To: Janet Houser
Cc: Daniel Rosenberg
Subject: RE: Kanawha Insurance Co HUMA-129780509 & HUMA-129780458
Date: Wednesday, March 08, 2017 2:38:28 PM
Attachments: ExhibitI_LTC3_Post_NW.pdf
130HUM0122.VA.LTC3ActMemo.032017 v3.pdf

Hi Janet,

My responses are:

a. Yes, it was the same as the pre-rate. No special pricing or premium table updates were made to the VA rates for post rate stability.
b. Based upon the VA guardrails – VA premium basis and lifetime pay; the Lifetime loss ratio for the LTC 3 post rate stability block after rate increase was 117.7% (file attached above).
c. The first goal of asking for LTC rate increases is to bring the premium rates up to a level that will support the paying the benefits to the policyholders. Current projected LLR's are far greater than 100%. The increases requested in this filing were intended to advance the block towards supportable rates; however, the increases requested in this filing were not intended to get the LLR's to 100%. Therefore, the state should expect future rate increase requests if the experience plays out as projected. In addition, the state has agreed to approve a smaller increase than originally requested which makes it even more likely the company will need to request future rate increases. This situation is being clearly communicated to the policyholders in their letters. The company continues to review experience and request for rate relief. We review experience and assumptions annually and will do so over the next few years as the VA increases are implemented. We will share this experience with VA annually as required. Given the frequent experience updates and ongoing communication between the state and the company, it is expected that all parties will be aware of the current situation as time progresses. We appreciate the state's willingness to help the Kanawha LTC block in this effort to support paying future policyholder benefits.
d. Please find a revised actuarial memo attached above.

Drew Besendorf FSA, MAAA | **Actuarial Director** | **Humana** | 500 West Main Street – 27th Floor | Louisville, KY 40202 | **T 502.580.2262** | **dbesendorf@humana.com**

From: Janet Houser [mailto:Janet.Houser@scc.virginia.gov]
Sent: Tuesday, March 07, 2017 2:35 PM
To: Drew Besendorf
Cc: Daniel Rosenberg
Subject: Kanawha Insurance Co HUMA-129780509 & HUMA-129780458

Hopefully, you can assist me with the following (in yellow):

a. Original projected lifetime loss ratio for both blocks – The following question was asked 11/7/14 on both policies: "Please state the lifetime loss ratio anticipated in the original filing and, if applicable, an explanation why the current projected loss

ratio is less than the originally anticipated."

The Company's responded on 1/16/2015 was:

HUMA-129780509 - The lifetime loss ratio anticipated in the original filing is 61%.

HUMA-120780458 - The lifetime loss ratio anticipated in the original filing is 61.2%.

What I don't have is the original projected lifetime loss ratio when the post stability block was marketed on HUMA-120780458. Would it have been the same as the original projected lifetime loss ratio on the pre-stability?

b. What is the projected lifetime loss ratio for the post stability block after the rate increase? Because everything is split between inflation and no inflation policies, it's difficult to determine. The company provided Exhibit1LTC3.PRE.NW and Exhibit1LTC3.Post.NW on 4/29/2015. It looks like the files were updated in the 5/28/2015 response from the company. Can you adjust this exhibit to determine what the projected lifetime loss ratio will be for this block with the proposed rate increase?

c. What is the Company's intent regarding possible future rate increases? If the increase is approved and the company's projections are realized, will the company forgo future rate increases? We discussed this earlier today and I certainly understand the Company does not want to commit to a future ratio without serious thought regarding the variables that could impact this. It is the Bureau's assumption that if experience develops as projected, Company will not propose future rate increases.

d. For clarification purposes, rather than refer to 14VAC5-200-153 B 5 in the certification for HUMA-129780458 (which I believe I suggested), please restate this to indicate the following:

"A premium rate schedule increase of 250% would be required in order to certify that no further premiums rate increases are anticipated if the requested rate increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized. In the best interest of the policyholders the Company has requested a premium rate increase less than this amount and this filing satisfies all other requirements as set forth in the regulations."

I look forward to hearing from you soon.

Janet

804-371-9390

The information transmitted is intended only for the person or entity to which it is addressed and may contain CONFIDENTIAL material. If you receive this material/information in error, please contact the sender and delete or destroy the material/information.

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Reviewer Note

Created By:

Janet Houser on 01/20/2015 07:53 AM

Last Edited By:

Janet Houser

Submitted On:

03/10/2017 12:19 PM

Subject:

Act Review

Comments:

Sent to Shawn 1.20.15; due date 2.3.15

1.22.15 - add'l info needed

5.1.15 - info rec'd, sent to actuary; due date 5.15.15

5.18.15 - add'l info needed

9.8.15 - add'l info rec'd; sent to act; due date 9.22

9.15.15 - add'l info needed

11.14.15 - add'l info rec'd; due date 12.9.15

12.8.15 - recommend approval

12.15.15 - state status review

12.22.15 - review proposal; due date 1.6.16

2.2.16 - review 1.25.16 proposal; due date 2.16.16

2.13.17 - revisions to act memo and exhibits; due date 2.27.17

ACTUARIAL RESOURCES CORPORATION
CONSULTANTS • ACTUARIES
SHAWN D. PARKS, FSA, MAAA
1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055
(803) 994 - 9895 • SHAWN.PARKS@ARCGA.COM

January 22, 2015

Janet Houser
Forms and Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: **Kanawha Insurance Company**
SERFF Tracking #HUMA-129780509

Dear Janet:

At your request, we have reviewed the filing for the above captioned submission from Kanawha Insurance Company (the "Company"). This is a filing to request a rate increase pursuant to the requirements of 14VAC5-200-150 and 14VAC5-130-70 for several individual long-term care insurance plans. This block of business is not available for new issues.

Recommendation

After review of the Company's submission, we recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **not** approve the proposed rates and instead ask the Company to respond to the following:

1. Please reconcile the number of insureds in section 21 of the actuarial memorandum versus those shown in Rate Information tab in SERFF.
2. Please provide a discussion of the number of claims underlying the morbidity experience and the corresponding measure of credibility. Also discuss the granularity of the adjustments made to the Milliman guidelines based on the Kanawha experience.
3. Please provide actual-to-expected ratios by duration for total terminations based on the current best-estimate assumptions for lapse and mortality.
4. Please provide a chart of the status of rate increase in all states, including annual premiums by state so that a weighted average can be calculated.
5. If policies in paid-up status are included in the exhibits provided, please provide a complete set of projections (preferably in .xls format) that excludes all policies that are in paid-up status.
6. Please explain why the premium in future years (after the rate increase is fully implemented) differs between the exhibits "with Historical Premiums Restated to Proposed Rate Revision" and "with Rate Revision".
7. Please demonstrate that the elimination of all future increases is actuarially equivalent to the requested rate increase.
8. Given that most policyholders do not have the sophistication to understand the relative value of each option presented to them in lieu of an increase, please describe how the policyholder will be appropriately educated about the available choices.

After receipt of the above information, we can continue our review.

Sincerely,

Shawn D. Parks, FSA, MAAA

ACTUARIAL RESOURCES CORPORATION
CONSULTANTS • ACTUARIES
SHAWN D. PARKS, FSA, MAAA
1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055
(803) 994 - 9895 • SHAWN.PARKS@ARCGA.COM

May 18, 2015

Janet Houser
Forms and Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: **Kanawha Insurance Company**
SERFF Tracking #HUMA-129780509

Dear Janet:

At your request, we have reviewed the filing for the above captioned submission from Kanawha Insurance Company (the "Company"). This is a filing to request a rate increase pursuant to the requirements of 14VAC5-200-150 for individual long-term care insurance plans. This block of business is not available for new issues.

Recommendation

After review of the Company's submission, we recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **not** approve the proposed rates and instead ask the Company to respond to the following:

1. It does not appear that a complete set of demonstrations was provided for all scenarios as required. Please provide the following projections:

Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate
Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%
Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%
Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%
Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%
Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%
Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%
Pre-Stability	Lifetime	No inflation	Original	Original	7.0%
Pre-Stability	Lifetime	5% Compound	Original	Original	7.0%
Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate
Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate
Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate
Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate

For all above scenarios, please observe the following:

a. Projections should be provided on both Virginia-only and nationwide basis.
b. Projections should not include any paid-up policies.
c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.
d. The projections for pre-stability should include only those policies issued prior to October 1, 2003, and for post-stability should include only those issued October 1, 2003 and later.

2. For each Post-rate stability projection above, please provide the 58/85 demonstration required by 14VAC5-200-153.C.2.
3. For each projection above, please provide the policy reserve at the projection date applicable to that subset of policies.
4. In the previous response, it was stated that the number of claims over the past five years was 2,485. Is the company only using the claims from the last five years to validate its morbidity assumptions? If not, please provide the total claim count for the data used to validate the morbidity.

After receipt of the above information, we can continue our review.

Sincerely,

Shawn D. Parks, FSA, MAAA

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September 11, 2015

Janet Houser
Forms and Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: **Kanawha Insurance Company**
SERFF Tracking #HUMA-129780509

Dear Janet:

At your request, we have reviewed the filing for the above captioned submission from Kanawha Insurance Company (the "Company"). This is a filing to request a rate increase pursuant to the requirements of 14VAC5-200-150 for individual long-term care insurance plans. This block of business is not available for new issues.

Recommendation

After review of the Company's submission, we recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **not** approve the proposed rates and instead ask the Company to respond to the following:

1. Please confirm that for nationwide projections, the earned premiums were adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia (i.e., that any difference between the 2010 rate increase in Virginia vs. the average nationwide is reflected.)
2. We need to clarify one of the requests from our previous objection. For the projections provided in the files "ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf" and "ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf", our intention was that the historical information would match the actual experience and the projected future premium and claims would be based on the inforce policies on the projection date (12/31/2013) using the original premium rate scale and original assumptions. Please revise those particular exhibits and resubmit.
3. For the projections provided in the files "ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf" and "ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf", we would expect that the projected premiums in years after full implementation of the requested increase (2016 and beyond) would match the premiums assuming the requested rate increase is implemented. Please revise as appropriate and resubmit.

Note, as before, please observe the following:

a. Projections should be provided on both Virginia-only and nationwide basis.
b. Projections should not include any paid-up policies.
c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

After receipt of the above information, we can continue our review.

Sincerely,

Shawn D. Parks, FSA, MAAA

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February 27, 2017

Janet Houser
Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: **Actuarial Report for Long Term Care Rate Increase Filing**
SERFF Tracking #HUMA-129780509
Policy Numbers 80650 1/97 VA, 80880 NTQ 1/98 VA

Dear Janet:

We have completed our review of the filing for the above captioned submission from **Kanawha Insurance Company** (the "Company"). This is a filing to request a rate increase pursuant to the requirements of 14VAC5-200-150 for an individual long-term care insurance plan. This block of business is not available for new issues.

Recommendation

Since after review of the Company's submission, we believe that the Company has demonstrated that the request is in compliance with all applicable regulations and standards, we therefore recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **approve** the proposed rates. Our review of this filing was performed according to the provisions of 14VAC5-200 et seq. and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, "Long-Term Care Insurance" and Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans".

Historical Background

These forms, referred to as "LTC2" by the Company, have previously had a rate increase of 60% in 2010. The Company originally filed for an increase of 25% for non-inflation policies and 90% for policies with inflation protection, averaging 69%. During the course of the review, the request was modified to 20% for non-inflation policies and a series of three increases totaling 62.8% for inflation policies, averaging 48.2%. The Company states that "lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business."

These forms were issued in Virginia from 1997 through 2003 and are therefore reviewed according to the requirements of 14VAC5-200-150 for pre-rate stability policies.

As of 12/31/2013, there were 715 premium-paying policies and 201 paid-up policies in force in Virginia with a total of $1.4M of premium, representing about 5.0% of the total nationwide premium.

In the course of our review, several requests were sent to the Company for additional information. The Company's responses clarified issues and provided support for the requested increase. The Bureau was involved in all correspondence between us and the Company.

Analysis

Our approach was to a) review the filing contents and assumptions for compliance with all relevant regulations, b) verify the calculations in the supplied exhibits, c) review the experience studies which support the revised assumptions, d) review the projections for reasonableness, and e) analyze the current increase and cumulative increase in Virginia relative to other states.

Assumptions

Morbidity – Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience. Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The current morbidity assumptions are based on claims through 2012. The actual to expected (A/E) analysis versus the revised experience assumptions show incidence between 99.6%–100.3% of expected and terminations overall at 100%.

According to the Company, their experience is based on 2,485 claims over the 2007-2011 time period. While they had additional information from prior years, they felt the more recent experience was more relevant. They indicated as well that 2012-2013 experience has emerged very close to 100% A/E. When this is included, total claims are now about 5,600.

One often-quoted basis for measuring credibility is the June 12, 2003 letter from the American Academy of Actuaries Long-Term Care Reserving Work Group to the Accident and Health Working Group of the NAIC Life and Health Actuarial Task Force which recommended a "Rule of Thumb" standard for full credibility of incidence rates of 1,082 claims (within 5% of the true claims with 90% confidence). The letter also reports that the standard for aggregate loss is a multiple of the standard for incidence, in the range of 3 to 5 times (3,246 to 5,410 claims). The Company's experience data includes 2,485 claims over the last five calendar years but this count does not include the claims

for prior years. As indicated above, including 2012-2013 pushes the data to full credibility.

Mortality – The Company is currently using 100% of the 2012 Annuity Basic table as its mortality assumption. The original pricing assumption was 90% of 1975-80 Select and Ultimate table. Since the analysis is done based on total terminations (mortality and voluntary lapse), an actual to expected analysis of mortality alone was not provided. Instead, we have analyzed mortality and voluntary lapse assumptions together.

Lapses – The current best-estimate ultimate lapse rate is assumed to be 0.70% for inflation policies. The assumed lapse rate for policies without inflation is twice the rate of the inflation policies, giving an ultimate rate of 1.40%. The original ultimate lapse assumptions were 4.0% - 6.5%. The termination history provided by the Company shows that the actual lapse rates are reasonably close to the current assumptions for lapse. Calendar years 2010-2011 have slightly increased lapses, likely due to shock lapses experienced at the time of the last rate increase. More recent years are more in line with the ultimate lapse assumptions. We believe the historical experience supports the reasonableness of the new termination assumptions.

Actuarial Assumptions for Establishing Rate Increase Requests
As discussed above, the methods described by the Company to develop the assumptions used in support of this rate increase appear to be reasonable.

Projections
The Company has included both nationwide and Virginia-only loss ratio projections as of 12/31/2013. Because the Virginia-only business is not credible on its own, the Company has used the nationwide experience under this form as the basis for its request. Since experience is not expected to have a large variation by geographic region, we agree that it is appropriate to use the nationwide data for increased credibility. The premiums have been restated to Virginia rate levels as required.

These forms have a significant number of paid-up policies for which a rate increase would have no effect. Since the inclusion of these policies in the projections would tend to dampen the loss ratio impact of any premium increase, we asked the Company to remove those policies from the projections.

Pre-Rate Stability Loss Ratio Test
The loss ratios calculated at the original pricing interest rate of 7.0% all exceed 60% as shown below:

Segment	**Future LR w/o Increase**	**Future LR w/ Increase**	**Lifetime LR w/o Increase**	**Lifetime LR w/ Increase**	**Max Incr**
No Inflation	133.7%	116.1%	111.6%	108.8%	157%
5% Compound	291.4%	193.2%	171.9%	150.8%	466%
Total	228.9%	167.4%	141.1%	130.4%	

Reliance and Qualifications

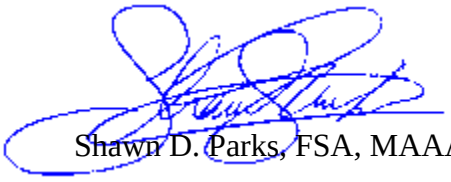
We are providing this letter to you to communicate our findings regarding the filing under consideration. Distribution of this letter to parties other than the Bureau by us or any other party does not constitute advice by us to those parties. The reliance of parties other than the Bureau on any aspect of our work is not authorized by us and is done at their own risk.

In arriving at our opinion, we used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, our findings and conclusions may need to be revised. While we have relied on the data provided without independent investigation or verification, we have reviewed the data for consistency and reasonableness. Where we found the data inconsistent or unreasonable, we have requested clarification.

We have utilized generally accepted actuarial methodologies in arriving at our opinion. I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion.

If you have any questions regarding this filing, please call me at 803-994-9895.

Sincerely,



Shawn D. Parks, FSA, MAAA

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December 8, 2015

Janet Houser
Forms and Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: **Actuarial Report for Long Term Care Rate Increase Filing**
SERFF Tracking #HUMA-129780509
Policy Numbers 80650 1/97 VA, 80880 NTQ 1/98 VA

Dear Janet:

We have completed our review of the filing for the above captioned submission from **Kanawha Insurance Company** (the "Company"). This is a filing to request a rate increase pursuant to the requirements of 14VAC5-200-150 for an individual long-term care insurance plan. This block of business is not available for new issues.

Recommendation

Since after review of the Company's submission, we believe that the Company has demonstrated that the request is in compliance with all applicable regulations and standards, we therefore recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **approve** the proposed rates. Our review of this filing was performed according to the provisions of 14VAC5-200 et seq. and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, "Long-Term Care Insurance" and Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans".

Historical Background

These forms have previously had a rate increase of 60% in 2010. The Company has filed for an increase of 25% for non-inflation policies and 90% for policies with inflation protection, averaging 73%. The Company states that "lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business."

These forms were issued in Virginia from 1997 through 2003 and are therefore reviewed according to the requirements of 14VAC5-200-150 for pre-rate stability policies.

As of 12/31/2013, there were 715 premium-paying policies and 201 paid-up policies in force in Virginia with a total of $1.4M of premium, representing about 5.0% of the total nationwide premium.

In the course of our review, several requests were sent to the Company for additional information. The Company's responses clarified issues and provided support for the requested increase. The Bureau was involved in all correspondence between us and the Company.

Analysis

Our approach was to a) review the filing contents and assumptions for compliance with all relevant regulations, b) verify the calculations in the supplied exhibits, c) review the experience studies which support the revised assumptions, d) review the projections for reasonableness, and e) analyze the current increase and cumulative increase in Virginia relative to other states.

Assumptions

Morbidity – Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience. Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The current morbidity assumptions are based on claims through 2012. The actual to expected (A/E) analysis versus the revised experience assumptions show incidence between 99.6%–100.3% of expected and terminations overall at 100%.

According to the Company, their experience is based on 2,485 claims over the 2007-2011 time period. While they had additional information from prior years, they felt the more recent experience was more relevant. They indicated as well that 2012-2013 experience has emerged very close to 100% A/E. When this is included, total claims are now about 5,600.

One often-quoted basis for measuring credibility is the June 12, 2003 letter from the American Academy of Actuaries Long-Term Care Reserving Work Group to the Accident and Health Working Group of the NAIC Life and Health Actuarial Task Force which recommended a "Rule of Thumb" standard for full credibility of incidence rates of 1,082 claims (within 5% of the true claims with 90% confidence). The letter also reports that the standard for aggregate loss is a multiple of the standard for incidence, in the range of 3 to 5 times (3,246 to 5,410 claims). The Company's experience data includes 2,485 claims over the last five calendar years but this count does not include the claims for prior years. As indicated above, including 2012-2013 pushes the data to full credibility.

Mortality – The Company is currently using 100% of the 2012 Annuity Basic table as its mortality assumption. The original pricing assumption was 90% of 1975-80 Select and Ultimate table. Since the analysis is done based on total terminations (mortality and voluntary lapse), an actual to expected analysis of mortality alone was not provided. Instead, we have analyzed mortality and voluntary lapse assumptions together.

Lapses – The current best-estimate ultimate lapse rate is assumed to be 0.70% for inflation policies. The assumed lapse rate for policies without inflation is twice the rate of the inflation policies, giving an ultimate rate of 1.40%. The original ultimate lapse assumptions were 4.0% - 6.5%. The termination history provided by the Company shows that the actual lapse rates are reasonably close to the current assumptions for lapse. Calendar years 2010-2011 have slightly increased lapses, likely due to shock lapses experienced at the time of the last rate increase. More recent years are more in line with the ultimate lapse assumptions. We believe the historical experience supports the reasonableness of the new termination assumptions.

Actuarial Assumptions for Establishing Rate Increase Requests
As discussed above, the methods described by the Company to develop the assumptions used in support of this rate increase appear to be reasonable.

Projections
The Company has included both nationwide and Virginia-only loss ratio projections as of 12/31/2013. Because the Virginia-only business is not credible on its own, the Company has used the nationwide experience under this form as the basis for its request. Since experience is not expected to have a large variation by geographic region, we agree that it is appropriate to use the nationwide data for increased credibility. The premiums have been restated to Virginia rate levels as required.

These forms have a significant number of paid-up policies for which a rate increase would have no effect. Since the inclusion of these policies in the projections would tend to dampen the loss ratio impact of any premium increase, we asked the Company to remove those policies from the projections.

Pre-Rate Stability Loss Ratio Test
The loss ratios calculated at the original pricing interest rate of 7.0% all exceed 60% as shown below:

Segment	**Future LR w/o Increase**	**Future LR w/ Increase**	**Lifetime LR w/o Increase**	**Lifetime LR w/ Increase**	**Max Incr**
No Inflation	133.7%	112.4%	111.6%	108.1%	157%
5% Compound	291.4%	168.6%	171.9%	143.2%	466%
Total	228.9%	151.1%	141.1%	126.6%	

Reliance and Qualifications

We are providing this letter to you to communicate our findings regarding the filing under consideration. Distribution of this letter to parties other than the Bureau by us or any other party does not constitute advice by us to those parties. The reliance of parties other than the Bureau on any aspect of our work is not authorized by us and is done at their own risk.

In arriving at our opinion, we used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, our findings and conclusions may need to be revised. While we have relied on the data provided without independent investigation or verification, we have reviewed the data for consistency and reasonableness. Where we found the data inconsistent or unreasonable, we have requested clarification.

We have utilized generally accepted actuarial methodologies in arriving at our opinion. I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion.

If you have any questions regarding this filing, please call me at 803-994-9895.

Sincerely,

Shawn D. Parks, FSA, MAAA

Janet Houser

From: Drew Besendorf <dbesendorf@humana.com>
Sent: Tuesday, December 22, 2015 3:34 PM
To: Janet Houser
Subject: VA - Kanawha LTC Rate Increase
Attachments: Revised VA Proposal.xlsx

HUMA-129780509 LTC 2
HUMA-129780458 LTC 3

Janet,

After internal discussions with our VP of LTC Operations, Tony Hammond, I received approval to lower the proposed rate increase for each LTC filing.

Understanding that VA and Kanawha are agreeable to a 3 year increase schedule, here is the revised 3 year proposal:

Year 1
The proposal is to lower the first year increase on both blocks to 20%. This applies to all policies and both blocks. In our discussions last week, you mentioned VA was seeing an acceptable rate increase in the mid to high 20's for LTC 2 and in the low double digits (~10%) for LTC 3. We are allowing for some offsets for overall simplicity of the proposal as there are ~900 LTC 2 and ~600 LTC 3 policies.

Years 2 & 3
For policies without inflation on both blocks, we are not asking for any increase. For policies with inflation riders on both blocks, we are asking for a 20% in years 2 and 3.

Proposal overall Impacts:

- The proposal is the same increase agreed to and approved by Kanawha's state of domicile (SC).
- The proposal reflects the risks of a agreeing to a 3 year increase schedule which include the present value differences and lack of adjustments due to worsening experience.
- The proposal basically reduces the overall increase by ~13% for each block for the original request.
- Given the increase request for policies without inflation is 0% in years 2 & 3, the overall increase request including both blocks is in the mid-teens for years 2 & 3.
- The rate increase proposal reflects an understanding that the rates on average for the block will continue to increase by a nominal average and that average increase will be more for those states with policyholders having inflation protection. VA has a 15-17 higher % of policies with inflation protection (as a % of the total premium) than the nationwide average and the VA LTC 3 policies include inflation protection at a 12-13 higher % of policies with inflation protection than the LTC 2 policies.

Please see the attached spreadsheet for a summary of the increase proposal, the average impacts, and some other supporting notes.

Please let me know if you have any questions or concerns with this proposal.

If VA finds this proposal acceptable, we will promptly update our filing policyholder letters and rate tables in SERFF to reflect these updates.

Thanks for your assistance on this filing,

Drew Besendorf FSA, MAAA | Actuarial Director | Humana | 500 West Main Street – 27th Floor | Louisville, KY 40202 | **T 502.580.2262** | **dbesendorf@humana.com**

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Original Proposal - VA

Over 1 year					Over 1 year					Cumulative Increases LTC 2	Cumulative Increases LTC 3
		1	2	3			1	2	3		
LTC 2	Compound	90%			LTC 3	Compound	90%			90.0%	90.0%
						Simple	75%			0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	60.7%	0.0%	0.0%		Compound	64.9%	0.0%	0.0%		
						Simple	6.0%	0.0%	0.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**68.8%**	**0.0%**	**0.0%**		**Total Impact**	**75.9%**	**0.0%**	**0.0%**	68.8%	75.9%
Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	25%	25%	21.6%	LTC 3	Compound	25%	25%	21.6%	90.0%	90.0%
						Simple	25%	25%	12.0%	0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	16.9%	16.9%	14.6%		Compound	18.0%	18.0%	15.6%		
						Simple	2.0%	2.0%	1.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**25.0%**	**16.9%**	**14.6%**		**Total Impact**	**25.0%**	**20.0%**	**16.5%**	67.3%	74.9%

Revised VA

Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	20%	20%	20.0%	LTC 3	Compound	20%	20%	20%	72.8%	72.8%
						Simple	20%	20%	20%	0.0%	72.8%
	No Inflation	20%				No Inflation	20%			20.0%	20.0%
	Compound	13.5%	13.5%	13.5%		Compound	14.4%	14.4%	14.4%		
						Simple	1.6%	1.6%	1.6%		
	No Inflation	6.5%	0.0%	0.0%		No Inflation	4.0%	0.0%	0.0%		
	Total Impact	**20.0%**	**13.5%**	**13.5%**		**Total Impact**	**20.0%**	**16.0%**	**16.0%**	54.5%	61.6%
										Reduction	**-13%**	**-13%**

Notes:

1. The size of the needed rate increase is immense (several hundred % for policies with compound inflation). The company lowered its request to allow for easier acceptance from the policyholders and states. The company requested 90% on policies with compound inflation, 75% on policies with simple inflation, and 25% for policies without inflation.

2. Given the size of requested rate increase, the state is asking the increase be spread over 3 years.

3. VA has viewed the rate filing exhibits in several ways including VA only experience, Nationwide experience with all premiums on a VA basis, using a 7% discount rate, removing any paid up policies, etc. In each case, the need for a rate increase is evident. Putting nationwide experience on a VA basis is a very logical approach to reviewing the LTC experience.

4. Given the size of the historical VA increases versus the historical Nationwide average increases, VA has asked that the requested amounts be lowered and/or justified on a credibility basis. Comparing nationwide average increases has many limitations including: a) What if every state chooses this approach? Which state will give the first increase? b) Comparing increases alone by state does not properly reflect the ages and benefits of the individual policyholders of each state.

5. VA has a 15-17% higher percentage of premium related to policyholders with inflation coverage than the national average. By differentiating the increases, the company will be requesting higher average % increases from VA policyholders than the nationwide average; however, this is due to the underlying policy benefits of the VA policholders.

6. As states like FL differentiate their approvals by issue age, the fact that older issue ages tended towards no inflation and younger issue ages tended towards inflation coverage will also impact the comparison of VA vs FL (or Nationwide). FL was sold to an older population with fewer policyholders taking inflation protection.

7. VA sees only the potential for an increase in the mid to high 20's for LTC 2 and low double digits for LTC 3.

8. In the Revised Requested %'s, the company is requesting an amount believed acceptable and supportable to the state. The 2nd and 3rd year requests were lowered to levels which are currently actuarially supportable, which can reasonably be expected to be obtained from other states, and which keeps VA closer to the NW average.

9. Reminder: Spreading the increases over 3 years results in a present value loss. The company has asked for a very low increase on the policies without inflation coverage and by agreeing to not come back for three years is assuming the risk of increased during the 3 years.

10. The RevisedRequested %'s are the same as were agreed to and approved by Kanawha's state of domicile.

Original Proposal - VA

Over 1 year					Over 1 year					Cumulative Increases LTC 2	Cumulative Increases LTC 3
		1	2	3			1	2	3		
LTC 2	Compound	90%			LTC 3	Compound	90%			90.0%	90.0%
						Simple	75%			0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	60.7%	0.0%	0.0%		Compound	64.9%	0.0%	0.0%		
						Simple	6.0%	0.0%	0.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**68.8%**	**0.0%**	**0.0%**		**Total Impact**	**75.9%**	**0.0%**	**0.0%**	68.8%	75.9%
Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	25%	25%	21.6%	LTC 3	Compound	25%	25%	21.6%	90.0%	90.0%
						Simple	25%	25%	12.0%	0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	16.9%	16.9%	14.6%		Compound	18.0%	18.0%	15.6%		
						Simple	2.0%	2.0%	1.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**25.0%**	**16.9%**	**14.6%**		**Total Impact**	**25.0%**	**20.0%**	**16.5%**	67.3%	74.9%

Revised VA

Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	20%	18%	15.0%	LTC 3	Compound	15%	15%	15%	62.8%	52.1%
						Simple	15%	15%	15%	0.0%	52.1%
	No Inflation	20%				No Inflation	15%			20.0%	15.0%
	Compound	13.5%	12.1%	10.1%		Compound	10.8%	10.8%	10.8%		
						Simple	1.2%	1.2%	1.2%		
	No Inflation	6.5%	0.0%	0.0%		No Inflation	3.0%	0.0%	0.0%		
	Total Impact	**20.0%**	**12.1%**	**10.1%**		**Total Impact**	**15.0%**	**12.0%**	**12.0%**	48.2%	44.3%

% Reduction	**-19%**	**-31%**
As %of original	**-28%**	**-41%**

Notes:

1. The size of the needed rate increase is immense (several hundred % for policies with compound inflation). The company lowered its request to allow for easier acceptance from the policyholders and states. The company requested 90% on policies with compound inflation, 75% on policies with simple inflation, and 25% for policies without inflation.

2. Given the size of requested rate increase, the state is asking the increase be spread over 3 years.

3. VA has viewed the rate filing exhibits in several ways including VA only experience, Nationwide experience with all premiums on a VA basis, using a 7% discount rate, removing any paid up policies, etc. In each case, the need for a rate increase is evident. Putting nationwide experience on a VA basis is a very logical approach to reviewing the LTC experience.

4. Given the size of the historical VA increases versus the historical Nationwide average increases, VA has asked that the requested amounts be lowered and/or justified on a credibility basis. Comparing nationwide average increases has many limitations including: a) What if every state chooses this approach? Which state will give the first increase? b) Comparing increases alone by state does not properly reflect the ages and benefits of the individual policyholders of each state.

5. VA has a 15-17% higher percentage of premium related to policyholders with inflation coverage than the national average. By differentiating the increases, the company will be requesting higher average % increases from VA policyholders than the nationwide average; however, this is due to the underlying policy benefits of the VA polichholders.

6. As states like FL differentiate their approvals by issue age, the fact that older issue ages tended towards no inflation and younger issue ages tended towards inflation coverage will also impact the comparison of VA vs FL (or Nationwide). FL was sold to an older population with fewer policyholders taking inflation protection.

7. VA sees only the potential for an increase in the mid to high 20's for LTC 2 and low double digits for LTC 3.

8. In the Revised Requested %'s, the company is requesting an amount believed acceptable and supportable to the state. The 2nd and 3rd year requests were lowered to levels which are currently actuarially supportable, which can reasonably be expected to be obtained from other states, and which keeps VA closer to the NW average.

9. Reminder: Spreading the increases over 3 years results in a present value loss. The company has asked for a very low increase on the policies without inflation coverage and by agreeing to not come back for three years is assuming the risk of increased during the 3 years.

~~10. The RevisedRequested %'s are the same as were agreed to and approved by Kanawha's state of domicile~~.

10. The RevisedRequested %'s were lowered to address the VA concerns of state support for rate increases.

Original Proposal - VA

Over 1 year		1	2	3
LTC 2	Compound	90%		
	No Inflation	25%		
	Compound	60.7%	0.0%	0.0%
	No Inflation	8.1%	0.0%	0.0%
	Total Impact	**68.8%**	**0.0%**	**0.0%**

Over 1 year		1	2	3
LTC 3	Compound	90%		
	Simple	75%		
	No Inflation	25%		
	Compound	64.9%	0.0%	0.0%
	Simple	6.0%	0.0%	0.0%
	No Inflation	5.0%	0.0%	0.0%
	Total Impact	**75.9%**	**0.0%**	**0.0%**

Over 3 years		1	2	3
LTC 2	Compound	25%	25%	21.6%
	No Inflation	25%		
	Compound	16.9%	16.9%	14.6%
	No Inflation	8.1%	0.0%	0.0%
	Total Impact	**25.0%**	**16.9%**	**14.6%**

Over 3 years		1	2	3
LTC 3	Compound	25%	25%	21.6%
	Simple	25%	25%	12.0%
	No Inflation	25%		
	Compound	18.0%	18.0%	15.6%
	Simple	2.0%	2.0%	1.0%
	No Inflation	5.0%	0.0%	0.0%
	Total Impact	**25.0%**	**20.0%**	**16.5%**

	Cumulative Increases LTC 2	Cumulative Increases LTC 3
	90.0%	90.0%
	0.0%	75.0%
	25.0%	25.0%
	68.8%	75.9%
	90.0%	90.0%
	0.0%	75.0%
	25.0%	25.0%
	67.3%	74.9%

Revised VA

Over 3 years		1	2	3
LTC 2	Compound	20%	20%	20.0%
	No Inflation	20%		
	Compound	13.5%	13.5%	13.5%
	No Inflation	6.5%	0.0%	0.0%
	Total Impact	**20.0%**	**13.5%**	**13.5%**

Over 3 years		1	2	3
LTC 3	Compound	20%	20%	20%
	Simple	20%	20%	20%
	No Inflation	20%		
	Compound	14.4%	14.4%	14.4%
	Simple	1.6%	1.6%	1.6%
	No Inflation	4.0%	0.0%	0.0%
	Total Impact	**20.0%**	**16.0%**	**16.0%**

	72.8%	72.8%
	0.0%	72.8%
	20.0%	20.0%
	54.5%	61.6%
Reduction	**-13%**	**-13%**

Notes:

1. The size of the needed rate increase is immense (several hundred % for policies with compound inflation). The company lowered its request to allow for easier acceptance from the policyholders and states. The company requested 90% on policies with compound inflation, 75% on policies with simple inflation, and 25% for policies without inflation.

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10. The RevisedRequested %'s are the same as were agreed to and approved by Kanawha's state of domicile.

Kanawha Insurance Company - LTC 2 - Long Term Care Policy Form(s) 80650 1/97, 80880 1/98, and Riders

Rate Increase History - Total

Cumulative Totals:

	Nationwide	10 States	Virginia
2015	68%	103%	60%
2016	95%	129%	92%
2017	106%	142%	116%
2018	131%	155%	139%

Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	16%	13%	20%
2017	6%	6%	13%
2018	12%	5%	11%

Rate Increase History - No Inflation

Cumulative Totals:

	Nationwide	10 States	Virginia
2015	68%	105%	60%
2016	88%	124%	92%
2017	93%	130%	92%
2018	109%	135%	92%

Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	12%	9%	20%
2017	3%	3%	0%
2018	8%	2%	0%

Rate Increase History - Inflation Only

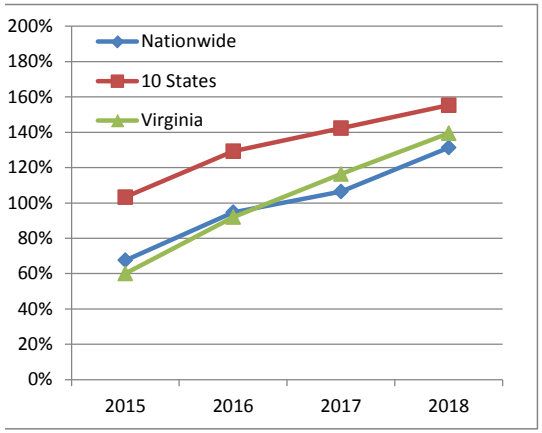
Cumulative Totals:

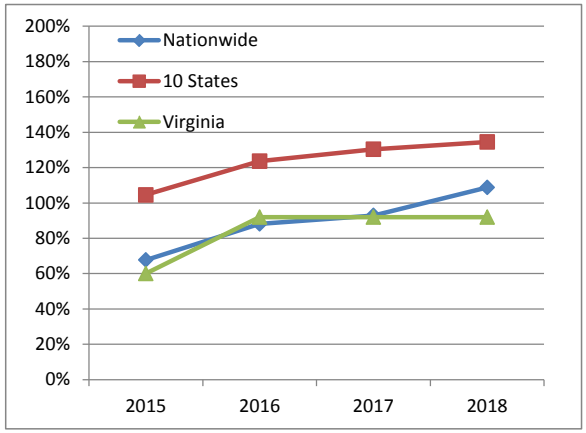
	Nationwide	10 States	Virginia
2015	67%	102%	60%
2016	99%	133%	92%
2017	116%	150%	127%
2018	148%	169%	161%

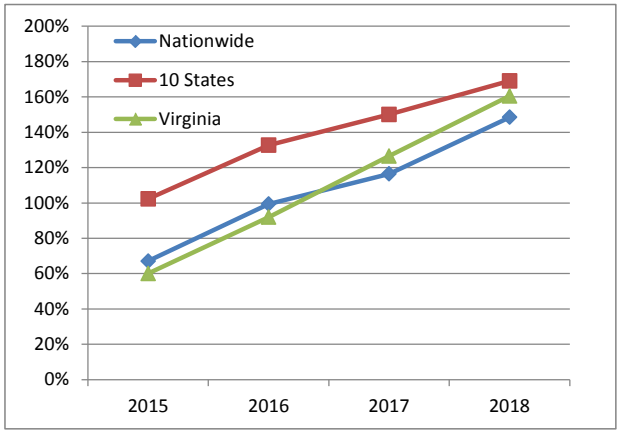
Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	19%	15%	20%
2017	9%	7%	18%
2018	15%	8%	15%

Cumulative Totals Graphs:







Janet Houser

From: Shawn Parks <shawn.parks@arcga.com>
Sent: Wednesday, February 10, 2016 11:57 AM
To: Janet Houser
Subject: RE: VA Pending Long Term Care Rate Increase Filings (Kanawha LTC Filings)

Janet,
I have reviewed the additional information that was provided and have the following comments:

- It is appropriate to look at inflation/non-inflation separately.
- In the new analysis, the company is using assumed future increases in other states. Our normal analysis is done at a point in time. Their approach is not inappropriate, but will produce a higher nationwide average by default.
- Under the company's approach, there is still some grounds to ask that the increases on LTC2 Inflation policies be reduced slightly. They are currently requesting 20%, 18%, 15% on this block. Increases of 20%, 14%, 14% would more closely match the expected nationwide increases.
- We believe that either of the following actions would be reasonable for the Bureau:
    - Request that LTC2 inflation policies by modified to 20%, 14%, 14%, or
    - Approve the increases as revised in the company's 1/25/2016 proposal to Virginia.

Let me know if you would like to discuss further.
Shawn

Shawn D. Parks, FSA, MAAA
Actuarial Resources Corp of GA
(803) 994-9895
(434) 944-5548 (c)
shawn.parks@arcga.com

Reliance and Qualifications
We are providing this information to you to communicate our findings regarding the filing under consideration. Distribution of this letter to parties other than the Bureau by us or any other party does not constitute advice by us to those parties. The reliance of parties other than the Bureau on any aspect of our work is not authorized by us and is done at their own risk.

In arriving at our opinion, we used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, our findings and conclusions may need to be revised. While we have relied on the data provided without independent investigation or verification, we have reviewed the data for consistency and reasonableness. Where we found the data inconsistent or unreasonable, we have requested clarification.

We have utilized generally accepted actuarial methodologies in arriving at our opinion. I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion.

From: Janet Houser [mailto:Janet.Houser@scc.virginia.gov]
Sent: Tuesday, February 2, 2016 1:41 PM
To: 'Shawn Parks'
Subject: FW: VA Pending Long Term Care Rate Increase Filings (Kanawha LTC Filings)

Shawn, Bob would like you to review this. Please provide your analysis and recommendations no later than 2/16. Thanks.

From: Drew Besendorf [mailto:dbesendorf@humana.com]
Sent: Monday, January 25, 2016 5:59 PM
To: Janet Houser
Subject: VA Pending Long Term Care Rate Increase Filings (Kanawha LTC Filings)

Hi Janet,

Sorry for the delays in getting these revised numbers to you. Along with a lot of year-end work, Friday our offices were closed due to the snow storm. Was Virginia hit by this storm?

Thanks for getting Bob and Tony on the phone for a good discussion. I think it was helpful for us to hear Bob's issues, and we believe we're providing some numbers to better support our requested increases.

If you have time tomorrow, I'd like to give you a call to walk you through the numbers...(I'm free anytime between 9-10am, 10:30-11:30am, and 1-6pm)?

Revised Proposal (file "Revised VA Proposal2.xlsx")
I've attached a new proposal. Please see the attached spreadsheet "Revised VA Proposal2.xlsx".
We lowered LTC 3 to 15,15,15% on policies with inflation and 15% on policies without inflation from 20,20,20% on policies with inflation and 20% on policies without inflation.
We lowered LTC 2 to 20,18,15% on policies with inflation and 20% on policies without inflation from 20,20,20% on policies with inflation and 20% on policies without inflation.
The revised proposal brings the overall requested VA increases down to ~44% for LTC 3 and ~48% for LTC 2.
The revised proposal brings the cumulative increases in VA down to ~118% for LTC 3 (from 167%) and to ~139% for LTC 2 (from 176.8%).

Revised Cumulative Increases by Block (file "Updated Rate Increase History Comparison7.xlsx")
During the meeting with Bob Grissom and Tony Hammond, Tony asked me to take a second look at our cumulative nationwide approvals and to look at them split by inflation and no inflation.

In analyzing the cumulative rate increases for the blocks, I've enhanced the report in several ways from the prior look.

1. Inflation Splits - We are now showing the numbers in total and split by inflation type by year of increase. Since we requested different increases by inflation type, this distinction is important to analyze. As the average rates for those with inflation riders increases by more than those without inflation riders, one needs to remember the review mix of business in comparing VA only to nationwide averages. It is helpful to compare VA rates for inflation and no inflation separately.
2. Projection Years - We are now showing how the increases are expected to occur over the next few years 2016-2018. This is important since the rate increase is being approved for three years. The cumulative numbers start below the numbers previously provided because we've bucketed any pre-approved increases in the appropriate year of increase. The cumulative numbers finish at rates above the numbers previously provided because we've included expected approvals of outstanding filings. The comparison shows the rate increases with VA increases using the new lower proposal. (see sheet "LTC2 – Proposed (2)" or "LTC3 – Proposed (2)")
3. I also included nationwide averages along with ten of the most supportive states with respect to the Kanawha rate increases for comparison.

Comparing the VA rates to nationwide and to Kanawha's ten most supportive states (the ten make up ~40% of the block's premiums), I call your attention to the following for LTC 3:

1. VA Policies without inflation protection have lower rates than both nationwide and the ten states.
2. VA Policies with inflation protection have lower rates than both nationwide and the ten states.
3. In total, the VA rates are in between nationwide and the ten states for years 2015-2017 and move higher than nationwide in year 2018. While VA increases were cumulatively less than nationwide for both with and without

inflation protection, the weighted average is higher for VA because of the higher % of inflation policies – where the higher increases are expected. This is where seeing the mix of business is important.

4. The approximate overall requested increases for the VA block equate to increases per year of 15, 12, and 12% for LTC 3.

Comparing the VA rates to nationwide and to Kanawha's ten most supportive states (the ten make up ~40% of the block's premiums), I call your attention to the following for LTC 2:

1. VA Policies without inflation protection have lower rates than both nationwide and the ten states.
2. VA Policies with inflation protection have lower rates than both nationwide and the ten states in 2016-2017 but move between nationwide and the ten states in years 2017-2018.
3. In total, the VA rates are lower in years 2015-2016 and move in between nationwide and the ten states in years 2017-2018.

I hope the state sees that we are:

1. Addressing the concerns of fairness between nationwide and VA policyholders, and
2. Requesting reasonable rate increases for the benefits provided.

With respect to Bob's note about inflation landing spots, I believe that our past analysis is consistent with the recent article in the December SOA LTC News. Adding different landing spots for various increases is too complex. We are willing to offer the option where the policyholder can keep their accumulated units and avoids the entire rate increase by foregoing any future increases. The actuarial justification for this option was provided to the state of VA on 4/30/2015 in SERFF.

Thanks again for your work on this filing.

Drew Besendorf FSA, MAAA | Actuarial Director | Humana | 500 West Main Street – 27th Floor | Louisville, KY 40202 | T **502.580.2262** | **dbesendorf@humana.com**

From: Bob Grissom [mailto:Bob.Grissom@scc.virginia.gov]
Sent: Friday, January 08, 2016 11:26 AM
To: Drew Besendorf
Cc: Toni Janoski; Janet Houser
Subject: Pending Long Term Care Rate Increase Filings

We appreciated the opportunity yesterday to discuss the company's pending long term care rate increases. We do understand and appreciate the company's concerns and hope that you now have a better understanding of the Bureau's concerns. As we discussed yesterday, a primary concern are the apparent significant differences in the cumulative percentages approved nationwide versus those in Virginia if the requested rate increases are approved. Based on the information provided, on the LTC3 block this would be 65% nationwide versus 167% in Virginia and on the LTC2 block 103% nationwide versus 176.8% in Virginia. (Although I understand that the company has slightly lowered its request it doesn't appear that this will significantly change these percentages.) However, based on our conversation yesterday, we understand that the company does not believe that these percentages are accurate and will provide additional information demonstrating that the percentage differences will be significantly lower. If so, then it may be that we're closer than thought to bringing these filings to a conclusion.

Regarding one comment that you made yesterday, we are aware that some companies will agree to "zero out" the rate increase if the policy owner has an inflation rider and agrees to reduce the percentage going forward. For example, the inflation rider increases the policy benefit 5% per year and the policy owner agrees to reduce it to predetermined percentage by the company such as 3.2%. If this is an option that the company

wants to provide, then we would encourage the company to submit this option with actuarial justification for the stated percentage reduction.

We also understand that you will be in town on the 12th and 13th of next week. Although we may not be in a position to discuss the filings any further at that point, you are certainly welcome to come by the Bureau to meet with staff if our schedules can be coordinated. As stated yesterday, it's always nice to put a face with a name. If you feel that you will have time to come by the Bureau, please give me some times and dates and we'll see who might be available. If not, then perhaps another time.

Again, thank you for taking some time yesterday to discuss the pending filings and we'll try to review the additional information provided as soon as possible after receipt.

Let us know if you have any questions.

Bob Grissom
Chief Insurance Market Examiner
Market Regulation
Virginia Bureau of Insurance
804-371-9152

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Janet Houser

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Sent: Monday, January 25, 2016 5:59 PM
To: Janet Houser
Subject: VA Pending Long Term Care Rate Increase Filings (Kanawha LTC Filings)
Attachments: Revised VA Proposal2.xlsx; Updated Rate Increase History Comparison7.xlsx

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Original Proposal - VA

Over 1 year		1	2	3
LTC 2	Compound	90%		
	No Inflation	25%		
	Compound	60.7%	0.0%	0.0%
	No Inflation	8.1%	0.0%	0.0%
	Total Impact	**68.8%**	**0.0%**	**0.0%**

Over 1 year		1	2	3
LTC 3	Compound	90%		
	Simple	75%		
	No Inflation	25%		
	Compound	64.9%	0.0%	0.0%
	Simple	6.0%	0.0%	0.0%
	No Inflation	5.0%	0.0%	0.0%
	Total Impact	**75.9%**	**0.0%**	**0.0%**

Over 3 years		1	2	3
LTC 2	Compound	25%	25%	21.6%
	No Inflation	25%		
	Compound	16.9%	16.9%	14.6%
	No Inflation	8.1%	0.0%	0.0%
	Total Impact	**25.0%**	**16.9%**	**14.6%**

Over 3 years		1	2	3
LTC 3	Compound	25%	25%	21.6%
	Simple	25%	25%	12.0%
	No Inflation	25%		
	Compound	18.0%	18.0%	15.6%
	Simple	2.0%	2.0%	1.0%
	No Inflation	5.0%	0.0%	0.0%
	Total Impact	**25.0%**	**20.0%**	**16.5%**

	Cumulative Increases LTC 2	Cumulative Increases LTC 3
	90.0%	90.0%
	0.0%	75.0%
	25.0%	25.0%
	68.8%	75.9%
	90.0%	90.0%
	0.0%	75.0%
	25.0%	25.0%
	67.3%	74.9%

Revised VA

Over 3 years		1	2	3
LTC 2	Compound	20%	18%	15.0%
	No Inflation	20%		
	Compound	13.5%	12.1%	10.1%
	No Inflation	6.5%	0.0%	0.0%
	Total Impact	**20.0%**	**12.1%**	**10.1%**

Over 3 years		1	2	3
LTC 3	Compound	15%	15%	15%
	Simple	15%	15%	15%
	No Inflation	15%		
	Compound	10.8%	10.8%	10.8%
	Simple	1.2%	1.2%	1.2%
	No Inflation	3.0%	0.0%	0.0%
	Total Impact	**15.0%**	**12.0%**	**12.0%**

	Cumulative Increases LTC 2	Cumulative Increases LTC 3
	62.8%	52.1%
	0.0%	52.1%
	20.0%	15.0%
	48.2%	44.3%

% Reduction	**-19%**	**-31%**
As %of original	**-28%**	**-41%**

Notes:

1. The size of the needed rate increase is immense (several hundred % for policies with compound inflation). The company lowered its request to allow for easier acceptance from the policyholders and states. The company requested 90% on policies with compound inflation, 75% on policies with simple inflation, and 25% for policies without inflation.

2. Given the size of requested rate increase, the state is asking the increase be spread over 3 years.

3. VA has viewed the rate filing exhibits in several ways including VA only experience, Nationwide experience with all premiums on a VA basis, using a 7% discount rate, removing any paid up policies, etc. In each case, the need for a rate increase is evident. Putting nationwide experience on a VA basis is a very logical approach to reviewing the LTC experience.

4. Given the size of the historical VA increases versus the historical Nationwide average increases, VA has asked that the requested amounts be lowered and/or justified on a credibility basis. Comparing nationwide average increases has many limitations including: a) What if every state chooses this approach? Which state will give the first increase? b) Comparing increases alone by state does not properly reflect the ages and benefits of the individual policyholders of each state.

5. VA has a 15-17% higher percentage of premium related to policyholders with inflation coverage than the national average. By differentiating the increases, the company will be requesting higher average % increases from VA policyholders than the nationwide average; however, this is due to the underlying policy benefits of the VA polichholders.

6. As states like FL differentiate their approvals by issue age, the fact that older issue ages tended towards no inflation and younger issue ages tended towards inflation coverage will also impact the comparison of VA vs FL (or Nationwide). FL was sold to an older population with fewer policyholders taking inflation protection.

7. VA sees only the potential for an increase in the mid to high 20's for LTC 2 and low double digits for LTC 3.

8. In the Revised Requested %'s, the company is requesting an amount believed acceptable and supportable to the state. The 2nd and 3rd year requests were lowered to levels which are currently actuarially supportable, which can reasonably be expected to be obtained from other states, and which keeps VA closer to the NW average.

9. Reminder: Spreading the increases over 3 years results in a present value loss. The company has asked for a very low increase on the policies without inflation coverage and by agreeing to not come back for three years is assuming the risk of increased during the 3 years.

~~10. The RevisedRequested %'s are the same as were agreed to and approved by Kanawha's state of domicile.~~
10. The RevisedRequested %'s were lowered to address the VA concerns of state support for rate increases.

Kanawha Insurance Company - LTC 2 - Long Term Care Policy Form(s) 80650 1/97, 80880 1/98, and Riders

Rate Increase History - Total

Cumulative Totals:

	Nationwide	10 States	Virginia
2015	68%	103%	60%
2016	95%	129%	92%
2017	106%	142%	116%
2018	131%	155%	139%

Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	16%	13%	20%
2017	6%	6%	13%
2018	12%	5%	11%

Rate Increase History - No Inflation

Cumulative Totals:

	Nationwide	10 States	Virginia
2015	68%	105%	60%
2016	88%	124%	92%
2017	93%	130%	92%
2018	109%	135%	92%

Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	12%	9%	20%
2017	3%	3%	0%
2018	8%	2%	0%

Rate Increase History - Inflation Only

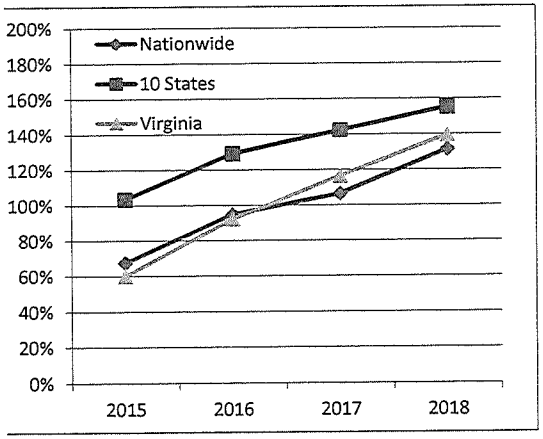
Cumulative Totals:

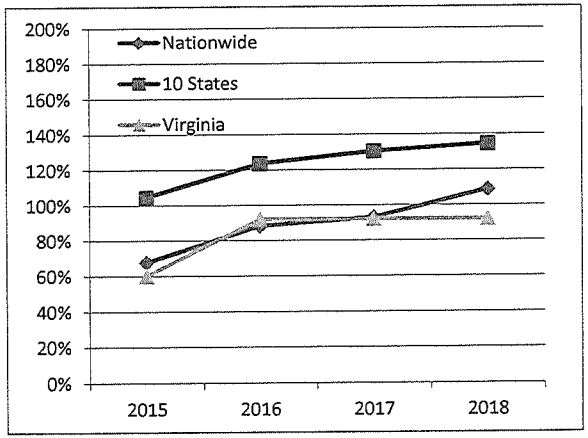
	Nationwide	10 States	Virginia
2015	67%	102%	60%
2016	99%	133%	92%
2017	116%	150%	127%
2018	148%	169%	161%

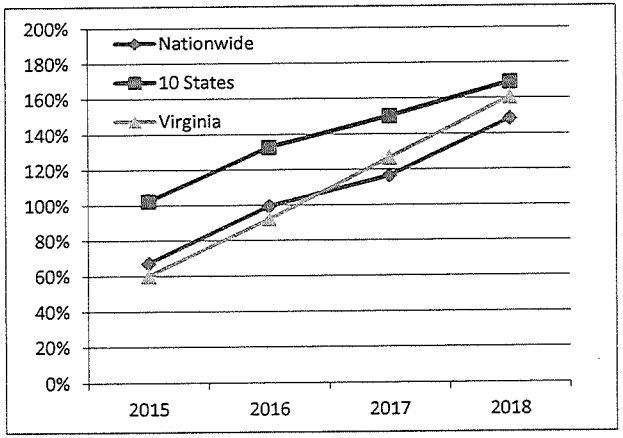
Projected Rate Increases by Year

	Nationwide	10 States	Virginia
2016	19%	15%	20%
2017	9%	7%	18%
2018	15%	8%	15%

Cumulative Totals Graphs:







State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Post Submission Update Request Processed On 02/27/2017

Status: Allowed
Created By: Daniel Rosenberg
Processed By: Janet Houser
Comments:

Company Rate Information:

Company Name:Kanawha Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	500.000%	48.879%
Overall % Rate Impact	48.200%	48.879%
Written Premium Change for this Program	$695469	$705749
Maximum %Change (where required)	62.800%	62.840%

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Post Submission Update Request Processed On 02/14/2017

Status:	Disallowed
Created By:	Daniel Rosenberg
Processed By:	Janet Houser
Comments:	The numbers on the Rate/Rule Schedule are not matching the Actuarial Memorandum or the LTC Rate Request Summary. I also have a concern the letter for this filing indicates 90% was filed by the company, so the overall indicated change should be at least that much. Please call me at your convenience 804-371-9390. Just as a fyi, I will be out of the office tomorrow.

Company Rate Information:

Company Name:Kanawha Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	68.800%	48.879%
Overall % Rate Impact	48.167%	48.879%
Written Premium Change for this Program	$695469	$705749

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Post Submission Update Request Processed On 10/07/2016

Status: Allowed
Created By: Stephen Sorensen
Processed By: Janet Houser
Comments:

Company Rate Information:

Company Name:Kanawha Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	48.879%	68.800%
Overall % Rate Impact	48.879%	68.800%
Written Premium Change for this Program	$705749	$993637
Maximum %Change (where required)	62.840%	90.000%
Minimum %Change (where required)	20.000%	25.000%

State: *Virginia* ***Filing Company:*** *Kanawha Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *LTC2*
Project Name/Number: *Kanawha LTC2 Premium Inc.2014/LTC2 2014*

Post Submission Update Request Processed On 04/30/2015

Status:	Allowed
Created By:	Andrew Besendorf
Processed By:	Janet Houser
Comments:	

Company Rate Information:

Company Name:Kanawha Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	68.800%	73.000%
Overall % Rate Impact	68.800%	73.000%
Written Premium Change for this Program	$993637	$943494
Number of Policy Holders Affected for this Program	715	632
Written Premium for this Program	$1443869	$1292457

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Form Schedule

Lead Form Number: 80650 1/97 VA

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1	Withdrawn 09/14/2015	Comprehensive LTC(Tax-Qualified)	80650 1/97 VA	POL	Other	Premium Increase		
2	Withdrawn 09/14/2015	Comprehensive LTC(Non-Tax Qualified)	80880 NTQ 1/98 VA	POL	Other	Premium Increase		
3	Withdrawn 07/05/2016	LTC Policyholder Letter - No inflation	17452NL 1 yr	POL	Initial		44.300	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf
4	Withdrawn 07/05/2016	LTC Policyholder Letter - Compound inflation	17452CL 1 yr	POL	Initial		44.200	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 1 Yr Increase 17452CL.pdf
5	Withdrawn 07/05/2016	LTC Policyholder Letter - Compound inflation	17452CL 3 yr	POL	Initial		45.600	Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 3 Yr Increase 17452CL.pdf
6	Withdrawn 07/05/2016	LTC Policyholder Letter - No inflation	17452NL 3 yr	POL	Initial		45.700	Illustrative_Kanawha Rate No Inflation Letter VA LTC2 3 Yr Increase 17452NL.pdf
7	Withdrawn 08/19/2016	LTC Policyholder Endorsement - No inflation	17452N	POL	Initial		46.400	Endorsement_Rate Increase_No Inflation_ VA LTC2 17452N.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Lead Form Number: 80650 1/97 VA

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
8	Withdrawn 07/05/2016	LTC Policyholder Endorsement - Compound Inflation	17452C	POL	Initial		46.400	Endorsement_Rate Increase_With Compound Inflation_ VA LTC2 17452C.pdf
9	Filed 03/10/2017	LTC Policyholder Letter	17452L 7/16 VA	POL	Initial		45.500	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf
10	Approved 03/10/2017	LTC Policyholder Endorsement	17452 7/16 VA	POL	Initial		42.400	Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf
11	Approved 03/10/2017	LTC Policyholder Policy Schedule Page	17452S 7/16 VA	POL	Initial			Policy Schedule Page LTC2 17452S 7-16 VA - Variable.pdf

Form Type Legend:

ADV	Advertising	**AEF**	Application/Enrollment Form
CER	Certificate	**CERA**	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	**FND**	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	**NOC**	Notice of Coverage
OTH	Other	**OUT**	Outline of Coverage
PJK	Policy Jacket	**POL**	Policy/Contract/Fraternal Certificate
POLA	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	**SCH**	Schedule Pages

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective [Date], your premium will increase by [Z1%] from [$X1] to [$X2]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Please see the "Options Available to You" section of the Endorsement attached to this letter for these Options.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class do not include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of the attachment to this letter. The attachment acts as an Endorsement to your policy. Please review it carefully. Other than the provisions stated in the Endorsement, this Endorsement will not alter any provisions of the Policy to which it is attached.

You may elect one of the Options described in the Endorsement anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

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Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is Z1%. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase Y1% from $X1 to $X2 which will be effective on MM/DD/YYYY. The second phase of the premium rate increase will be effective ONE year from MM/DD/YYYY. Your premium rate will increase an additional Y2%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from MM/DD/YYYY. Your premium rate will then increase an additional Y3%, which will be applied to the premium as of the date before the new premium effective date.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Please see the "Options Available to You" section of the Endorsement attached to this letter for these Options.

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Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is Z1%. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase Y1% from $X1 to $X2 which will be effective on MM/DD/YYYY. The second phase of the premium rate increase will be effective ONE year from MM/DD/YYYY. Your premium rate will increase an additional Y2%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from MM/DD/YYYY. Your premium rate will then increase an additional Y3%, which will be applied to the premium as of the date before the new premium effective date.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Please see the "Options Available to You" section of the Endorsement attached to this letter for these Options.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class do not include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of the attachment to this letter. The attachment acts as an Endorsement to your policy. Please review it carefully. Other than the provisions stated in the Endorsement, this Endorsement will not alter any provisions of the Policy to which it is attached.

You may elect one of the Options described in the Endorsement anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: xxxxxxxxxx
Policyholder Name:

Endorsement Effective Date: xx/xx/xxxx

Your Policy provides Benefits that You may elect when there is a state approved premium increase. This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase your Policy will convert to a reduced paid-up policy stated under Option 2.

If your policy includes a Non-Forfeiture Rider you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:
- Terminates; or
- Converts to a reduced paid up policy stated under Option 2.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- If you are benefit eligible, Benefits will be paid for services covered under the Policy and will not exceed the maximum benefits stated under the Non-Forfeiture Benefit Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Non-Forfeiture benefits
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: xxxxxxxxxx
Policyholder Name:

Endorsement Effective Date: xx/xx/xxxx

Your Policy provides Benefits that You may elect when there is a state approved premium increase. This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase your Policy will convert to a reduced paid-up policy stated under Option 2.

If your policy includes a Non-Forfeiture Rider you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:
- Terminates; or
- Converts to a reduced paid up policy stated under Option 2.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- If you are benefit eligible, Benefits will be paid for services covered under the Policy and will not exceed the maximum benefits stated under the Non-Forfeiture Benefit Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Non-Forfeiture benefits
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

[MAILING_DATE]

[NAME]
[ADDRESS]
[CITY], [STATE] [ZIP]

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear [NAME]:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for [LIMIT YEAR] from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

[<IF INFLATION YEAR 1>

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is [Z1%]. A [X%] premium rate increase was requested with the Virginia State Corporation Commission. While the increase of [Z1%] is significant, a rate increase of 90% was filed with the Virginia State Corporation Commission; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase [Y1%] from [$X1] to [$X2] which will be effective on [EFFECTIVE DATE YR 1]. The second phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YR 1]. Your premium rate will increase an additional [Y2%], which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from [EFFECTIVE DATE YR 1]. Your premium rate will then increase an

additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]
[<IF INFLATION YEAR 2>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is [Z2%]. Please note it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase [Y2%] from [$X2] to [$X3] which will be effective on [EFFECTIVE DATE YEAR 2]. The third phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YEAR 2]. Your premium rate will increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 3>
We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase [Y3%] from [$X3] to [$X4] which will be effective on [EFFECTIVE DATE YEAR 3].]

[<IF NO INFLATION>

Effective [EFFECTIVE DATE], your premium will increase by [Z1%] from [$X1] to [$X2]. While the increase of [Z1%] is significant, a rate increase of 25% was filed with the Virginia State Corporation Commission; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.]

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

[<IF INFLATION YEAR 1>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X1]; Your Premium Remains at the current level (Avoid the [Z1%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 2>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X3]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X2]; Your Premium Remains at the current level (Avoid the [Z2%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 3>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X4]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X3]; Your Premium Remains at the current level (Avoid the [Y3%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. [<IF INFLATION> The policies in this class include inflation protection riders] [<IF NO INFLATION> The policies in this class do not include inflation protection riders]. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: [POLICY NUMBER]
Policyholder Name: [NAME]

Endorsement Effective Date: [EFFECTIVE DATE]

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

[<IF INFLATION>

Option	**Description**	**Your New Premium**	**Can Premiums Increase in the Future?**	**Benefits**
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		[PREMIUM PERIOD]	[BASE PREMIUM]
[LTC RIDERS]			[RIDER PREMIUM]
[DISCOUNTS]			
TOTAL FOR PREMIUM INTERVAL SELECTED			[TOTAL PREMIUM]

POLICY NUMBER: [POLICY NUMBER]
DATE OF POLICY: [ISSUE DATE]

INSURED: [NAME]

AGE AT ISSUE: [ISSUE AGE]
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: [BENEFIT LIMIT]

PREMIUM SCHEDULE INTERVAL SELECTED: [PAYMENT INTERVAL]
[TOTAL PREMIUM]

DIRECT BILLING METHOD:
ANNUAL* [ANNUAL PREMIUM]
SEMI-ANNUAL*[SEMIANNUAL PREMIUM]
QUARTERLY* [QUARTERLY PREMIUM]
MONTHLY* [MONTHLY PREMIUM]
EFT* [EFT PREMIUM]

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
[AGENT NUMBER]

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	[NH DAILY BENEFIT]	[NH BENFIT PERIOD]
HOSPICE	[NH DAILY BENEFIT]	[NH BENFIT PERIOD]
ADULT DAY CARE	[NH DAILY BENEFIT]	[NH BENFIT PERIOD]
HOME HEALTH CARE	[HHC DAILY BENEFIT]	[HHC BENFIT PERIOD]
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	[HHC DAILY BENEFIT]	14 (PER YEAR)
ELIMINATION PERIOD	[ELIMINATION PERIOD]	

THIS SCHEDULE PAGE IS EFFECTIVE [EFFECTIVE DATE], AND REPLACES ANY PRIOR SCHEDULE PAGE.
[OPTION_STATEMENT]

TELEPHONE 1-800-260-2162

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Rate Information

Rate data applies to filing.

Filing Method:	SERFF
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	60.000%
Effective Date of Last Rate Revision:	08/01/2010
Filing Method of Last Filing:	SERFF

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Kanawha Insurance Company	500.000%	48.200%	$695,469	715	$1,443,869	62.800%	20.000%

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80650 1/97 VA, 80660 1/97, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_TQ_Proposed.pdf,
2		Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 1/97, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98	Revised	Previous State Filing Number: MMTA-126092761 Percent Rate Change Request: 48.2	KIC_VA_LTC2_ActMemo_ExhibitII_NTQ_Proposed.pdf,

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 2 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80650 1/97 for NH Premiums; Rider Form 80660 1/97 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 2 Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Base Form 80880 1/98 for NH Premiums; Rider Form 80900 1/98 for HHC Premiums

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Supporting Document Schedules

Satisfied - Item:	Certification of Compliance
Comments:	Please find a certification signed by the appointed actuary/officer of the company for the Endorsement and policyholder letter being filed with the state of VA.
Attachment(s):	14VAC5-100-40 3 Cert 17452 7-16 VA.pdf 14VAC5-100-40 3 Cert 17452L 7-16 VA.pdf
Item Status:	Received & Acknowledged
Status Date:	10/12/2016

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	Please find: 1). Actuarial Memorandum - we have updated the memo to match the rate/rule schedule 2). Exhibit I nationwide experience 3). Exhibit I VA state experience 5) Exh II - includes current and proposed premiums. 6) Addendum to the Actuarial Memo showing the revised requested rate increases.
Attachment(s):	LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf 130HUM0122.VA.LTC2ActMemo.022017 v2.pdf
Item Status:	Received & Acknowledged
Status Date:	03/10/2017

Satisfied - Item:	Sample Policyholder Letters
Comments:	Please find revised letter reflecting comments in 1/23/2015 questions: 1). An illustrative policyholder letter for those with an inflation rider. 2). An illustrative policyholder letter for those without an inflation rider.
Attachment(s):	Illustrative_Kanawha Rate Increase Compound Inflation Letter.pdf Illustrative_Kanawha Rate Increase No Inflation Letter.pdf
Item Status:	Received & Acknowledged
Status Date:	09/14/2015

Satisfied - Item:	Policy Forms
Comments:	
Attachment(s):	80650 197 VA.pdf 80880 198 VA NTQ.pdf

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Item Status:	Received & Acknowledged
Status Date:	11/07/2014

Satisfied - Item:	Supporting Exhibits for Response to Nov 7, 2014 Questions
Comments:	Please find the following: 1. Response document showing our detailed responses to the November 7, 2014 VA Questions. 2. Policy forms 80660-93102. 3. Exhibits D, E, and F - which are noted in the response document.
Attachment(s):	VA. LTC2. Response 01162015.pdf 80660 1-97.pdf 80680 1-97.pdf 80710 1-97.pdf 80900 NTQ 1-98.pdf 90170 1-97.pdf 90175 1-97.pdf 93000 1-97.pdf 93000 1-98.pdf 93072 NTQ 1-98.pdf 93087 NTQ 1-98.pdf 93102 NTQ 1-98.pdf VA.LTC2.Exhibit I D.NW.pdf VA.LTC2.Exhibit I E.VAState.pdf VA.LTC2.Exhibit I F.NW.pdf
Item Status:	Received & Acknowledged
Status Date:	01/23/2015

Satisfied - Item:	Response to 1/23/2015 Questions
Comments:	Please find: 1. Cover letter with responses to 1/23/2015 questions... 2. KIC historical termination study (as referenced in the cover letter) 3. Rate increase status update by state with annualized premiums as of 12/31/2013. (as referenced in the cover letter) 4. Lifetime Payment option exhibit ID. (as referenced in the cover letter) 5. 1,2,3,4 Exhibit I's to reconcile using proposed premiums since issue (as referenced in the cover letter) 6. Appendix G (as referenced in the cover letter) Please see revised policyholder letters in the "sample Policyholder Letters" section of supporting documents in SERFF.

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	LTC2.Cover Letter Response 01232015.pdf Kanawha Historical Termination Rates Study.pdf Rate Increase StatusUpdate Response Workbook - VA.pdf 0130HUM22.LTC.ExhibitID.LifetimePay.Nationwide.pdf 1. 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf 2. VA.LTC2.Exhibit I E.VAState.pdf 3. ExhibitI.LTC2.ProposedPremiumsPaidSinceIssue.pdf 4. ExhibitI.LTC2.ActualPremiumExperienceWith100%ImplementationImmediately.pdf AdditionalItems.LTC.AppendixG.pdf
Item Status:	Received & Acknowledged
Status Date:	05/28/2015

Satisfied - Item:	Response to 5/28/2015 Questions
Comments:	Please find the following: 1. Document with responses to each of the VA state questions. The format simply copies the questions and injects responses under each question or section. "LTC 2 05282015 Questions from the state of VA.pdf" 2-4. Endorsements - policyholder letters - these are also included in the forms section of SERFF. 5-8. Nationwide Exhibits as referenced in the first document. 9-12. VA Exhibits as referenced in the first document. 13. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters. 14. Please find a transmittal letter for the policyholder letters/endorsements.
Attachment(s):	ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5-100-60 Readability Certification LTC 2 17452N 17452C.pdf LTC 2 05282015 Questions from the state of VA.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf KIC 14VAC5 100 40 Transmittal Letter for Forms 1745.pdf
Item Status:	Received & Acknowledged
Status Date:	09/14/2015

Satisfied - Item:	Response to 9/14/2015 Questions
Comments:	Please find the following: 1-4. Nationwide Exhibits 5-8. Virginia Exhibits 9-15. Follow up documents sent to Policyholders. 16. Document with responses to each of the VA state questions. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf ExhibitI_LTC2_NW.pdf ExhibitI_LTC2_NW_7.0%.pdf ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA.pdf ExhibitI_LTC2_VA_7.0%.pdf ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%.pdf ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf Policy Schedule.pdf Plan Change_Benefit Period.pdf Plan Change_DailyBenefit_Px Refund.pdf Contingent Benefit Upon Lapse Notice_Post Rate Increase.pdf Plan Change_Reduce Inflation Protection Benefit.pdf PxQuote Ltr_Change Reqst_No InfReduction_lp_111615.pdf LTC2 Objection Letter 20150914.pdf PxQuote Ltr_Change Reqst_with InfReduction_lp_111615.pdf
Item Status:	Received & Acknowledged
Status Date:	12/15/2015

Satisfied - Item:	Readability certification 14VAC5-100-60 (Response to 9/14/2015 Questions)
Comments:	Please Find: 1. Readability certification 14VAC5-100-60 for the endorsements - policyholder letters.
Attachment(s):	14VAC5-110-60 Cert 17452.pdf
Item Status:	Received & Acknowledged
Status Date:	12/15/2015

Satisfied - Item:	Response to 12/14/2015 Questions
Comments:	Please find: 1. Rate increase status update by state with annualized premiums as of 12/31/2013 revised to include current status of rate increase filings.
Attachment(s):	Rate Increase StatusUpdate Response Workbook - VA.pdf
Item Status:	Received & Acknowledged
Status Date:	07/05/2016

Satisfied - Item:	Response to e-mail sent on 3/14/2016
Comments:	Please find: 1. Rate Summary Form 2. Exhibit II Current and Proposed Rate and Factor Tables (Tax Qualified) 3. Exhibit II Current and Proposed Rate and Factor Tables (Non-Tax Qualified)

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	Part 1LTC Rate Request Summary 12 31 14.pdf KIC_VA_LTC2_ActMemo_ExhibitII_TQ.pdf KIC_VA_LTC2_ActMemo_ExhibitII_NTQ.pdf
Item Status:	Received & Acknowledged
Status Date:	08/23/2016

Satisfied - Item:	Response to 12/15/2015 & 12/28/2015 Questions
Comments:	Please find: 1. Tax Qualified Compound Inflation rider for LTC2 Policies 2. Non-tax Qualified Compound Inflation rider for LTC2 Policies 3. Endorsement for Tax Qualified LTC2 policies approved by VA in the past. 4. Endorsement for Non-tax Qualified LTC2 policies approved by VA in the past. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. **9. Jane Doed Version of 2nd year Letter for inflation policies. (Updated Guarantee Period) **10. Jane Doed Version of 3rd year Letter for inflation policies. (Updated Guarantee Period) 11. 14VAC5-110-60 Readability Certification for Letter 12. 14VAC5-110-60 Readability Certification for Endorsement 13. Document with responses to the VA state objections sent 12/15/2016. 14. Document with responses to the VA state objections sent 12/28/2016. Please find the Endorsements & Policyholder letters - these are included in the forms section of SERFF.
Attachment(s):	80680 1-97.pdf 93072 NTQ 1-98.pdf 82000 101 CB - VA.pdf 82120 901 CB - VA.pdf Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf 14VAC5-110-60 Cert 17452.pdf 14VAC5-110-60 Cert 17452L.pdf VA 2015_12_15 Responses - LTC2.pdf VA 2015_12_28 Responses - LTC2.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3).pdf
Item Status:	Received & Acknowledged
Status Date:	08/23/2016

Satisfied - Item:	Response to 8/23/2016 Questions

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Comments:	Please find: 1. Statement of Variability VA LTC - This was moved from the forms section of SERFF to the supporting document section per instructions from the state. This applies to forms 17452 7/16 VA and 17452L 7/16 VA. 2. John Doed Version of Endorsement for non inflation policies. 3. Jane Doed Version of Endorsement for inflation policies. 4. 14VAC5-110-60 Readability Certification for Letter 5. 14VAC5-110-60 Readability Certification for Endorsement 6. Part 1 LTC Rate Request Summary 7. John Doed Version of Letter for non inflation policies. 8. Jane Doed Version of 1st year Letter for inflation policies. 9. Jane Doed Version of 2nd year Letter for inflation policies. 10. Jane Doed Version of 3rd year Letter for inflation policies. 11. Response to Questions 08-23-2016.pdf (this is our document answering each question with references to the included attachments) 12. KIC_VA_Exhibit II_rate calculation example.xls (this is a spreadsheet showing formulas used to compute the premiums for a sample policy with and without inflation protection).
Attachment(s):	Statement_of_Variability_VA LTC.pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Part 1LTC Rate Request Summary 12 31 14.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Response to Questions 08-23-2016.pdf KIC_VA_Exhibit II rate calculation example.xlsx
Item Status:	Received & Acknowledged
Status Date:	03/10/2017

Satisfied - Item:	Response to 10/26/2016 Questions

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Comments:	1. John Doed Version of Letter for non inflation policies. 2. Jane Doed Version of 1st year Letter for inflation policies. 3. Jane Doed Version of 2nd year Letter for inflation policies. 4. Jane Doed Version of 3rd year Letter for inflation policies. 5. John Doed Version of Endorsement for non inflation policies. 6. Jane Doed Version of Endorsement for inflation policies. 7. Sample Premium Quote Change Request Letter for non inflation policies. 8. Sample Premium Quote Change Request letter for inflation policies. 9. Sample Confirmation Change Request Letter for Benefit Period Reduction. 10. Sample Confirmation Change Request Letter for Contingent Benefit Upon Lapse Selection. 11. Sample Confirmation Change Request Letter for Daily Benefit Reduction. 12. Sample Confirmation Change Request Letter for Nonforfeiture Selection. 13. Sample Confirmation Change Request Letter for Inflation Protection Benefit Reduction. 14. Sample Policy Schedule Page Before Rate Increase. 15. Sample Policy Schedule Page After Rate Increase. 16. Sample Policy Schedule Page After Contingent Benefit Upon Lapse or Nonforfeiture Selection. 17. Sample Policy Schedule Page After Inflation Protection Benefit Reduction. 18. Sample Policy Schedule Page After Daily Benefit Reduction. 19. Sample Policy Schedule Page After Benefit Period Reduction. 20. Sample Policy Schedule Page After Elimination Period Increase. 21. Statement of Variability. 22. 14VAC5-110-60 Readability Certification for Letter 23. 14VAC5-110-60 Readability Certification for Endorsement 24. 14VAC5-100-40 3 Certification 25. Response to Questions 10-26-2016 26. Response to Questions 2-3-2017

SERFF Tracking #:	*HUMA-129780509*	***State Tracking #:***	*HUMA-129780509*	***Company Tracking #:***	*LTC2 10242014*

State:	*Virginia*	***Filing Company:***	*Kanawha Insurance Company*
TOI/Sub-TOI:	*LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*		
Product Name:	*LTC2*		
Project Name/Number:	*Kanawha LTC2 Premium Inc.2014/LTC2 2014*		

Attachment(s):	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (Inflation).pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF.pdf 14VAC5-100-40 3 Cert.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction.pdf Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase.pdf Statement_of_Variability_VA LTC2.pdf 14VAC5-110-60 Cert 17452L 7-16 VA.pdf 14VAC5-110-60 Cert 17452 7-16 VA.pdf Confirmation Change Request Letter Nonforfeiture.pdf Confirmation Change Request Letter CBUL.pdf Confirmation Change Request Letter Benefit Period.pdf Confirmation Change Request Letter DailyBenefit_Px Refund.pdf Response to Questions 10-26-2016.pdf Response to Questions 02-03-2017.pdf Confirmation Change Request Letter Reduce Inflation Protection Benefit.pdf PxQuote Change Request Letter VA - No Inflation Riders.pdf PxQuote Change Request Letter VA - Inflation Riders.pdf
Item Status:	Received & Acknowledged
Status Date:	03/10/2017

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Attachment KIC_VA_Exhibit II rate calculation example.xlsx is not a PDF document and cannot be reproduced here.

Kanawha Insurance Company

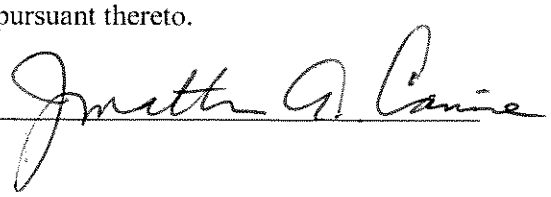
14VAC5-100-40 3. Certification.

VIRGINIA CERTIFICATION OF COMPLIANCE

For use with policy forms

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452 7/16 VA**

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
October 3, 2016

Kanawha Insurance Company

14VAC5-100-40 3. Certification.

VIRGINIA CERTIFICATION OF COMPLIANCE

For use with policy forms

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452L 7/16 VA**

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Signature of an Officer of the Insurer

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
October 3, 2016

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

January 16, 2015

Subject: Kanawha Insurance Company
Company NAIC No: 65110
Policy Form Numbers: 80650 1/97 VA, 80880 NTQ 1/98 VA & Riders

Dear Sir or Madam:

The purpose of this rate filing is to request a rate revision on the above referenced form. Based on the experience, an increase has become necessary for the long term care policies referenced in the enclosed filings. These policies refer to Kanawha's second generations of products, hereafter referred to as LTC2. Kanawha is requesting a 25% rate increase on policies without inflation riders and a 90% rate increase on policies with compound inflation riders. Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time.

As of December 31, 2013, there were 632 policies on residents of your state (not including any paid up policies) with a total annualized premium of $1,292,457. There were an additional 83 policies (not including any paid up policies) which were issued in the state of Virginia and currently reside in another state. The total number of policies in this filing is 715 with a total annualized premium of $1,443,869.

We trust that this submission is in order and look forward to working with you. If you have any questions regarding this filing, please feel free to contact me at (502) 580-2262.

Sincerely,

Andrew J. Besendorf III, FSA, MAAA
Actuarial Director

500 W. MAIN STREET • LOUISVILLE, KY • 40202
PHONE: 502.580.2262

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.36	18.69	46.70	23.36	57.07	28.54	16-39
40-54	56.59	28.30	70.74	35.38	86.46	43.25	40-54
55-59	76.74	38.38	95.92	47.97	117.23	58.62	55-59
60	88.03	44.18	110.05	55.23	134.50	67.50	60
61	99.42	49.92	124.27	62.40	151.89	76.27	61
62	110.80	55.66	138.51	69.58	169.28	85.04	62
63	122.99	61.47	153.74	76.83	187.90	93.92	63
64	134.86	67.49	168.58	84.35	206.03	103.10	64
65	146.90	73.42	183.63	91.78	224.43	112.18	65
66	158.77	79.58	198.45	99.49	242.56	121.58	66
67	170.94	85.52	213.68	106.91	261.17	130.67	67
68	191.97	96.05	239.95	120.06	293.28	146.74	68
69	213.12	106.58	266.40	133.22	325.60	162.82	69
70	234.29	117.09	292.85	146.35	357.94	178.88	70
71	255.44	127.62	319.30	159.52	390.26	194.96	71
72	276.64	138.29	345.81	172.85	422.66	211.26	72
73	327.34	159.34	409.17	199.18	500.10	243.46	73
74	378.03	179.26	472.54	224.10	577.55	273.89	74
75	428.74	197.70	535.92	247.12	655.01	302.03	75
76	479.58	214.78	599.47	268.48	732.69	328.14	76
77	530.27	230.58	662.85	288.22	810.14	352.27	77
78	610.05	265.33	762.56	331.66	932.02	405.38	78
79	694.96	302.24	868.70	377.79	1,061.74	461.76	79
80	778.18	338.21	972.72	422.75	1,188.88	516.69	80
81	865.15	376.11	1,081.44	470.14	1,321.74	574.62	81
82	956.45	415.68	1,195.57	519.60	1,461.25	635.07	82
83	1,051.66	457.31	1,314.58	571.65	1,606.70	698.67	83
84	1,151.01	500.61	1,438.75	625.74	1,758.48	764.80	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	24.37	10.62	30.46	13.28	37.23	16.22	16-39
40-54	36.91	16.10	46.14	20.11	56.38	24.59	40-54
55-59	50.05	21.82	62.56	27.28	76.45	33.33	55-59
60	60.27	26.27	75.34	32.85	92.08	40.14	60
61	70.50	30.59	88.13	38.24	107.71	46.74	61
62	80.74	35.04	100.91	43.81	123.34	53.54	62
63	92.90	40.30	116.13	50.38	141.92	61.58	63
64	104.93	45.71	131.15	57.14	160.30	69.84	64
65	117.09	50.96	146.37	63.71	178.88	77.86	65
66	129.25	56.22	161.57	70.29	197.47	85.90	66
67	141.42	61.49	176.77	76.85	216.06	93.94	67
68	162.29	70.56	202.86	88.21	247.95	107.81	68
69	183.17	79.63	228.96	99.55	279.84	121.66	69
70	204.05	88.72	255.06	110.90	311.73	135.54	70
71	225.06	97.79	281.31	122.24	343.84	149.41	71
72	245.94	106.88	307.41	133.60	375.73	163.30	72
73	290.99	126.46	363.74	158.08	444.58	193.22	73
74	336.06	146.21	420.08	182.75	513.42	223.36	74
75	381.12	165.79	476.42	207.25	582.27	253.30	75
76	426.34	185.38	532.91	231.73	651.34	283.22	76
77	471.39	204.98	589.25	256.22	720.19	313.15	77
78	542.32	235.87	677.89	294.85	828.54	360.37	78
79	617.79	268.69	772.24	335.86	943.86	410.48	79
80	691.78	300.66	864.72	375.81	1,056.88	459.33	80
81	769.09	334.35	961.36	417.95	1,174.99	510.82	81
82	850.26	369.52	1,062.82	461.90	1,299.01	564.56	82
83	934.90	406.54	1,168.62	508.18	1,428.30	621.10	83
84	1,023.20	445.02	1,279.01	556.27	1,563.23	679.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.42	9.78	28.02	12.21	34.24	14.93	16-39
40-54	33.95	14.80	42.45	18.51	51.87	22.62	40-54
55-59	46.03	20.08	57.55	25.09	70.34	30.67	55-59
60	55.46	24.18	69.31	30.22	84.72	36.93	60
61	64.86	28.14	81.07	35.17	99.09	42.99	61
62	74.27	32.24	92.85	40.30	113.47	49.26	62
63	85.47	37.09	106.83	46.35	130.58	56.66	63
64	96.53	42.05	120.66	52.58	147.47	64.26	64
65	107.73	46.88	134.66	58.61	164.58	71.63	65
66	118.91	51.73	148.64	64.66	181.68	79.04	66
67	130.11	56.56	162.64	70.70	198.77	86.42	67
68	149.31	64.91	186.64	81.15	228.11	99.18	68
69	168.51	73.26	210.64	91.58	257.46	111.94	69
70	187.71	81.62	234.66	102.02	286.80	124.69	70
71	207.06	89.97	258.82	112.46	316.32	137.46	71
72	226.26	98.34	282.82	122.91	345.66	150.22	72
73	267.71	116.35	334.64	145.44	409.01	177.76	73
74	309.18	134.51	386.46	168.13	472.35	205.49	74
75	350.64	152.53	438.30	190.67	535.70	233.04	75
76	392.22	170.54	490.29	213.18	599.23	260.56	76
77	433.68	188.58	542.11	235.73	662.58	288.11	77
78	498.93	217.01	623.66	271.25	762.26	331.54	78
79	568.37	247.18	710.46	308.98	868.35	377.65	79
80	636.43	276.59	795.54	345.74	972.34	422.58	80
81	707.55	307.60	884.45	384.51	1,080.99	469.95	81
82	782.24	339.97	977.79	424.96	1,195.09	519.39	82
83	860.10	374.02	1,075.14	467.52	1,314.05	571.41	83
84	941.34	409.42	1,176.69	511.78	1,438.18	625.50	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	19.15	8.35	23.94	10.43	29.26	12.75	16-39
40-54	29.01	12.66	36.27	15.81	44.32	19.33	40-54
55-59	39.33	17.15	49.17	21.44	60.10	26.21	55-59
60	47.38	20.66	59.22	25.82	72.38	31.55	60
61	55.41	24.05	69.26	30.05	84.66	36.74	61
62	63.46	27.55	79.31	34.43	96.94	42.08	62
63	73.02	31.68	91.26	39.60	111.55	48.40	63
64	82.46	35.94	103.09	44.91	126.00	54.90	64
65	92.03	40.06	115.04	50.08	140.61	61.20	65
66	101.60	44.19	126.99	55.25	155.22	67.52	66
67	111.15	48.32	138.94	60.40	169.82	73.82	67
68	127.57	55.46	159.46	69.33	194.88	84.74	68
69	143.97	62.59	179.97	78.24	219.95	95.63	69
70	160.38	69.73	200.46	87.17	245.02	106.53	70
71	176.90	76.86	221.12	96.08	270.26	117.44	71
72	193.30	84.02	241.63	105.01	295.31	128.35	72
73	228.72	99.41	285.90	124.26	349.44	151.87	73
74	264.14	114.91	330.18	143.65	403.55	175.57	74
75	299.57	130.32	374.46	162.90	457.66	199.09	75
76	335.10	145.71	418.86	182.13	511.95	222.61	76
77	370.51	161.10	463.15	201.39	566.06	246.14	77
78	426.26	185.39	532.83	231.74	651.23	283.25	78
79	485.58	211.18	606.98	263.98	741.87	322.64	79
80	543.74	236.30	679.68	295.39	830.72	361.02	80
81	604.51	262.80	755.65	328.51	923.57	401.50	81
82	668.30	290.45	835.39	363.07	1,021.02	443.74	82
83	734.83	319.54	918.54	399.42	1,122.67	488.19	83
84	804.24	349.78	1,005.31	437.23	1,228.70	534.38	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.70	23.36	58.38	29.20	71.34	35.68	16-39
40-54	70.74	35.38	88.43	44.23	108.08	54.06	40-54
55-59	95.93	47.98	119.90	59.96	146.54	73.28	55-59
60	110.04	55.23	137.56	69.04	168.13	84.38	60
61	124.28	62.40	155.34	78.00	189.86	95.34	61
62	138.50	69.58	173.14	86.98	211.60	106.30	62
63	153.74	76.84	192.18	96.04	234.88	117.40	63
64	168.58	84.36	210.73	105.44	257.54	128.88	64
65	183.63	91.78	229.54	114.73	280.54	140.23	65
66	198.46	99.48	248.06	124.36	303.20	151.98	66
67	213.68	106.90	267.10	133.64	326.46	163.34	67
68	239.96	120.06	299.94	150.08	366.60	183.43	68
69	266.40	133.23	333.00	166.53	407.00	203.53	69
70	292.86	146.36	366.06	182.94	447.43	223.60	70
71	319.30	159.53	399.13	199.40	487.83	243.70	71
72	345.80	172.86	432.26	216.06	528.33	264.08	72
73	409.18	199.18	511.46	248.98	625.13	304.33	73
74	472.54	224.08	590.68	280.13	721.94	342.36	74
75	535.93	247.13	669.90	308.90	818.76	377.54	75
76	599.48	268.48	749.34	335.60	915.86	410.18	76
77	662.84	288.23	828.56	360.28	1,012.68	440.34	77
78	762.56	331.66	953.20	414.58	1,165.03	506.73	78
79	868.70	377.80	1,085.88	472.24	1,327.18	577.20	79
80	972.73	422.76	1,215.90	528.44	1,486.10	645.86	80
81	1,081.44	470.14	1,351.80	587.68	1,652.18	718.28	81
82	1,195.56	519.60	1,494.46	649.50	1,826.56	793.84	82
83	1,314.58	571.64	1,643.23	714.56	2,008.38	873.34	83
84	1,438.76	625.76	1,798.44	782.18	2,198.10	956.00	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	30.46	13.28	38.08	16.60	46.54	20.28	16-39
40-54	46.14	20.13	57.68	25.14	70.48	30.74	40-54
55-59	62.56	27.28	78.20	34.10	95.56	41.66	55-59
60	75.34	32.84	94.18	41.06	115.10	50.18	60
61	88.13	38.24	110.16	47.80	134.64	58.43	61
62	100.93	43.80	126.14	54.76	154.18	66.93	62
63	116.13	50.38	145.16	62.98	177.40	76.98	63
64	131.16	57.14	163.94	71.43	200.38	87.30	64
65	146.36	63.70	182.96	79.64	223.60	97.33	65
66	161.56	70.28	201.96	87.86	246.84	107.38	66
67	176.78	76.86	220.96	96.06	270.08	117.43	67
68	202.86	88.20	253.58	110.26	309.94	134.76	68
69	228.96	99.54	286.20	124.44	349.80	152.08	69
70	255.06	110.90	318.83	138.63	389.66	169.43	70
71	281.33	122.24	351.64	152.80	429.80	186.76	71
72	307.43	133.60	384.26	167.00	469.66	204.13	72
73	363.74	158.08	454.68	197.60	555.73	241.53	73
74	420.08	182.76	525.10	228.44	641.78	279.20	74
75	476.40	207.24	595.53	259.06	727.84	316.63	75
76	532.93	231.73	666.14	289.66	814.18	354.03	76
77	589.24	256.23	736.56	320.28	900.24	391.44	77
78	677.90	294.84	847.36	368.56	1,035.68	450.46	78
79	772.24	335.86	965.30	419.83	1,179.83	513.10	79
80	864.73	375.83	1,080.90	469.76	1,321.10	574.16	80
81	961.36	417.94	1,201.70	522.44	1,468.74	638.53	81
82	1,062.83	461.90	1,328.53	577.38	1,623.76	705.70	82
83	1,168.63	508.18	1,460.78	635.23	1,785.38	776.38	83
84	1,279.00	556.28	1,598.76	695.34	1,954.04	849.86	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	28.03	12.23	35.03	15.26	42.80	18.66	16-39
40-54	42.44	18.50	53.06	23.14	64.84	28.28	40-54
55-59	57.54	25.10	71.94	31.36	87.93	38.34	55-59
60	69.33	30.23	86.64	37.78	105.90	46.16	60
61	81.08	35.18	101.34	43.96	123.86	53.74	61
62	92.84	40.30	116.06	50.38	141.84	61.58	62
63	106.84	46.36	133.54	57.94	163.23	70.83	63
64	120.66	52.56	150.83	65.73	184.34	80.33	64
65	134.66	58.60	168.33	73.26	205.73	89.54	65
66	148.64	64.66	185.80	80.83	227.10	98.80	66
67	162.64	70.70	203.30	88.38	248.46	108.03	67
68	186.64	81.14	233.30	101.44	285.14	123.98	68
69	210.64	91.58	263.30	114.48	321.83	139.93	69
70	234.64	102.03	293.33	127.53	358.50	155.86	70
71	258.83	112.46	323.53	140.58	395.40	171.83	71
72	282.83	122.93	353.53	153.64	432.08	187.78	72
73	334.64	145.44	418.30	181.80	511.26	222.20	73
74	386.48	168.14	483.08	210.16	590.44	256.86	74
75	438.30	190.66	547.88	238.34	669.63	291.30	75
76	490.28	213.18	612.86	266.48	749.04	325.70	76
77	542.10	235.73	677.64	294.66	828.23	360.14	77
78	623.66	271.26	779.58	339.06	952.83	414.43	78
79	710.46	308.98	888.08	386.23	1,085.44	472.06	79
80	795.54	345.74	994.43	432.18	1,215.43	528.23	80
81	884.44	384.50	1,105.56	480.64	1,351.24	587.44	81
82	977.80	424.96	1,222.24	531.20	1,493.86	649.24	82
83	1,075.13	467.53	1,343.93	584.40	1,642.56	714.26	83
84	1,176.68	511.78	1,470.86	639.73	1,797.73	781.88	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	23.94	10.44	29.93	13.04	36.58	15.94	16-39
40-54	36.26	15.83	45.34	19.76	55.40	24.16	40-54
55-59	49.16	21.44	61.46	26.80	75.13	32.76	55-59
60	59.23	25.83	74.03	32.28	90.48	39.44	60
61	69.26	30.06	86.58	37.56	105.83	45.93	61
62	79.33	34.44	99.14	43.04	121.18	52.60	62
63	91.28	39.60	114.08	49.50	139.44	60.50	63
64	103.08	44.93	128.86	56.14	157.50	68.63	64
65	115.04	50.08	143.80	62.60	175.76	76.50	65
66	127.00	55.24	158.74	69.06	194.03	84.40	66
67	138.94	60.40	173.68	75.50	212.28	92.28	67
68	159.46	69.33	199.33	86.66	243.60	105.93	68
69	179.96	78.24	224.96	97.80	274.94	119.54	69
70	200.48	87.16	250.58	108.96	306.28	133.16	70
71	221.13	96.08	276.40	120.10	337.83	146.80	71
72	241.63	105.03	302.04	131.26	369.14	160.44	72
73	285.90	124.26	357.38	155.33	436.80	189.84	73
74	330.18	143.64	412.73	179.56	504.44	219.46	74
75	374.46	162.90	468.08	203.63	572.08	248.86	75
76	418.88	182.14	523.58	227.66	639.94	278.26	76
77	463.14	201.38	578.94	251.74	707.58	307.68	77
78	532.83	231.74	666.04	289.68	814.04	354.06	78
79	606.98	263.98	758.73	329.98	927.34	403.30	79
80	679.68	295.38	849.60	369.24	1,038.40	451.28	80
81	755.64	328.50	944.56	410.64	1,154.46	501.88	81
82	835.38	363.06	1,044.24	453.84	1,276.28	554.68	82
83	918.54	399.43	1,148.18	499.28	1,403.34	610.24	83
84	1,005.30	437.23	1,256.64	546.54	1,535.88	667.98	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	64.43	32.24	80.54	40.30	98.45	49.25	16-39
40-54	97.65	48.83	122.05	61.04	149.18	74.61	40-54
55-59	135.92	67.98	169.90	84.98	207.66	103.86	55-59
60	172.40	86.51	215.50	108.14	263.39	132.18	60
61	180.59	90.66	225.73	113.33	275.89	138.51	61
62	189.23	95.06	236.53	118.83	289.10	145.23	62
63	201.84	100.88	252.29	126.10	308.37	154.11	63
64	214.51	107.34	268.14	134.19	327.74	164.00	64
65	227.71	113.82	284.64	142.27	347.89	173.89	65
66	240.98	120.78	301.22	150.99	368.16	184.54	66
67	254.78	127.47	318.48	159.33	389.25	194.74	67
68	276.96	138.58	346.19	173.22	423.14	211.71	68
69	299.76	149.90	374.69	187.38	457.97	229.02	69
70	322.67	161.25	403.33	201.57	492.96	246.37	70
71	345.66	172.69	432.08	215.87	528.11	263.84	71
72	368.85	181.50	461.06	226.88	563.52	277.30	72
73	420.83	206.59	526.05	258.24	642.94	315.63	73
74	472.67	229.74	590.85	287.18	722.14	350.99	74
75	524.51	251.44	655.63	314.30	801.33	384.16	75
76	576.35	273.10	720.43	341.39	880.53	417.25	76
77	628.35	292.91	785.44	366.14	959.98	447.50	77
78	716.61	311.68	895.76	389.58	1,094.82	476.16	78
79	805.02	350.11	1,006.27	437.63	1,229.89	534.90	79
80	901.06	391.60	1,126.32	489.50	1,376.61	598.29	80
81	1,002.35	435.76	1,252.94	544.70	1,531.38	665.76	81
82	1,107.90	481.50	1,384.88	601.89	1,692.62	735.65	82
83	1,218.02	529.65	1,522.51	662.06	1,860.86	809.20	83
84	1,333.10	579.79	1,666.38	724.74	2,036.69	885.79	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.03	18.34	52.53	22.91	64.21	28.00	16-39
40-54	63.68	27.76	79.60	34.70	97.30	42.42	40-54
55-59	88.64	38.66	110.82	48.32	135.44	59.06	55-59
60	118.03	51.46	147.54	64.32	180.34	78.62	60
61	128.06	55.55	160.06	69.44	195.65	84.86	61
62	137.87	59.84	172.34	74.82	210.64	91.44	62
63	152.45	66.14	190.56	82.69	232.90	101.06	63
64	166.90	72.72	208.62	90.90	254.99	111.09	64
65	181.50	79.01	226.88	98.75	277.30	120.70	65
66	196.19	85.34	245.23	106.67	299.73	130.38	66
67	210.77	91.63	263.46	114.54	322.02	139.98	67
68	234.16	101.81	292.69	127.25	357.74	155.54	68
69	257.63	112.02	322.05	140.03	393.60	171.14	69
70	281.02	122.18	351.28	152.72	429.33	186.67	70
71	304.56	132.34	380.69	165.42	465.30	202.19	71
72	327.89	140.29	409.87	175.36	500.94	214.34	72
73	374.11	163.97	467.65	204.96	571.57	250.50	73
74	420.19	187.36	525.25	234.21	641.97	286.24	74
75	466.27	210.88	582.85	263.60	712.37	322.18	75
76	512.35	235.73	640.45	294.66	782.77	360.13	76
77	558.58	260.38	698.22	325.49	853.39	397.81	77
78	637.04	277.07	796.30	346.34	973.26	423.30	78
79	715.63	311.23	894.54	389.04	1,093.33	475.50	79
80	801.01	348.13	1,001.26	435.15	1,223.76	531.86	80
81	891.06	387.38	1,113.82	484.22	1,361.34	591.84	81
82	984.90	428.05	1,231.12	535.06	1,504.69	653.97	82
83	1,082.78	470.85	1,353.47	588.56	1,654.24	719.34	83
84	1,185.09	515.42	1,481.36	644.27	1,810.54	787.44	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	38.66	16.86	48.34	21.07	59.07	25.76	16-39
40-54	58.59	25.54	73.23	31.92	89.50	39.02	40-54
55-59	81.55	35.55	101.94	44.45	124.59	54.32	55-59
60	108.59	47.34	135.74	59.18	165.90	72.34	60
61	117.81	51.10	147.26	63.89	179.98	78.08	61
62	126.85	55.06	158.56	68.82	193.79	84.11	62
63	140.26	60.86	175.31	76.06	214.27	92.98	63
64	153.55	66.90	191.94	83.62	234.59	102.21	64
65	166.98	72.69	208.72	90.85	255.10	111.04	65
66	180.50	78.51	225.62	98.14	275.74	119.95	66
67	193.90	84.30	242.38	105.38	296.26	128.78	67
68	215.42	93.66	269.28	117.07	329.12	143.09	68
69	237.02	103.06	296.27	128.82	362.11	157.46	69
70	258.54	112.40	323.17	140.51	394.99	171.73	70
71	280.19	121.76	350.24	152.19	428.06	186.02	71
72	301.66	129.07	377.07	161.33	460.88	197.18	72
73	344.18	150.85	430.22	188.56	525.84	230.46	73
74	386.58	172.37	483.22	215.47	590.61	263.34	74
75	428.98	194.00	536.21	242.51	655.38	296.40	75
76	471.36	216.86	589.20	271.09	720.14	331.33	76
77	513.89	239.55	642.37	299.44	785.12	365.98	77
78	586.08	254.90	732.61	318.62	895.41	389.44	78
79	658.38	286.34	822.98	357.92	1,005.86	437.46	79
80	736.93	320.27	921.15	400.34	1,125.86	489.31	80
81	819.78	356.40	1,024.72	445.49	1,252.43	544.50	81
82	906.10	393.81	1,132.62	492.26	1,384.32	601.65	82
83	996.16	433.18	1,245.20	541.47	1,521.90	661.79	83
84	1,090.27	474.18	1,362.85	592.74	1,665.70	724.45	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.02	14.40	41.30	18.00	50.46	22.02	16-39
40-54	50.05	21.82	62.58	27.28	76.48	33.34	40-54
55-59	69.68	30.38	87.09	37.97	106.45	46.42	55-59
60	92.77	40.45	115.97	50.56	141.74	61.79	60
61	100.66	43.66	125.81	54.58	153.78	66.70	61
62	108.37	47.04	135.46	58.80	165.57	71.87	62
63	119.82	52.00	149.78	64.99	183.06	79.44	63
64	131.18	57.15	163.98	71.44	200.42	87.31	64
65	142.66	62.10	178.32	77.62	217.95	94.86	65
66	154.21	67.07	192.75	83.84	235.58	102.48	66
67	165.66	72.02	207.09	90.03	253.10	110.03	67
68	184.05	80.02	230.06	100.02	281.18	122.24	68
69	202.50	88.05	253.12	110.06	309.38	134.51	69
70	220.88	96.03	276.10	120.05	337.46	146.72	70
71	239.38	104.02	299.23	130.03	365.71	158.93	71
72	257.73	110.27	322.16	137.84	393.74	168.46	72
73	294.05	128.88	367.57	161.09	449.25	196.90	73
74	330.27	147.26	412.83	184.08	504.58	224.99	74
75	366.50	165.74	458.11	207.18	559.92	253.23	75
76	402.70	185.28	503.39	231.60	615.25	283.06	76
77	439.04	204.66	548.80	255.82	670.77	312.69	77
78	500.72	217.78	625.90	272.22	764.99	332.70	78
79	562.50	244.62	703.10	305.79	859.36	373.74	79
80	629.58	273.62	786.99	342.03	961.87	418.03	80
81	700.37	304.48	875.46	380.59	1,070.02	465.17	81
82	774.13	336.45	967.65	420.56	1,182.69	514.02	82
83	851.06	370.08	1,063.82	462.61	1,300.24	565.41	83
84	931.47	405.12	1,164.34	506.38	1,423.09	618.93	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	80.54	40.30	100.68	50.38	123.06	61.56	16-39
40-54	122.06	61.04	152.56	76.30	186.48	93.26	40-54
55-59	169.90	84.98	212.38	106.23	259.58	129.83	55-59
60	215.50	108.14	269.38	135.18	329.24	165.23	60
61	225.74	113.33	282.16	141.66	344.86	173.14	61
62	236.54	118.83	295.66	148.54	361.38	181.54	62
63	252.30	126.10	315.36	157.63	385.46	192.64	63
64	268.14	134.18	335.18	167.74	409.68	205.00	64
65	284.64	142.28	355.80	177.84	434.86	217.36	65
66	301.23	150.98	376.53	188.74	460.20	230.68	66
67	318.48	159.34	398.10	199.16	486.56	243.43	67
68	346.20	173.23	432.74	216.53	528.93	264.64	68
69	374.70	187.38	468.36	234.23	572.46	286.28	69
70	403.34	201.56	504.16	251.96	616.20	307.96	70
71	432.08	215.86	540.10	269.84	660.14	329.80	71
72	461.06	226.88	576.33	283.60	704.40	346.63	72
73	526.04	258.24	657.56	322.80	803.68	394.54	73
74	590.84	287.18	738.56	358.98	902.68	438.74	74
75	655.64	314.30	819.54	392.88	1,001.66	480.20	75
76	720.44	341.38	900.54	426.74	1,100.66	521.56	76
77	785.44	366.14	981.80	457.68	1,199.98	559.38	77
78	895.76	389.60	1,119.70	486.98	1,368.53	595.20	78
79	1,006.28	437.64	1,257.84	547.04	1,537.36	668.63	79
80	1,126.33	489.50	1,407.90	611.88	1,720.76	747.86	80
81	1,252.94	544.70	1,566.18	680.88	1,914.23	832.20	81
82	1,384.88	601.88	1,731.10	752.36	2,115.78	919.56	82
83	1,522.53	662.06	1,903.14	827.58	2,326.08	1,011.50	83
84	1,666.38	724.74	2,082.98	905.93	2,545.86	1,107.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.54	22.93	65.66	28.64	80.26	35.00	16-39
40-54	79.60	34.70	99.50	43.38	121.63	53.03	40-54
55-59	110.80	48.33	138.53	60.40	169.30	73.83	55-59
60	147.54	64.33	184.43	80.40	225.43	98.28	60
61	160.08	69.44	200.08	86.80	244.56	106.08	61
62	172.34	74.80	215.43	93.53	263.30	114.30	62
63	190.56	82.68	238.20	103.36	291.13	126.33	63
64	208.63	90.90	260.78	113.63	318.74	138.86	64
65	226.88	98.76	283.60	123.44	346.63	150.88	65
66	245.24	106.68	306.54	133.34	374.66	162.98	66
67	263.46	114.54	329.33	143.18	402.53	174.98	67
68	292.70	127.26	365.86	159.06	447.18	194.43	68
69	322.04	140.03	402.56	175.04	492.00	213.93	69
70	351.28	152.73	439.10	190.90	536.66	233.34	70
71	380.70	165.43	475.86	206.78	581.63	252.74	71
72	409.86	175.36	512.34	219.20	626.18	267.93	72
73	467.64	204.96	584.56	256.20	714.46	313.13	73
74	525.24	234.20	656.56	292.76	802.46	357.80	74
75	582.84	263.60	728.56	329.50	890.46	402.73	75
76	640.44	294.66	800.56	368.33	978.46	450.16	76
77	698.23	325.48	872.78	406.86	1,066.74	497.26	77
78	796.30	346.34	995.38	432.93	1,216.58	529.13	78
79	894.54	389.04	1,118.18	486.30	1,366.66	594.38	79
80	1,001.26	435.16	1,251.58	543.94	1,529.70	664.83	80
81	1,113.83	484.23	1,392.28	605.28	1,701.68	739.80	81
82	1,231.13	535.06	1,538.90	668.83	1,880.86	817.46	82
83	1,353.48	588.56	1,691.84	735.70	2,067.80	899.18	83
84	1,481.36	644.28	1,851.70	805.34	2,263.18	984.30	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	48.33	21.08	60.43	26.34	73.84	32.20	16-39
40-54	73.24	31.93	91.54	39.90	111.88	48.78	40-54
55-59	101.94	44.44	127.43	55.56	155.74	67.90	55-59
60	135.74	59.18	169.68	73.98	207.38	90.43	60
61	147.26	63.88	184.08	79.86	224.98	97.60	61
62	158.56	68.83	198.20	86.03	242.24	105.14	62
63	175.33	76.08	219.14	95.08	267.84	116.23	63
64	191.94	83.63	239.93	104.53	293.24	127.76	64
65	208.73	90.86	260.90	113.56	318.88	138.80	65
66	225.63	98.14	282.03	122.68	344.68	149.94	66
67	242.38	105.38	302.98	131.73	370.33	160.98	67
68	269.28	117.08	336.60	146.34	411.40	178.86	68
69	296.28	128.83	370.34	161.03	452.64	196.83	69
70	323.18	140.50	403.96	175.64	493.74	214.66	70
71	350.24	152.20	437.80	190.24	535.08	232.53	71
72	377.08	161.34	471.34	201.66	576.10	246.48	72
73	430.23	188.56	537.78	235.70	657.30	288.08	73
74	483.23	215.46	604.03	269.34	738.26	329.18	74
75	536.23	242.50	670.26	303.14	819.23	370.50	75
76	589.20	271.08	736.50	338.86	900.18	414.16	76
77	642.36	299.44	802.96	374.30	981.40	457.48	77
78	732.60	318.63	915.76	398.28	1,119.26	486.80	78
79	822.98	357.93	1,028.73	447.40	1,257.33	546.83	79
80	921.16	400.34	1,151.44	500.43	1,407.33	611.64	80
81	1,024.73	445.50	1,280.90	556.86	1,565.54	680.63	81
82	1,132.63	492.26	1,415.78	615.33	1,730.40	752.06	82
83	1,245.20	541.48	1,556.50	676.84	1,902.38	827.24	83
84	1,362.84	592.73	1,703.56	740.93	2,082.13	905.56	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	41.28	18.00	51.63	22.50	63.08	27.53	16-39
40-54	62.56	27.28	78.23	34.10	95.60	41.68	40-54
55-59	87.10	37.98	108.86	47.46	133.06	58.03	55-59
60	115.96	50.56	144.96	63.20	177.18	77.24	60
61	125.83	54.58	157.26	68.23	192.23	83.38	61
62	135.46	58.80	169.33	73.50	206.96	89.84	62
63	149.78	65.00	187.23	81.24	228.83	99.30	63
64	163.98	71.44	204.98	89.30	250.53	109.14	64
65	178.33	77.63	222.90	97.03	272.44	118.58	65
66	192.76	83.84	240.94	104.80	294.48	128.10	66
67	207.08	90.03	258.86	112.54	316.38	137.54	67
68	230.06	100.03	287.58	125.03	351.48	152.80	68
69	253.13	110.06	316.40	137.58	386.73	168.14	69
70	276.10	120.04	345.13	150.06	421.83	183.40	70
71	299.23	130.03	374.04	162.54	457.14	198.66	71
72	322.16	137.84	402.70	172.30	492.18	210.58	72
73	367.56	161.10	459.46	201.36	561.56	246.13	73
74	412.84	184.08	516.04	230.10	630.73	281.24	74
75	458.13	207.18	572.64	258.98	699.90	316.54	75
76	503.38	231.60	629.24	289.50	769.06	353.83	76
77	548.80	255.83	686.00	319.78	838.46	390.86	77
78	625.90	272.23	782.38	340.28	956.24	415.88	78
79	703.13	305.78	878.88	382.24	1,074.20	467.18	79
80	786.98	342.03	983.74	427.54	1,202.34	522.54	80
81	875.46	380.60	1,094.33	475.74	1,337.53	581.46	81
82	967.66	420.56	1,209.56	525.70	1,478.36	642.53	82
83	1,063.83	462.60	1,329.78	578.26	1,625.30	706.76	83
84	1,164.34	506.40	1,455.43	632.98	1,778.86	773.66	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.16	26.08	65.20	32.59	79.70	39.84	16-39
40-54	79.02	39.54	98.78	49.41	120.74	60.40	40-54
55	135.92	67.98	169.90	84.98	207.66	103.86	55
56	157.76	78.90	197.20	98.62	241.01	120.54	56
57-59	179.74	89.90	224.69	112.38	274.61	137.36	57-59
60	306.27	153.71	382.83	192.14	467.90	234.83	60
61	339.63	170.51	424.53	213.14	518.88	260.51	61
62	352.37	176.70	440.46	220.88	538.34	269.97	62
63	383.39	192.03	479.23	240.05	585.73	293.39	63
64	410.86	205.60	513.58	256.99	627.71	314.11	64
65	431.63	215.74	539.54	269.68	659.42	329.60	65
66	452.35	226.75	565.44	283.46	691.09	346.43	66
67	474.50	237.41	593.12	296.75	724.93	362.70	67
68	508.93	254.62	636.16	318.29	777.52	389.01	68
69	544.51	272.29	680.64	340.37	831.90	416.00	69
70	580.56	290.16	725.70	362.69	886.96	443.30	70
71	616.83	308.14	771.04	385.18	942.38	470.78	71
72	653.76	321.97	817.20	402.46	998.80	491.90	72
73	748.42	361.47	935.52	451.84	1,143.41	552.26	73
74	836.93	396.67	1,046.14	495.84	1,278.62	606.02	74
75	920.86	428.56	1,151.09	535.71	1,406.88	654.75	75
76	1,005.39	459.68	1,256.74	574.61	1,536.00	702.30	76
77	1,083.66	487.06	1,354.58	608.82	1,655.58	744.11	77
78	1,158.58	512.13	1,448.22	640.14	1,770.05	782.40	78
79	1,231.68	535.74	1,539.62	669.68	1,881.74	818.50	79
80	1,379.49	600.03	1,724.37	750.05	2,107.57	916.72	80
81	1,533.44	666.99	1,916.82	833.74	2,342.77	1,019.01	81
82	1,694.80	737.18	2,118.50	921.47	2,589.28	1,126.24	82
83	1,863.57	810.56	2,329.46	1,013.20	2,847.10	1,238.37	83
84	2,039.66	887.17	2,549.58	1,108.98	3,116.16	1,355.41	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	34.02	14.83	42.53	18.53	51.97	22.66	16-39
40-54	51.54	22.48	64.43	28.10	78.74	34.34	40-54
55	88.64	38.66	110.82	48.32	135.44	59.06	55
56	102.88	44.86	128.61	56.08	157.18	68.53	56
57-59	117.23	51.12	146.53	63.89	179.10	78.10	57-59
60	209.68	91.42	262.11	114.27	320.35	139.68	60
61	240.83	104.48	301.04	130.59	367.95	159.62	61
62	256.74	111.25	320.91	139.06	392.24	169.97	62
63	289.57	125.92	361.95	157.41	442.40	192.38	63
64	319.66	139.26	399.58	174.08	488.38	212.77	64
65	344.03	149.74	430.05	187.18	525.60	228.78	65
66	368.27	160.21	460.34	200.26	562.64	244.77	66
67	392.53	170.66	490.67	213.33	599.70	260.72	67
68	430.27	187.06	537.84	233.82	657.36	285.79	68
69	468.00	203.47	585.01	254.35	715.01	310.86	69
70	505.63	219.84	632.03	274.82	772.48	335.87	70
71	543.47	236.14	679.33	295.18	830.30	360.78	71
72	581.17	248.85	726.46	311.07	887.90	380.19	72
73	665.31	286.88	831.65	358.61	1,016.45	438.29	73
74	744.00	323.49	930.00	404.37	1,136.66	494.22	74
75	818.62	359.41	1,023.28	449.26	1,250.67	549.10	75
76	893.76	396.77	1,117.20	495.95	1,365.46	606.16	76
77	963.34	432.98	1,204.18	541.23	1,471.76	661.50	77
78	1,029.94	455.26	1,287.42	569.07	1,573.50	695.54	78
79	1,094.93	476.26	1,368.66	595.33	1,672.82	727.62	79
80	1,226.32	533.41	1,532.91	666.77	1,873.55	814.93	80
81	1,363.18	592.93	1,703.98	741.17	2,082.64	905.87	81
82	1,506.62	655.33	1,883.28	819.15	2,301.78	1,001.20	82
83	1,656.64	720.56	2,070.80	900.70	2,530.99	1,100.86	83
84	1,813.20	788.67	2,266.50	985.84	2,770.18	1,204.91	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	31.30	13.65	39.12	17.06	47.81	20.83	16-39
40-54	47.42	20.67	59.26	25.84	72.45	31.58	40-54
55	81.55	35.55	101.94	44.45	124.59	54.32	55
56	94.66	41.26	118.32	51.58	144.61	63.06	56
57-59	107.86	47.02	134.82	58.78	164.77	71.84	57-59
60	192.91	84.11	241.14	105.14	294.72	128.50	60
61	221.57	96.11	276.96	120.14	338.51	146.85	61
62	236.19	102.35	295.25	127.94	360.85	156.37	62
63	266.40	115.86	333.01	144.82	407.01	176.99	63
64	294.10	128.13	367.62	160.16	449.31	195.74	64
65	316.51	137.78	395.63	172.21	483.55	210.48	65
66	338.82	147.39	423.52	184.24	517.63	225.18	66
67	361.14	157.01	451.41	196.26	551.73	239.87	67
68	395.86	172.10	494.82	215.12	604.77	262.93	68
69	430.56	187.20	538.21	234.00	657.81	286.00	69
70	465.17	202.26	581.47	252.83	710.69	309.01	70
71	499.98	217.26	624.99	271.57	763.87	331.92	71
72	534.67	228.94	668.35	286.18	816.86	349.78	72
73	612.10	263.94	765.10	329.92	935.14	403.23	73
74	684.48	297.62	855.60	372.02	1,045.73	454.69	74
75	753.14	330.66	941.42	413.33	1,150.62	505.17	75
76	822.26	365.02	1,027.82	456.27	1,256.22	557.66	76
77	886.27	398.34	1,107.84	497.92	1,354.02	608.58	77
78	947.54	418.83	1,184.43	523.55	1,447.63	639.89	78
79	1,007.33	438.16	1,259.17	547.70	1,538.99	669.41	79
80	1,128.22	490.74	1,410.27	613.42	1,723.66	749.74	80
81	1,254.13	545.50	1,567.66	681.87	1,916.03	833.41	81
82	1,386.10	602.90	1,732.61	753.63	2,117.63	921.10	82
83	1,524.11	662.91	1,905.14	828.66	2,328.51	1,012.80	83
84	1,668.14	725.58	2,085.18	906.98	2,548.56	1,108.53	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.74	11.65	33.42	14.56	40.85	17.81	16-39
40-54	40.51	17.66	50.64	22.08	61.89	26.99	40-54
55	69.68	30.38	87.09	37.97	106.45	46.42	55
56	80.86	35.26	101.09	44.08	123.55	53.87	56
57-59	92.14	40.18	115.18	50.22	140.77	61.38	57-59
60	164.82	71.86	206.02	89.82	251.79	109.78	60
61	189.30	82.11	236.62	102.64	289.20	125.46	61
62	201.79	87.44	252.24	109.30	308.29	133.58	62
63	227.60	98.98	284.50	123.73	347.73	151.22	63
64	251.26	109.46	314.08	136.83	383.87	167.23	64
65	270.42	117.70	338.02	147.12	413.12	179.82	65
66	289.46	125.92	361.82	157.41	442.24	192.38	66
67	308.53	134.14	385.66	167.66	471.36	204.93	67
68	338.19	147.02	422.74	183.79	516.69	224.62	68
69	367.86	159.94	459.81	199.92	561.98	244.34	69
70	397.42	172.80	496.77	216.00	607.17	264.00	70
71	427.17	185.62	533.95	232.02	652.61	283.57	71
72	456.80	195.60	571.01	244.50	697.89	298.83	72
73	522.94	225.49	653.66	281.86	798.93	344.50	73
74	584.78	254.27	730.98	317.82	893.41	388.46	74
75	643.44	282.50	804.30	353.12	983.02	431.60	75
76	702.50	311.86	878.11	389.82	1,073.25	476.45	76
77	757.18	340.32	946.48	425.41	1,156.80	519.94	77
78	809.54	357.84	1,011.90	447.30	1,236.78	546.69	78
79	860.61	374.34	1,075.78	467.92	1,314.83	571.90	79
80	963.89	419.26	1,204.86	524.08	1,472.61	640.53	80
81	1,071.46	466.05	1,339.33	582.56	1,636.96	712.03	81
82	1,184.19	515.09	1,480.26	643.87	1,809.20	786.94	82
83	1,302.11	566.37	1,627.65	707.97	1,989.34	865.28	83
84	1,425.17	619.90	1,781.47	774.88	2,177.34	947.07	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	65.20	32.60	81.50	40.74	99.63	49.80	16-39
40-54	98.78	49.43	123.48	61.76	150.93	75.50	40-54
55	169.90	84.98	212.38	106.23	259.58	129.83	55
56	197.20	98.63	246.50	123.28	301.26	150.68	56
57-59	224.68	112.38	280.86	140.48	343.26	171.70	57-59
60	382.84	192.14	478.54	240.18	584.88	293.54	60
61	424.54	213.14	530.66	266.43	648.60	325.64	61
62	440.46	220.88	550.58	276.10	672.93	337.46	62
63	479.24	240.04	599.04	300.06	732.16	366.74	63
64	513.58	257.00	641.98	321.24	784.64	392.64	64
65	539.54	269.68	674.43	337.10	824.28	412.00	65
66	565.44	283.44	706.80	354.33	863.86	433.04	66
67	593.13	296.76	741.40	370.94	906.16	453.38	67
68	636.16	318.28	795.20	397.86	971.90	486.26	68
69	680.64	340.36	850.80	425.46	1,039.88	520.00	69
70	725.70	362.70	907.13	453.36	1,108.70	554.13	70
71	771.04	385.18	963.80	481.48	1,177.98	588.48	71
72	817.20	402.46	1,021.50	503.08	1,248.50	614.88	72
73	935.53	451.84	1,169.40	564.80	1,429.26	690.33	73
74	1,046.16	495.84	1,307.68	619.80	1,598.28	757.53	74
75	1,151.08	535.70	1,438.86	669.64	1,758.60	818.44	75
76	1,256.74	574.60	1,570.93	718.26	1,920.00	877.88	76
77	1,354.58	608.83	1,693.23	761.03	2,069.48	930.14	77
78	1,448.23	640.16	1,810.28	800.18	2,212.56	978.00	78
79	1,539.60	669.68	1,924.53	837.10	2,352.18	1,023.13	79
80	1,724.36	750.04	2,155.46	937.56	2,634.46	1,145.90	80
81	1,916.80	833.74	2,396.03	1,042.18	2,928.46	1,273.76	81
82	2,118.50	921.48	2,648.13	1,151.84	3,236.60	1,407.80	82
83	2,329.46	1,013.20	2,911.83	1,266.50	3,558.88	1,547.96	83
84	2,549.58	1,108.96	3,186.98	1,386.23	3,895.20	1,694.26	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.53	18.54	53.16	23.16	64.96	28.33	16-39
40-54	64.43	28.10	80.54	35.13	98.43	42.93	40-54
55	110.80	48.33	138.53	60.40	169.30	73.83	55
56	128.60	56.08	160.76	70.10	196.48	85.66	56
57-59	146.54	63.90	183.16	79.86	223.88	97.63	57-59
60	262.10	114.28	327.64	142.84	400.44	174.60	60
61	301.04	130.60	376.30	163.24	459.94	199.53	61
62	320.93	139.06	401.14	173.83	490.30	212.46	62
63	361.96	157.40	452.44	196.76	553.00	240.48	63
64	399.58	174.08	499.48	217.60	610.48	265.96	64
65	430.04	187.18	537.56	233.98	657.00	285.98	65
66	460.34	200.26	575.43	250.33	703.30	305.96	66
67	490.66	213.33	613.34	266.66	749.63	325.90	67
68	537.84	233.83	672.30	292.28	821.70	357.24	68
69	585.00	254.34	731.26	317.94	893.76	388.58	69
70	632.04	274.80	790.04	343.53	965.60	419.84	70
71	679.34	295.18	849.16	368.98	1,037.88	450.98	71
72	726.46	311.06	908.08	388.84	1,109.88	475.24	72
73	831.64	358.60	1,039.56	448.26	1,270.56	547.86	73
74	930.00	404.36	1,162.50	505.46	1,420.83	617.78	74
75	1,023.28	449.26	1,279.10	561.58	1,563.34	686.38	75
76	1,117.20	495.96	1,396.50	619.94	1,706.83	757.70	76
77	1,204.18	541.23	1,505.23	676.54	1,839.70	826.88	77
78	1,287.43	569.08	1,609.28	711.34	1,966.88	869.43	78
79	1,368.66	595.33	1,710.83	744.16	2,091.03	909.53	79
80	1,532.90	666.76	1,916.14	833.46	2,341.94	1,018.66	80
81	1,703.98	741.16	2,129.98	926.46	2,603.30	1,132.34	81
82	1,883.28	819.16	2,354.10	1,023.94	2,877.23	1,251.50	82
83	2,070.80	900.70	2,588.50	1,125.88	3,163.74	1,376.08	83
84	2,266.50	985.84	2,833.13	1,232.30	3,462.73	1,506.14	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.13	17.06	48.90	21.33	59.76	26.04	16-39
40-54	59.28	25.84	74.08	32.30	90.56	39.48	40-54
55	101.94	44.44	127.43	55.56	155.74	67.90	55
56	118.33	51.58	147.90	64.48	180.76	78.83	56
57-59	134.83	58.78	168.53	73.48	205.96	89.80	57-59
60	241.14	105.14	301.43	131.43	368.40	160.63	60
61	276.96	120.14	346.20	150.18	423.14	183.56	61
62	295.24	127.94	369.06	159.93	451.06	195.46	62
63	333.00	144.83	416.26	181.03	508.76	221.24	63
64	367.63	160.16	459.53	200.20	561.64	244.68	64
65	395.64	172.23	494.54	215.26	604.44	263.10	65
66	423.53	184.24	529.40	230.30	647.04	281.48	66
67	451.43	196.26	564.26	245.33	689.66	299.84	67
68	494.83	215.13	618.53	268.90	755.96	328.66	68
69	538.20	234.00	672.76	292.50	822.26	357.50	69
70	581.46	252.83	726.84	316.04	888.36	386.26	70
71	624.98	271.58	781.24	339.46	954.84	414.90	71
72	668.34	286.18	835.44	357.73	1,021.08	437.23	72
73	765.13	329.93	956.38	412.40	1,168.93	504.04	73
74	855.60	372.03	1,069.50	465.03	1,307.16	568.36	74
75	941.43	413.33	1,176.78	516.66	1,438.28	631.46	75
76	1,027.83	456.28	1,284.78	570.34	1,570.28	697.08	76
77	1,107.84	497.93	1,384.80	622.40	1,692.53	760.73	77
78	1,184.43	523.54	1,480.54	654.44	1,809.54	799.86	78
79	1,259.16	547.70	1,573.96	684.63	1,923.74	836.76	79
80	1,410.28	613.43	1,762.84	766.78	2,154.58	937.18	80
81	1,567.66	681.88	1,959.58	852.34	2,395.04	1,041.76	81
82	1,732.63	753.63	2,165.76	942.04	2,647.04	1,151.38	82
83	1,905.14	828.64	2,381.43	1,035.83	2,910.64	1,266.00	83
84	2,085.18	906.98	2,606.48	1,133.73	3,185.70	1,385.66	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.43	14.56	41.78	18.20	51.06	22.26	16-39
40-54	50.64	22.08	63.30	27.60	77.36	33.74	40-54
55	87.10	37.98	108.86	47.46	133.06	58.03	55
56	101.08	44.08	126.36	55.10	154.44	67.34	56
57-59	115.18	50.23	143.98	62.78	175.96	76.73	57-59
60	206.03	89.83	257.53	112.28	314.74	137.23	60
61	236.63	102.64	295.78	128.30	361.50	156.83	61
62	252.24	109.30	315.30	136.63	385.36	166.98	62
63	284.50	123.73	355.63	154.66	434.66	189.03	63
64	314.08	136.83	392.60	171.04	479.84	209.04	64
65	338.03	147.13	422.53	183.90	516.40	224.78	65
66	361.83	157.40	452.28	196.76	552.80	240.48	66
67	385.66	167.68	482.08	209.58	589.20	256.16	67
68	422.74	183.78	528.43	229.74	645.86	280.78	68
69	459.83	199.93	574.76	249.90	702.48	305.43	69
70	496.78	216.00	620.96	270.00	758.96	330.00	70
71	533.96	232.03	667.44	290.03	815.76	354.46	71
72	571.00	244.50	713.76	305.63	872.36	373.54	72
73	653.68	281.86	817.08	352.33	998.66	430.63	73
74	730.98	317.84	913.73	397.28	1,116.76	485.58	74
75	804.30	353.13	1,005.38	441.40	1,228.78	539.50	75
76	878.13	389.83	1,097.64	487.28	1,341.56	595.56	76
77	946.48	425.40	1,183.10	531.76	1,446.00	649.93	77
78	1,011.93	447.30	1,264.88	559.13	1,545.98	683.36	78
79	1,075.76	467.93	1,344.73	584.90	1,643.54	714.88	79
80	1,204.86	524.08	1,506.08	655.10	1,840.76	800.66	80
81	1,339.33	582.56	1,674.16	728.20	2,046.20	890.04	81
82	1,480.24	643.86	1,850.33	804.84	2,261.50	983.68	82
83	1,627.64	707.96	2,034.56	884.96	2,486.68	1,081.60	83
84	1,781.46	774.88	2,226.84	968.60	2,721.68	1,183.84	84

Exhibit II
Kanawha Insurance Company
Forms 80650 1/97, 80880 1/98 and Riders
Current Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II
Kanawha Insurance Company
Forms 80650 1/97, 80880 1/98 and Riders
Proposed Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.525
55-59	1.531
60	1.526
61	1.519
62	1.516
63	1.465
64	1.430
65	1.399
66	1.376
67	1.356
68	1.307
69	1.271
70	1.242
71	1.218
72	1.198
73	1.128
74	1.078
75	1.040
76	1.008
77	0.984
78	0.964
79	0.947
80	0.932
81	0.920
82	0.909
83	0.898
84	0.891

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Original Proposal - VA

Actuarial Memo: Addendum 1

Over 1 year					Over 1 year					Cumulative Increases LTC 2	Cumulative Increases LTC 3
		1	2	3			1	2	3		
LTC 2	Compound	90%			LTC 3	Compound	90%			90.0%	90.0%
						Simple	75%			0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	60.7%	0.0%	0.0%		Compound	64.9%	0.0%	0.0%		
						Simple	6.0%	0.0%	0.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**68.8%**	**0.0%**	**0.0%**		**Total Impact**	**75.9%**	**0.0%**	**0.0%**	68.8%	75.9%
Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	25%	25%	21.6%	LTC 3	Compound	25%	25%	21.6%	90.0%	90.0%
						Simple	25%	25%	12.0%	0.0%	75.0%
	No Inflation	25%				No Inflation	25%			25.0%	25.0%
	Compound	16.9%	16.9%	14.6%		Compound	18.0%	18.0%	15.6%		
						Simple	2.0%	2.0%	1.0%		
	No Inflation	8.1%	0.0%	0.0%		No Inflation	5.0%	0.0%	0.0%		
	Total Impact	**25.0%**	**16.9%**	**14.6%**		**Total Impact**	**25.0%**	**20.0%**	**16.5%**	67.3%	74.9%

Revised VA

Over 3 years					Over 3 years						
		1	2	3			1	2	3		
LTC 2	Compound	20%	18%	15.0%	LTC 3	Compound	15%	15%	15%	62.8%	52.1%
						Simple	15%	15%	15%	0.0%	52.1%
	No Inflation	20%				No Inflation	15%			20.0%	15.0%
	Compound	13.5%	12.1%	10.1%		Compound	10.8%	10.8%	10.8%		
						Simple	1.2%	1.2%	1.2%		
	No Inflation	6.5%	0.0%	0.0%		No Inflation	3.0%	0.0%	0.0%		
	Total Impact	**20.0%**	**12.1%**	**10.1%**		**Total Impact**	**15.0%**	**12.0%**	**12.0%**	48.2%	44.3%

% Reduction	**-19%**	**-31%**
As %of original	**-28%**	**-41%**

Notes:

1. The size of the needed rate increase is immense (several hundred % for policies with compound inflation). The company lowered its request to allow for easier acceptance from the policyholders and states. The company requested 90% on policies with compound inflation, 75% on policies with simple inflation, and 25% for policies without inflation.

2. Given the size of requested rate increase, the state is asking the increase be spread over 3 years.

3. VA has viewed the rate filing exhibits in several ways including VA only experience, Nationwide experience with all premiums on a VA basis, using a 7% discount rate, removing any paid up policies, etc. In each case, the need for a rate increase is evident. Putting nationwide experience on a VA basis is a very logical approach to reviewing the LTC experience.

4. Given the size of the historical VA increases versus the historical Nationwide average increases, VA has asked that the requested amounts be lowered and/or justified on a credibility basis. Comparing nationwide average increases has many limitations including: a) What if every state chooses this approach? Which state will give the first increase? b) Comparing increases alone by state does not properly reflect the ages and benefits of the individual policyholders of each state.

5. VA has a 15-17% higher percentage of premium related to policyholders with inflation coverage than the national average. By differentiating the increases, the company will be requesting higher average % increases from VA policyholders than the nationwide average; however, this is due to the underlying policy benefits of the VA policholders.

6. As states like FL differentiate their approvals by issue age, the fact that older issue ages tended towards no inflation and younger issue ages tended towards inflation coverage will also impact the comparison of VA vs FL (or Nationwide). FL was sold to an older population with fewer policyholders taking inflation protection.

7. VA sees only the potential for an increase in the mid to high 20's for LTC 2 and low double digits for LTC 3.

8. In the Revised Requested %'s, the company is requesting an amount believed acceptable and supportable to the state. The 2nd and 3rd year requests were lowered to levels which are currently actuarially supportable, which can reasonably be expected to be obtained from other states, and which keeps VA closer to the NW average.

9. Reminder: Spreading the increases over 3 years results in a present value loss. The company has asked for a very low increase on the policies without inflation coverage and by agreeing to not come back for three years is assuming the risk of increased during the 3 years.

10. The RevisedRequested %'s were lowered to address the VA concerns of state support for rate increases.

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%		2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%		1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%		1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%		1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%		1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%		1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%		1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%		1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%		1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%		1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%		1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%		1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%		1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%		1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%		1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%		1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%		1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	25,209,044	51,645,597	204.9%	23,598,367	48,345,812	204.9%	1.00	0.9361
Future	2016	17,862.0	23,571,139	54,822,443	232.6%	21,114,940	49,109,743	232.6%	1.00	0.8958
Experience	2017	17,032.1	21,865,975	58,818,024	269.0%	18,743,981	50,420,066	269.0%	1.00	0.8572
(50 years)	2018	16,188.7	20,161,577	63,421,373	314.6%	16,538,693	52,025,029	314.6%	1.00	0.8203
	2019	15,336.8	18,487,919	68,262,371	369.2%	14,512,708	53,584,820	369.2%	1.00	0.7850
	2020	14,480.7	16,849,730	73,463,013	436.0%	12,657,183	55,183,958	436.0%	1.00	0.7512
	2021	13,620.9	15,292,192	78,563,898	513.8%	10,992,528	56,474,298	513.8%	1.00	0.7188
	2022	12,762.7	13,809,234	83,423,296	604.1%	9,499,071	57,385,064	604.1%	1.00	0.6879
	2023	11,911.2	12,397,286	88,112,162	710.7%	8,160,595	58,000,415	710.7%	1.00	0.6583
	2024	11,069.7	11,062,316	92,549,352	836.6%	6,968,271	58,297,822	836.6%	1.00	0.6299
	2025	10,240.9	9,808,238	97,037,446	989.3%	5,912,262	58,492,747	989.3%	1.00	0.6028
	2026	9,429.9	8,640,655	101,512,896	1174.8%	4,984,172	58,555,486	1174.8%	1.00	0.5768
	2027	8,641.2	7,561,992	105,233,824	1391.6%	4,174,133	58,087,867	1391.6%	1.00	0.5520
	2028	7,879.0	6,574,921	107,848,806	1640.3%	3,472,996	56,967,758	1640.3%	1.00	0.5282
	2029	7,146.8	5,679,453	109,372,185	1925.8%	2,870,807	55,284,628	1925.8%	1.00	0.5055
	2030	6,446.1	4,871,095	110,302,826	2264.4%	2,356,176	53,354,106	2264.4%	1.00	0.4837
	2031	5,779.7	4,147,365	111,706,484	2693.4%	1,919,717	51,706,281	2693.4%	1.00	0.4629
	2032	5,150.5	3,504,801	112,313,402	3204.6%	1,552,430	49,748,525	3204.6%	1.00	0.4429
	2033	4,562.1	2,939,932	110,934,546	3773.4%	1,246,148	47,021,789	3773.4%	1.00	0.4239
	2034	4,015.0	2,448,906	107,598,881	4393.8%	993,317	43,643,925	4393.8%	1.00	0.4056
	2035	3,508.6	2,024,782	102,800,794	5077.1%	785,919	39,902,143	5077.1%	1.00	0.3882
	2036	3,043.2	1,660,836	99,231,476	5974.8%	616,893	36,858,098	5974.8%	1.00	0.3714
	2037	2,620.3	1,351,160	95,069,386	7036.1%	480,257	33,791,531	7036.1%	1.00	0.3554
	2038	2,240.3	1,091,034	88,626,834	8123.2%	371,099	30,145,058	8123.2%	1.00	0.3401
	2039	1,902.1	875,358	80,623,312	9210.3%	284,918	26,241,897	9210.3%	1.00	0.3255
	2040	1,602.7	697,862	71,881,137	10300.2%	217,364	22,388,925	10300.2%	1.00	0.3115
	2041	1,339.7	552,642	65,271,104	11810.7%	164,720	19,454,630	11810.7%	1.00	0.2981
	2042	1,111.9	434,642	59,186,607	13617.3%	123,970	16,881,427	13617.3%	1.00	0.2852
	2043	917.3	339,878	52,185,340	15354.1%	92,767	14,243,540	15354.1%	1.00	0.2729
	2044	752.6	264,663	44,989,524	16998.8%	69,127	11,750,722	16998.8%	1.00	0.2612
	2045	613.8	205,296	38,190,445	18602.6%	51,312	9,545,344	18602.6%	1.00	0.2499
	2046	497.6	158,554	33,253,746	20973.2%	37,922	7,953,552	20973.2%	1.00	0.2392
	2047	401.3	121,847	29,287,782	24036.5%	27,888	6,703,332	24036.5%	1.00	0.2289
	2048	322.4	93,228	25,342,971	27184.0%	20,419	5,550,671	27184.0%	1.00	0.2190
	2049	258.0	71,076	21,497,249	30245.3%	14,897	4,505,620	30245.3%	1.00	0.2096
	2050	205.4	53,955	17,985,298	33334.0%	10,821	3,607,223	33334.0%	1.00	0.2006
	2051	162.4	40,711	15,478,928	38021.4%	7,814	2,970,845	38021.4%	1.00	0.1919
	2052	127.5	30,476	13,442,130	44106.7%	5,597	2,468,828	44106.7%	1.00	0.1837
	2053	99.4	22,623	11,393,322	50362.7%	3,976	2,002,428	50362.7%	1.00	0.1758
	2054	76.9	16,650	9,220,341	55376.0%	2,800	1,550,734	55376.0%	1.00	0.1682
	2055	58.8	12,132	7,211,083	59436.1%	1,953	1,160,578	59436.1%	1.00	0.1609
	2056	44.3	8,730	5,784,217	66257.8%	1,345	890,845	66257.8%	1.00	0.1540
	2057	32.9	6,186	4,634,652	74921.4%	912	683,059	74921.4%	1.00	0.1474
	2058	24.0	4,316	3,565,463	82617.8%	609	502,853	82617.8%	1.00	0.1410
	2059	17.3	2,967	2,583,437	87058.3%	400	348,664	87058.3%	1.00	0.1350
	2060	12.2	2,009	1,782,816	88754.3%	259	230,250	88754.3%	1.00	0.1291
	2061	8.4	1,337	1,244,274	93036.1%	165	153,777	93036.1%	1.00	0.1236
	2062	5.6	875	869,666	99376.8%	103	102,852	99376.8%	1.00	0.1183
	2063	3.7	563	592,704	100000%+	64	67,078	100000%+	1.00	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		271,843,453	2,838,326,172	1044.1%	201,894,407	1,421,455,665	704.1%		
	Lifetime		756,319,834	3,151,404,122	416.7%	875,802,167	1,818,800,961	207.7%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%	1.00	2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%	1.00	2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%	1.00	2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%	1.00	1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%	1.00	1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%	1.00	1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%	1.00	1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%	1.00	1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%	1.00	1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%	1.00	1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%	1.00	1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%	1.00	1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%	1.00	1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%	1.00	1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%	1.00	1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%	1.00	1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%	1.00	1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%	1.00	1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%	1.00	1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	27,729,949	51,645,597	186.2%	25,958,203	48,345,812	186.2%	1.10	0.9361
Future	2016	17,862.0	29,724,553	54,822,443	184.4%	26,627,145	49,109,743	184.4%	1.26	0.8958
Experience	2017	17,032.1	30,306,452	58,818,024	194.1%	25,979,338	50,420,066	194.1%	1.39	0.8572
(50 years)	2018	16,188.7	29,285,971	63,421,373	216.6%	24,023,503	52,025,029	216.6%	1.45	0.8203
	2019	15,336.8	26,955,234	68,262,371	253.2%	21,159,408	53,584,820	253.2%	1.46	0.7850
	2020	14,480.7	24,659,895	73,463,013	297.9%	18,524,024	55,183,958	297.9%	1.46	0.7512
	2021	13,620.9	22,470,621	78,563,898	349.6%	16,152,617	56,474,298	349.6%	1.47	0.7188
	2022	12,762.7	20,375,069	83,423,296	409.4%	14,015,565	57,385,064	409.4%	1.48	0.6879
	2023	11,911.2	18,367,624	88,112,162	479.7%	12,090,610	58,000,415	479.7%	1.48	0.6583
	2024	11,069.7	16,457,856	92,549,352	562.3%	10,366,979	58,297,822	562.3%	1.49	0.6299
	2025	10,240.9	14,651,867	97,037,446	662.3%	8,831,930	58,492,747	662.3%	1.49	0.6028
	2026	9,429.9	12,960,284	101,512,896	783.3%	7,475,855	58,555,486	783.3%	1.50	0.5768
	2027	8,641.2	11,387,537	105,233,824	924.1%	6,285,790	58,087,867	924.1%	1.51	0.5520
	2028	7,879.0	9,939,494	107,848,806	1085.1%	5,250,227	56,967,758	1085.1%	1.51	0.5282
	2029	7,146.8	8,617,839	109,372,185	1269.1%	4,356,080	55,284,628	1269.1%	1.52	0.5055
	2030	6,446.1	7,417,686	110,302,826	1487.0%	3,587,977	53,354,106	1487.0%	1.52	0.4837
	2031	5,779.7	6,337,202	111,706,484	1762.7%	2,933,341	51,706,281	1762.7%	1.53	0.4629
	2032	5,150.5	5,372,650	112,313,402	2090.5%	2,379,782	49,748,525	2090.5%	1.53	0.4429
	2033	4,562.1	4,520,338	110,934,546	2454.1%	1,916,034	47,021,789	2454.1%	1.54	0.4239
	2034	4,015.0	3,775,973	107,598,881	2849.6%	1,531,598	43,643,925	2849.6%	1.54	0.4056
	2035	3,508.6	3,130,243	102,800,794	3284.1%	1,215,004	39,902,143	3284.1%	1.55	0.3882
	2036	3,043.2	2,573,879	99,231,476	3855.3%	956,030	36,858,098	3855.3%	1.55	0.3714
	2037	2,620.3	2,098,659	95,069,386	4530.0%	745,949	33,791,531	4530.0%	1.55	0.3554
	2038	2,240.3	1,698,085	88,626,834	5219.2%	577,578	30,145,058	5219.2%	1.56	0.3401
	2039	1,902.1	1,364,959	80,623,312	5906.6%	444,277	26,241,897	5906.6%	1.56	0.3255
	2040	1,602.7	1,090,068	71,881,137	6594.2%	339,525	22,388,925	6594.2%	1.56	0.3115
	2041	1,339.7	864,611	65,271,104	7549.2%	257,705	19,454,630	7549.2%	1.56	0.2981
	2042	1,111.9	680,984	59,186,607	8691.3%	194,233	16,881,427	8691.3%	1.57	0.2852
	2043	917.3	533,205	52,185,340	9787.1%	145,534	14,243,540	9787.1%	1.57	0.2729
	2044	752.6	415,714	44,989,524	10822.2%	108,580	11,750,722	10822.2%	1.57	0.2612
	2045	613.8	322,847	38,190,445	11829.3%	80,693	9,545,344	11829.3%	1.57	0.2499
	2046	497.6	249,637	33,253,746	13320.8%	59,708	7,953,552	13320.8%	1.57	0.2392
	2047	401.3	192,072	29,287,782	15248.4%	43,961	6,703,332	15248.4%	1.58	0.2289
	2048	322.4	147,133	25,342,971	17224.5%	32,225	5,550,671	17224.5%	1.58	0.2190
	2049	258.0	112,313	21,497,249	19140.4%	23,540	4,505,620	19140.4%	1.58	0.2096
	2050	205.4	85,370	17,985,298	21067.4%	17,122	3,607,223	21067.4%	1.58	0.2006
	2051	162.4	64,504	15,478,928	23996.9%	12,380	2,970,845	23996.9%	1.58	0.1919
	2052	127.5	48,355	13,442,130	27798.6%	8,881	2,468,828	27798.6%	1.59	0.1837
	2053	99.4	35,945	11,393,322	31697.0%	6,317	2,002,428	31697.0%	1.59	0.1758
	2054	76.9	26,493	9,220,341	34803.4%	4,456	1,550,734	34803.4%	1.59	0.1682
	2055	58.8	19,331	7,211,083	37303.2%	3,111	1,160,578	37303.2%	1.59	0.1609
	2056	44.3	13,929	5,784,217	41527.0%	2,145	890,845	41527.0%	1.60	0.1540
	2057	32.9	9,883	4,634,652	46894.2%	1,457	683,059	46894.2%	1.60	0.1474
	2058	24.0	6,904	3,565,463	51646.3%	974	502,853	51646.3%	1.60	0.1410
	2059	17.3	4,753	2,583,437	54354.3%	641	348,664	54354.3%	1.60	0.1350
	2060	12.2	3,221	1,782,816	55348.2%	416	230,250	55348.2%	1.60	0.1291
	2061	8.4	2,147	1,244,274	57953.8%	265	153,777	57953.8%	1.61	0.1236
	2062	5.6	1,406	869,666	61840.1%	166	102,852	61840.1%	1.61	0.1183
	2063	3.7	905	592,704	65461.9%	102	67,078	65461.9%	1.61	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		373,924,941	2,838,326,172	759.1%	270,958,602	1,421,455,665	524.6%		
	Lifetime		858,401,323	3,151,404,122	367.1%	944,866,362	1,818,800,961	192.5%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Experience	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%		2.0674
	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%		1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%		1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%		1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%		1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%		1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%		1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%		1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%		1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%		1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%		1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%		1.2739
	2009	9,465.9	15,816,024	18,707,272	118.3%	19,280,604	22,805,194	118.3%		1.2191
	2010	9,158.7	15,586,269	19,077,855	122.4%	18,182,315	22,255,459	122.4%		1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%		1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%		1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%		1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	11,230,358	21,231,917	189.1%	10,512,818	19,875,349	189.1%	1.00	0.9361
Future	2016	6,988.0	10,245,348	21,035,976	205.3%	9,177,745	18,843,950	205.3%	1.00	0.8958
Experience	2017	6,506.9	9,242,506	20,965,023	226.8%	7,922,873	17,971,665	226.8%	1.00	0.8572
(50 years)	2018	6,030.5	8,275,303	20,903,669	252.6%	6,788,294	17,147,437	252.6%	1.00	0.8203
	2019	5,561.7	7,354,095	20,723,006	281.8%	5,772,842	16,267,213	281.8%	1.00	0.7850
	2020	5,104.7	6,485,072	20,430,242	315.0%	4,871,457	15,346,793	315.0%	1.00	0.7512
	2021	4,658.6	5,675,034	19,903,753	350.7%	4,079,400	14,307,468	350.7%	1.00	0.7188
	2022	4,228.3	4,929,712	19,156,093	388.6%	3,391,041	13,177,058	388.6%	1.00	0.6879
	2023	3,816.1	4,248,636	18,229,223	429.1%	2,796,693	11,999,507	429.1%	1.00	0.6583
	2024	3,423.7	3,632,165	17,224,076	474.2%	2,287,939	10,849,629	474.2%	1.00	0.6299
	2025	3,052.4	3,080,924	16,191,942	525.6%	1,857,136	9,760,265	525.6%	1.00	0.6028
	2026	2,704.6	2,591,409	15,114,138	583.2%	1,494,797	8,718,259	583.2%	1.00	0.5768
	2027	2,381.8	2,162,490	13,892,683	642.4%	1,193,670	7,668,602	642.4%	1.00	0.5520
	2028	2,084.3	1,790,635	12,583,037	702.7%	945,847	6,646,596	702.7%	1.00	0.5282
	2029	1,812.5	1,471,946	11,268,628	765.6%	744,028	5,695,981	765.6%	1.00	0.5055
	2030	1,565.8	1,200,759	10,060,669	837.9%	580,814	4,866,403	837.9%	1.00	0.4837
	2031	1,343.9	971,912	8,984,980	924.5%	449,875	4,158,934	924.5%	1.00	0.4629
	2032	1,146.1	780,972	7,934,103	1015.9%	345,927	3,514,362	1015.9%	1.00	0.4429
	2033	971.3	623,361	6,889,114	1105.2%	264,224	2,920,086	1105.2%	1.00	0.4239
	2034	817.9	494,456	5,910,839	1195.4%	200,560	2,397,536	1195.4%	1.00	0.4056
	2035	684.0	389,617	5,042,155	1294.1%	151,230	1,957,113	1294.1%	1.00	0.3882
	2036	568.0	304,914	4,334,092	1421.4%	113,256	1,609,836	1421.4%	1.00	0.3714
	2037	468.6	237,091	3,677,182	1551.0%	84,272	1,307,020	1551.0%	1.00	0.3554
	2038	384.2	183,369	3,055,593	1666.4%	62,370	1,039,313	1666.4%	1.00	0.3401
	2039	313.0	141,164	2,494,723	1767.3%	45,947	812,002	1767.3%	1.00	0.3255
	2040	253.2	108,149	2,019,374	1867.2%	33,685	628,978	1867.2%	1.00	0.3115
	2041	203.4	82,428	1,658,806	2012.4%	24,568	494,422	2012.4%	1.00	0.2981
	2042	162.3	62,528	1,344,795	2150.7%	17,834	383,568	2150.7%	1.00	0.2852
	2043	128.9	47,275	1,068,787	2260.8%	12,903	291,716	2260.8%	1.00	0.2729
	2044	101.7	35,630	833,705	2339.9%	9,306	217,754	2339.9%	1.00	0.2612
	2045	79.8	26,743	650,519	2432.5%	6,684	162,591	2432.5%	1.00	0.2499
	2046	62.3	19,962	519,018	2600.1%	4,774	124,137	2600.1%	1.00	0.2392
	2047	48.3	14,809	412,847	2787.8%	3,389	94,492	2787.8%	1.00	0.2289
	2048	37.3	10,921	323,454	2961.7%	2,392	70,843	2961.7%	1.00	0.2190
	2049	28.7	8,000	246,748	3084.3%	1,677	51,716	3084.3%	1.00	0.2096
	2050	22.0	5,812	190,208	3272.7%	1,166	38,149	3272.7%	1.00	0.2006
	2051	16.7	4,178	150,349	3598.3%	802	28,856	3598.3%	1.00	0.1919
	2052	12.6	2,970	117,591	3959.2%	545	21,597	3959.2%	1.00	0.1837
	2053	9.4	2,087	89,226	4275.6%	367	15,682	4275.6%	1.00	0.1758
	2054	7.0	1,449	63,946	4411.9%	244	10,755	4411.9%	1.00	0.1682
	2055	5.1	993	46,380	4669.4%	160	7,465	4669.4%	1.00	0.1609
	2056	3.7	670	34,368	5131.7%	103	5,293	5131.7%	1.00	0.1540
	2057	2.7	444	24,717	5569.7%	65	3,643	5569.7%	1.00	0.1474
	2058	1.9	289	17,017	5882.8%	41	2,400	5882.8%	1.00	0.1410
	2059	1.3	185	10,954	5918.9%	25	1,478	5918.9%	1.00	0.1350
	2060	0.9	116	7,040	6045.1%	15	909	6045.1%	1.00	0.1291
	2061	0.6	72	4,582	6367.3%	9	566	6367.3%	1.00	0.1236
	2062	0.4	44	2,909	6652.9%	5	344	6652.9%	1.00	0.1183
	2063	0.2	26	1,804	6926.6%	3	204	6926.6%	1.00	0.1132
	Past		230,509,155	198,507,058	86.1%	323,403,085	258,027,784	79.8%		
	Future		100,370,520	358,134,937	356.8%	78,181,928	242,116,462	309.7%		
	Lifetime		330,879,675	556,641,995	168.2%	401,585,012	500,144,245	124.5%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%	1.00	2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%	1.00	2.1604
Experience	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%	1.00	2.0674
	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%	1.00	1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%	1.00	1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%	1.00	1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%	1.00	1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%	1.00	1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%	1.00	1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%	1.00	1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%	1.00	1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%	1.00	1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%	1.00	1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%	1.00	1.2739
	2009	9,465.9	15,816,024	18,707,272	118.3%	19,280,604	22,805,194	118.3%	1.00	1.2191
	2010	9,158.7	15,586,269	19,077,855	122.4%	18,182,315	22,255,459	122.4%	1.00	1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%	1.00	1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%	1.00	1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%	1.00	1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	12,353,393	21,231,917	171.9%	11,564,100	19,875,349	171.9%	1.10	0.9361
Future	2016	6,988.0	12,294,417	21,035,976	171.1%	11,013,294	18,843,950	171.1%	1.20	0.8958
Experience	2017	6,506.9	11,091,007	20,965,023	189.0%	9,507,448	17,971,665	189.0%	1.20	0.8572
(50 years)	2018	6,030.5	9,930,364	20,903,669	210.5%	8,145,952	17,147,437	210.5%	1.20	0.8203
	2019	5,561.7	8,824,914	20,723,006	234.8%	6,927,410	16,267,213	234.8%	1.20	0.7850
	2020	5,104.7	7,782,086	20,430,242	262.5%	5,845,749	15,346,793	262.5%	1.20	0.7512
	2021	4,658.6	6,810,041	19,903,753	292.3%	4,895,280	14,307,468	292.3%	1.20	0.7188
	2022	4,228.3	5,915,654	19,156,093	323.8%	4,069,249	13,177,058	323.8%	1.20	0.6879
	2023	3,816.1	5,098,363	18,229,223	357.6%	3,356,031	11,999,507	357.6%	1.20	0.6583
	2024	3,423.7	4,358,598	17,224,076	395.2%	2,745,527	10,849,629	395.2%	1.20	0.6299
	2025	3,052.4	3,697,109	16,191,942	438.0%	2,228,563	9,760,265	438.0%	1.20	0.6028
	2026	2,704.6	3,109,690	15,114,138	486.0%	1,793,757	8,718,259	486.0%	1.20	0.5768
	2027	2,381.8	2,594,988	13,892,683	535.4%	1,432,404	7,668,602	535.4%	1.20	0.5520
	2028	2,084.3	2,148,761	12,583,037	585.6%	1,135,016	6,646,596	585.6%	1.20	0.5282
	2029	1,812.5	1,766,335	11,268,628	638.0%	892,834	5,695,981	638.0%	1.20	0.5055
	2030	1,565.8	1,440,911	10,060,669	698.2%	696,977	4,866,403	698.2%	1.20	0.4837
	2031	1,343.9	1,166,295	8,984,980	770.4%	539,850	4,158,934	770.4%	1.20	0.4629
	2032	1,146.1	937,167	7,934,103	846.6%	415,112	3,514,362	846.6%	1.20	0.4429
	2033	971.3	748,033	6,889,114	921.0%	317,069	2,920,086	921.0%	1.20	0.4239
	2034	817.9	593,348	5,910,839	996.2%	240,672	2,397,536	996.2%	1.20	0.4056
	2035	684.0	467,540	5,042,155	1078.4%	181,476	1,957,113	1078.4%	1.20	0.3882
	2036	568.0	365,897	4,334,092	1184.5%	135,907	1,609,836	1184.5%	1.20	0.3714
	2037	468.6	284,510	3,677,182	1292.5%	101,126	1,307,020	1292.5%	1.20	0.3554
	2038	384.2	220,042	3,055,593	1388.6%	74,844	1,039,313	1388.6%	1.20	0.3401
	2039	313.0	169,396	2,494,723	1472.7%	55,136	812,002	1472.7%	1.20	0.3255
	2040	253.2	129,778	2,019,374	1556.0%	40,422	628,978	1556.0%	1.20	0.3115
	2041	203.4	98,913	1,658,806	1677.0%	29,482	494,422	1677.0%	1.20	0.2981
	2042	162.3	75,033	1,344,795	1792.3%	21,401	383,568	1792.3%	1.20	0.2852
	2043	128.9	56,730	1,068,787	1884.0%	15,484	291,716	1884.0%	1.20	0.2729
	2044	101.7	42,756	833,705	1949.9%	11,167	217,754	1949.9%	1.20	0.2612
	2045	79.8	32,091	650,519	2027.1%	8,021	162,591	2027.1%	1.20	0.2499
	2046	62.3	23,954	519,018	2166.7%	5,729	124,137	2166.7%	1.20	0.2392
	2047	48.3	17,771	412,847	2323.2%	4,067	94,492	2323.2%	1.20	0.2289
	2048	37.3	13,105	323,454	2468.1%	2,870	70,843	2468.1%	1.20	0.2190
	2049	28.7	9,600	246,748	2570.2%	2,012	51,716	2570.2%	1.20	0.2096
	2050	22.0	6,974	190,208	2727.3%	1,399	38,149	2727.3%	1.20	0.2006
	2051	16.7	5,014	150,349	2998.6%	962	28,856	2998.6%	1.20	0.1919
	2052	12.6	3,564	117,591	3299.3%	655	21,597	3299.3%	1.20	0.1837
	2053	9.4	2,504	89,226	3563.0%	440	15,682	3563.0%	1.20	0.1758
	2054	7.0	1,739	63,946	3676.6%	293	10,755	3676.6%	1.20	0.1682
	2055	5.1	1,192	46,380	3891.2%	192	7,465	3891.2%	1.20	0.1609
	2056	3.7	804	34,368	4276.4%	124	5,293	4276.4%	1.20	0.1540
	2057	2.7	533	24,717	4641.4%	78	3,643	4641.4%	1.20	0.1474
	2058	1.9	347	17,017	4902.4%	49	2,400	4902.4%	1.20	0.1410
	2059	1.3	222	10,954	4932.4%	30	1,478	4932.4%	1.20	0.1350
	2060	0.9	140	7,040	5037.6%	18	909	5037.6%	1.20	0.1291
	2061	0.6	86	4,582	5306.1%	11	566	5306.1%	1.20	0.1236
	2062	0.4	52	2,909	5544.1%	6	344	5544.1%	1.20	0.1183
	2063	0.2	31	1,804	5772.2%	4	204	5772.2%	1.20	0.1132
	Past		230,509,155	198,507,058	86.1%	323,403,085	258,027,784	79.8%		
	Future		116,883,290	358,134,937	306.4%	90,381,809	242,116,462	267.9%		
	Lifetime		347,392,444	556,641,995	160.2%	413,784,894	500,144,245	120.9%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Experience	1997	66.9	62,730	0	0.0%	129,686	0	0.0%		2.0674
	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%		1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%		1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%		1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%		1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%		1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%		1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%		1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%		1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%		1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%		1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%		1.2739
	2009	12,459.5	18,892,648	9,925,644	52.5%	23,031,177	12,099,906	52.5%		1.2191
	2010	12,250.2	19,023,225	10,938,555	57.5%	22,191,730	12,760,479	57.5%		1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%		1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%		1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%		1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	13,978,687	30,413,680	217.6%	13,085,549	28,470,463	217.6%	1.00	0.9361
Future	2016	10,874.0	13,325,792	33,786,467	253.5%	11,937,195	30,265,793	253.5%	1.00	0.8958
Experience	2017	10,525.2	12,623,469	37,853,001	299.9%	10,821,108	32,448,401	299.9%	1.00	0.8572
(50 years)	2018	10,158.1	11,886,273	42,517,704	357.7%	9,750,399	34,877,592	357.7%	1.00	0.8203
	2019	9,775.1	11,133,824	47,539,365	427.0%	8,739,866	37,317,606	427.0%	1.00	0.7850
	2020	9,376.0	10,364,658	53,032,771	511.7%	7,785,725	39,837,166	511.7%	1.00	0.7512
	2021	8,962.3	9,617,158	58,660,144	610.0%	6,913,128	42,166,830	610.0%	1.00	0.7188
	2022	8,534.4	8,879,523	64,267,203	723.8%	6,108,030	44,208,006	723.8%	1.00	0.6879
	2023	8,095.1	8,148,650	69,882,939	857.6%	5,363,903	46,000,908	857.6%	1.00	0.6583
	2024	7,645.9	7,430,152	75,325,276	1013.8%	4,680,332	47,448,193	1013.8%	1.00	0.6299
	2025	7,188.5	6,727,314	80,845,504	1201.8%	4,055,126	48,732,482	1201.8%	1.00	0.6028
	2026	6,725.3	6,049,247	86,398,758	1428.3%	3,489,375	49,837,227	1428.3%	1.00	0.5768
	2027	6,259.4	5,399,502	91,341,142	1691.7%	2,980,463	50,419,266	1691.7%	1.00	0.5520
	2028	5,794.7	4,784,287	95,265,769	1991.2%	2,527,150	50,321,162	1991.2%	1.00	0.5282
	2029	5,334.3	4,207,507	98,103,558	2331.6%	2,126,779	49,588,647	2331.6%	1.00	0.5055
	2030	4,880.3	3,670,336	100,242,156	2731.1%	1,775,362	48,487,703	2731.1%	1.00	0.4837
	2031	4,435.8	3,175,453	102,721,504	3234.9%	1,469,842	47,547,347	3234.9%	1.00	0.4629
	2032	4,004.4	2,723,829	104,379,299	3832.1%	1,206,503	46,234,163	3832.1%	1.00	0.4429
	2033	3,590.7	2,316,571	104,045,432	4491.4%	981,924	44,101,702	4491.4%	1.00	0.4239
	2034	3,197.1	1,954,449	101,688,043	5202.9%	792,758	41,246,389	5202.9%	1.00	0.4056
	2035	2,824.7	1,635,165	97,758,639	5978.5%	634,689	37,945,030	5978.5%	1.00	0.3882
	2036	2,475.3	1,355,921	94,897,384	6998.7%	503,637	35,248,262	6998.7%	1.00	0.3714
	2037	2,151.7	1,114,068	91,392,204	8203.5%	395,985	32,484,510	8203.5%	1.00	0.3554
	2038	1,856.2	907,666	85,571,241	9427.6%	308,729	29,105,744	9427.6%	1.00	0.3401
	2039	1,589.1	734,195	78,128,589	10641.4%	238,971	25,429,895	10641.4%	1.00	0.3255
	2040	1,349.5	589,714	69,861,763	11846.7%	183,679	21,759,947	11846.7%	1.00	0.3115
	2041	1,136.3	470,215	63,612,298	13528.4%	140,152	18,960,208	13528.4%	1.00	0.2981
	2042	949.5	372,115	57,841,812	15544.1%	106,136	16,497,860	15544.1%	1.00	0.2852
	2043	788.4	292,603	51,116,553	17469.6%	79,864	13,951,824	17469.6%	1.00	0.2729
	2044	650.9	229,034	44,155,819	19279.2%	59,821	11,532,968	19279.2%	1.00	0.2612
	2045	534.0	178,553	37,539,925	21024.5%	44,628	9,382,752	21024.5%	1.00	0.2499
	2046	435.4	138,592	32,734,729	23619.5%	33,148	7,829,415	23619.5%	1.00	0.2392
	2047	353.0	107,038	28,874,935	26976.3%	24,499	6,608,841	26976.3%	1.00	0.2289
	2048	285.1	82,307	25,019,518	30398.0%	18,027	5,479,828	30398.0%	1.00	0.2190
	2049	229.3	63,076	21,250,501	33690.2%	13,220	4,453,904	33690.2%	1.00	0.2096
	2050	183.4	48,143	17,795,090	36963.1%	9,656	3,569,074	36963.1%	1.00	0.2006
	2051	145.7	36,533	15,328,579	41958.5%	7,012	2,941,989	41958.5%	1.00	0.1919
	2052	114.9	27,506	13,324,539	48441.7%	5,052	2,447,231	48441.7%	1.00	0.1837
	2053	90.0	20,536	11,304,096	55046.1%	3,609	1,986,746	55046.1%	1.00	0.1758
	2054	69.9	15,201	9,156,395	60235.3%	2,557	1,539,979	60235.3%	1.00	0.1682
	2055	53.6	11,139	7,164,703	64319.7%	1,793	1,153,114	64319.7%	1.00	0.1609
	2056	40.6	8,060	5,749,849	71336.7%	1,241	885,552	71336.7%	1.00	0.1540
	2057	30.2	5,742	4,609,935	80281.0%	846	679,417	80281.0%	1.00	0.1474
	2058	22.1	4,026	3,548,446	88130.8%	568	500,453	88130.8%	1.00	0.1410
	2059	15.9	2,782	2,572,483	92455.2%	376	347,185	92455.2%	1.00	0.1350
	2060	11.3	1,892	1,775,776	93844.7%	244	229,340	93844.7%	1.00	0.1291
	2061	7.8	1,265	1,239,693	97964.6%	156	153,211	97964.6%	1.00	0.1236
	2062	5.3	831	866,758	100000%+	98	102,508	100000%+	1.00	0.1183
	2063	3.5	537	590,900	100000%+	61	66,874	100000%+	1.00	0.1132
	Past		253,967,227	114,570,893	45.1%	350,504,675	139,317,512	39.7%		
	Future		171,472,932	2,480,191,235	1446.4%	123,712,479	1,179,339,204	953.3%		
	Lifetime		425,440,159	2,594,762,127	609.9%	474,217,155	1,318,656,715	278.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	1.00	2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%	1.00	2.1604
Experience	1997	66.9	62,730	0	0.0%	129,686	0	0.0%	1.00	2.0674
	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%	1.00	1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%	1.00	1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%	1.00	1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%	1.00	1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%	1.00	1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%	1.00	1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%	1.00	1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%	1.00	1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%	1.00	1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%	1.00	1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%	1.00	1.2739
	2009	12,459.5	18,892,648	9,925,644	52.5%	23,031,177	12,099,906	52.5%	1.00	1.2191
	2010	12,250.2	19,023,225	10,938,555	57.5%	22,191,730	12,760,479	57.5%	1.00	1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%	1.00	1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%	1.00	1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%	1.00	1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	15,376,555	30,413,680	197.8%	14,394,103	28,470,463	197.8%	1.10	0.9361
Future	2016	10,874.0	17,430,136	33,786,467	193.8%	15,613,851	30,265,793	193.8%	1.31	0.8958
Experience	2017	10,525.2	19,215,445	37,853,001	197.0%	16,471,890	32,448,401	197.0%	1.52	0.8572
(50 years)	2018	10,158.1	19,355,607	42,517,704	219.7%	15,877,550	34,877,592	219.7%	1.63	0.8203
	2019	9,775.1	18,130,319	47,539,365	262.2%	14,231,997	37,317,606	262.2%	1.63	0.7850
	2020	9,376.0	16,877,809	53,032,771	314.2%	12,678,275	39,837,166	314.2%	1.63	0.7512
	2021	8,962.3	15,660,580	58,660,144	374.6%	11,257,337	42,166,830	374.6%	1.63	0.7188
	2022	8,534.4	14,459,415	64,267,203	444.5%	9,946,316	44,208,006	444.5%	1.63	0.6879
	2023	8,095.1	13,269,261	69,882,939	526.7%	8,734,579	46,000,908	526.7%	1.63	0.6583
	2024	7,645.9	12,099,259	75,325,276	622.6%	7,621,452	47,448,193	622.6%	1.63	0.6299
	2025	7,188.5	10,954,758	80,845,504	738.0%	6,603,367	48,732,482	738.0%	1.63	0.6028
	2026	6,725.3	9,850,593	86,398,758	877.1%	5,682,099	49,837,227	877.1%	1.63	0.5768
	2027	6,259.4	8,792,549	91,341,142	1038.8%	4,853,387	50,419,266	1038.8%	1.63	0.5520
	2028	5,794.7	7,790,732	95,265,769	1222.8%	4,115,211	50,321,162	1222.8%	1.63	0.5282
	2029	5,334.3	6,851,504	98,103,558	1431.9%	3,463,247	49,588,647	1431.9%	1.63	0.5055
	2030	4,880.3	5,976,775	100,242,156	1677.2%	2,891,000	48,487,703	1677.2%	1.63	0.4837
	2031	4,435.8	5,170,907	102,721,504	1986.5%	2,393,490	47,547,347	1986.5%	1.63	0.4629
	2032	4,004.4	4,435,483	104,379,299	2353.3%	1,964,670	46,234,163	2353.3%	1.63	0.4429
	2033	3,590.7	3,772,305	104,045,432	2758.1%	1,598,966	44,101,702	2758.1%	1.63	0.4239
	2034	3,197.1	3,182,625	101,688,043	3195.1%	1,290,927	41,246,389	3195.1%	1.63	0.4056
	2035	2,824.7	2,662,702	97,758,639	3671.4%	1,033,528	37,945,030	3671.4%	1.63	0.3882
	2036	2,475.3	2,207,982	94,897,384	4297.9%	820,123	35,248,262	4297.9%	1.63	0.3714
	2037	2,151.7	1,814,149	91,392,204	5037.7%	644,822	32,484,510	5037.7%	1.63	0.3554
	2038	1,856.2	1,478,043	85,571,241	5789.5%	502,733	29,105,744	5789.5%	1.63	0.3401
	2039	1,589.1	1,195,562	78,128,589	6534.9%	389,141	25,429,895	6534.9%	1.63	0.3255
	2040	1,349.5	960,290	69,861,763	7275.1%	299,103	21,759,947	7275.1%	1.63	0.3115
	2041	1,136.3	765,698	63,612,298	8307.8%	228,223	18,960,208	8307.8%	1.63	0.2981
	2042	949.5	605,951	57,841,812	9545.6%	172,832	16,497,860	9545.6%	1.63	0.2852
	2043	788.4	476,475	51,116,553	10728.1%	130,050	13,951,824	10728.1%	1.63	0.2729
	2044	650.9	372,958	44,155,819	11839.3%	97,412	11,532,968	11839.3%	1.63	0.2612
	2045	534.0	290,756	37,539,925	12911.1%	72,672	9,382,752	12911.1%	1.63	0.2499
	2046	435.4	225,683	32,734,729	14504.7%	53,978	7,829,415	14504.7%	1.63	0.2392
	2047	353.0	174,301	28,874,935	16566.1%	39,894	6,608,841	16566.1%	1.63	0.2289
	2048	285.1	134,028	25,019,518	18667.4%	29,355	5,479,828	18667.4%	1.63	0.2190
	2049	229.3	102,713	21,250,501	20689.1%	21,528	4,453,904	20689.1%	1.63	0.2096
	2050	183.4	78,396	17,795,090	22699.0%	15,723	3,569,074	22699.0%	1.63	0.2006
	2051	145.7	59,490	15,328,579	25766.7%	11,418	2,941,989	25766.7%	1.63	0.1919
	2052	114.9	44,791	13,324,539	29748.0%	8,227	2,447,231	29748.0%	1.63	0.1837
	2053	90.0	33,440	11,304,096	33803.8%	5,877	1,986,746	33803.8%	1.63	0.1758
	2054	69.9	24,753	9,156,395	36990.5%	4,163	1,539,979	36990.5%	1.63	0.1682
	2055	53.6	18,139	7,164,703	39498.7%	2,919	1,153,114	39498.7%	1.63	0.1609
	2056	40.6	13,125	5,749,849	43807.9%	2,021	885,552	43807.9%	1.63	0.1540
	2057	30.2	9,351	4,609,935	49300.5%	1,378	679,417	49300.5%	1.63	0.1474
	2058	22.1	6,556	3,548,446	54121.1%	925	500,453	54121.1%	1.63	0.1410
	2059	15.9	4,531	2,572,483	56776.7%	611	347,185	56776.7%	1.63	0.1350
	2060	11.3	3,081	1,775,776	57630.0%	398	229,340	57630.0%	1.63	0.1291
	2061	7.8	2,061	1,239,693	60160.0%	255	153,211	60160.0%	1.63	0.1236
	2062	5.3	1,354	866,758	64021.6%	160	102,508	64021.6%	1.63	0.1183
	2063	3.5	874	590,900	67596.5%	99	66,874	67596.5%	1.63	0.1132
	Past		253,967,227	114,570,893	45.1%	350,504,675	139,317,512	39.7%		
	Future		257,041,652	2,480,191,235	964.9%	180,576,793	1,179,339,204	653.1%		
	Lifetime		511,008,879	2,594,762,127	507.8%	531,081,468	1,318,656,715	248.3%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%	1.00	1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%	1.00	1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%	1.00	1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%	1.00	1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%	1.00	1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%	1.00	1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%	1.00	1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%	1.00	1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%	1.00	1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%	1.00	1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%	1.00	1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%	1.00	1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%	1.00	1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%	1.00	1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%	1.00	1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%	1.00	1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,340,574	2,027,486	151.2%	1,254,921	1,897,944	151.2%	1.00	0.9361
Future	2016	841.8	1,272,171	2,213,683	174.0%	1,139,606	1,983,009	174.0%	1.00	0.8958
Experience	2017	809.5	1,199,181	2,433,219	202.9%	1,027,963	2,085,808	202.9%	1.00	0.8572
(50 years)	2018	776.0	1,124,577	2,669,749	237.4%	922,499	2,190,015	237.4%	1.00	0.8203
	2019	741.1	1,049,396	2,918,253	278.1%	823,758	2,290,780	278.1%	1.00	0.7850
	2020	705.5	971,491	3,215,175	331.0%	729,765	2,415,175	331.0%	1.00	0.7512
	2021	668.9	896,361	3,523,000	393.0%	644,334	2,532,447	393.0%	1.00	0.7188
	2022	631.5	824,552	3,828,299	464.3%	567,191	2,633,403	464.3%	1.00	0.6879
	2023	593.7	754,334	4,121,862	546.4%	496,545	2,713,243	546.4%	1.00	0.6583
	2024	555.6	686,227	4,388,648	639.5%	432,262	2,764,456	639.5%	1.00	0.6299
	2025	517.3	620,258	4,693,742	756.7%	373,882	2,829,318	756.7%	1.00	0.6028
	2026	479.0	556,402	5,029,629	904.0%	320,948	2,901,231	904.0%	1.00	0.5768
	2027	441.0	495,313	5,327,941	1075.7%	273,407	2,940,963	1075.7%	1.00	0.5520
	2028	403.7	437,626	5,544,534	1267.0%	231,162	2,928,727	1267.0%	1.00	0.5282
	2029	367.5	383,962	5,652,592	1472.2%	194,082	2,857,230	1472.2%	1.00	0.5055
	2030	332.3	334,279	5,732,047	1714.7%	161,693	2,772,624	1714.7%	1.00	0.4837
	2031	298.4	288,324	5,862,495	2033.3%	133,458	2,713,610	2033.3%	1.00	0.4629
	2032	266.0	246,386	5,956,640	2417.6%	109,135	2,638,457	2417.6%	1.00	0.4429
	2033	235.6	208,616	5,939,961	2847.3%	88,426	2,517,769	2847.3%	1.00	0.4239
	2034	207.2	175,280	5,753,218	3282.3%	71,097	2,333,603	3282.3%	1.00	0.4056
	2035	180.8	146,042	5,423,405	3713.6%	56,686	2,105,095	3713.6%	1.00	0.3882
	2036	156.5	120,472	5,222,180	4334.8%	44,747	1,939,703	4334.8%	1.00	0.3714
	2037	134.3	98,335	5,031,739	5117.0%	34,952	1,788,485	5117.0%	1.00	0.3554
	2038	114.4	79,470	4,734,347	5957.4%	27,030	1,610,315	5957.4%	1.00	0.3401
	2039	96.7	63,717	4,306,254	6758.4%	20,739	1,401,633	6758.4%	1.00	0.3255
	2040	81.1	50,682	3,781,635	7461.5%	15,786	1,177,871	7461.5%	1.00	0.3115
	2041	67.4	39,928	3,408,074	8535.6%	11,901	1,015,807	8535.6%	1.00	0.2981
	2042	55.5	31,110	3,104,144	9977.9%	8,873	885,376	9977.9%	1.00	0.2852
	2043	45.4	23,999	2,769,254	11539.1%	6,550	755,844	11539.1%	1.00	0.2729
	2044	36.9	18,378	2,398,035	13048.2%	4,800	626,338	13048.2%	1.00	0.2612
	2045	29.8	13,978	2,013,575	14404.8%	3,494	503,274	14404.8%	1.00	0.2499
	2046	23.8	10,545	1,726,186	16369.6%	2,522	412,865	16369.6%	1.00	0.2392
	2047	18.9	7,876	1,511,997	19198.0%	1,803	346,063	19198.0%	1.00	0.2289
	2048	14.9	5,825	1,302,701	22363.9%	1,276	285,320	22363.9%	1.00	0.2190
	2049	11.7	4,277	1,081,665	25293.2%	896	226,707	25293.2%	1.00	0.2096
	2050	9.1	3,114	866,513	27822.3%	625	173,792	27822.3%	1.00	0.2006
	2051	7.0	2,247	708,823	31543.7%	431	136,043	31543.7%	1.00	0.1919
	2052	5.3	1,603	587,514	36661.9%	294	107,905	36661.9%	1.00	0.1837
	2053	4.0	1,129	474,132	42005.1%	198	83,331	42005.1%	1.00	0.1758
	2054	3.0	787	361,301	45915.6%	132	60,766	45915.6%	1.00	0.1682
	2055	2.2	542	265,316	48955.0%	87	42,701	48955.0%	1.00	0.1609
	2056	1.6	368	199,252	54081.3%	57	30,687	54081.3%	1.00	0.1540
	2057	1.1	246	149,587	60721.3%	36	22,046	60721.3%	1.00	0.1474
	2058	0.8	162	109,019	67308.2%	23	15,375	67308.2%	1.00	0.1410
	2059	0.5	105	75,510	72210.0%	14	10,191	72210.0%	1.00	0.1350
	2060	0.4	66	51,615	77991.6%	9	6,666	77991.6%	1.00	0.1291
	2061	0.2	42	35,383	85240.1%	5	4,373	85240.1%	1.00	0.1236
	2062	0.2	25	23,852	94090.0%	3	2,821	94090.0%	1.00	0.1183
	2063	0.1	15	15,745	100000%+	2	1,782	100000%+	1.00	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		15,995,351	140,389,958	877.7%	11,614,482	68,498,423	589.8%		
	Lifetime		34,208,211	145,660,937	425.8%	36,213,047	74,834,161	206.6%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%	1.00	1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%	1.00	1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%	1.00	1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%	1.00	1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%	1.00	1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%	1.00	1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%	1.00	1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%	1.00	1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%	1.00	1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%	1.00	1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%	1.00	1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%	1.00	1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%	1.00	1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%	1.00	1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%	1.00	1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%	1.00	1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,474,631	2,027,486	137.5%	1,380,413	1,897,944	137.5%	1.10	0.9361
Future	2016	841.8	1,622,481	2,213,683	136.4%	1,453,412	1,983,009	136.4%	1.28	0.8958
Experience	2017	809.5	1,711,681	2,433,219	142.2%	1,467,289	2,085,808	142.2%	1.43	0.8572
(50 years)	2018	776.0	1,693,285	2,669,749	157.7%	1,389,014	2,190,015	157.7%	1.51	0.8203
	2019	741.1	1,583,724	2,918,253	184.3%	1,243,197	2,290,780	184.3%	1.51	0.7850
	2020	705.5	1,469,356	3,215,175	218.8%	1,103,751	2,415,175	218.8%	1.51	0.7512
	2021	668.9	1,359,091	3,523,000	259.2%	976,959	2,532,447	259.2%	1.52	0.7188
	2022	631.5	1,253,676	3,828,299	305.4%	862,376	2,633,403	305.4%	1.52	0.6879
	2023	593.7	1,150,162	4,121,862	358.4%	757,102	2,713,243	358.4%	1.52	0.6583
	2024	555.6	1,049,304	4,388,648	418.2%	660,968	2,764,456	418.2%	1.53	0.6299
	2025	517.3	951,183	4,693,742	493.5%	573,359	2,829,318	493.5%	1.53	0.6028
	2026	479.0	855,762	5,029,629	587.7%	493,627	2,901,231	587.7%	1.54	0.5768
	2027	441.0	764,056	5,327,941	697.3%	421,750	2,940,963	697.3%	1.54	0.5520
	2028	403.7	677,043	5,544,534	818.9%	357,627	2,928,727	818.9%	1.55	0.5282
	2029	367.5	595,725	5,652,592	948.9%	301,122	2,857,230	948.9%	1.55	0.5055
	2030	332.3	520,096	5,732,047	1102.1%	251,573	2,772,624	1102.1%	1.56	0.4837
	2031	298.4	449,820	5,862,495	1303.3%	208,211	2,713,610	1303.3%	1.56	0.4629
	2032	266.0	385,420	5,956,640	1545.5%	170,719	2,638,457	1545.5%	1.56	0.4429
	2033	235.6	327,162	5,939,961	1815.6%	138,674	2,517,769	1815.6%	1.57	0.4239
	2034	207.2	275,542	5,753,218	2088.0%	111,765	2,333,603	2088.0%	1.57	0.4056
	2035	180.8	230,105	5,423,405	2356.9%	89,315	2,105,095	2356.9%	1.58	0.3882
	2036	156.5	190,227	5,222,180	2745.2%	70,657	1,939,703	2745.2%	1.58	0.3714
	2037	134.3	155,588	5,031,739	3234.0%	55,302	1,788,485	3234.0%	1.58	0.3554
	2038	114.4	125,977	4,734,347	3758.1%	42,849	1,610,315	3758.1%	1.59	0.3401
	2039	96.7	101,184	4,306,254	4255.9%	32,934	1,401,633	4255.9%	1.59	0.3255
	2040	81.1	80,616	3,781,635	4690.9%	25,110	1,177,871	4690.9%	1.59	0.3115
	2041	67.4	63,610	3,408,074	5357.8%	18,960	1,015,807	5357.8%	1.59	0.2981
	2042	55.5	49,635	3,104,144	6253.9%	14,157	885,376	6253.9%	1.60	0.2852
	2043	45.4	38,342	2,769,254	7222.6%	10,465	755,844	7222.6%	1.60	0.2729
	2044	36.9	29,400	2,398,035	8156.5%	7,679	626,338	8156.5%	1.60	0.2612
	2045	29.8	22,390	2,013,575	8993.0%	5,596	503,274	8993.0%	1.60	0.2499
	2046	23.8	16,912	1,726,186	10207.1%	4,045	412,865	10207.1%	1.60	0.2392
	2047	18.9	12,646	1,511,997	11956.5%	2,894	346,063	11956.5%	1.61	0.2289
	2048	14.9	9,364	1,302,701	13911.8%	2,051	285,320	13911.8%	1.61	0.2190
	2049	11.7	6,883	1,081,665	15716.0%	1,443	226,707	15716.0%	1.61	0.2096
	2050	9.1	5,018	866,513	17268.3%	1,006	173,792	17268.3%	1.61	0.2006
	2051	7.0	3,624	708,823	19556.6%	696	136,043	19556.6%	1.61	0.1919
	2052	5.3	2,587	587,514	22706.5%	475	107,905	22706.5%	1.61	0.1837
	2053	4.0	1,824	474,132	25991.0%	321	83,331	25991.0%	1.62	0.1758
	2054	3.0	1,273	361,301	28385.7%	214	60,766	28385.7%	1.62	0.1682
	2055	2.2	877	265,316	30240.0%	141	42,701	30240.0%	1.62	0.1609
	2056	1.6	597	199,252	33382.2%	92	30,687	33382.2%	1.62	0.1540
	2057	1.1	399	149,587	37456.1%	59	22,046	37456.1%	1.62	0.1474
	2058	0.8	263	109,019	41499.1%	37	15,375	41499.1%	1.62	0.1410
	2059	0.5	170	75,510	44499.7%	23	10,191	44499.7%	1.62	0.1350
	2060	0.4	107	51,615	48037.9%	14	6,666	48037.9%	1.62	0.1291
	2061	0.2	67	35,383	52489.0%	8	4,373	52489.0%	1.62	0.1236
	2062	0.2	41	23,852	57912.9%	5	2,821	57912.9%	1.62	0.1183
	2063	0.1	25	15,745	63432.8%	3	1,782	63432.8%	1.62	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		22,723,906	140,389,958	617.8%	16,083,833	68,498,423	425.9%		
	Lifetime		40,936,766	145,660,937	355.8%	40,682,398	74,834,161	183.9%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%	1.00	1.9783
Experience	1999	12.3	24,638	0	0.0%	46,643	0	0.0%	1.00	1.8932
	2000	46.3	61,209	0	0.0%	110,888	0	0.0%	1.00	1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%	1.00	1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%	1.00	1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%	1.00	1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%	1.00	1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%	1.00	1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%	1.00	1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%	1.00	1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%	1.00	1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%	1.00	1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%	1.00	1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%	1.00	1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%	1.00	1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%	1.00	1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	414,173	547,983	132.3%	387,711	512,970	132.3%	1.00	0.9361
Future	2016	267.4	384,436	566,683	147.4%	344,376	507,632	147.4%	1.00	0.8958
Experience	2017	252.8	352,924	589,987	167.2%	302,534	505,750	167.2%	1.00	0.8572
(50 years)	2018	238.1	322,075	608,927	189.1%	264,200	499,508	189.1%	1.00	0.8203
	2019	222.8	292,046	621,839	212.9%	229,251	488,133	212.9%	1.00	0.7850
	2020	207.7	262,886	634,132	241.2%	197,475	476,347	241.2%	1.00	0.7512
	2021	192.6	234,697	642,247	273.6%	168,708	461,668	273.6%	1.00	0.7188
	2022	177.4	207,808	644,850	310.3%	142,947	443,578	310.3%	1.00	0.6879
	2023	162.5	182,530	635,206	348.0%	120,151	418,129	348.0%	1.00	0.6583
	2024	147.9	159,074	613,409	385.6%	100,202	386,393	385.6%	1.00	0.6299
	2025	133.7	137,360	590,155	429.6%	82,798	355,736	429.6%	1.00	0.6028
	2026	120.0	117,376	571,419	486.8%	67,706	329,611	486.8%	1.00	0.5768
	2027	106.8	99,234	545,444	549.7%	54,776	301,079	549.7%	1.00	0.5520
	2028	94.5	83,070	507,099	610.4%	43,879	267,859	610.4%	1.00	0.5282
	2029	83.0	68,907	457,087	663.3%	34,831	231,045	663.3%	1.00	0.5055
	2030	72.2	56,593	408,758	722.3%	27,374	197,718	722.3%	1.00	0.4837
	2031	62.3	45,952	372,879	811.4%	21,270	172,597	811.4%	1.00	0.4629
	2032	53.3	36,871	337,587	915.6%	16,332	149,532	915.6%	1.00	0.4429
	2033	45.3	29,293	298,052	1017.5%	12,416	126,335	1017.5%	1.00	0.4239
	2034	38.2	23,072	254,997	1105.2%	9,358	103,431	1105.2%	1.00	0.4056
	2035	31.9	17,995	214,358	1191.2%	6,985	83,203	1191.2%	1.00	0.3882
	2036	26.4	13,887	186,474	1342.8%	5,158	69,263	1342.8%	1.00	0.3714
	2037	21.6	10,598	161,483	1523.7%	3,767	57,398	1523.7%	1.00	0.3554
	2038	17.6	8,009	135,862	1696.3%	2,724	46,212	1696.3%	1.00	0.3401
	2039	14.2	6,007	109,968	1830.7%	1,955	35,793	1830.7%	1.00	0.3255
	2040	11.3	4,468	87,170	1951.1%	1,392	27,151	1951.1%	1.00	0.3115
	2041	8.9	3,287	71,851	2185.7%	980	21,416	2185.7%	1.00	0.2981
	2042	6.9	2,391	58,420	2442.8%	682	16,663	2442.8%	1.00	0.2852
	2043	5.4	1,723	45,939	2666.5%	470	12,539	2666.5%	1.00	0.2729
	2044	4.1	1,230	34,893	2837.7%	321	9,114	2837.7%	1.00	0.2612
	2045	3.1	869	26,132	3007.7%	217	6,531	3007.7%	1.00	0.2499
	2046	2.3	607	20,213	3331.3%	145	4,834	3331.3%	1.00	0.2392
	2047	1.7	418	15,505	3709.2%	96	3,549	3709.2%	1.00	0.2289
	2048	1.2	284	11,581	4084.4%	62	2,536	4084.4%	1.00	0.2190
	2049	0.9	190	8,239	4341.2%	40	1,727	4341.2%	1.00	0.2096
	2050	0.6	125	5,873	4689.3%	25	1,178	4689.3%	1.00	0.2006
	2051	0.4	81	4,254	5246.3%	16	816	5246.3%	1.00	0.1919
	2052	0.3	52	2,986	5784.8%	9	548	5784.8%	1.00	0.1837
	2053	0.2	32	2,052	6351.5%	6	361	6351.5%	1.00	0.1758
	2054	0.1	20	1,296	6507.9%	3	218	6507.9%	1.00	0.1682
	2055	0.1	12	828	6878.2%	2	133	6878.2%	1.00	0.1609
	2056	0.1	7	533	7426.8%	1	82	7426.8%	1.00	0.1540
	2057	0.0	4	333	7966.7%	1	49	7966.7%	1.00	0.1474
	2058	0.0	2	204	8322.4%	0	29	8322.4%	1.00	0.1410
	2059	0.0	1	123	8831.7%	0	17	8831.7%	1.00	0.1350
	2060	0.0	1	73	9692.0%	0	9	9692.0%	1.00	0.1291
	2061	0.0	0	42	9827.9%	0	5	9827.9%	1.00	0.1236
	2062	0.0	0	24	10950.0%	0	3	10950.0%	1.00	0.1183
	2063	0.0	0	14	9750.0%	0	2	9750.0%	1.00	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,024,626	12,172,791	302.5%	3,085,683	7,842,500	254.2%		
	Lifetime		10,453,949	14,409,469	137.8%	11,801,181	10,572,879	89.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%	1.00	1.9783
Experience	1999	12.3	24,638	0	0.0%	46,643	0	0.0%	1.00	1.8932
	2000	46.3	61,209	0	0.0%	110,888	0	0.0%	1.00	1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%	1.00	1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%	1.00	1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%	1.00	1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%	1.00	1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%	1.00	1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%	1.00	1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%	1.00	1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%	1.00	1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%	1.00	1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%	1.00	1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%	1.00	1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%	1.00	1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%	1.00	1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	455,591	547,983	120.3%	426,482	512,970	120.3%	1.10	0.9361
Future	2016	267.4	461,323	566,683	122.8%	413,251	507,632	122.8%	1.20	0.8958
Experience	2017	252.8	423,508	589,987	139.3%	363,040	505,750	139.3%	1.20	0.8572
(50 years)	2018	238.1	386,489	608,927	157.6%	317,040	499,508	157.6%	1.20	0.8203
	2019	222.8	350,455	621,839	177.4%	275,101	488,133	177.4%	1.20	0.7850
	2020	207.7	315,464	634,132	201.0%	236,970	476,347	201.0%	1.20	0.7512
	2021	192.6	281,636	642,247	228.0%	202,449	461,668	228.0%	1.20	0.7188
	2022	177.4	249,370	644,850	258.6%	171,536	443,578	258.6%	1.20	0.6879
	2023	162.5	219,035	635,206	290.0%	144,182	418,129	290.0%	1.20	0.6583
	2024	147.9	190,889	613,409	321.3%	120,243	386,393	321.3%	1.20	0.6299
	2025	133.7	164,832	590,155	358.0%	99,358	355,736	358.0%	1.20	0.6028
	2026	120.0	140,851	571,419	405.7%	81,247	329,611	405.7%	1.20	0.5768
	2027	106.8	119,081	545,444	458.0%	65,731	301,079	458.0%	1.20	0.5520
	2028	94.5	99,684	507,099	508.7%	52,655	267,859	508.7%	1.20	0.5282
	2029	83.0	82,688	457,087	552.8%	41,797	231,045	552.8%	1.20	0.5055
	2030	72.2	67,912	408,758	601.9%	32,849	197,718	601.9%	1.20	0.4837
	2031	62.3	55,143	372,879	676.2%	25,524	172,597	676.2%	1.20	0.4629
	2032	53.3	44,245	337,587	763.0%	19,598	149,532	763.0%	1.20	0.4429
	2033	45.3	35,151	298,052	847.9%	14,899	126,335	847.9%	1.20	0.4239
	2034	38.2	27,686	254,997	921.0%	11,230	103,431	921.0%	1.20	0.4056
	2035	31.9	21,594	214,358	992.7%	8,382	83,203	992.7%	1.20	0.3882
	2036	26.4	16,664	186,474	1119.0%	6,190	69,263	1119.0%	1.20	0.3714
	2037	21.6	12,718	161,483	1269.7%	4,520	57,398	1269.7%	1.20	0.3554
	2038	17.6	9,611	135,862	1413.6%	3,269	46,212	1413.6%	1.20	0.3401
	2039	14.2	7,208	109,968	1525.6%	2,346	35,793	1525.6%	1.20	0.3255
	2040	11.3	5,361	87,170	1625.9%	1,670	27,151	1625.9%	1.20	0.3115
	2041	8.9	3,945	71,851	1821.4%	1,176	21,416	1821.4%	1.20	0.2981
	2042	6.9	2,870	58,420	2035.7%	819	16,663	2035.7%	1.20	0.2852
	2043	5.4	2,067	45,939	2222.1%	564	12,539	2222.1%	1.20	0.2729
	2044	4.1	1,476	34,893	2364.7%	385	9,114	2364.7%	1.20	0.2612
	2045	3.1	1,043	26,132	2506.4%	261	6,531	2506.4%	1.20	0.2499
	2046	2.3	728	20,213	2776.1%	174	4,834	2776.1%	1.20	0.2392
	2047	1.7	502	15,505	3091.0%	115	3,549	3091.0%	1.20	0.2289
	2048	1.2	340	11,581	3403.7%	75	2,536	3403.7%	1.20	0.2190
	2049	0.9	228	8,239	3617.7%	48	1,727	3617.7%	1.20	0.2096
	2050	0.6	150	5,873	3907.8%	30	1,178	3907.8%	1.20	0.2006
	2051	0.4	97	4,254	4371.9%	19	816	4371.9%	1.20	0.1919
	2052	0.3	62	2,986	4820.7%	11	548	4820.7%	1.20	0.1837
	2053	0.2	39	2,052	5292.9%	7	361	5292.9%	1.20	0.1758
	2054	0.1	24	1,296	5423.2%	4	218	5423.2%	1.20	0.1682
	2055	0.1	14	828	5731.8%	2	133	5731.8%	1.20	0.1609
	2056	0.1	9	533	6189.0%	1	82	6189.0%	1.20	0.1540
	2057	0.0	5	333	6639.0%	1	49	6639.0%	1.20	0.1474
	2058	0.0	3	204	6935.4%	0	29	6935.4%	1.20	0.1410
	2059	0.0	2	123	7359.7%	0	17	7359.7%	1.20	0.1350
	2060	0.0	1	73	8076.7%	0	9	8076.7%	1.20	0.1291
	2061	0.0	1	42	8189.9%	0	5	8189.9%	1.20	0.1236
	2062	0.0	0	24	9125.0%	0	3	9125.0%	1.20	0.1183
	2063	0.0	0	14	8125.0%	0	2	8125.0%	1.20	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,699,744	12,172,791	259.0%	3,577,582	7,842,500	219.2%		
	Lifetime		11,129,067	14,409,469	129.5%	12,293,080	10,572,879	86.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	1.00	2.0674
Historical	1998	4.8	9,448	0	0.0%	18,691	0	0.0%	1.00	1.9783
Experience	1999	17.1	35,127	0	0.0%	66,500	0	0.0%	1.00	1.8932
	2000	53.1	141,356	0	0.0%	256,084	0	0.0%	1.00	1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%	1.00	1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%	1.00	1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%	1.00	1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%	1.00	1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%	1.00	1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%	1.00	1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%	1.00	1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%	1.00	1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%	1.00	1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%	1.00	1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%	1.00	1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%	1.00	1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%	1.00	1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	926,401	1,479,504	159.7%	867,210	1,384,974	159.7%	1.00	0.9361
Future	2016	574.4	887,735	1,647,000	185.5%	795,230	1,475,377	185.5%	1.00	0.8958
Experience	2017	556.7	846,257	1,843,232	217.8%	725,430	1,580,058	217.8%	1.00	0.8572
(50 years)	2018	537.9	802,503	2,060,822	256.8%	658,299	1,690,508	256.8%	1.00	0.8203
	2019	518.3	757,350	2,296,415	303.2%	594,507	1,802,647	303.2%	1.00	0.7850
	2020	497.8	708,605	2,581,043	364.2%	532,290	1,938,828	364.2%	1.00	0.7512
	2021	476.4	661,664	2,880,753	435.4%	475,626	2,070,779	435.4%	1.00	0.7188
	2022	454.1	616,744	3,183,449	516.2%	424,245	2,189,825	516.2%	1.00	0.6879
	2023	431.2	571,804	3,486,656	609.8%	376,394	2,295,115	609.8%	1.00	0.6583
	2024	407.6	527,153	3,775,239	716.2%	332,059	2,378,063	716.2%	1.00	0.6299
	2025	383.5	482,898	4,103,587	849.8%	291,084	2,473,582	849.8%	1.00	0.6028
	2026	359.0	439,027	4,458,209	1015.5%	253,243	2,571,620	1015.5%	1.00	0.5768
	2027	334.1	396,079	4,782,498	1207.5%	218,631	2,639,884	1207.5%	1.00	0.5520
	2028	309.2	354,556	5,037,435	1420.8%	187,283	2,660,868	1420.8%	1.00	0.5282
	2029	284.6	315,056	5,195,505	1649.1%	159,252	2,626,185	1649.1%	1.00	0.5055
	2030	260.1	277,686	5,323,289	1917.0%	134,318	2,574,905	1917.0%	1.00	0.4837
	2031	236.1	242,371	5,489,616	2265.0%	112,188	2,541,013	2265.0%	1.00	0.4629
	2032	212.7	209,515	5,619,053	2681.9%	92,803	2,488,925	2681.9%	1.00	0.4429
	2033	190.3	179,324	5,641,909	3146.2%	76,010	2,391,434	3146.2%	1.00	0.4239
	2034	169.0	152,209	5,498,221	3612.3%	61,738	2,230,172	3612.3%	1.00	0.4056
	2035	149.0	128,047	5,209,047	4068.1%	49,701	2,021,892	4068.1%	1.00	0.3882
	2036	130.1	106,585	5,035,705	4724.6%	39,589	1,870,440	4724.6%	1.00	0.3714
	2037	112.7	87,736	4,870,256	5551.0%	31,185	1,731,087	5551.0%	1.00	0.3554
	2038	96.8	71,460	4,598,484	6435.0%	24,306	1,564,104	6435.0%	1.00	0.3401
	2039	82.6	57,710	4,196,286	7271.3%	18,784	1,365,839	7271.3%	1.00	0.3255
	2040	69.8	46,214	3,694,465	7994.3%	14,394	1,150,721	7994.3%	1.00	0.3115
	2041	58.5	36,640	3,336,224	9105.3%	10,921	994,391	9105.3%	1.00	0.2981
	2042	48.6	28,719	3,045,724	10605.4%	8,191	868,713	10605.4%	1.00	0.2852
	2043	40.1	22,276	2,723,314	12225.3%	6,080	743,305	12225.3%	1.00	0.2729
	2044	32.8	17,149	2,363,141	13780.4%	4,479	617,224	13780.4%	1.00	0.2612
	2045	26.7	13,110	1,987,444	15160.2%	3,277	496,743	15160.2%	1.00	0.2499
	2046	21.5	9,938	1,705,973	17165.6%	2,377	408,031	17165.6%	1.00	0.2392
	2047	17.2	7,458	1,496,492	20066.2%	1,707	342,514	20066.2%	1.00	0.2289
	2048	13.7	5,541	1,291,120	23299.2%	1,214	282,784	23299.2%	1.00	0.2190
	2049	10.8	4,087	1,073,426	26266.2%	857	224,980	26266.2%	1.00	0.2096
	2050	8.4	2,989	860,640	28791.5%	600	172,614	28791.5%	1.00	0.2006
	2051	6.5	2,166	704,569	32528.1%	416	135,227	32528.1%	1.00	0.1919
	2052	5.0	1,551	584,528	37689.6%	285	107,356	37689.6%	1.00	0.1837
	2053	3.8	1,096	472,081	43055.4%	193	82,970	43055.4%	1.00	0.1758
	2054	2.8	767	360,005	46938.6%	129	60,548	46938.6%	1.00	0.1682
	2055	2.1	530	264,488	49911.0%	85	42,568	49911.0%	1.00	0.1609
	2056	1.5	361	198,719	55007.3%	56	30,605	55007.3%	1.00	0.1540
	2057	1.1	242	149,254	61631.9%	36	21,997	61631.9%	1.00	0.1474
	2058	0.7	160	108,815	68214.1%	22	15,347	68214.1%	1.00	0.1410
	2059	0.5	103	75,387	73063.8%	14	10,174	73063.8%	1.00	0.1350
	2060	0.3	65	51,542	78774.5%	8	6,657	78774.5%	1.00	0.1291
	2061	0.2	41	35,341	86029.5%	5	4,368	86029.5%	1.00	0.1236
	2062	0.1	25	23,828	94817.9%	3	2,818	94817.9%	1.00	0.1183
	2063	0.1	15	15,732	100000%+	2	1,780	100000%+	1.00	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		11,970,725	128,217,166	1071.1%	8,528,799	60,655,923	711.2%		
	Lifetime		23,754,262	131,251,467	552.5%	24,411,867	64,261,283	263.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	1.00	2.0674
Historical	1998	4.8	9,448	0	0.0%	18,691	0	0.0%	1.00	1.9783
Experience	1999	17.1	35,127	0	0.0%	66,500	0	0.0%	1.00	1.8932
	2000	53.1	141,356	0	0.0%	256,084	0	0.0%	1.00	1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%	1.00	1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%	1.00	1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%	1.00	1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%	1.00	1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%	1.00	1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%	1.00	1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%	1.00	1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%	1.00	1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%	1.00	1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%	1.00	1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%	1.00	1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%	1.00	1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%	1.00	1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	1,019,041	1,479,504	145.2%	953,931	1,384,974	145.2%	1.10	0.9361
Future	2016	574.4	1,161,158	1,647,000	141.8%	1,040,161	1,475,377	141.8%	1.31	0.8958
Experience	2017	556.7	1,288,173	1,843,232	143.1%	1,104,249	1,580,058	143.1%	1.52	0.8572
(50 years)	2018	537.9	1,306,795	2,060,822	157.7%	1,071,974	1,690,508	157.7%	1.63	0.8203
	2019	518.3	1,233,269	2,296,415	186.2%	968,096	1,802,647	186.2%	1.63	0.7850
	2020	497.8	1,153,892	2,581,043	223.7%	866,781	1,938,828	223.7%	1.63	0.7512
	2021	476.4	1,077,454	2,880,753	267.4%	774,509	2,070,779	267.4%	1.63	0.7188
	2022	454.1	1,004,306	3,183,449	317.0%	690,840	2,189,825	317.0%	1.63	0.6879
	2023	431.2	931,126	3,486,656	374.5%	612,920	2,295,115	374.5%	1.63	0.6583
	2024	407.6	858,415	3,775,239	439.8%	540,725	2,378,063	439.8%	1.63	0.6299
	2025	383.5	786,351	4,103,587	521.9%	474,001	2,473,582	521.9%	1.63	0.6028
	2026	359.0	714,911	4,458,209	623.6%	412,381	2,571,620	623.6%	1.63	0.5768
	2027	334.1	644,975	4,782,498	741.5%	356,019	2,639,884	741.5%	1.63	0.5520
	2028	309.2	577,360	5,037,435	872.5%	304,972	2,660,868	872.5%	1.63	0.5282
	2029	284.6	513,036	5,195,505	1012.7%	259,326	2,626,185	1012.7%	1.63	0.5055
	2030	260.1	452,184	5,323,289	1177.2%	218,724	2,574,905	1177.2%	1.63	0.4837
	2031	236.1	394,677	5,489,616	1390.9%	182,687	2,541,013	1390.9%	1.63	0.4629
	2032	212.7	341,174	5,619,053	1647.0%	151,121	2,488,925	1647.0%	1.63	0.4429
	2033	190.3	292,011	5,641,909	1932.1%	123,774	2,391,434	1932.1%	1.63	0.4239
	2034	169.0	247,857	5,498,221	2218.3%	100,535	2,230,172	2218.3%	1.63	0.4056
	2035	149.0	208,511	5,209,047	2498.2%	80,934	2,021,892	2498.2%	1.63	0.3882
	2036	130.1	173,563	5,035,705	2901.4%	64,467	1,870,440	2901.4%	1.63	0.3714
	2037	112.7	142,870	4,870,256	3408.9%	50,782	1,731,087	3408.9%	1.63	0.3554
	2038	96.8	116,366	4,598,484	3951.7%	39,580	1,564,104	3951.7%	1.63	0.3401
	2039	82.6	93,975	4,196,286	4465.3%	30,588	1,365,839	4465.3%	1.63	0.3255
	2040	69.8	75,255	3,694,465	4909.3%	23,440	1,150,721	4909.3%	1.63	0.3115
	2041	58.5	59,665	3,336,224	5591.6%	17,784	994,391	5591.6%	1.63	0.2981
	2042	48.6	46,765	3,045,724	6512.8%	13,339	868,713	6512.8%	1.63	0.2852
	2043	40.1	36,274	2,723,314	7507.6%	9,901	743,305	7507.6%	1.63	0.2729
	2044	32.8	27,925	2,363,141	8462.5%	7,294	617,224	8462.5%	1.63	0.2612
	2045	26.7	21,348	1,987,444	9309.8%	5,336	496,743	9309.8%	1.63	0.2499
	2046	21.5	16,184	1,705,973	10541.4%	3,871	408,031	10541.4%	1.63	0.2392
	2047	17.2	12,144	1,496,492	12322.7%	2,780	342,514	12322.7%	1.63	0.2289
	2048	13.7	9,024	1,291,120	14308.0%	1,976	282,784	14308.0%	1.63	0.2190
	2049	10.8	6,655	1,073,426	16130.1%	1,395	224,980	16130.1%	1.63	0.2096
	2050	8.4	4,868	860,640	17680.8%	976	172,614	17680.8%	1.63	0.2006
	2051	6.5	3,527	704,569	19975.5%	677	135,227	19975.5%	1.63	0.1919
	2052	5.0	2,525	584,528	23145.2%	464	107,356	23145.2%	1.63	0.1837
	2053	3.8	1,785	472,081	26440.3%	314	82,970	26440.3%	1.63	0.1758
	2054	2.8	1,249	360,005	28825.0%	210	60,548	28825.0%	1.63	0.1682
	2055	2.1	863	264,488	30650.3%	139	42,568	30650.3%	1.63	0.1609
	2056	1.5	588	198,719	33780.0%	91	30,605	33780.0%	1.63	0.1540
	2057	1.1	394	149,254	37848.1%	58	21,997	37848.1%	1.63	0.1474
	2058	0.7	260	108,815	41890.3%	37	15,347	41890.3%	1.63	0.1410
	2059	0.5	168	75,387	44868.4%	23	10,174	44868.4%	1.63	0.1350
	2060	0.3	107	51,542	48375.4%	14	6,657	48375.4%	1.63	0.1291
	2061	0.2	67	35,341	52830.7%	8	4,368	52830.7%	1.63	0.1236
	2062	0.1	41	23,828	58227.6%	5	2,818	58227.6%	1.63	0.1183
	2063	0.1	25	15,732	63809.7%	3	1,780	63809.7%	1.63	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		18,024,162	128,217,166	711.4%	12,506,251	60,655,923	485.0%		
	Lifetime		29,807,699	131,251,467	440.3%	28,389,318	64,261,283	226.4%		

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
February 24, 2017

Product	Number
Comprehensive Long-Term Care (Tax Qualified)	80650 1/97 VA
Comprehensive Long-Term Care (Non-Tax Qualified)	80880 NTQ 1/98 VA

These forms were issued in Virginia by Kanawha Insurance Company (Kanawha) from 1997 through 2003. The above forms are no longer marketed in any state.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of supporting a rate increase request on Kanawha's existing long-term care policies. This request for a rate increase is being filed in accordance with the minimum loss ratio requirements. This memorandum may not be suitable for other purposes.

2. Description of Benefits

This is an individually underwritten policy that provides long-term care coverage. This form may also include a survivorship benefit that provides for premiums to become paid up upon the tenth anniversary of the policy if: (1) both the policyholder and the spouse are covered by long-term care policies issued by Kanawha, (2) the spouse dies, and (3) both policies are in-force at the time of the spouse's death.

Forms 80650 1/97 VA (tax qualified [TQ], "LTC2") and 80880 NTQ 1/98 VA (non-tax qualified [NTQ], "NTQ2") provide long-term care benefits for periods of 2, 3, 4 years, or for lifetime. Optional coverage is available with the election of several riders. Riders 80660 1/97 (TQ) and 80900 NTQ 1/98 (NTQ) provide home health care benefits. Riders 80680 1/97 (TQ) and 93072 NTQ 1/98 (NTQ) provide 5% compound inflation protection. Additional applicable riders for this product include, but are not limited to, guaranteed future benefits option increase, return of premium, and nonforfeiture.

All of the above forms are no longer issued. Policies with the guaranteed future benefits option increase still have a limited option to purchase additional coverage.

3. Renewability

These policies are guaranteed renewable for life.

4. Applicability

The proposed rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers listed above or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. Paid up policies will not be affected by the rate increase as no additional premiums can be collected from such policies. The rate increase will apply to the base forms as well as all applicable options and riders.

5. Actuarial Assumptions

a. Morbidity

Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience.

Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The following sample of claim costs are applied to in-force insureds with comprehensive coverage, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit, issued at age 52:

Attained Age	No Inflation
52	4.77
57	8.48
62	20.50
67	34.68
72	73.47
77	176.48
82	371.66
87	731.97
92	978.48

Original Pricing Assumption for Morbidity

When these policy forms were originally priced, claim costs were developed using the Society of Actuary's first Long-Term Care Study Intercompany Study, published in 1993. That study consisted primarily of the nursing home claims experience of ten LTC carriers, representing policyholder exposure between 1984 and 1991. The company adjusted claim costs to reflect underwriting selection, home health care benefits, spousal coverage, and the election of riders and GPOs.

Below are examples of annual claim costs by attained age developed at the time of original pricing for these policy forms, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit with no inflation protection.

Attained Age	No Inflation
52	3.38
57	8.78
62	18.01
67	43.13
72	102.41
77	245.73
82	331.15
87	408.96
92	455.65

The company monitors the entire block of LTC policies regularly and has requested remedial rate increases as it has become apparent that premiums are not sufficient to cover anticipated future claims. The last rate increase approved in Virginia was implemented in 2010, and that filing reflected exposure through 2008. Since that time, the count of claims incurred across Humana's LTC blocks has increased by 80%, representing a 118% increase in claim amounts. These data continue to indicate that the original pricing morbidity assumptions have contributed to the need for remediation. This is consistent with the comparison between the original pricing claim costs above and the latest, best estimate claim costs.

The best estimate assumptions were developed reflecting claims through 2012. The following tables demonstrate how the latest best estimate assumptions compare to actual experience through December 31, 2012 for all of Humana's LTC products.

Incidence Rates Modeled vs. Actual

Product Type	NH	HHC
Tax Qualified	99.6%	99.8%
Non-Tax Qualified	100.3%	99.8%

Modeled claim termination rates were adjusted with a scalar factor, by type of care setting and duration, to reach an overall actual-to-expected model result of 100%.

Continuance Rates Modeled vs. Actual

	NH	HHC
All durations	100%	100%

b. Lapse

Lapse rates are developed from actual historical experience. A total decrement rate is calculated and mortality is subtracted based on the above assumption such that mortality and lapse combine to equal the historical experience.

The voluntary lapse rates for this product are the rates in the tables below along with a 70% adjustment factor applied to them in order to match actual experience. For example, the ultimate no inflation voluntary lapse rate is 1.40%.

Compound Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	3.13%	3.13%	3.13%	3.13%	3.13%	1.00%	1.00%	1.00%	0.50%
2	2.50%	2.50%	2.50%	2.50%	2.50%	1.00%	1.00%	1.00%	0.50%
3	2.38%	2.38%	2.38%	2.38%	2.38%	1.00%	1.00%	1.00%	0.50%
4	1.88%	1.88%	1.88%	1.88%	1.88%	1.00%	1.00%	1.00%	0.50%
5	1.56%	1.56%	1.56%	1.56%	1.56%	1.00%	1.00%	1.00%	0.50%
6+	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%

No Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	6.25%	6.25%	6.25%	6.25%	6.25%	2.00%	2.00%	2.00%	1.00%
2	5.00%	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	1.00%
3	4.75%	4.75%	4.75%	4.75%	4.75%	2.00%	2.00%	2.00%	1.00%
4	3.75%	3.75%	3.75%	3.75%	3.75%	2.00%	2.00%	2.00%	1.00%
5	3.13%	3.13%	3.13%	3.13%	3.13%	2.00%	2.00%	2.00%	1.00%
6+	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	1.00%

Original Pricing Assumption for Lapse

When these policy forms were originally priced, lapse rates were deemed appropriate based on industry experience for similar companies with similar products. The following tables show the original pricing lapse assumption:

	Issue Ages				
Duration	40-59	60-64	65-69	70-74	75+
1	25.0%	20.0%	12.0%	10.0%	8.0%
2	16.0%	13.0%	8.0%	5.0%	4.0%
3	11.0%	8.0%	5.0%	5.0%	4.0%
4	9.0%	6.0%	5.0%	5.0%	4.0%
5+					
< AA 65	7.0%	6.0%	5.0%	5.0%	4.0%
AA 65+	6.5%	6.0%	5.0%	5.0%	4.0%

Reports on industry data issued around the time of original pricing, such as the SOA's Long-Term Care Intercompany Study in 1993, are consistent with these assumptions. Reported lapses during the exposure period in those studies were far greater than those which have emerged in recent years. Since the time of initial pricing, lapse rates have declined

significantly industry-wide. The latest best estimate lapse assumptions reflect this reduction in overall lapse rates and late duration lapse rates in particular.

These long-term care policies were priced assuming that premiums earned in early durations would fund claims incurred in later durations. The premium rates originally established were supported by the assumption of voluntary lapses, which reduced expected claims in later years. With this block of business, as with similar blocks industry-wide, these lower lapse rates have had a significant, unfavorable impact on the financial health of these blocks. Lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business.

c. Mortality

Mortality is assumed to be 100% of the 2012 Annuity Basic ANB Male and Female Table.

Original Pricing Assumption for Mortality

This product was originally priced assuming 90% of 1975-80 Select and Ultimate Age Last Birthday, weighted 1/3 Male and 2/3 Female.

The following table compares Male and Female ultimate mortality rates between original pricing mortality and current best estimate assumptions.

Mortality Rates Per Thousand

	Male			Female		
Age	Pricing	Current	Current/Pricing	Pricing	Current	Current/Pricing
62	0.0138	0.0069	0.497	0.0081	0.0049	0.603
67	0.0224	0.0101	0.451	0.0121	0.0078	0.645
72	0.0358	0.0152	0.424	0.0190	0.0120	0.633
77	0.0566	0.0262	0.462	0.0332	0.0195	0.587
82	0.0884	0.0470	0.531	0.0591	0.0361	0.611
87	0.1349	0.0848	0.629	0.0974	0.0702	0.721
92	0.1964	0.1524	0.776	0.1480	0.1192	0.805
97	0.2675	0.2386	0.892	0.2110	0.1997	0.946

Overall terminations on these policies are significantly lower than was anticipated at the time of original pricing. As an example, we originally projected that 15% of those policies issued at age 60 would still be in-force after 20 years. Our current best estimate model projects that over three times that number, or 55%, of those same policies would remain in-force after 20 years.

d. Expenses

Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate. Reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium will be similar (i.e., commissions will not be paid on the increased premium).

The above assumptions are based on the experience of Kanawha. These assumptions are based on the nationwide experience of the particular policy forms in this filing and other similar policy forms where appropriate. The above assumptions are deemed reasonable for the particular policy forms in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy form were taken into consideration.

The company does not currently market any long-term care products.

6. Marketing Method

These plans were individually solicited by agents and independent brokers representing Kanawha Insurance Company.

7. Underwriting Description

These policy forms were fully underwritten based on responses to questions in the application and the use of additional underwriting tools such as telephone interviews, attending physician statements, and/or a face-to-face interview.

8. Premiums

Premiums are unisex and based on issue age. They vary by the amount of benefit purchased and optional benefits selected.

These forms and riders have three underwriting classes: Preferred (most favorable), Standard, and Select (least favorable). Varying premium payment periods are offered and include Lifetime, Ten Year, To-Age-65, and Single Payment.

9. Issue Age Range

These forms were issued to policyholders aged 35 to 79.

10. Area Factors

Area factors are not used for this product.

11. Premium Modalization Rules

The following modal factors and distribution, which are based on nationwide data, are applied to the annual premium. Policies which are paid up as of December 31, 2013 are not reflected in this distribution.

Premium Mode	Modal Factor	Distribution of Policies
Annual	1.000	31.9%
Semi-annual	0.510	6.5%
Quarterly	0.260	8.6%
Monthly	0.092	53.0%

12. Reserves

Active life reserves have not been used in this rate increase analysis. Claim reserves as of December 31, 2013 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2013 has been allocated to the 2013 calendar year of incurral and included in historic incurred claims.

13. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

14. Past and Future Policy Experience

Nationwide experience for this policy form is shown in Exhibit I. Historical experience is shown by claim incurral year with associated calendar year loss ratios. A future annual loss ratio is calculated as anticipated incurred claims divided by earned premiums.

A lifetime loss ratio as of December 31, 2013 is calculated as the sum of the accumulated past and discounted future claims divided by the sum of the accumulated past and discounted future earned premium where accumulation and discounting occur at 4.5%.

15. Projected Earned Premiums and Incurred Claims

Exhibit I contains lifetime projections of earned premium and incurred claims based on the current premiums and the filed premium rate increase. Earned premiums and incurred claims for projection years 2014 through 2063 are developed from an asset share model representing actual contracts in-force as of December 31, 2013.

The assumptions described in section 5 for morbidity, voluntary lapse, and mortality are used to project life years, earned premiums, and incurred claims. The projections reflecting the rate increase assume that the increase is effective on each policy's first anniversary on or after January 1, 2015.

16. History of Previous Rate Increases

The following rate increases have been implemented on these policy forms in Virginia:

Year	Rate Increase
2010	60%

17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

The company initially requested a rate increase of 25% for policies with no inflation protection and 90% for policies with the 5% compound inflation rider. The company has agreed with the state to a rate increase of 20% for policies with no inflation protection and 62.8% for policies with the 5% compound inflation rider to be implemented over 3 years with rate increases of 20%, 18% and 15% in each year, respectively. This results in an average rate overall increase of 48.2%. Projected experience assuming the implementation of this increase is shown in Exhibit I. Exhibit I demonstrates that the expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60%.

Corresponding rate tables are included with this memorandum in Exhibit II. The actual rate increases implemented may vary slightly from those proposed above due to rounding.

18. Average Annual Premium

		Virginia	
Products	Nationwide prior to rate increase	Prior to rate increase	Following the rate increase
LTC2	1,371	1,408	2,036
NTQ2	1,684	1,689	2,537

Premiums vary by form between Virginia policies and those nationwide based on, for example, the mix of business by issue age, benefits selected, GPOs elected, and premium payment mode. Similar rate increases are being requested on policies nationwide.

19. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 75-day policyholder notification period following approval.

20. Nationwide Distribution of Business as of December 31, 2013

This distribution is based on the count of in-force insureds.

By Issue Age

Issue Ages	Insureds	Distribution
<40	201	1.0%
40 - 44	320	1.6%
45 - 49	991	5.0%
50 - 54	3,095	15.6%
55 - 59	4,539	22.9%
60 - 64	5,206	26.3%
65 - 69	3,703	18.7%
70 - 74	1,480	7.5%
75+	272	1.4%
Total	19,807	100.0%

By Elimination Period:

Elimination Period	Insureds	Distribution
0	7,019	35.4%
30 – 60 days	6,250	31.6%
90 – 180 days	6,538	33.0%
365 days	0	0.0%
7 days	0	0.0%
Total	19,807	100.0%

By Benefit Period:

Benefit Period	Insureds	Distribution
3 month	0	0.0%
1 - 2 year	882	4.5%
3 year	1,981	10.0%
4 year	4,020	20.3%
5 year	0	0.0%
Lifetime	12,924	65.2%
Total	19,807	100.0%

By Inflation Protection Option:

Inflation Protection	Insureds	Distribution
None	8,152	41.2%
Simple	0	0.0%
Compound	11,655	58.8%
Total	19,807	100.0%

By Premium Payment Option:

Premium Payment	Insureds*	Distribution
Annual	4,817	32.2%
Semi-Annual	969	6.5%
Quarterly	1,292	8.6%
Monthly	7,879	52.7%
Total	14,957	100.0%

**This excludes paid up policies*

By Coverage Type:

Coverage Type	Insureds	Distribution
NH only	1,294	6.5%
Home Health Care	0	0.0%
Comprehensive	18,513	93.5%
Total	19,807	100.0%

By Premium Period:

Premium Period	Insureds	Distribution
Single Pay	187	1.0%
5 Years	47	0.2%
10 Pay	3,015	15.2%
To Age 65	784	4.0%
Lifetime	15,774	79.6%
Total	19,807	100.0%

21. Number of Insureds and Annualized Premium

Based on Kanawha's experience as of December 31, 2013, the number of insureds in-force and the annualized premium that will be affected by this increase are:

Jurisdiction	Premium Paying Insureds	Paid Up Insureds	Annualized Premium
Virginia	715	201	1,443,869
Nationwide	14,957	4,850	29,129,576

22. Additional Ways for Policyholders to Mitigate the Rate Increase

Although we are no longer issuing new policies on these forms, with this rate increase filing we are implementing a new option to allow some policyholders to eliminate their rate increase altogether. For those policyholders who elected 5% compound inflation protection, the company will offer them the option to eliminate this 90% requested rate increase entirely by dropping future increases in their daily benefit.

Over 92% of active policyholders with 5% compound inflation protection have maintained their policies for 10 years or more. This means that those policyholders have a benefit which has already increased at least 63% since their initial purchase. While this action would reduce the policyholder's potential future benefit, we feel that some policyholders with this option may find more value in mitigating this rate increase.

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
February 24, 2017

23. Actuarial Certification

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

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates are not excessive or unfairly discriminatory and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction. This filing will enhance premium adequacy but may not be sufficient to prevent future rate action.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by others to develop this memorandum including, but not limited to, management's view of when a rate change may be considered, the underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

Andrew Besendorf
Actuarial Director
Humana Inc.
February 24, 2017

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase
Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

We are contacting you to provide important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Based upon our review and analysis of your Policy and all others in its class, we have determined that it is necessary for us to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts like yours to ensure that we will be able to meet our future claim obligations. Although we have consistently used the best information available to set premium rates for you and all other policyholders in your class, our actual claims experience within the class has proven to be materially different from our assumptions. Unfortunately, this means that a premium rate increase is required to ensure that we will be appropriately positioned to continue providing the valuable coverage that you and all of our policyholders have come to expect in the future.

This premium rate increase was filed with your state. No individual policyholder has been singled out for a premium rate increase, nor is the increase due to any policyholder's age or change in health. The premium rate increase described in this letter will be applicable to all policyholders in your class.

This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium if the premiums for all the policies in the same class are changed. You will be given at least 60 days' notice before your premium is changed. Any increase or decrease in the premium will begin the next premium due date after the 60-day notice is given.

Your New Premium

Effective [Date], your premium will increase by 90% from $X1 to $X2. We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options, discussed below, may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Premium rates for this policy may be increased in the future.

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits	Future Inflation Protection Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged	5% Annually
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.	0%
3	Reduce your Inflation Protection Benefit Rider annual rate to 0%.	$X1	Yes	All Daily Benefit Amounts would remain at your current level, please call customer service for your current benefit level. The Daily Benefit Amount will not increase for life of the policy.	0%
4	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.	5% Annually
5	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.	5% Annually

Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Option 2: Nonforfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

DATE

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase
Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

We are contacting you to provide important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Based upon our review and analysis of your Policy and all others in its class, we have determined that it is necessary for us to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts like yours to ensure that we will be able to meet our future claim obligations. Although we have consistently used the best information available to set premium rates for you and all other policyholders in your class, our actual claims experience within the class has proven to be materially different from our assumptions. Unfortunately, this means that a premium rate increase is required to ensure that we will be appropriately positioned to continue providing the valuable coverage that you and all of our policyholders have come to expect in the future.

This premium rate increase was filed with your state. No individual policyholder has been singled out for a premium rate increase, nor is the increase due to any policyholder's age or change in health. The premium rate increase described in this letter will be applicable to all policyholders in your class.

This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium if the premiums for all the policies in the same class are changed. You will be given at least 60 days' notice before your premium is changed. Any increase or decrease in the premium will begin the next premium due date after the 60-day notice is given.

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Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.
3	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.
4	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.

Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

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Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

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Sincerely,

Policy Administration

KANAWHA

NAIC COMPANY CODE 65110
FEDERAL TAX ID # 57-0380426
NAIC GROUP CODE 757

RACHEL E. COYLE, HIA
ASSISTANT VICE PRESIDENT
COMPLIANCE

August 1, 1997

APPROVED
Commonwealth of Virginia
State Corporation Commission
Bureau of Insurance
DATE 8/27/97

Ms. Althelia P. Battle
Senior Insurance Market Examiner
Policy and Other Form Filings
Commonwealth of Virginia
Bureau of Insurance
State Corporation Commission
Post Office Box 1157
Richmond, Virginia 23218

RE: ✓Form 80650 1/97 VA Long Term Care Contract intended to comply with Health Insurance Portability and Availability Act of 1996 as constituted on its date of issue
✓Form 1069 1/97 VA Outline of Coverage
✓Form 80660 1/97 Home Health Care Benefits Rider
✓Form 80680 1/97 Compounded Inflation Protection Benefit Rider
✓Form 80710 1/97 Paid Up Insurance Benefit on Death of Spouse Rider
✓Form 90170 1/97 Guaranteed Future Benefits Increase Option Rider
✓Form 90175 1/97 Return of Premium Benefit Rider
✓Form 93000 1/97 Nonforfeiture Rider (Shortened Benefit Period)
✓Form 1139 VA Application for Long Term Care
✓Form 4104 1/97 Brochure for Long Term Care
Submission No. 007 0000007502
Your Letter of July 29, 1997

Dear Ms. Battle:

Please find enclosed our Application 1139 VA which has been revised to put Virginia's fraud statement on Page 7.

We are enclosing copies of our Form 8040-72-99 4/94 and Form 40-12F (2) VA which were approved by your state on June 19, 1995.

To respond to your question on our Form 80680 1/97 Compounded Inflation Rider, the rider is priced the same as policy form 80650 1/97. Term coverage for all rider aspects expire if premiums are discontinued. If inflated benefits were to continue after lapse, this would require

COMMONWEALTH OF VIRGINIA

SEP 02

ALFRED W. GROSS
COMMISSIONER OF INSURANCE

P.O. BOX 1157
RICHMOND, VIRGINIA 23218
TELEPHONE: (804) 371-9741
TDD/VOICE: (804) 371-9206
http://www.state.va.us/scc

STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

August 27, 1997

RACHEL E. COYLE, HIA
ASSISTANT VICE PRESIDENT
COMPLIANCE
KANAWHA INSURANCE COMPANY
P O BOX 610
LANCASTER, SC 29721

RE: YOUR RESUBMISSION DATED AUGUST 1, 1997
Submission No: 007 0000007502
Form No: 80650 1/97 VA ET AL.

Dear Ms. Coyle:

Thank you for your resubmission of the above captioned forms received August 6, 1997. The forms are "Approved" for use in the Commonwealth of Virginia.

We do not have written state guidelines that are specific to association sales. Long term care policies issued to association groups are subject to the requirements of Chapter 52 of Title 38.2 of the Insurance Code of Virginia and 14 VAC 5-200 et seq.

Please refer to the Submission Number noted above when corresponding with us, and verify that your company's NAIC number is displayed prominently on all correspondence. Thank you for your courtesy and consideration in this matter.

Sincerely,

Althelia P. Battle
Senior Insurance Market Examiner
Forms and Rate Section
Life and Health Division
Telephone No. (804) 371-9495

additional premiums for this rider.

If the Insured decides to purchase both mandatory offers of Inflation and Nonforfeiture Riders, then in the event of lapse, the inflated benefits, up to the point of lapse, will continue under nonforfeiture provisions.

In the actuarial memorandum for this filing we referenced sales through association endorsements (see page 10 or Actuarial Memorandum attached).

When selling our Long Term Care Policy, form 80650 1/97 ~~TN~~ VA through endorsing associations, Kanawha plans to offer the 5% - 10% premium reduction to association members, their parents, spouses, spouse's parents, and association employees. Is this practice allowed in your state or do you prohibit sales to individuals other than the association member?

Please provide us with your written state guidelines on association sales. Thanks for your help.

Should additional information be needed for the completion of this filing, please let us know.

Yours truly,

Rachel E. Coyle

Rachel E. Coyle

Enclosures
Telephone: 800-635-4252 Ext. 5307
Facsimile Telephone Number 803-283-5313

KANAWHA

INSURANCE COMPANY
210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
Telephone: 800-635-4252

Kanawha Insurance Company, a stock insurance company, herein called Kanawha, subject to the terms of this Policy, will pay the benefits provided in this Policy to You upon receipt of due Proofs of Loss while this Policy is in force. Kanawha will also provide the other rights and benefits set forth in this Policy.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

Insured:

30 DAY RIGHT TO EXAMINE POLICY — If You decide You do not want this Policy for any reason, You can return it to Kanawha, its agent or broker within 30 days after You receive it. When it is returned, it will be considered void as though it was never issued and any Premium paid will be refunded.

GUARANTEED RENEWABLE — This Policy is Guaranteed Renewable for life as long as You pay the Premiums when they are due. Kanawha can change Your Premium if the Premiums for all the Policies in the same Class are changed. You will be given at least 45 days notice before Your Premium is changed. Any increase or decrease in Premium will begin the next Premium due date after the 45-day notice is given.

NOTICE TO BUYER — This Policy may not cover all of the costs You incur associated with Qualified Long Term Care Services during the term of coverage. This Policy is not a Medicare Supplement Policy and therefore does not cover services or items covered by Title XVIII of the Social Security Act or Medicare deductibles and coinsurance amounts. The indemnity benefits of this Policy are payable regardless of what Medicare pays or does not pay. You are advised to review all Policy limitations.

CAUTION — This Policy may not apply when You have a claim! Please read! The issuance of this long-term care insurance policy is based upon Your responses to the questions on Your Application. A copy of Your Application is a part of this Policy. If Your answers are incorrect or untrue, Kanawha has the right to deny benefits or rescind Your Policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your answers are incorrect, contact Kanawha Insurance Company at Post Office Box 610, Lancaster, South Carolina 29721-0610 or 1-800-635-4252.

·This is a Long Term Care Insurance Policy. This Policy is intended to qualify for favorable tax status under the Health Insurance Portability and Accountability Act of 1996.

·Premiums May be Changed **·Non-participating**

THIS POLICY IS A LEGAL CONTRACT BETWEEN THE POLICY OWNER AND KANAWHA

READ YOUR POLICY CAREFULLY!

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IMPORTANT NOTICE

Please read the copy of the Application attached to this Policy. Carefully check the Application and write to Kanawha Insurance Company, Post Office Box 610, Lancaster, South Carolina 29721-0610 within 30 days, if any information shown on it is not correct and complete, or if any past medical history has been left out of the Application. This Application is a part of the Policy and the Policy was issued on the basis that the answers to all questions and the information shown on the Application are correct and complete.

In the event You need to contact someone about this Policy for any reason, You may contact Kanawha Insurance Company at the above address or by calling 1-800-635-4252 or 1-803-283-5300.

SPECIAL NOTICE

This long term care Policy is intended to qualify for favorable tax treatment. As such, it must meet certain federal standards in addition to all applicable standards in the state in which the policy was issued or issued for delivery. If You have any questions regarding the tax qualification of this product, You should direct such questions to the appropriate federal agency, or You should contact Your tax advisor.

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	INTERVAL PREMIUM AMOUNT(S)
LONG TERM CARE	8.0	10 YEARS	170.64
HOME HEALTH CARE	8.0		113.76
GUARANTEED FUTURE INCREASE			18.44
PAID UP INSURANCE ON DEATH OF SPOUSE			84.30
TOTAL FOR INTERVAL SELECTED			387.14

POLICY NUMBER: 1230987600

DATE OF POLICY: 03/01/97

INSURED: JAMES K POLKTON

AGE: 65

PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:

AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED- X

DIRECT BILLING METHOD:
:ANNUAL 387.14 X

:SEMI-ANNUAL*

:QUARTERLY*

:MONTHLY*

SPECIAL BILLING METHOD:
:MONTHLY*

PAYROLL ELECTRONIC TRANSFER:
MONTHLY*
THLY, PAID
WEEKLY*

*Payment of the special premiums shown the above schedule may be made only with approval of the Kanawha Insurance Company.

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS		ELIMINATION PERIOD
NURSING HOME	$80	1460		0 DAYS
HOSPICE	$80	1460		0 DAYS
ADULT DAY CARE	$80	1460		0 DAYS
ASSISTED LIVING CARE	$80	1460		0 DAYS
HOME HEALTH CARE	$80	730		0 DAYS
HOMEMAKER BENEFIT	$20	104	per calendar year	0 DAYS
RESPITE CARE	$80	14	per calendar year	0 DAYS

THIS POLICY MAY HAVE BEEN ENDORSED AND SOME OF THE PROVISIONS CHANGED. YOUR ATTENTION IS CALLED TO ENDORSEMENTS THAT MAY HAVE BEEN ATTACHED TO THIS POLICY.

DEFINITIONS

Activities of Daily Living are Bathing, Continence, Dressing, Eating, Toileting and Transferring. These terms are defined elsewhere in this Policy.

- **Bathing** means that You are able to wash Yourself in a bathtub or in a shower or by taking a sponge bath without the stand-by or actual assistance of another person. You are able to bathe Yourself if the only assistance required is adaptive equipment or devices.
- **Continence** means that You are able to maintain a reasonable level of personal hygiene associated with bowel and bladder function without the standby or actual assistance of another person. You are Continent if You cannot control bowel or bladder function but are able to maintain a reasonable level of personal hygiene using ostomy supplies or other devices such as diapers, protective undergarments or catheters.
- **Dressing** means that You are able to put on or take off clothing and medically necessary trusses, braces and artificial limbs without the standby or actual assistance of another person. You are able to dress Yourself if the only assistance required is modified fasteners, zippers or snaps.
- **Eating** means that You are able to consume food that has already been prepared and made available without the standby or actual assistance of another person. You are able to eat if the only assistance required is adaptive utensils.
- **Toileting** means that You are able to get to and from the toilet, and on or off of the toilet and to maintain a reasonable level of associated personal hygiene, without the standby or actual assistance of another person. You are able to toilet Yourself if You have an ostomy and You are able to empty the equipment Yourself. You are able to toilet Yourself if You use a commode, urinal or bedpan and You are able to empty and clean it Yourself.
- **Transferring** means that You are able to move from a bed to a wheelchair, other type of conveyance or furniture and to return to bed without standby or actual assistance from another person. You are able to transfer if You do so by use of equipment such as canes, quad canes, crutches, grab bars, other support devices, mechanical or motorized devices.

Adult Day Care Center is a facility which:

- is licensed or certified by the state as an Adult Day Care Facility; or
- if licensing as an Adult Day Care Center is not available in the state in which the facility is located, the facility must:
  - provide or be able to arrange for nursing care under the supervision of an R.N.;
  - provide planned therapeutic, social and educational activities;
  - maintain written records of services provided to each patient;
  - have a full-time administrator; and
  - provide or arrange to provide:
    - necessary assistance in Bathing, Continence, Dressing, Eating, Toileting and Transferring;
    - physical and restorative therapy;
    - nutritional services and counseling; and

- constant supervision if a Physician has determined that a Severe Cognitive Impairment results in a need for such supervision.

Adult Day Care Center will not include a Nursing Home, hospital, boarding home, home for the aged or mentally ill, rest home, a place that provides domiciliary, residential, or retirement care, or a place which is operated primarily for the treatment of alcoholics or drug addicts.

Age means the Age of the Insured on the last birthday of the Insured on the Date of Policy.

Alternate Premium Payor means the person or persons named in the Application or in a later written notice to Kanawha who is (are) to receive a copy of any late Premium notice and the lapse notice.

Assisted Living Care Facility is a facility engaged primarily in providing ongoing care and related services to a minimum of five residents in one location and meets all of the following standards:

- provides care and services sufficient to support the needs of a Chronically Ill person and has a trained and ready-to-respond employee on duty at all times to provide such care;
- provides at least one meal per day and accommodates special dietary needs;
- is licensed by the appropriate licensing agency, if licensing is required, to provide such care;
- has made formal arrangements for the services of a Physician or nurse to provide medical care in case of emergency; and
- has appropriate methods and procedures in place for handling and administering drugs.

Assisted Living Care Facility includes but is not limited to adult congregate living facilities and Alzheimer's homes, if those facilities meet all of the standards set out immediately above.

Assisted Living Care Facility will not include a Nursing Home, hospital, boarding home, home for the aged or mentally ill, rest home, a place that provides domiciliary, residential, or retirement care, or a place which is operated primarily for the treatment of alcoholics or drug addicts.

Calendar Month means the period beginning on the Date of Policy and ending on the last day of the month in which the Date of Policy occurs. Thereafter, Calendar Month is each succeeding month.

Calendar Year means the period beginning on the Date of Policy and ending on December 31 of the same year. Thereafter, Calendar Year is the period beginning on January 1 and ending December 31 of the same year.

Chronically Ill means You have been certified within the last 12 months, by a Licensed Health Care Practitioner, as:

- being unable to perform (without substantial assistance from another individual) at least two Activities of Daily Living for a period of at least 90 days due to a Loss of Functional Capacity, or
- requiring substantial supervision to protect You from threats to health and safety due to Severe Cognitive Impairment.

We may allow the term Chronically Ill to include a level of disability, as determined under regulations prescribed by the

Secretary of The Treasury in consultation with the Secretary of Health and Human Services, and which are similar to the level of disability as described above.

Continuous Adult Day Care Services means that You receive, or would receive but for any applicable Elimination Period or Maximum Days, Covered Service for Adult Day Care on at least four days during each consecutive Calendar Month.

Covered Service means Qualified Long Term Care Services for which this Policy or a Rider attached to this Policy provides a Benefit or would provide a Benefit but for any applicable Elimination Period or Maximum Days limitation.

Daily Benefit Amount means the amount You selected and which is shown on the Policy Schedule as the amount of money payable for a particular Covered Service.

Elimination Period is the number of days You receive Covered Service for any combination of the following before Benefits are payable:

- Nursing Home Confinement
- Hospice Confinement
- Assisted Living Care Facility Confinement
- Adult Day Care Services.

The days during which You receive Covered Service for any of the above need not be consecutive. After the Elimination Period is satisfied, it will never be necessary to meet another Elimination Period while Your Policy is in force.

The Elimination Period is shown on the Policy Schedule.

Hospice is a place which provides a formal program of care which is:

- for terminally ill patients whose life expectancy is less than six months;
- provided on an inpatient basis; and
- directed by a Physician.

It must be licensed, certified or registered in accordance with state law.

Injury means a bodily Injury for which You receive Covered Services after the Date of Policy and while You are covered under this Policy.

Institutionalization means inpatient confinement to a Nursing Home, Assisted Living Care Facility, or Hospice during which Covered Service is received or would be received but for any applicable Elimination Period or Maximum Days limitation. Institutionalization does not include Adult Day Care, Respite Care, or other care or services for which this Policy or Riders attached to this Policy provides a benefit.

Institutionalization Without Interruption means continuous inpatient confinement to a Nursing Home, Assisted Living Care Facility, or Hospice from which You are not released for more than 21 consecutive days except for inpatient hospital confinement and during which You receive Covered Service or would receive Covered Service but for any applicable Elimination Period or Maximum Days.

Insured means the person named Insured on the Policy Schedule.

Licensed Health Care Practitioner means any Physician, professional registered nurse, licensed social worker, or other individual who meets the requirements prescribed by the United States Secretary of Health and Human Services from time to time.

Licensed Social Worker means a person who is licensed by the state as a Social Worker and is performing services within the scope of his or her license.

Loss of Functional Capacity means the inability to engage, without substantial assistance, in two or more Activities of Daily Living.

Maximum Days means the number of days for which a benefit is payable as shown on the Policy Schedule or stated in this Policy.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

Mental or Nervous Illness means neurosis, psychoneurosis, psychopathy, psychosis, or mental and emotional disease or disorder without demonstrable organic cause. Mental Illness does not include Alzheimer's disease, Parkinson's disease or senile dementia.

Nursing Home is a place which:

- is licensed by the state as a skilled nursing facility, a convalescent nursing facility, a convalescent hospital, a convalescent unit of a hospital, an intermediate care facility, or custodial care facility;
- provides skilled, intermediate, or custodial nursing care under the supervision of a Physician or professional Registered Nurse;
- provides 24-hour nursing service by or under the supervision of a licensed nurse; and
- maintains a daily medical record of each patient which is available for review by Kanawha.

A Nursing Home does not mean a hospital or clinic, boarding home, home for the aged or mentally ill, rest home, community living center, a place that provides domiciliary, residential, or retirement care, a place which operates primarily for the treatment of alcoholics or drug addicts, or a Hospice.

Physician means a person other than You or a Relative who:

- is a Physician, professional Registered Nurse or Social Worker licensed by the state to practice a healing art; and
- performs services for You which are allowed by such license

Pre-existing Condition is a condition which would cause a person to seek diagnosis, care or treatment, or a condition for which medical advice or treatment was recommended by or received from a Physician within six months before the Date of Policy. A Pre-existing Condition will be covered as of the Date of Policy.

Professional Registered Nurse (RN) means a person who is performing services within the scope of his or her license, who has graduated from a formal program of nursing education (diploma school, associate degree, or baccalaureate program) and is licensed as such by the appropriate state authority. This definition includes a Licensed Practical Nurse (LPN) or a Licensed Vocational Nurse (LVN) who has graduated from an appropriate school of nursing and who has passed a state examination for licensure.

Qualified Long Term Care Services means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating and rehabilitative services, and maintenance or personal care services

which are required because You are Chronically Ill, and provided pursuant to a plan of care prescribed by a Licensed Health Care Practitioner and requiring Covered Service.

Relative means a member of Your family who is not a Licensed Health Care Practitioner including: You, Your spouse, Your son or daughter or a descendant of either; Your stepson or stepdaughter; Your brother, sister, stepbrother or stepsister; Your father or mother, or an ancestor of either; Your stepfather or stepmother; the son or daughter of Your brother or sister; the brother or sister of Your father or mother; Your son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law. The term Relative does not include a Licensed Health Care Practitioner.

Severe Cognitive Impairment means a deterioration or loss in intellectual capacity that is measured by clinical evidence and standardized tests which reliably measure impairment in:

- short or long-term memory;
- orientation to people, places or time; and
- deductive or abstract reasoning.

In addition, it is intended that such deterioration or loss place the individual in jeopardy of harming self or others and therefore requires constant supervision by another individual.

Your inability may be because of Alzheimer's disease, Parkinson's disease, senile dementia, other covered Sickness or covered Injury.

Sickness means an illness or disease for which You receive Covered Service after the Date of Policy and while You are covered under this Policy. Sickness includes Alzheimer's disease, Parkinson's disease and senile dementia.

Substance Abuse means a condition brought about when You use alcohol or other drug(s) in such a manner that Your health is impaired or ability to control actions is lost. Substance Abuse does not include a condition brought about by Your use of drugs prescribed by and taken in accordance with the directions of a Physician.

We, Our, Us when used in this Policy refer to Kanawha Insurance Company.

You and Your when used in this Policy, refer to the Insured named on the Policy Schedule.

BENEFITS

After You have been Chronically Ill and receiving Covered Service for the Elimination Period shown on the Policy Schedule, the Daily Benefit Amount shown on the Policy Schedule will be paid for the Covered Services listed below. Only one Daily Benefit Amount will be paid for each day these Covered Services are provided. Payment for each Covered Service will not exceed the Maximum Days for it shown on the Policy Schedule.

- **Nursing Home Care Benefit** — For each day You are confined to a Nursing Home, not to exceed the Maximum Days for Nursing Home Care Benefit shown on the Policy Schedule.

- **Assisted Living Care Facility Benefit** — For each day You are confined to an Assisted Living Care Facility, not to exceed the Maximum Days for Nursing Home Care Benefit shown on the Policy Schedule. Your stay in an Assisted Living Care Facility will count toward the Maximum Days You selected for Nursing Home Care. The total number of days You are confined to a Nursing Home plus the total number of days You are confined to an Assisted Living Care Facility will count toward the Policy's Maximum Days for Nursing Home Care.

- **Hospice Benefit** — For each day You are confined to a Hospice, not to exceed the Maximum Days for Hospice Benefit shown on the Policy Schedule.

- **Adult Day Care Benefit** — For each day You receive Adult Day Care in an Adult Day Care Center, not to exceed the Maximum Days for Adult Day Care Benefit shown on the Policy Schedule.

- **Bed Reservation Guarantee** — For each day You are confined to a Hospital while receiving Nursing Home Care, Assisted Living Care, or Hospice Care and You are charged to reserve Your Nursing Home, Hospice or Assisted Living Care Facility Bed, We will provide a Nursing Home, Assisted Living, or Hospice Care Benefit as follows:
  - if You have not satisfied the Elimination Period, We will credit the days hospitalized toward Your Elimination Period;
  - after You have satisfied the Elimination Period, We will pay the Nursing Home Care Benefit if You were confined to a Nursing Home or Assisted Living Facility immediately prior to hospitalization; or
  - after You have satisfied the Elimination Period, We will pay the Hospice Benefit if You were confined to a Hospice immediately prior to Hospitalization.

  Payment for Bed Reservation plus credit toward the Elimination Period will be provided for up to 60 days per Calendar Year. The 60 days need not be consecutive.

OTHER BENEFITS

- **Alternative Plan of Care**
  You, Your Physician or Kanawha may propose an Alternative Plan of Care.

  Upon agreement, the care must be for necessary diagnostic, preventive, therapeutic, curing, treating, mitigating and rehabilitative services, or for maintenance or personal care services.

  Acceptance is completely optional to You, Your Physician and/or Kanawha.

  No Benefits will be paid for an Alternative Plan of Care unless it is agreed upon by You, Your Physician and Kanawha jointly in advance of its initiation.

  The care must be a plan that You, Your Physician and Kanawha all agree upon in advance.

  Upon agreement, the care:
  - may not be for a Covered Service of this Policy, its Riders or

Endorsements;

- may be at a location or through a provider of service not described in this Policy;
- may provide a different level of care than those levels of care described in this Policy.

Kanawha will not require You to surrender this Policy in connection with payment of an Alternative Plan of Care Benefit.

- **Benefit Rebuilder**
  After We have paid You benefits and You have used some or all of Your Maximum Days, You can rebuild Your Maximum Days.

  If You have not been confined to a Nursing Home, Assisted Living Care Facility, or confined to a Hospice, received Adult Day Care Services or received any other Covered Services for which this Policy, its Riders, or Endorsements provides a benefit, for 180 consecutive days, Kanawha will restore full benefits. The 180 days required to restore full benefits will be extended by any period during which You are inpatient hospitalized. You do not need to meet another Elimination Period after rebuilding Your Maximum Days.

- **Premium Waiver Benefit**
  Premium payments are not due or required beginning with the 91st consecutive day on which You incur Covered Service for Institutionalization Without Interruption and/or Continuous Adult Day Care services.

Premiums will be waived in accordance with the mode of Premium payment in effect when the 91-consecutive day period began.

When Institutionalization Without Interruption and/or continuous Adult Day Care services end, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.

When You no longer receive a Daily Benefit Amount during Institutionalization Without Interruption and/or Continuous Adult Day Care services, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.

After Kanawha waives Premiums for one year, We will not require You to furnish Proofs of Loss for this Benefit more frequently than once per Calendar Year.

When You do not furnish Proofs of Loss for this Benefit in accordance with a written request from Kanawha, Premium Waiver will end and You must pay Premiums to keep this Policy in force. The first Premium You must pay will be the one next following the date on which Kanawha mailed You a request for Proofs of Loss for this Benefit. Kanawha will notify You of the amount and due date of any Premium You must pay.

EXCLUSIONS ON ELIGIBILITY FOR BENEFITS

No benefits are provided for:

- services for care or treatment of Mental or Nervous Illness without demonstrable organic cause. (Mental Illness does not include Alzheimer's disease, Parkinson's disease and senile dementia.);
- services for care or treatment of Substance Abuse (this will not exclude services for care or treatment of a condition brought about by Your use of drugs prescribed by and taken in accordance with the directions of a Physician);
- conditions arising out of war or act of war (whether declared or undeclared);
- services for care or treatment arising out of active participation in a felony, riot or insurrection;
- services for care or treatment arising out of service in the armed forces or units auxiliary thereto;
- services for care or treatment arising out of suicide or attempted suicide (while sane or insane) or intentionally self-inflicted Injury;
- services for care or treatment provided in a government facility (unless otherwise required by law);
- services for care or treatment covered by any state or federal Workers' Compensation, employer's liability or occupational disease law;
- services for care or treatment provided by a Relative;
- shopping, housekeeping, or transportation services except as may be provided by name in a Rider attached to this Policy;
- services or items covered by Title XVIII of the Social Security Act or Medicare deductibles and coinsurance amounts. The indemnity benefits of this Policy are payable regardless of what Medicare pays or does not pay; and
- services for which no charge is made or for which no charge is normally made in the absence of insurance.

LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

Benefits are limited for:

- the Elimination Period selected and shown on the Policy Schedule; and
- services for care or treatment incurred outside the United States and its territories or Canada are limited to 90 days for all such services. Kanawha will pay benefits for Qualified Long Term Care Services You incurred while outside the United States and Canada, provided such Qualified Long Term Care Services continue within 7 days (excluding any period of Hospitalization) upon and after Your return to the United States. Any payment will be made after You return to the United States.

GENERAL PROVISIONS

Alternate Premium Payor — You may designate an Alternate Premium Payor. If You have given Us notice of an Alternate Premium Payor, We will send the Alternate Premium Payor a copy of any late Premium notice and a copy of any lapse notice. You may change the Alternate Premium Payor by giving Us written notice.

This designation shall not constitute acceptance of the liability by the Alternate Premium Payor for any services that may have been provided to the Insured.

Cancellation — Upon Your cancellation of this Policy, coverage will continue during the Grace Period of the Premium due immediately preceding the date of cancellation. Upon Your cancellation of this Policy, there is no Grace Period for any Premium falling due on or after the cancellation date.

Consideration and Date of Policy — This Policy is issued in Consideration of the statements in the Application and payment of the first Premium. The Date of Policy is shown on the Policy Schedule. All periods of insurance begin and end at 12:01 a.m. at the place where the Insured resides.

Conformity With State Statutes — Any provision of this Policy that is in conflict with any statutes of the state You lived in when this Policy was issued is considered amended to conform to that statute.

Health Insurance Portability and Accountability Act of 1996 — This Policy is intended to comply with the Health Insurance Portability and Accountability Act of 1996 as constituted on its date of enactment.

The Health Insurance Portability and Accountability Act of 1996 limits tax deductibility of Long Term Care Policy Premiums from income and limits the extent to which benefit payments under Long Term Care policies are excludible from income.

It is Your responsibility to consult with Your personal tax advisor regarding these limitations.

Entire Contract; Changes — This Policy, its Riders and Endorsements, together with the Application You submitted, is a legal contract between Kanawha and You. The Application is attached to and made a part of this Policy.

No change in this Policy will be effective until it is approved in writing by one of Kanawha's executive officers. This approval must be noted on or attached to this Policy. No agent or representative of Kanawha, other than an executive officer, may change this Policy or waive any of its provisions. No verbal statement by an executive officer of Kanawha or other employee is binding upon Kanawha.

No sales agent or broker of Kanawha is an executive officer of Kanawha. Kanawha's executive officers include its President, Vice Presidents, and Secretary.

Continuation of Benefits Upon Lapse or Your Cancellation of This Policy — Termination of Long Term Care Insurance is without prejudice to any benefits payable for Institutionalization if such Institutionalization began while the

Long Term Care Insurance was in force and Institutionalization Without Interruption continues after termination. Such extension of benefits beyond the period the Long Term Care Insurance was in force is limited to the duration of the benefit period, if any, or to payment of the maximum benefits and will be subject to any Policy Elimination Period and all other applicable provisions of this Policy.

Free Choice of a Physician — You have freedom to choose Your Physician.

Incontestability — Prior to six months after the Date of Policy, material misstatements made by You in the Application can be used to void this Policy and to deny an otherwise valid claim.

After six months from the Date of Policy, but less than two years from the Date of Policy, misstatements made by You in the Application can be used to void this Policy and to deny an otherwise valid claim if:

- the misstatements are material to Kanawha's acceptance of coverage; and
- the misstatements pertain to the condition for which benefits are sought.

After two years from the Date of Policy, no misstatements, except fraudulent misstatements made by You in the Application, can be used to void this Policy and to deny an otherwise valid claim.

If this Policy is voided due to misstatements in the Application, Kanawha will refund Premiums paid and will not attempt to recover benefit payments issued prior to voidance of this Policy.

Legal Actions — No action can be brought against Kanawha in any court until 60 days after Kanawna receives Your claim on which the action is based.

No action can be brought at all unless it is commenced within three years after the date Proofs of Loss are required.

Notice of Lapse of Policy — Should the Premium not be paid within the Grace Period, Kanawha will lapse this Policy. Kanawha will send Notice of Lapse of this Policy to You and the Alternate Premium Payor, if applicable.

Other Long Term Care Insurance — The Application for this Policy lists all other Long Term Care Policies in force or applied for on the date of Application for this Policy. Any Long Term Care Policy fully admitted on the Application may stay in force after this Policy is issued unless You agreed in the Application to terminate or replace it.

Physical Examination — At Our expense, We have the right to have You examined as often as reasonably necessary while a claim is pending.

Premiums, Change of Premiums — Premiums are payable for the period shown on the Policy Schedule. Kanawha will bill You for Premiums due in accordance with its usual practices for the mode of Premium payment in effect on the due date.

Payments are not due or required under the Policy if waived in accordance with the Premium Waiver Benefit.

Premiums paid to Kanawha but not due or required will be returned to You.

Kanawha will send the Alternate Premium Payor, if applicable, a copy of any late Premium notice and the lapse notice.

Kanawha can change Your Premium if the Premiums for all the Policies in the same Class are changed. You will be given at least 45 days notice before Your Premium is changed. Any increase or decrease will begin the next Premium due date after the notice is given.

TERMINATION OF COVERAGE

Grace Period — This Policy has a 31-day Grace Period, which means that if any Premium, except the first one, is not paid when it is due, it may be paid during the next 31 days. During the Grace Period, this Policy will stay in force.

If no Alternate Premium Payor is named and Your Premium is not paid at the end of the 31-day Grace Period, this Policy will lapse and You will no longer be entitled to benefits.

If You have named an Alternate Premium Payor and a Premium is not paid within 31 days of the due date, Kanawha will notify the Alternate Premium Payor of the unpaid Premium. Notice of the unpaid Premium will be mailed to the Alternate Premium Payor's address as shown in Kanawha's records. If the Premium remains unpaid 35 days after notice is mailed to the Alternate Premium Payor, this Policy will lapse at the beginning of the 36th day after mailing of the notice to the Alternate Premium Payor.

Reinstatement — If the renewal Premium is not paid before the end of the Grace Period, this Policy will lapse. Later acceptance of the Premium by Kanawha (or by one of its agents or brokers) without requiring an Application for Reinstatement will reinstate this Policy.

If Kanawha, its agent or broker requires an Application for Reinstatement, You will be given a conditional receipt for the Premium paid. If the Application is approved, this Policy will be reinstated on the date of such approval. Lacking such approval, this Policy will be reinstated on the 45th day after the date of the receipt unless Kanawha has previously written You of its disapproval.

The reinstated Policy will cover loss from Institutionalization which begins after the date of Reinstatement. The reinstated Policy will cover other losses, for which the Policy provides benefits, occurring after the date of Reinstatement. In all other respects, Your rights and Our rights will remain the same, subject to any provisions imposed by us.

Any Premium We accept for a Reinstatement will be applied to a period for which Premiums have not been paid. No Premium will be applied to any period more than 60 days before the Reinstatement date.

Reinstatement Due to Severe Cognitive Impairment — If this Policy lapses and We receive proof of Severe Cognitive Impairment within five months after lapse, this Policy will be reinstated without evidence of insurability, upon collection of past due Premium, where appropriate.

Termination for Nonpayment of Premium — Subject to the Continuation of Coverage Provision, Your coverage will end if the required Premium is not paid when due or within the Grace Period.

MAKING A CLAIM UNDER YOUR POLICY

Claim Forms — When Kanawha receives Your Notice of Claim, Kanawha will send You Claim Forms to complete. If these Claim Forms are not sent to You within 15 days You will be deemed to have met the requirements for Proofs of Loss if You notify Kanawha in writing about the expenses for which You are making a claim for benefits within 180 days after the expenses were incurred.

Notice of Claim — Written Notice of Claim must be given within 180 days after a Covered Service starts or as soon as reasonably possible. The notice may be given to Kanawha at Post Office Box 2000, Lancaster, South Carolina 29721-2000 or to its agent. The notice should include Your name and this Policy's Number.

Payment of Claims — All benefits will be paid to You, Your estate or a person acting legally in Your behalf. Any benefit unpaid at Your death may be paid, at Kanawha's option, either to Your beneficiary or to Your estate.

If benefits are payable to Your estate or to a beneficiary who cannot execute a valid release, Kanawha can pay up to $1,000 to someone related to You or Your Beneficiary, by blood or marriage, whom Kanawha finds is justly entitled to payment. Such a payment made in good faith will discharge Kanawha to the extent of the amount paid.

Proofs of Loss — Written Proofs of Loss must be given within 180 days after the Covered Service begins.

If You are not able to give Proofs of Loss within 180 days, it will not have a bearing on Your claim if Proofs of Loss are given to Kanawha as soon as reasonably possible. In any event, Proofs of Loss must be given not later than one year from the time stated unless You are legally unable to do so.

Time of Payment of Claim — After receiving written Proofs of Loss, Kanawha will pay monthly all benefits then due for Covered Services.

Who is Entitled to Benefits — You are the only person entitled to benefits under this Policy. You may assign the benefits of this Policy. Kanawha will not be responsible for the validity or sufficiency of any assignment. Kanawha will not be responsible for distribution of any payments made to You. Kanawha will not be responsible for payments made to You prior to Kanawha's receipt of an assignment affecting benefits. Policy benefits may not be borrowed. Policy benefits may not be paid, assigned, or pledged as collateral for a loan. The Virginia Department of Medical Assistance Services will be the payor of last resorts under this Policy.

Counter Signature of Licensed Resident Agent (if required)

·This is a Long Term Care Insurance Policy. This Policy is intended to qualify for favorable tax status under the Health Insurance Portability and Accountability Act of 1996.

•Premiums May be Changed

•Non-participating

KANAWHA

NAIC COMPANY CODE 65110
FEDERAL TAX ID # 57-0380426
NAIC GROUP CODE 757

RACHEL E. COYLE, HIA
DIRECTOR OF COMPLIANCE

APPROVED
Commonwealth of Virginia
State Corporation Commission
Bureau of Insurance
DATE 10/7/98
BY

September 1, 1998

Mrs. Mary Ann Mason, FLMI, AIE
Senior Insurance Market Examiner
Policy and Other Form Filings
Commonwealth of Virginia
Bureau of Insurance
State Corporation Commission
Post Office Box 1157
Richmond, Virginia 23218

RE: **Form 80880 NTQ 1/98 VA Long Term Care Policy**
Form 1335 NTQ 1/98 VA Outline of Coverage
Form 80900 NTQ 1/98 Home Health Care Benefits Rider
Form 93072 NTQ 1/98 Compounded Inflation Protection Benefit Rider
Form 80710 1/97 Paid Up Insurance on Death of Spouse Rider]
Form 93087 NTQ 1/98 Guaranteed Future Benefits Increase Option Rider
Form 93102 NTQ 1/98 Return of Premium Benefit Rider
Form 93000 1/97 Nonforfeiture Benefit Rider
Form 1331 NTQ 1/98 VA Application for Long Term Care
Form 1332 1/98 VA Exchange of Policy Rider
Virginia DOI Submission No. 007 0000009733
Your Letter of August 26, 1998

Dear Mrs. Mason:

In response to your letter of August 26, 1998, we have revised the above forms as follows:

Page 7 - added the following as the first part of Pre-existing Conditions:

Pre-existing condition means the existence of symptoms which would cause an ordinary prudent person to seek diagnosis, care or treatment, or a condition for which medical advice or treatment was recommended by, or received from a provider of health care services, within six months preceding the effective date of coverage. A pre-existing Condition will be covered.....

Checked and revised the index page numbering.

Form 1332 1/98 added the following to page 2

PREMIUMS. There is no premium charged for this Rider.

Should additional information be needed for the completion of this filing, please let us know.

Yours truly,

Rachel E. Coyle

Enclosures
Telephone: 800-635-4252 Ext. 5307
Facsimile Telephone Number 803-283-5313

KANAWHA

INSURANCE COMPANY

210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
Telephone: 800-635-4252

Kanawha Insurance Company, a stock insurance company, herein called Kanawha, subject to the terms of this Policy, will pay the benefits provided in this Policy to You upon receipt of due Proofs of Loss while this Policy is in force. Kanawha will also provide the other rights and benefits set forth in this Policy.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary President

30 DAY RIGHT TO EXAMINE POLICY — If You decide You do not want this Policy for any reason, You can return it to Kanawha, its agent or broker within 30 days after You receive it. When it is returned, it will be considered void as though it was never issued and any Premium paid will be refunded.

GUARANTEED RENEWABLE — This Policy is Guaranteed Renewable for life as long as You pay the Premiums when they are due. Kanawha can change Your Premium if the Premiums for all Policies in the same Class are changed. You will be given at least 45 days notice before Your Premium is changed. Any increase or decrease in Premium will begin the next Premium due date after the 45-day notice is given.

NOTICE TO BUYER — This Policy may not cover all of the costs You incur associated with Long Term Care services during the term of coverage. This Policy is not a Medicare Supplement Policy and therefore does not cover services or items covered by Title XVIII of the Social Security Act or Medicare deductibles and coinsurance amounts. The indemnity benefits of this Policy are payable regardless of what Medicare pays or does not pay. You are advised to review all Policy limitations.

CAUTION — This Policy may not apply when You have a claim! The issuance of this long-term care insurance Policy is based upon Your responses to the questions on Your Application. A copy of Your Application is a part of this Policy. If Your answers are incorrect or untrue, Kanawha has the right to deny benefits or rescind Your Policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your answers are incorrect, contact Kanawha Insurance Company at Post Office Box 610, Lancaster, South Carolina 29721-0610 or 1-800-635-4252.

. This Policy is NOT intended to qualify for favorable tax status under the Health Insurance Portability and Accountability Act of 1996.

·Premiums May Be Changed ·Non-participating

THIS POLICY IS A LEGAL CONTRACT BETWEEN THE POLICY OWNER AND KANAWHA

READ YOUR POLICY CAREFULLY!

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IMPORTANT NOTICE

Please read the copy of the Application attached to this Policy. Carefully check the Application and write to Kanawha Insurance Company, Post Office Box 610, Lancaster, South Carolina 29721-0610 within 30 days, if any information shown on it is not correct and complete, or if any past medical history has been left out of the Application. This Application is a part of the Policy and the Policy was issued on the basis that the answers to all questions and the information shown on the Application are correct and complete.

In the event You need to contact someone about this Policy for any reason, You may contact Kanawha Insurance Company at the above address or by calling 1-800-635-4252 or 1-803-283-5300.

SPECIAL NOTICE

This long term care Policy is **not** intended to qualify for favorable tax treatment.

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	INTERVAL PREMIUM AMOUNT(S)
LONG TERM CARE	20.00	N/A	7,205.80
HOME HEALTH CARE	20.00		2,890.40

TOTAL FOR SINGLE PREMIUM 10,096.20

POLICY NUMBER: 1970014300

DATE OF POLICY: 03/01/98

INSURED: A C LTC

AGE: 40

PRIMARY BENEFICIARY: BENEFITS PAID TO POLICYOWNER
(SEE APPLICATION FOR OTHER BENEFICIARIES:

AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED- X

DIRECT BILLING METHOD:
:ANNUAL

:SEMI-ANNUAL*

:QUARTERLY*

:MONTHLY*

SPECIAL BILLING METHOD:
:MONTHLY*

PAYROLL ELECTRONIC TRANSFER:
:MONTHLY*

MONTHLY, PAID
WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT APP
0040 0A02 071702

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$200	1460
HOSPICE	$200	1460
ADULT DAY CARE	$200	1460
HOME HEALTH CARE	$200	1095
HOMEMAKER BENEFIT	$50	104(PER YEAR)
RESPITE CARE	$200	14(PER YEAR)

ELIMINATION PERIOD 30 DAYS

THIS POLICY MAY HAVE BEEN ENDORSED AND SOME OF THE PROVISIONS CHANGED. YOUR ATTENTION IS CALLED TO ENDORSEMENTS THAT MAY HAVE BEEN ATTACHED TO THIS POLICY.

DEFINITIONS

Activities of Daily Living are Bathing, Continence, Dressing, Eating, Toileting and Transferring. These terms are defined below.

- **Bathing** means that You are able to wash Yourself in a bathtub or in a shower or by taking a sponge bath without the stand-by or actual assistance of another person. You are able to bathe Yourself if the only assistance required is adaptive equipment or devices.
- **Continence** means that You are able to maintain a reasonable level of personal hygiene associated with bowel and bladder function without the standby or actual assistance of another person. You are Continent if You cannot control bowel or bladder function but are able to maintain a reasonable level of personal hygiene using ostomy supplies or other devices such as diapers, protective undergarments or catheters.
- **Dressing** means that You are able to put on or take off clothing and medically necessary trusses, braces and artificial limbs without the standby or actual assistance of another person. You are able to dress Yourself if the only assistance required is modified fasteners, zippers or snaps.
- **Eating** means that You are able to consume food that has already been prepared and made available without the standby or actual assistance of another person. You are able to eat if the only assistance required is adaptive utensils.
- **Toileting** means that You are able to get to and from the toilet, and on or off of the toilet and to maintain a reasonable level of associated personal hygiene, without the standby or actual assistance of another person. You are able to toilet Yourself if You have an ostomy and You are able to empty the equipment Yourself. You are able to toilet Yourself if You use a commode, urinal or bedpan and You are able to empty and clean it Yourself.
- **Transferring** means that You are able to move from a bed to a wheelchair, other type of conveyance or furniture and to return to bed without standby or actual assistance from another person. You are able to transfer if You do so by use of equipment such as canes, quad canes, crutches, grab bars, or other support devices.

Adult Day Care Center is a facility which:

- is licensed or certified by the state as an Adult Day Care Facility; or
- if licensing as an Adult Day Care Center is not available in the state in which the facility is located, the facility must:
  - provide or be able to arrange for nursing care under the supervision of an RN;
  - provide planned therapeutic, social and educational activities;
  - maintain written records of services provided to each patient;
  - have a full-time administrator; and
  - provide or arrange to provide:
    - necessary assistance in Bathing, Continence, Dressing, Eating, Toileting and Transferring;
    - physical and restorative therapy;
    - nutritional services and

counseling; and
- constant supervision if a Physician has determined that a Cognitive Impairment results in a need for such supervision.

Adult Day Care Center will not include a Nursing Home, hospital, boarding home, home for the aged or mentally ill, rest home, a place that provides domiciliary, residential, or retirement care, or a place which is operated primarily for the treatment of alcoholics or drug addicts.

Age means the Age of the Insured on the last birthday of the Insured on the Date of Policy.

Alternate Premium Payor means the person or persons named in the Application or in a later written notice to Kanawha who is (are) to receive a copy of any late Premium notice and the lapse notice.

Assisted Living Care Facility is a facility engaged primarily in providing ongoing care and related services to a minimum of five residents in one location and meets all of the following standards:
- provides care and services sufficient to support the Medically Necessary needs of an Insured and has a trained and ready-to-respond employee on duty at all times to provide such care;
- provides at least one meal per day and accommodates special dietary needs;
- is licensed by the appropriate licensing agency, if licensing is required, to provide such care;
- has made formal arrangements for the services of a Physician or nurse to provide medical care in case of emergency; and
- has appropriate methods and procedures in place for handling and administering drugs.

Assisted Living Care Facility includes but is not limited to adult congregate living facilities and Alzheimer's homes, if those facilities meet all of the standards set out immediately above.

Assisted Living Care Facility will not include a Nursing Home, hospital, boarding home, home for the aged or mentally ill, rest home, a place that provides domiciliary, residential, or retirement care, or a place which is operated primarily for the treatment of alcoholics or drug addicts.

Calendar Month means the period beginning on the Date of Policy and ending on the last day of the month in which the Date of Policy occurs. Thereafter, Calendar Month is each succeeding month.

Calendar Year means the period beginning on the Date of Policy and ending on December 31 of the same year. Thereafter, Calendar Year is the period beginning on January 1 and ending December 31 of the same year.

Cognitive Impairment means a deterioration or loss in intellectual capacity that is measured by clinical evidence and standardized tests which reliably measure impairment in:
- short or long-term memory;
- orientation to people, places or time; and
- deductive or abstract reasoning.

Your inability may be because of Alzheimer's disease, Parkinson's disease, senile dementia, other covered Sickness or covered Injury.

Continuous Adult Day Care Services means that You receive, or would receive but for any applicable Elimination Period or Maximum Days, Covered Service for Adult Day Care on at least four days during each consecutive Calendar Month.

Covered Service means services for which this Policy or a Rider attached to this Policy provides a Benefit or would provide a Benefit but for any applicable Elimination Period or Maximum Days limitation.

Daily Benefit Amount means the amount You selected and which is shown on the Policy Schedule as the amount of money payable for a particular Covered Service.

Elimination Period is the number of days You receive Covered Service for any combination of the following before Benefits are payable:

- Nursing Home Confinement
- Hospice Confinement
- Assisted Living Care Facility Confinement
- Adult Day Care Services.

The days during which You receive Covered Service for any of the above need not be consecutive. After the Elimination Period is satisfied, it will never be necessary to meet another Elimination Period while Your Policy is in force.

The Elimination Period is shown on the Policy Schedule.

Family means You, Your spouse, Your mother, Your father, Your brothers, Your sisters, Your step-brothers, Your step-sisters, Your children, Your step-children and Your grandchildren.

Hospice is a place which provides a formal program of care which is:

- for terminally ill patients whose life expectancy is less than six months;
- provided on an inpatient basis; and
- directed by a Physician.

It must be licensed, certified or registered in accordance with state law.

Injury means a bodily Injury for which You receive Covered Services after the Date of Policy and while You are covered under this Policy.

Institutionalization means inpatient confinement to a Nursing Home, Assisted Living Care Facility, or Hospice during which Covered Service is received or would be received but for any applicable Elimination Period or Maximum Days limitation. Institutionalization does not include Adult Day Care, Respite Care, or other care or services for which this Policy or Riders attached to this Policy provides a Benefit.

Institutionalization Without Interruption means continuous inpatient confinement to a Nursing Home, Assisted Living Care Facility, or Hospice from which You are not released for more than 21 consecutive days except for inpatient hospital confinement and during which You receive Covered Service or would receive Covered Service but for any applicable Elimination Period or Maximum Days.

Insured means the person named Insured on the Policy Schedule.

Licensed Health Care Practitioner means any Physician, professional registered nurse, licensed social worker, or other individual who meets the requirements prescribed by the United States Secretary

of Health and Human Services from time to time.

Licensed Social Worker means a person who is licensed by the state as a Social Worker and is performing services within the scope of his or her license.

Loss of Functional Capacity means the inability to engage, without substantial assistance, in two or more Activities of Daily Living.

Maximum Days means the number of days for which a Benefit is payable as shown on the Policy Schedule or stated in this Policy.

Medically Necessary means care that is appropriate to the diagnosis, widely accepted by the practicing peer group based upon scientific criteria, and not experimental, investigative or randomized.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965, as then constituted or later amended.

Mental or Nervous Illness means neurosis, psychoneurosis, psychopathy, psychosis, or mental and emotional disease or disorder without demonstrable organic cause. Mental Illness does not include Alzheimer's disease, Parkinson's disease or senile dementia.

Nursing Home is a place which:

- is licensed by the state as a skilled nursing facility, a convalescent nursing facility, a convalescent hospital, a convalescent unit of a hospital, an intermediate care facility, or custodial care facility;
- provides skilled, intermediate, or custodial nursing care under the supervision of a Physician or professional RN;
- provides 24-hour nursing service by or under the supervision of a licensed nurse; and
- maintains a daily medical record of each patient which is available for review by Kanawha.

A Nursing Home does not mean a hospital or clinic, boarding home, home for the aged or mentally ill, rest home, community living center, a place that provides domiciliary, residential, or retirement care, a place which operates primarily for the treatment of alcoholics or drug addicts, or a Hospice.

Physician means a person other than Yourself or a member of your family who:

- is a Physician, professional RN or Social Worker licensed by the state to practice a healing art; and
- performs services for You which are allowed by such license

Pre-existing Condition means the existence of symptoms which would cause an ordinary prudent person to seek diagnosis, care or treatment, or a condition for which medical advice or treatment was recommended by, or received from a provider of health care services, within six months preceding the effective date of coverage. A Pre-existing Condition will be covered on the date of Policy.

Professional Registered Nurse (RN) means a person who is performing services within the scope of his or her license, who has graduated from a formal program of nursing education (diploma school, associate degree, or baccalaureate program) and is licensed as such by the appropriate state authority. This

definition includes a Licensed Practical Nurse (LPN) or a Licensed Vocational Nurse (LVN) who has graduated from an appropriate school of nursing and who has passed a state examination for licensure.

Sickness means an illness or disease for which You receive Covered Service after the Date of Policy and while You are covered under this Policy. Sickness includes Alzheimer's disease, Parkinson's disease and senile dementia.

Substance Abuse means a condition brought about when You use alcohol or other drug(s) in such a manner that Your health is impaired or ability to control actions is lost. Substance Abuse does not include a condition brought about by Your use of drugs prescribed by and taken in accordance with the directions of a Physician.

We, Our, Us when used in this Policy refer to Kanawha Insurance Company.

You, Your and Yourself when used in this Policy refer to the Insured named on the Policy Schedule.

BENEFITS

The Daily Benefit Amounts shown on the Policy Schedule will be paid for the Covered Services listed below after You have satisfied the Elimination Period shown on the Policy Schedule. Only one Daily Benefit Amount will be paid for each day these Covered Services are provided. Payment for each Covered Service will not exceed the Maximum Days for it shown on the Policy Schedule.

- **Nursing Home Care Benefit** — For each day You are confined to a Nursing Home, We will pay You the Daily Benefit Amount shown on the Policy Schedule.

  Your Nursing Home confinement must be:
  - Medically Necessary; or
  - because You are unable to perform two or more of the following activities: Bathing, Continence, Dressing, Eating, Toileting, or Transferring; or
  - because a Physician has determined that You have a Cognitive Impairment which requires confinement to a Nursing Home.

- **Assisted Living Care Facility Benefit** — For each day You are confined to an Assisted Living Care Facility, We will pay You the Daily Benefit Amount shown on the Policy Schedule. Your stay in an Assisted Living Care Facility will count toward the Maximum Days You selected for Nursing Home Care. The total number of days You are confined to a Nursing Home plus the total number of days You are confined to an Assisted Living Care Facility will count toward the Policy's Maximum Days for Nursing Home Care.

  Your Assisted Living Care confinement must be:
  - Medically Necessary; or

- because You are unable to perform two or more of the following activities: Bathing, Continence, Dressing, Eating, Toileting, or Transferring; or

- **Hospice Benefit** — We will pay You a Daily Benefit Amount as shown on the Policy Schedule for each day You are confined to a Hospice.

  Your Hospice confinement must be:
  - Medically Necessary; or
  - because You are unable to perform two or more of the following activities: Bathing, Continence, Dressing, Eating, Toileting, or Transferring; or
  - because a Physician has determined that You have a Cognitive Impairment which requires confinement to a Hospice.

- **Adult Day Care Benefit** — We will pay You the Daily Benefit Amount shown on the Policy Schedule for any of the following services in an Adult Day Care Center:
  - nursing care; or
  - therapeutic, social, and educational activities; or
  - assistance with Bathing, Contience, Dressing, Eating, Toileting, or Transferring; or
  - physical and restorative services; or
  - nutritional services and counseling; or
  - constant supervision because a Physician has deteremined You have a Cognitive Impairment which results in such a need.

  Services of an Adult Day Care Center must be:
  - Medically Necessary; or
  - because a Physician has determined that You have a Cognitive Impairment which requires confinement to a Nursing Home.

  - because You are unable to perform two or more of the following activities: Bathing, Contience, Dressing, Eating, Toileting, or Transferring; or
  - because a Physician has determined that You have a Cognitive Impairment which requires confinement to an Adult Day Care Center.

  We will not pay for services provided by Your family or for care as a resident bedpatient or for 24-hour care.

- **Bed Reservation Guarantee** —
  - For each day You are confined to a Hospital while receiving Nursing Home Care, Assisted Living Care or Hospice Care and You are charged to reserved Your Nursing Home, Hospice or Assisted Living Care Facility Bed, We will provide a Nursing Home, Assisted Living or Hospice Care Benefit as follows:
  - if You have not satisfied the Elimination Period, We will credit the days hospitalized toward Your Elimination Period;
  - after You have satisfied the Elimination Period, We will pay the Nursing Home Care Benefit if You were confined to a Nursing Home or Assisted Living Care Facility immediately prior to hospitalization; or
  - after You have satisfied the Elimination Period, We will pay the

Hospice Benefit if You were confined to a Hospice immediately prior to Hospitalization.

Payment for Bed Reservation plus credit toward the Elimination Period will be provided for up to 60 days per Calendar Year. The 60 days need not be consecutive.

OTHER BENEFITS

- **Alternative Plan of Care**
  You, Your Physician and Kanawha may agree on an Alternative Plan of Care. The care must be a medically acceptable plan that You, Your Physician and Kanawha all agree upon in advance. The agreed upon care:
  - may not be for a Covered Service of this Policy, its Riders or Endorsements; or
  - may be at a location or through a provider of service not described in this Policy; or
  - may provide a different level of care than those levels of care described in this Policy.

You, Your Physician or Kanawha may propose an Alternative Plan of Care. Acceptance of an Alternative Plan of Care is completely optional to You, Your Physician and/or Kanawha. No Benefits will be paid for an Alternative Plan of Care unless it is agreed upon by You, Your Physician and Kanawha jointly in advance of its initiation.

Kanawha will not require You to surrender this Policy in connection with payment of an Alternative Plan of Care Benefit.

- **Benefit Rebuilder**
  After We have paid You Benefits and You have used some or all of Your Maximum Days, You can rebuild Your Maximum Days.

  If You have not been confined to a Nursing Home, Assisted Living Care Facility, or confined to a Hospice, received Adult Day Care Services or received any other Covered Services for which this Policy, its Riders, or Endorsements provide a Benefit, for 180 consecutive days, Kanawha will restore full Benefits. The 180 days required to restore full Benefits will be extended by any period during which You are inpatient hospitalized. You do not need to meet another Elimination Period after rebuilding Your Maximum Days.

- **Premium Waiver Benefit**
  Premium payments are not due or required beginning with the 91st consecutive day on which You incur Covered Service for Institutionalization Without Interruption and/or Continuous Adult Day Care Services.

  Premiums will be waived in accordance with the mode of Premium payment in effect when the 91-consecutive day period began.

  When Institutionalization Without Interruption and/or Continuous Adult Day Care Services end, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.

  When You no longer receive a Daily Benefit Amount during Institutional-

ization Without Interruption and/or Continuous Adult Day Care Services, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.

After Kanawha waives Premiums for one year, We will not require You to furnish Proofs of Loss for this Benefit more frequently than once per Calendar Year.

When You do not furnish Proofs of Loss for this Benefit in accordance with a written request from Kanawha, premium waiver will end and You must pay Premiums to keep this Policy in force. The first Premium You must pay will be the one next following the date on which Kanawha mailed You a request for Proofs of Loss for this Benefit. Kanawha will notify You of the amount and due date of any Premium You must pay.

EXCLUSIONS ON ELIGIBILITY FOR BENEFITS

No Benefits are provided for:

- the Elimination Period selected and shown on the Policy Schedule;
- services for care or treatment of Mental or Nervous Illness without demonstrable organic cause. (Mental Illness does not include Alzheimer's disease, Parkinson's disease or senile dementia.);
- services for care or treatment of Substance Abuse (this will not exclude services for care or treatment of a condition brought about by Your use of drugs prescribed by and taken in accordance with the directions of a Physician);
- conditions arising out of war or act of war (whether declared or undeclared);
- services for care or treatment arising out of active participation in a felony, riot or insurrection;
- services for care or treatment arising out of service in the armed forces or units auxiliary thereto;
- services for care or treatment arising out of suicide or attempted suicide (while sane or insane) or intentionally self-inflicted Injury;
- services for care or treatment provided in a government facility (unless otherwise required by law);
- services for care or treatment covered by any state or federal Worker's Compensation, employer's liability or occupational disease law;
- services for care or treatment provided by a member of Your Family;
- shopping, housekeeping, or transportation services except as may be provided by name in a Rider attached to this Policy;
- services or items covered by Title XVIII of the Social Security Act or Medicare deductibles and coinsurance amounts. The indemnity Benefits of this Policy are payable regardless of what Medicare pays or does not pay; and
- services for which no charge is made or for which no charge is normally made in the absence of insurance.

LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

Benefits are limited for:

- services for care or treatment incurred outside the United States and its territories or Canada are limited to 90 days for all such services. Kanawha will pay Benefits for Long Term Care Services You incurred while outside the United States and Canada, provided such Long Term Care Services continue within seven days (excluding any period of Hospitalization) upon and after Your return to the United States. Any payment will be made after You return to the United States.

GENERAL PROVISIONS

Alternate Premium Payor — You may designate an Alternate Premium Payor. If You have given Us notice of an Alternate Premium Payor, We will send You and the Alternate Premium Payor a copy of any late Premium notice and a copy of any lapse notice. You may change the Alternate Premium Payor by giving Us written notice.

This designation shall not constitute acceptance of the liability by the Alternate Premium Payor for any services that may have been provided to the Insured.

Cancellation — Upon Your cancellation of this Policy, coverage will continue during the Grace Period of the Premium due immediately preceding the date of cancellation. Upon Your cancellation of this Policy, there is no Grace Period for any Premium falling due on or after the cancellation date.

Consideration and Date of Policy — This Policy is issued in Consideration of the statements in the Application and payment of the first Premium. The Date of Policy is shown on the Policy Schedule. All periods of insurance begin and end at 12:01 a.m. at the place where You reside.

Conformity With State Statutes — Any provision of this Policy that is in conflict with any statutes of the state You lived in when this Policy was issued is considered amended to conform to that statute.

Entire Contract; Changes — This Policy, including the Endorsements and the attached papers, if any, constitutes the Entire Contract of insurance.

No change in this Policy will be effective until it is approved in writing by one of Kanawha's executive officers. This approval must be noted on or attached to this Policy. No agent or representative of Kanawha, other than an executive officer, may change this Policy or waive any of its provisions. No verbal statement by an executive officer of Kanawha or other employee of Kanawha or agent or broker is binding upon Kanawha.

No sales agent or broker of Kanawha is an executive officer of Kanawha. Kanawha's executive officers include its President, Vice Presidents, and Secretary.

Continuation of Benefits Upon Lapse or Your Cancellation of This Policy — Termination of Long Term Care Insurance is without prejudice to any Benefits payable for Institutionalization if such Institutionalization began while the Long Term Care Insurance was in force and Institutionalization Without Interruption continues after termination. Such extension of Benefits beyond the period the Long Term Care Insurance was in force is limited to the duration of the Benefit period, if any, or to payment of the maximum Benefits and will be subject to any Policy Elimination Period and all other applicable provisions of this Policy.

Free Choice of a Physician — You have freedom to choose Your Physician.

Incontestability — Prior to six months after the Date of Policy, material misstatements made by You in the Application can be used to void this Policy and to deny an otherwise valid claim.

After six months from the Date of Policy, but less than two years from the Date of Policy, misstatements made by You in the Application can be used to void this Policy and to deny an otherwise valid claim if:

- the misstatements are material to Kanawha's acceptance of coverage; and
- the misstatements pertain to the condition for which Benefits are sought.

After two years from the Date of Policy, no misstatements, except fraudulent misstatements made by You in the Application, can be used to void this Policy and to deny an otherwise valid claim.

If this Policy is voided due to misstatements in the Application, Kanawha will refund Premiums paid and will not attempt to recover Benefit payments issued prior to voidance of this Policy.

Legal Actions — No action can be brought against Kanawha in any court until 60 days after Kanawha receives Your claim on which the action is based.

No action at all can be brought unless it is commenced within three years after the date Proofs of Loss are required.

Notice of Lapse of Policy — Should the Premium not be paid within the Grace Period, Kanawha will lapse this Policy. Kanawha will send Notice of Lapse of this Policy to You and the Alternate Premium Payor, if applicable.

Other Long Term Care Insurance — The Application for this Policy lists all other Long Term Care Policies in force or applied for on the date of Application for this Policy. Any Long Term Care Policy fully admitted on the Application may stay in force after this Policy is issued unless You agreed in the Application to terminate or replace it.

Physical Examination — At Our expense, We have the right to have You examined as often as reasonably necessary while a claim is pending.

Premiums, Change of Premiums — Premiums are payable for the period shown on the Policy Schedule. Kanawha will bill You for Premiums due in accordance with its usual practices for the mode of Premium payment in effect on the due date.

Payments are not due or required under the Policy if waived in accordance with the Premium Waiver Benefit.

Premiums paid to Kanawha but not due or required will be returned to You.

Kanawha will send the Alternate Premium Payor, if applicable, a copy of any late Premium notice and the lapse notice.

Kanawha can change Your Premium if the Premiums for all Policies in the same Class are changed. You will be given at least 45 days notice before Your Premium is changed. Any increase or decrease will begin the next Premium due date after the notice is given.

PRE-EXISTING CONDITIONS

A Pre-existing Condition will be covered on the Date of Policy.

TERMINATION OF COVERAGE

Grace Period — This Policy has a 31-day Grace Period, which means that if any Premium, except the first one, is not paid when it is due, it may be paid during the next 31 days. During the Grace Period, this Policy will stay in force.

If no Alternate Premium Payor is named and Your Premium is not paid at the end of the 31-day Grace Period, this Policy will lapse and You will no longer be entitled to Benefits except as may be required by the Continuation of Benefits Upon Lapse or Your Cancellation of This Policy provision.

If You have named an Alternate Premium Payor and a Premium is not paid within 31 days of the due date, Kanawha will notify the Alternate Premium Payor of the unpaid Premium. Notice of the unpaid Premium will be mailed to the Alternate Premium Payor's address as shown in Kanawha's records. If the Premium remains unpaid 35 days after notice is mailed to the Alternate Premium Payor, this Policy will lapse at the beginning of the 36th day after mailing of the notice to the Alternate Premium Payor.

Reinstatement — If the renewal Premium is not paid before the end of the Grace Period, this Policy will lapse. Later acceptance of the Premium by Kanawha (or by one of its agents or brokers) without requiring an Application for Reinstatement will reinstate this Policy.

If Kanawha, its agent or broker requires an Application for Reinstatement, You will be given a conditional receipt for the Premium paid. If the Application is approved, this Policy will be reinstated on the date of such approval. Lacking such approval, this Policy will be reinstated on the 45th day after the date of the receipt unless Kanawha has previously written You of its disapproval.

The reinstated Policy will cover loss from Institutionalization which begins after the date of Reinstatement. The reinstated Policy will cover other losses, for which the Policy provides Benefits, occurring after the date of Reinstatement. In all other respects, Your rights and Our rights

will remain the same, subject to any provisions imposed by Us.

Any Premium We accept for a Reinstatement will be applied to a period for which Premiums have not been paid. No Premium will be applied to any period more than 60 days before the Reinstatement date.

Reinstatement Due to Cognitive Impairment — If this Policy lapses and We receive proof of Cognitive Impairment within five months after lapse, this Policy will be reinstated without evidence of insurability, upon collection of past due Premium, where appropriate.

Termination for Nonpayment of Premium — Subject to the Continuation of Benefits Upon Lapse or Your Cancellation of This Policy Your coverage will end if the required Premium is not paid when due or within the Grace Period.

MAKING A CLAIM UNDER YOUR POLICY

Claim Forms — When Kanawha receives Your Notice of Claim, Kanawha will send You forms for filing Proofs of Loss. If these formes are not given to You within 15 days after the giving of such notice, You will be deemed to have met the requirements for giving Kanawha a written statement of the nature and extent of the loss within the time limit stated in the Proofs of Loss section.

Notice of Claim — Written Notice of Claim must be given within 180 days after a Covered Service starts or as soon as reasonably possible. The notice may be given to Kanawha at Post Office Box 2000, Lancaster, South Carolina 29721-2000 or to its agent. The notice should include Your name and the number of this Policy.

Payment of Claims — All Benefits will be paid to You, Your estate or a person acting legally in Your behalf. Any Benefit unpaid at Your death may be paid, at Kanawha's option, either to Your beneficiary or to Your estate.

If Benefits are payable to Your estate or to a beneficiary who cannot execute a valid release, Kanawha can pay up to $1,000 to someone related to You or Your Beneficiary, by blood or marriage, whom Kanawha finds is justly entitled to payment. Such a payment made in good faith will discharge Kanawha to the extent of the amount paid.

Proofs of Loss — Written Proofs of Loss must be given within 180 days after a Covered Service begins. Proofs of Loss include signed completed Claim Forms and billings or other proof that You have incurred a Covered Service.

If You are not able to give Proofs of Loss within 180 days, it will not have a bearing on Your claim if Proofs of Loss are given to Kanawha as soon as reasonably possible. In any event, Proofs of Loss must be given not later than one year from the time stated unless You are legally unable to do so.

Time of Payment of Claim — After receiving written Proofs of Loss, Kanawha will pay monthly, all Benefits then due for Covered Services.

Who is Entitled to Benefits — You are the only person entitled to Benefits under

this Policy. You may assign the Benefits of this Policy. Kanawha will not be responsible for the validity or sufficiency of any assignment. Kanawha will not be responsible for distribution of any payments made to You. Kanawha will not be responsible for payments made to You prior to Kanawha's receipt of an assignment affecting Benefits. Policy Benefits may not be borrowed. Policy Benefits may not be paid, assigned, or pledged as collateral for a loan. The Virginia Department of Medical Assistance Services will be the payor of last resorts under this Policy.

Counter Signature of Licensed Resident Agent (if required)

·This is a Long Term Care Insurance Policy. This Policy is NOT intended to qualify for favorable tax status under the Health Insurance Portability and Accountability Act of 1996.

•Premiums May Be Changed

•Non-participating

COMMONWEALTH OF VIRGINIA

AUG 29 2001

ALFRED W. GROSS
COMMISSIONER OF INSURANCE

P.O. BOX 1157
RICHMOND, VIRGINIA 23218
TELEPHONE: (804) 371-9741
TDD/VOICE: (804) 371-9206
http://www.state.va.us/scc

STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

August 23, 2001

Kanawha Insurance Company
P.O. Box 610
Department 78
Lancaster, SC 29721-0610
Attn: Rachel E. Coyle, HIA, AIRC
Second Vice President, Compliance

Re: Your Submission Dated July 27, 2001
Submission No: 7/17390
80880 NTQ 1/98 VA

Dear Ms. Coyle:

The above submission has been APPROVED in the Commonwealth of Virginia. This approval is based on our understanding that the submitted rates are consistent with those approved in the original filing, using the same assumptions in the derivation of these rates as those originally approved. Please advise if our understanding is incorrect.

When corresponding with us concerning this submission, please refer to the Submission Number noted above. Please also verify that your company's NAIC number is displayed prominently on all correspondence.

Thank you for your courtesy and consideration in this matter.

Yours Truly,

Robert F. Grissom
Senior Insurance Market Examiner
Forms and Rates Section
Life and Health Division
Telephone No. (804) 371-9152

KANAWHA

NAIC COMPANY CODE 65110
FEDERAL TAX ID#57-0380426
NAIC GROUP CODE 757

RACHEL E. COYLE, HIA, AIRC
SECOND VICE PRESIDENT - COMPLIANCE

July 27, 2001

APPROVED
Commonwealth of Virginia
State Corporation Commission
Bureau Of Insurance
DATE 8/23/01
BY RFG

JUL 2001
Bureau of Insurance
Forms & Rates Sec
L & H Division

Ms. Jacqueline Cunningham
Virginia Bureau of Insurance
State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219

RE: Form 80880 NTQ 1/98 Long Term Care Policy
Approved by Your State
Sale of Policy to Applicant Age 16-39 - Administrative Change

Dear Ms. Cunningham:

The above non-tax qualified long term care policy was previously approved by your department with rates for ages 40 and above. Kanawha plans to make an administrative change to allow the sale of the Long Term Care Policy to applicants who are age 16 - 39. Enclosed are revised actuarial memorandums and revised rate sheets showing the additional rates for 16 – 39.

This filing is similar to the filing we made in 1999 on our Form 80650 1/97, which is the tax qualified version of form 80880 NTQ 1/98. Both forms use the same rates, and therefore, the proposed rates for form 80880 NTQ 1/98 for age band 16-39 are identical with those previously approved for the tax qualified version.

In addition, the amended rates will allow us to sell this policy in the individual and worksite market place.

Should additional information be needed for the completion of this filing, please let us know.

Yours truly,

Rachel E. Coyle

Rachel E. Coyle

Enclosures
Telephone: 800-635-4252 Ext. 5307
Facsimile Telephone Number 803-283-5313
e mail address: rcoyle@kanawha.com

KANAWHA

NAIC COMPANY CODE 65110
FEDERAL TAX ID # 57-0380426
NAIC GROUP CODE 757

RACHEL E. COYLE, HIA, AIRC
SECOND VICE PRESIDENT - COMPLIANCE

September 4, 2001

Mr. Robert F. Grissom
Senior Insurance Market Examiner
Forms and Rates Section
Commonwealth of Virginia
Bureau of Insurance
State Corporation Commission
Post Office Box 1157
Richmond, Virginia 23218

Re: Rates for 80880 NTQ 1/98 VA
Your Submission No. 7/17390
Your Letter of August 23, 2001

Dear Mr. Grissom:

Your understanding of the above filing is correct. No changes were made to the assumptions. Only the addition of rates for ages 16 - 39.

Yours truly,

Rachel E. Coyle

Telephone: 800-635-4252 Ext. 5307
Facsimile Telephone Number 803-283-5313
e mail address: rcoyle@kanawha.com

KANAWHA INSURANCE COMPANY

NAIC CODE 65110
Actuarial Memorandum

I. Policy Form 80880NTQ - 1/98 Long Term Nursing Home Care

II. Rate Sheet is attached - See Exhibit I.

III. Derivation of Rates

A. Summary of Benefits

(1) Nursing Home Care Benefits

If the insured is confined in a licensed Nursing Home because of medical necesssity, or inability to perform at least two of the standard activities of daily living (ADL) or requiring substantial supervision due to cognitive impairment, the Daily Nursing Home Benefit ($50 - $200 per day) is payable after an elimination period (0 days, 30 days, or 90 days) up to the maximum benefit period (2 years, 3 years, 4 years, or lifetime).

(2) Assisted Living Care, Hospice Care, Adult Day Care

If the Insured is confined in these types of facilities, for the above reasons, the Daily Nursing Home Benefit is payable, subject to the same elimination periods and the same maximum benefit periods.

(3) Home Health Care (Rider No. 80900 1/98)

(a) Home Health Care Performed by a Home Health Care Agency

If the insured receives these benefits for the above reasons, a Daily Home Health Care Benefit, is payable subject to the above elimination periods and the above maximum benefit periods. The maximum benefit period for Home Health Care can be less than or equal to, but not greater than, the maximum benefit period for Nursing Home Care. The Daily Home Health Care Benefit must be at least $30 and cannot exceed the smaller of $200 or 150% of the Daily Nursing Home Benefit.

(b) Homemaker Benefit and Respite Care

For services such as shopping, housekeeping, transportation, laundry, or cooking (Homemaker Benefit), or companion or live-in care (Respite Care), 25% or 100%, respectively, of the Daily Home Healthcare Benefit will be payable as follows:

- For the Homemaker Benefit, up to 104 days per calendar year;

- For Respite Care, up to fourteen (14) days per calendar year (no Elimination Period).

(4) Compound Inflation Protection (Rider No. 93072NTQ 1/98)

At the beginning of each policy year starting with the second year, the Daily Nursing Home Benefit and the Daily Home Healthcare Benefit are increased by a 5% compound rate over the corresponding benefits for the preceding policy year.

(5) Guaranteed Purchase Option (Rider No. 93087NTQ 1/98)

At durations 3, 6, 9, and 12, but not to exceed attained age 84, the insured may elect to purchase, without evidence of insurability, a new policy and any riders that provide at each duration 25% of his total coverage in force at original issue.

(6) Return of Premium Rider (Rider No. 93102NTQ 1/98)

In the event of lapse or death, a benefit is provided equal to the excess of the percentage shown below of aggregate premiums paid over aggregate benefits paid:

Duration at Lapse or Death	Percentage of Aggregate Premiums Paid
1 through 5 years	0%
> 5 years, ≤ 6 years	5%
> 6 years, ≤ 7 years	10%
> 7 years, ≤ 8 years	15%
> 8 years, ≤ 9 years	20%
> 9 years, ≤ 10 years	25%
> 10 years, ≤ 11 years	30%
> 11 years, ≤ 12 years	35%
> 12 years, ≤ 13 years	40%
> 13 years, ≤ 14 years	45%
> 14 years, ≤ 15 years	50%
> 15 years, ≤ 16 years	60%
> 16 years, ≤ 17 years	70%
> 17 years, ≤ 18 years	80%
> 18 years, ≤ 19 years	90%
20 or later	100%

(7) Shortened Benefit Period (Rider No. 93000 1/97)

After three years inforce, if the Policy would otherwise lapse for non-payment of premiums, coverage will continue inforce for life at daily benefit amounts at the time of lapse. These include, if applicable, benefit increases due to the Compound Inflation Protection accrued prior to lapse. The Maximum Benefit Period will be recalculated, based on dividing total premiums paid up to this point by the daily benefit in effect at the same point. The result is a new maximum benefit period

known as the Shortened Benefit Period. This benefit period must equal at least thirty days. The same benefits, Elimination Periods, and all other conditions of the Policy and attached Riders then in effect (except for the restoration of benefits clause) will remain the same.

B. Summary of Premiums and Related Matters

(1) Premium Paying Periods

Lifetime, Ten Years, Five Years (or to age 65, if longer), Single Premium

For loss ratio compliance purposes, experience under the limited payment plans will be kept separate from plans with lifetime premium paying periods.

(2) Waiver of Premiums

After Nursing Home or related benefits are payable for ninety (90) days, premiums are waived for the continuation of confinement.

(3) Paid Up Insurance On Spouse Death (Optional rider No. 80710 1/97, if premiums are payable for Lifetime)

If spouses are both initially insured under this product, upon the death of the first spouse, premiums for coverage for the surviving spouse are waived for life under either of the following circumstances:

- if the first death occurs before the tenth (10th) anniversary of continuous coverage for both, premiums for the policy for the surviving spouse are waived for life beginning on the tenth (10th) anniversary, if the policy is then in force;
- if the first death occurs on or after the tenth (10th) anniversary of continuous coverage for both, premiums for the policy for the surviving spouse are waived for life.

C. Actuarial Assumptions

(1) Total claims costs for Nursing Home, Home Health Care and Waiver of Premium Benefits

The source of data was the 1993-94 Reports of the Society of Actuaries, Long Term Care InterCompany Study, pages 43-122. For Nursing Home and related benefits, both incidence rates and continuance rates were developed for quinquennial ages, and for the various benefit and elimination periods. These were then adjusted to remove the estimated portion of special underwriting classes with lower claims, to remove the effect of underwriting on claims by duration, and to account for the removal of any requirement for prior hospitalization (based on judgment, the latter is a 3% load).

From the discussion in the Report of limited data for Home Health Care Benefits, the above claim costs for Nursing Home Benefits were increased as follows to provide Home Health Care Benefits:

Age	Percentage Increase	Age	Percentage Increase
57 & below	100.0%	72	61.8%
62	92.4%	77	46.5%
67	77.1%	82	38.9%
		87	38.9%

Overall average ratio of Nursing Home Benefits to sum of Nursing Home Benefits plus Home Health Care Benefits	69.7%

From further analysis of the above Society of Actuaries data, the base claim costs were extrapolated for younger ages, based on relationships shown in the Society data.

Claim costs were further modified for three underwriting classes, Preferred, Standard, and Select. The Preferred class of applicants will be subject to the most detailed underwriting questions and the most extensive phone interview. On the other hand, the Select underwriting class will be subject to the least detailed underwriting questions. The underwriter may also request an Attending Physician's Statement to verify past medical history of an applicant. In general, if any of specified medical conditions have occurred to the applicant within the last six (6) months to two (2) years, he will be classified Select. If any have occurred within the last two (2) to five (5) years, he will be classified Standard. Otherwise, he will be classified Preferred.

Before modification in the above paragraph, claim costs are considered 100%. Preferred claim costs are assumed to be 72% of these, Standard claim costs are assumed to be 90% of these, and Select claim costs are assumed to be 110%.

Representative claim costs are shown in the attached Exhibit II.

(2) Durational Factors

Because of underwriting at issue, based on the pattern of incidence shown in the Society of Actuaries Study, early duration claim costs were multiplied by the following factors:

- Individual coverage - For issue ages 69 and below, .554 for duration 1, .706 for duration 2, .755 for duration 3, etc. up to 1.00 for durations 8 and later; for issue ages 70 - 74, .613 for duration 1, .781 for duration 2, .835 for duration 3, etc. up to 1.00 for durations 6 and later; for issue ages 75 and above, .648 for duration 1, .825 for duration 2, etc., up to 1.00 for durations 5 and later;

- Both spouses covered - For issue ages 69 and below, .35 for duration 1, .40 for duration 2, .45 for duration 3, etc. up to 1.00 for durations 14 and later;

for issue ages 70 - 74, .4 for duration 1, .45 for duration 2, .5 for duration 3, etc. up to 1.00 for durations 13 and later; for issue ages 75 and above, .5 for duration 1, .55 for duration 2, .6 for duration 3, etc. up to 1.00 for durations 11 and later.

(3) Interest

7%

(4) Lapse Rates by Issue Age Groups and Durations

Duration	16-59	60-64	65-69	70-74	75 and above
1	25%	20%	12%	10%	8%
2	16%	13%	8%	5%	4%
3	11%	8%	5%	5%	4%
4	9%	6%	5%	5%	4%
5, Less than Age 65	7%	6%	5%	5%	4%
Age 65 +	6½%	6%	5%	5%	4%
After End of Premiums	0%	0%	0%	0%	0%

The proposed termination rates are based on my knowledge of several companies' experience from 1988-90 and recent trends in the industry.

During the above period, long term care lapses were high, ranging from 35-40% first year and 15-20% each renewal year. In 1992-1993, an ad hoc industry advisory group to the NAIC used much lower rates in their calculations, averaging 20% first year, graded to 5% by year 4.

The scale in the actuarial memorandum reflects the ad hoc approach, with my judgmental modifications by issue age. For senior citizens, who have become more conscious of the need for and cost of long term care, lapse rates should be somewhat lower than the above scale. For younger issue ages, where there is no dependable data, the deferred nature of the long term care benefit should keep lapse rates somewhat higher than the above scale. The Society of Actuaries Report also concluded that lapse rates tended to decrease with advancing issue age.

Our marketing program will emphasize asset protection and should keep overall lapse rates consistent with the above scale. We intend to monitor termination rates closely.

(5) Mortality

90% of 1975-80 Select and Ultimate Age Last Birthday, weighted ⅓ male and ⅔ female.

(6) Distribution of business by issue age

16-59	7.8%
60-64	16.3%
65-69	26.7%
70-74	29.1%
75-and above	20.1%

Only a negligible portion of business is assumed below issue age 50, with no significant impact on overall lifetime loss ratios.

(7) Guaranteed Purchase Option

Claim costs for this rider were based on the differences between underwritten morbidity at the attained ages of election versus original issue ages.

(8) Shortened Benefit Period-Description of Actuarial Methodology

With one exception, the same assumptions are used as for premium paying calculations. This applies to interest, mortality, claim costs, durational factors, etc. The only exception is that no lapse rates are used in projecting future benefits. No ten percent loading is added for policyholder antiselection, since the restoration of benefits clause is not included in this rider.

Total actual premiums paid up to this point reflect events such as premium increases, premium mode changes, rider additions or deletions, and any other event affecting the level of premiums.

(9) Period of Coverage

Guaranteed Renewable for Life

(10) Statutory Reserve Basis

1983 Group Annuity, without voluntary lapses, but with the abovementioned durational select claim cost mulitiples.

4½% Age Last Birthday
One Year Preliminary Term
⅔ Female/⅓Male

Above mentioned claim costs, retaining durational modifications from underwriting

The above reserve basis is used for the base policy and all riders.

For the Shortened Benefit Period Rider, reserve factors at issue age 52 are shown below. The same benefit structure is assumed, with premiums payable for life.

Duration	Reserve Factor
2	$133.28
5	$567.02
10	$1,483.47
20	$3,925.27

48	$0.00

For the Return of Premium Rider, at issue age 72, expected benefits and reserve factors at key durations are shown below. A four year benefit period is assumed, Nursing Home plus Home Health Care, zero day Elimination Period, $80 per day.

		Reserve Factors	
Duration	Benefit*	Total	Per M Maturity
2	0	865.05	15.60
5	0	4,052.09	73.06
10	4,200	12,474.28	224.92
28 (maturity)	55,461	55,461.00	1,000.00

* Includes claims for nursing home and home health care.

D. Loss Ratio Compliance

For lifetime premiums, for both Nursing Home Care and Home Health Care, anticipated loss ratios for the first 25 years, and lifetime loss ratios are as follows:

	Loss Ratios	
Year	Excluding Statutory Reserves	Including Statutory Reserves
1	15.2%	15.20%
2	22.4%	83.03%
3	28.8%	84.31%
4	35.8%	85.80%
5	43.3%	87.29%
6	51.2%	88.65%
7	61.1%	90.16%
8	71.8%	92.06%
9	82.4%	93.99%
10	93.9%	96.23%
11	105.4%	97.95%
12	118.2%	100.51%
13	131.7%	103.30%
14	144.7%	105.17%
15	155.1%	107.86%
16	163.6%	98.75%
17	174.9%	101.59%
18	186.9%	104.68%
19	199.6%	108.05%
20	211.8%	111.74%
21	223.9%	114.78%
22	243.9%	121.23%
23	269.0%	128.92%
24	293.7%	136.16%
25	308.6%	141.24%
Lifetime	61.0%	61.0%

Note: By duration 25, only about 5% of beginning policies are left inforce.

This pattern is in compliance with minimum lifetime loss ratios.

All other riders, when measured by themselves, are also in compliance with minimum lifetime loss ratios. The Compound Inflation Protection Rider has a lifetime loss ratio of 85.1% and the Shortened Benefit Period Rider has a lifetime loss ratio of 89.7%.

E. Certification

This filing has been prepared for the purpose of demonstrating compliance with regulatory authority, and may not be appropriate for other purposes.

I, Norman E. Hill, certify to the best of my knowledge and judgement, that this entire filing is in compliance with the rules of the Department of Insurance in your state, complies with Actuarial Standard of Practice Number 8, "Regulatory Filings for Rates and Financial Projections for Health Plans" as adopted by the Actuarial Standards Board, and that the benefits provided are reasonable in relation to the proposed premiums.

Norman E. Hill, FSA, MAAA
Executive Vice President and Chief Actuary

* *CONFIDENTIAL* *

LONG TERM CARE SUPPLEMENT TO ACTUARIAL MEMORANDUM

1. The pricing interest rate is used in this supplement as well as in the main portion of the Actuarial Memorandum.

2. Our assumed average sales mix is an individual policy, $80 per day Nursing Home coverage, full Home Health Care coverage, 4 year maximum benefit period, zero day elimination period, average of Standard and Select underwriting classes. Gross annual premiums are as follows:

Issue Age Group	Central Age	Premium	Present Value of $1
16-54	52	$368	5.49
55-59	57	$499	5.43
60-64	62	$804	6.09
65-69	67	$1,409	7.02
70-74	72	$2,450	6.96
75-79	77	$4,697	7.05

3. Commission and expenses

a. Commissions -

Lifetime Premiums

	Issue Ages						
Duration	16-54	55-59	60-64	65-69	70-74	75-79	80-84
1	97%	92%	87%	82%	77%	72%	67%
2-10	17%	17%	17%	17%	17%	17%	17%
11+	14%	14%	14%	14%	14%	14%	14%

Ten Years Premiums

	Issue Ages						
Duration	16-54	55-59	60-64	65-69	70-74	75-79	80-84
1+	72%	62%	62%	62%	62%	62%	57%
2-10	16%	16%	16%	16%	16%	16%	16%
11+	0%	0%	0%	0%	0%	0%	0%

Premiums for Five Years or to Age 65

	Issue Ages						
Duration	16-54	55-59	60-64	65-69	70-74	75-79	80-84
1+	72%	62%	57%	52%	52%	52%	52%
2-5	16%	16%	14%	14%	14%	14%	14%
6-10	16%	16%	0%	0%	0%	0%	0%
11+	13%	0%	0%	0%	0%	0%	0%

Single Premium

	Issue Ages						
Duration	40-54	55-59	60-64	65-69	70-74	75-79	80-84
1	15%	15%	15%	15%	15%	15%	15%
2+	0%	0%	0%	0%	0%	0%	0%

Note No commissions are payable on policies that have become paid-up.

No commissions are payable at any durations on the inflation and shortened benefit period riders.

For policies sold with Association endorsement, commissions are reduced to achieve the same profit margin.

b. Expenses

First Year	$230 per policy + 1% of premium
Renewal years	$ 30 per policy + 1% of premium
Premium taxes, all years	2% of premium

4. Based on the issue age distribution specified in the actuarial memorandum, the average issue age should be about 70, with the following characteristics:

Gross Annual Premium	$2,019.69
Benefit Annual Premium	$1,227.60 (60.87% lifetime loss ratio)
Commission Annual Premiums	$522.74 (25.92%)
Expense Annual Premiums	
Premium Taxes	$40.34 (2%)
Acquisition	$78.40 (to amortize $200 per policy 3.89%)
Annual maintenance + overhead	$50.17 ($30 per policy + 1% of premiums = $50.17 per policy = 2.49%

Total Net Premium $1,992.19

The above policy would be much higher than our current annual health premiums, which are $330 for all individual health and $580 for new individual health. Therefore, we have allocated expenses other than commissions and premium taxes on both per policy and percent of premium.

5. Our Schedule H expenses for 1995 are as follows (000's omitted):

		Per Policy	Percent of Premium
Issue	$1,580	$146.16	28.46% (of first year premiums, 4.70% of total premiums)
Premium Tax	$ 674		2% (of all premiums)
Overhead + Maintenance	$4,428	$ 50.44	13.17% of all premiums

For comparison, our assumed issue expense for long term care is $200 per policy, and overhead maintenance can be expressed as $50.17 per policy.

KANAWHA INSURANCE COMPANY

LONG TERM CARE SUPPLEMENT TO EXHIBIT I

1. If both spouses are covered, a 10% premium reduction is made.

2. For the Guaranteed Purchase Option Rider, the additional premium is 5% of the premiums for the Nursing Home Policy and all other benefits riders.

3. For the Return of Premium Rider, the additional premium is 32.7% of the premiums for the Nursing Home Policy and all other benefit riders.

4. Riders cannot be sold by themselves, but must be added to a base Nursing Home Policy. Each rider must provide the same elimination period and, except for the Home Health Care Rider, the same maximum benefit period as the base policy.

5. Riders other than Home Health Care Rider - If both Nursing Home and Home Health Care are covered, the other riders must cover both.

6. For the Shortened Benefit Period Rider, premiums are the following percentages of premiums for the Nursing Home Policy and all other benefit riders:

Issue Age	Lifetime Premiums	Ten Years Premiums	Five Year (Age 65) Premiums
16-55	22.0%	22.0%	22.0%
56-59	22.0%	22.0%	14.6%
60-64	19.1%	19.1%	6.7%
65-69	16.4%	14.5%	4.3%
70-74	15.0%	12.9%	3.1%
75-84	10.7%	9.9%	2.0%

7. Abbreviations for the following premium columns are:

   a. NH = Nursing Home
   b. HHC = Home Health Care (rider)

8. Modal and other premium adjustments:

   Semi-Annual 0.51 Quarterly 0.26
   PAC Monthly 0.086

   Sales through Association endorsements: either 5% or 10% premium reduction, together with commission reduction to achieve same relative profit margins

EXHIBIT II

REPRESENTATIVE CLAIM COSTS FOR LONG TERM CARE NURSING HOME COMBINED WITH HOME HEALTH CARE $80 PER DAY, 0 DAY ELIMINATION PERIOD, 4 YEAR MAXIMUM BENEFITS

AGE	BASE CASE CLAIM COSTS
52 & below	$27.04
57	$70.23
62	$144.08
67	$345.04
72	$819.29
77	$1,965.81
82	$2,649.22
87	$3,271.70
92	$3,645.17

EXHIBIT IIA

AVERAGE RATIOS OF PRESENT VALUES OF CLAIMS TO PRESENT VALUES OF PREMIUMS

$80 Per Day, 0 Day Elimination Period, 4 Year Maximum Benefit Period

Issue Age	Present Value of Claims	Present Value Gross Premium	Ratio
52 & below	776.07	1,868.80	41.5%
57	1,407.97	2,506.35	56.2%
62	3,027.40	4,529.13	66.8%
67	6,298.62	9,149.34	68.8%
72	9,959.03	15,773.10	63.1%
77	16,356.59	30,630.31	53.4%
Overall			61.0%

January 16, 2015

Janet Houser
Actuarial Division
Virginia State Corporation Commission
Tyler Building
1300 E. Main St.
Richmond, Virginia 23219

Re: Proposed 25% - 90% rate increase for Kanawha LTC2 (forms: 80650 1/97 VA & 80880 NTQ 1/98 VA); SERFF #: HUMA-129780509

Dear Ms. Houser,

Thank you for your prompt review of the above filing. This letter is to provide you with additional information requested in your November 7, 2014 objection letter to SERFF#: HUMA-129780509.

1. *Please state when each form was last issued in Virginia. Long term care policies issued on or after October 1, 2003 are subject to the rate stabilization standards set forth in 14VAC5-200-153. Issue dates prior to that date are subject to the loss ratio standards set forth in 14VAC5-200-150. If forms were issued prior and subsequent to that date, the company will need to demonstrate compliance with both 14VAC5-200-150 and 14VAC5-200-153.*

   Please see the attached policy forms to the Supporting Documentation on SERFF: form 80650 was issued and approved on 8/27/97 in Virginia and form 80880 NTQ was issued and approved on 10/7/98 in Virginia.

   LTC2 policies were issued prior to October 1, 2003 and expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60% (130HUM22.VA.LTC2.ExhibitI_NWExhibit I demonstrates that).

2. *Please identify all rider forms that will be affected by the proposed rate increase and be sure that all experience and projection exhibits include the experience of those forms as well.*

   Riders 80660 1/97 (TQ) and 80900 (NTQ) 1/98 provide home health care benefits.
   Riders 80680 1/97 (TQ) and 93072 (NTQ) 1/98 provide 5% compound inflation protection.
   Riders 90170 1/97 (TQ) and 93087 (NTQ) 1/98 provide guaranteed purchase option.
   Riders 90175 1/97 (TQ) and 93102 (NTQ) 1/98 provide return of premium benefits.
   Riders 80710 1/97 (TQ) and 80710 (NTQ) 1/97 provide survivorship benefits.
   Riders 93000 1/97 (TQ) and 93000 (NTQ) 1/98 provide nonforfeiture benefits.

   All experience and projection in Exhibit I include experience of these riders.

3. *Please provide an explanation of the reserve basis and justification for the reserve levels.*

   Please see Actuarial Memorandum section 12 for the explanation of reserves.
   Claim reserves use termination rates based on the 2011 version of Milliman's Long-Term Guidelines with discount rates set at the Statutory maximum levels. The IBNR reserve is determined by reviewing the historical experience of lags in reporting claims and developing a factor to apply to current reported levels of incurred claims.

4. *Please provide the anticipated loss ratio where the numerator is equal to the anticipated incurred claims less the policy reserves, and the denominator is equal to the anticipated earned premium.*

LTC 2 Anticipated LR – Nationwide Experience

Products	Rate revision	Earned Premium	Incurred Claims	Policy Reserves	Anticipated LR
No Inflation	No rate revision	78,181,928	242,116,462	120,863,277	155.1%
	Rate revision 25%	93,431,780	242,116,462	120,863,277	129.8%
5% Compound Inflation	No rate revision	123,712,479	1,179,339,204	563,157,326	498.1%
	Rate revision 90%	216,292,055	1,179,339,204	563,157,326	284.9%
Total	No rate revision	201,894,407	1,421,455,665	684,020,603	365.3%
	Rate revision Combined	309,723,835	1,421,455,665	684,020,603	238.1%

5. *Please state the lifetime loss ratio anticipated in the original filing and, if applicable, an explanation why the current projected loss ratio is less than the originally anticipated.*

   The lifetime loss ratio anticipated in the original filing is 61%. Current projected loss ratio is much higher than the originally anticipated. Please see the Actuarial Memorandum section 5 for a detailed comparison of current and original pricing assumptions.

6. *Please provide a separate calculation of the Lifetime Loss Ratio so that the historical premium component is restated to what it would be if the proposed premium had been charged (collected) since the forms' introduction.*

   Please see the attached "VA.LTC2.Exhibit I D.NW" which provides a projection with nationwide experience assuming the proposed premium was collected since issue.

   Also see the attached "VA.LTC2.Exhibit I E.VAState" which provides a projection with Virginia state experience assuming the proposed premium was collected since issue.

7. *Please state the interest rate originally assumed in the determination of the premiums. If greater than the discount rate used in the projections, then please revise the projections by using the original rate.*

   Please see the attached "VA.LTC2.Exhibit I F.NW.pdf" which provides projection with original interest rate 7% as discount rate with nationwide experience.

8. *Please review the attached NAIC's Executive/Plenary Bulletin adopted on December 18, 2013. Although Virginia has not yet adopted this, because there is so much national attention on long term care regulation, we have now added this to our review process. Is this filing consistent or not with its recommendations? Please provide details that support your response.*

   This LTC2 rate increase filing is consistent with NAIC's Executive/Plenary Bulletin requests. Please find:

   - A detail description of Actuarial assumptions in the Actuarial Memorandum section 5, and the result of rate revision in attached "130HUM22.VA.LTC2.Exhibit I_NW" (lifetime loss ratio before/after rate increase).

   - A detailed description of premium rates by policy forms in attached "130HUM22.VA.LTC2.Exhibit II" (current/proposed rates by policy forms).

   - Policyholder notification letters attached to the Supporting Documentation on SERFF.

9. *Please make the following changes to the Rate/Rule Schedule:*

   - Add the rider forms exactly as approved to the "Affected Form Number" column

   Rider forms are added.

   - Change the Rate Action from new to revised

   Rate Action changed to "revised".

   - Update the Rate Action Information with the SERFF tracking number of the previously approve rate increase and the proposed rate increase of 73%

   Please see the updated information on SERFF.

   - Attach rate schedules that correspond to each affected form number

   Please see the attached rate schedules "130HUM22.VA.LTC2.Exhibit II.pdf" with each affected policy form.

KANAWHA INSURANCE COMPANY
210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 Telephone: 800-635-4252

HOME HEALTH CARE BENEFITS RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

Approval should not be construed as approval of provisions required under federal laws.

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is attached to and made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

APPROVED LIFE, A. & H. JUL 3 1997 INSURANCE DEPARTMENT OF SOUTH CAROLINA

BENEFITS

The following are added to the Benefits Provision of the Policy.

Home Health Care Benefit — For each day You receive Home Health Care, not to exceed the Maximum Days for Home Health Care Benefit shown in the Policy Schedule. Services must be provided by a Home Health Care Agency.

Homemaker Benefit — We will pay You 25% of the Daily Home Health Care Benefit Amount shown on the Policy Schedule for each day on which You receive assistance with the following activities:

- shopping; or housekeeping; or
- transportation; or
- laundry; or
- cooking.

Benefits payable under the Homemaker Benefit are limited to 104 days per Calendar Year.

You may claim and receive payment for the Homemaker Benefit and one other benefit of this Policy on the same day if You incur both services on the same date.

Place of Service for Homemaker Benefits —Services must be performed by a Home Health Care Agency in or to and from Your home, another private home, an Assisted Living Facility, a home for the retired or aged or a place which provides residential care.

Respite Care Benefit -- We will pay You the Daily Home Health Care Benefit shown on the Policy Schedule for each day on which You receive Respite Care.

We will pay for 14 days of Respite Care each Calendar Year. Unused days cannot be carried over into the next Calendar Year. A day of Respite Care is limited to a consecutive 24-hour period during which You receive Respite Care. Respite Care which extends beyond the 24-hour period will be considered another day.

We will not pay for services provided by a Relative. You do not have to meet the Elimination Period. This benefit does not count toward the Maximum Days and is not eligible for the Benefit Rebuilder.

Premium Waiver Benefit

- The Premium Waiver Benefit of the Policy to which this Rider is attached is

deleted in its entirety and the following is substituted:

Premium payments are not due or required beginning with the 91st consecutive day on which You incur Covered Service for Institutionalization Without Interruption, Continuous Adult Day Care Services and or Continuous Home Health Care.

- Premiums will be waived in accordance with the mode of Premium payment in effect when the 91 consecutive day period began.
- When Institutionalization Without Interruption, Continuous Adult Day Care Services and or continuous Home Health Care Services ends, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.
- When You no longer receive a Daily Benefit Amount during Institutionalization Without Interruption or Continuous Adult Day Care Services or Continuous Home Health Care Services, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.
- After Kanawha waives Premiums for one year, We will not require You to furnish Proofs of Loss for this Benefit more frequently than once per Calendar Year.
- When You do not furnish Proofs of Loss for this Benefit in accordance with a written request from Kanawha, Premium Waiver will end and You must pay Premiums to keep this Policy in force. The first Premium You must pay will be the one next following the date on which Kanawha mailed You a request for Proofs of Loss for this Benefit. Kanawha will notify You of the amount and due date of any Premium You must pay.

Continuation of Benefits Upon Lapse or Your Cancellation of This Policy or this Rider — If You received Covered Service for Home Health Care, Homemaker Services or Respite Care, in the 30 consecutive days prior to the paid to date of this Rider, We will continue those Benefits after the paid to date of this Rider. The Continuation will provide Benefits for Covered Services rendered for Home Health Care, Homemaker Services or Respite Care. The Continuation will extend through the 90th day after this Rider's paid to date. No benefits will be paid for Home Health Care, Homemaker Services or Respite Care on or after the 91st day following this Rider's paid to date.

DEFINITIONS

Continuous Home Health Care means that You receive, or would receive but for any applicable Elimination Period or Maximum Days, Covered Service for Home Health Care on at least four days during each consecutive Calendar Month.

Elimination Period The definition of Elimination Period in the Policy to which this Rider is attached is deleted and the following substituted therefore.

Elimination Period is the number of days You receive Covered Service for any combination of the following before Bene-

fits are payable:

- Nursing Home confinement
- Hospice confinement
- Assisted Living Care Facility confinement
- Adult Day Care
- Home Health Care services
- Homemaker services.

The days during which You receive Covered Service for any of the above need not be consecutive. After the Elimination Period is satisfied, it will never be necessary to meet another Elimination Period while Your Policy is in force.

The Elimination Period is shown on the Policy Schedule.

Home Health Care Agency is defined for the purposes of this Rider as an agency or organization:

- which is appropriately licensed (if such licensing is required in the state where such agency operates) or is state or federally certified to provide Home Health Care supervised on a full-time basis by a Physician or a Registered Nurse; and
- which maintains a complete medical record of each patient.

Respite Care for purposes of this Rider, means care provided through a Home Health Care Agency, including companion or live-in care, to temporarily relieve a Relative or an unpaid person who is providing You with care in Your home or another private residence.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when Your coverage terminates under the Policy to which this Rider is attached; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated herein, this Rider will not alter any provisions of the Policy to which it is attached. This Rider is subject to all provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Thomas W. Thomas
Secretary

Stanley A. Johnson
President

KANAWHA INSURANCE COMPANY
210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 Telephone: 800-635-4252

COMPOUNDED INFLATION PROTECTION BENEFIT RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

SPECIAL NOTICE

The additional benefits provided by this Rider may not be excludible from income under federal tax law.

It is Your responsibility to get an opinion annually from your personal tax Advisor regarding the additional benefits provided for hereunder.

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

On each Rider Anniversary date, Kanawha will increase each of the Daily Benefit Amounts shown on the Policy Schedule. The increase shall be at the rate of 5%, compounded annually.

The increase will be applied to Covered Services incurred after the Rider Anniversary dates on which increases occur for which benefits are payable.

The amount of each Daily Benefit Amount increase will be rounded up to the nearest whole dollar.

LIMITATIONS

If this Rider terminates, increases to Daily Benefit Amounts cease and will not occur. If this Rider terminates, the Daily Benefit Amounts will then reduce to those shown on the Policy Schedule as of the original Date of Policy. However, if You are receiving Covered Service when this Rider terminates, increases established while this Rider was in force will continue subject to the Continuation of Benefits Upon Lapse or Your Cancellation of this Policy provision.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when the Policy to which this Rider is attached terminates; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

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KANAWHA INSURANCE COMPANY

210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 — Telephone: 800-635-4252

PAID UP INSURANCE BENEFIT ON DEATH OF SPOUSE RIDER

MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____

(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

Premiums on Your Policy will be paid up on the tenth anniversary of Your Date of Policy if:

- both You and Your Spouse are covered under Long Term Care Policies issued by Kanawha; and
- Your Spouse dies; and
- Your Policy and Your spouse's Policy are both In Force on the date of Your Spouse's death.

If Your Spouse dies before the tenth anniversary of Your Date of Policy, You must pay Premiums as they fall due until the 10th anniversary of the Date of Policy.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider will terminate if You and Your Spouse divorce. If You and Your Spouse divorce, Kanawha's only liability under this Rider will be a refund of all Premiums paid for this Rider after the date of Your divorce. Premiums will be refunded when You notify us of the divorce.

This Rider will also terminate upon lapse or Cancellation of the Policy to which it is attached.

This Rider will terminate upon the lapse or Cancellation of Your Spouse's Policy.

DEFINITIONS

Your Spouse means Your husband or wife on the Date of the Policy to which this Rider is attached.

In Force means, for the purposes of this Rider, that Premiums for the Policy have been paid through the date of death of Your Spouse or the Policy is within the Grace Period on the date of death of Your Spouse.

The Policy to which this Rider is attached is not In Force for the purposes of this Rider if a Premium Due has not been paid and coverage is being provided by the Period of Nonforfeiture Coverage allowed by any Extended Term Benefit Rider which may be attached to this Policy.

Your Spouse's Policy is In Force for the purposes of this Rider if a Premium for it has not been paid and coverage is being provided by the Period of Nonforfeiture Coverage allowed by any Extended Term Benefit Rider which may be attached to Your Spouse's Policy.

For purposes of the benefits of this Rider, Your Spouse's Policy is not in force if benefits of Your Spouse's Policy are being paid under the Continuation of Benefits provision.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY
210 South White Street, Post Box 610 • Lancaster, South Carolina 29721-0610 — phone: 800-635-4252

HOME HEALTH CARE BENEFITS RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is attached to and made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

The following are added to the Benefits Provision of the Policy.

Home Health Care Benefit — For each day You receive Home Health Care, not to exceed the Maximum Days for Home Health Care Benefit shown in the Policy Schedule. Services must be provided by a Home Health Care Agency.

Homemaker Benefit — We will pay You 25% of the Daily Home Health Care Benefit Amount shown on the Policy Schedule for each day on which You receive assistance with the following activities:

- shopping; or
- housekeeping; or
- transportation; or
- laundry; or
- cooking.

Benefits payable under the Homemaker Benefit are limited to 104 days per Calendar Year.

You may claim and receive payment for the Homemaker Benefit and one other benefit of this Policy on the same day if You incur both services on the same date.

Your Home Health Care Benefit and Homemaker Benefit must be:

- Medically Necessary; or
- because You are unable to perform two or more of the following activities: Bathing, Continence, Dressing, Eating, Toileting, or Transferring; or
- because a Physician has determined that You have a Cognitive Impairment.

Place of Service for Homemaker Benefits —Services must be performed by a Home Health Care Agency in or to and from Your home, another private home, an Assisted Living Care Facility, a home for the retired or aged or a place which provides residential care.

Respite Care Benefit — We will pay You the Daily Home Health Care Benefit shown on the Policy Schedule for each day on which You receive Respite Care.

We will pay for 14 days of Respite Care each Calendar Year. Unused days cannot be carried over into the next Calendar Year. A day of Respite Care is limited to a consecutive 24-hour period during

which You receive Respite Care. Respite Care which extends beyond the 24-hour period will be considered another day.

We will not pay for services provided by a Relative. You do not have to meet the Elimination Period. This benefit does not count toward the Maximum Days and is not eligible for the Benefit Rebuilder.

Premium Waiver Benefit

- The Premium Waiver Benefit of the Policy to which this Rider is attached is deleted in its entirety and the following is substituted:

Premium payments are not due or required beginning with the 91st consecutive day on which You incur Covered Service for Institutionalization Without Interruption, Continuous Adult Day Care Services and or Continuous Home Health Care.

- Premiums will be waived in accordance with the mode of Premium payment in effect when the 91 consecutive day period began.
- When Institutionalization Without Interruption, Continuous Adult Day Care Services and or continuous Home Health Care Services ends, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.
- When You no longer receive a Daily Benefit Amount during Institutionalization Without Interruption or Continuous Adult Day Care Services or Continuous Home Health Care Services, You must pay Premiums to keep this Policy in force. Kanawha will notify You of the amount and due date of any Premium You must pay.
- After Kanawha waives Premiums for one year, We will not require You to furnish Proofs of Loss for this Benefit more frequently than once per Calendar Year.
- When You do not furnish Proofs of Loss for this Benefit in accordance with a written request from Kanawha, Premium Waiver will end and You must pay Premiums to keep this Policy in force. The first Premium You must pay will be the one next following the date on which Kanawha mailed You a request for Proofs of Loss for this Benefit. Kanawha will notify You of the amount and due date of any Premium You must pay.

Continuation of Benefits Upon Lapse or Your Cancellation of This Policy or this Rider — If You received Covered Service for Home Health Care, Homemaker Services or Respite Care, in the 30 consecutive days prior to the paid to date of this Rider, We will continue those Benefits after the paid to date of this Rider. The Continuation will provide Benefits for Covered Services rendered for Home Health Care, Homemaker Services or Respite Care. The Continuation will extend through the 90th day after this Rider's paid to date. No benefits will be paid for Home Health Care, Homemaker Services or Respite Care on or after the 91st day following this Rider's paid to date.

DEFINITIONS

Continuous Home Health Care means that You receive, or would receive but for any applicable Elimination Period or Maximum Days, Covered Service for Home Health Care on at least four days during each consecutive Calendar Month.

Elimination Period The definition of Elimination Period in the Policy to which this Rider is attached is deleted and the following substituted therefore.

Elimination Period is the number of days You receive Covered Service for any combination of the following before Benefits are payable:

- Nursing Home confinement
- Hospice confinement
- Assisted Living Care Facility confinement
- Adult Day Care
- Home Health Care services
- Homemaker services.

The days during which You receive Covered Service for any of the above need not be consecutive. After the Elimination Period is satisfied, it will never be necessary to meet another Elimination Period while Your Policy is in force.

The Elimination Period is shown on the Policy Schedule.

Home Health Care Agency is defined for the purposes of this Rider as an agency or organization:

- which is appropriately licensed (if such licensing is required in the state where such agency operates) or is state or federally certified to provide Home Health Care supervised on a full-time basis by a Physician or a Registered Nurse; and
- which maintains a complete medical record of each patient.

Respite Care for purposes of this Rider, means care provided through a Home Health Care Agency, including companion or live-in care, to temporarily relieve a Relative or an unpaid person who is providing You with care in Your home or another private residence.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when Your coverage terminates under the Policy to which this Rider is attached; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated herein, this Rider will not alter any provisions of the Policy to which it is attached. This Rider is subject to all provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY
210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 Telephone: 800-635-4252

GUARANTEED FUTURE BENEFIT INCREASE OPTION RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

SPECIAL NOTICE

The additional benefits provided by policies issued under the terms of this Rider may not be excludible from income under Federal Tax law.

The Premiums paid for policies issued under the terms of this Rider may not be deductible from income under Federal Tax law.

It is Your responsibility to get an opinion from Your personal tax advisor prior to exercising Your rights to purchase additional Policies as provided hereunder.

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

AUG [illegible]

BENEFITS

Optional Policy Purchase. On each of the Optional Policy Purchase Dates prior to Your 85th birthday, Kanawha will issue You a new Policy. The date of the new Policy will be the Optional Policy Purchase Date. Evidence of Insurability is not required. Except for fraud, the new Policy will be incontestable.

The new Policy will be a Policy of insurance then being issued by Kanawha which provides coverage most nearly similar to the coverage contained in this Policy. Riders attached to the new Policy will be those then issued by Kanawha which provide coverage most nearly similar to the coverage provided by Riders in this Policy.

Riders attached to this Policy which provide Daily Benefit Amounts will be attached to the new Policy.

A Paid Up Insurance Benefits on Death of Spouse Rider will be attached to the new Policy if:

- You and Your Spouse are covered under Long Term Care Policies issued by Kanawha on the Optional Policy Purchase Date; and
- Premiums on Your Policy and Your Spouse's Policy are paid to or beyond

the Optional Policy Purchase Date; and

- a Paid Up Insurance Benefits on Death of Spouse Rider is attached to this Policy; and
- You and Your Spouse have not divorced on or before the Optional Policy Purchase Date; and
- this Rider has not terminated.

If this Policy contains a Return of Premium Benefit Rider, a Return of Premium Benefit Rider will be attached to the new Policy. Rider years in the Return of Premium Benefit Rider attached to the new Policy will be calculated from the Optional Policy Purchase Date on which the new Policy is issued.

Daily Benefit Amounts of the new Policy will be 25% of Daily Benefit Amounts provided by this Policy. Maximum Days provided in the new Policy will be the same as the Maximum Days provided by this Policy.

Optional Policy Purchases are subject to the following:

1. The Premium for the new Policy will be based on Your attained Age on the date of the new policy and the Premium schedule for the Policy in effect on the Optional Policy Purchase Date.
2. Kanawha will notify You of the Premium for the new Policy at least 60 days in advance of the Optional Policy Purchase Date.
3. You must pay the initial Premium for the new Policy not more than 31 days after the Optional Policy Purchase Date. When the first Premium is paid, coverage of the new Policy will be in force as of the Optional Policy Purchase Date.
4. If You do not pay the first Premium for a new Policy issued under this Rider, the new Policy will not be in force. This Rider will continue in force, subject to its Termination provision.

DEFINITIONS

Optional Policy Purchase Dates means the third, sixth, ninth and twelfth Anniversaries of the Date of Policy so long as such anniversaries fall prior to the date of Your 85th birthday.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

LIMITATIONS

There are no Optional Policy Purchase Dates available on or after the date of Your 85th birthday. If the Date of Policy is on or after the date of Your 73rd birthday, the number of Optional Policy Purchase Dates is reduced. This Rider is not issued to individuals whose Age on the Date of Policy is 82 or more.

No coverage is provided by any Policy issued in accordance with this Rider's terms until and unless the first Premium is paid within 31 days following the Date of Policy of the new Policy. When the first Premium is paid, You are covered from the Date of Policy of the new Policy.

Kanawha will not issue a Compounded Inflation Protection Benefit Rider or other Rider providing inflation protection as part of the new Policy.

Kanawha will not issue a Guaranteed Future Benefit Increase Option Rider with the new Policy.

TERMINATION

This Rider terminates on the earliest of the following dates:

- when Your coverage terminates under the Policy to which this Rider is attached;
- when any Premium for this Rider is not paid before the end of the Grace Period;
- when You give Kanawha a written request to terminate this Rider;
- at the end of 31 days after the 12th anniversary of the Date of Policy of this Policy.
- the date of Your 85th birthday.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

5465

KANAWHA INSURANCE COMPANY

Post Office Box 610 • Lancaster, South Carolina 29721-0610 — Telephone: 800-635-4252

RETURN OF PREMIUM BENEFIT RIDER

MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____

(If other than Date of Policy)

SPECIAL NOTICE

The Health Insurance Accountability and Portability Act of 1996 as originally enacted provides that any refund on a complete surrender or cancellation of the contract shall be includible in gross income to the extent that any deduction or exclusion was allowable with respect to the Premiums.

It is Your responsibility to get an opinion from Your personal tax advisor regarding the tax status of this Rider's proceeds when benefits are payable.

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

Kanawha will pay a Return of Premium Benefit if:

- You terminate or lapse Your Policy; or
- We receive notice of Your death.

We will pay a Return of Premium Benefit equal to:

- the total amount of Premiums You have paid for this Policy while the Rider is in effect, less any unearned Premiums refunded at Your death, multiplied by:
- the appropriate percentage shown on the Table of Percentages for Return of Premium at Termination or Death minus:
- any benefits You have received or are eligible to receive.

If You are receiving benefits when You terminate Your Policy, the Return of Premium Benefit, if any, will be paid after no further benefits are payable.

TABLE OF PERCENTAGES
FOR RETURN OF PREMIUM AT TERMINATION OR DEATH

Rider Year	Percentage	Rider Year	Percentage
1 - 5	0%	13	40%
6	5%	14	45%
7	10%	15	50%
8	15%	16	60%
9	20%	17	70%
10	25%	18	80%
11	30%	19	90%
12	35%	20 or later	100%

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when Your coverage terminates under the Policy to which this Rider is attached; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

5505

KANAWHA INSURANCE COMPANY

210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
TELEPHONE NUMBER: 800-635-4252

NONFORFEITURE RIDER (PROVIDING REDUCED BENEFITS)

Please Read This Rider Carefully - The Effective Date of this Rider is the Date of Policy. The Application for this Rider is attached to and made a part of the Policy.

This Rider is a part of and subject to the provisions, exclusions, limitations and conditions of the Policy to which it is attached.

BENEFITS

This Rider provides Reduced Benefits if:

- Your Policy has been in force for at least three years; and
- Your Policy would otherwise lapse for nonpayment of Premiums; or
- You cancel the Policy.

Your coverage will continue and Benefits will be payable at the Daily Benefit Amounts in effect on the due date of the unpaid Premium, but only up to the maximum sum specified in the Nonforfeiture Benefit Limit Calculation.

NONFORFEITURE BENEFIT LIMIT CALCULATION

The Reduced Benefits available under this Rider are the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid Premium; or
- the sum of the Premiums paid for this Policy and all attached Riders.

In no event will the Maximum Days for a Benefit shown in the Policy Schedule be increased by this Rider.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

LIMITATIONS

Benefits of this Rider are not payable while Benefits are being provided under any other provision of the Policy to which this Rider is attached or under any other Rider attached to the Policy. Subject to the following paragraphs,

Benefits of this Rider will be paid after termination of payments under any other provisions of the Policy or Riders attached to the Policy.

No increase of Benefits under any Compounded Inflation Protection Benefit Rider which may be attached to the Policy will take place after the due date of the unpaid Premium.

Payment of Benefits under this Rider does not waive or alter provisions contained in any Paid Up Insurance Benefit on Death of Spouse Rider or Guaranteed Future Benefit Increase Option Rider which may be attached to the Policy.

TERMINATION

This Rider terminates:

- When the Policy to which this Rider is attached lapses before the Policy has been in force for three years; or
- when You give Kanawha a written request to terminate this Rider; or
- when You have paid premiums for the Period Premium Payable shown in the Policy Schedule.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY

210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
TELEPHONE NUMBER: 800-635-4252

NONFORFEITURE RIDER
(PROVIDING A SHORTENED BENEFIT PERIOD)

Please Read This Rider Carefully - The Effective Date of this Rider is the Date of Policy. The Application for this Rider is attached to and made a part of the Policy.

This Rider is a part of and subject to the provisions, exclusions, limitations and conditions of the Policy to which it is attached.

BENEFITS

This Rider provides Reduced Benefits if:

- Your Policy has been in force for at least three years; and
- Your Policy would otherwise lapse for nonpayment of Premiums; or
- You cancel the Policy.

Your coverage will continue and benefits will be payable at the Monthly Benefit Maximum in effect on the due date of the unpaid Premium, but only up to the Reduced Policy Maximum specified in the Nonforfeiture Benefit Limit Calculation.

NONFORFEITURE BENEFIT LIMIT CALCULATION

The Reduced Policy Maximum available under this Rider is the greater of:

- the Monthly Benefit Maximum for one month in effect on the due date of the unpaid Premium; or
- the sum of the Premiums paid for this Policy and all attached Riders.

In no event will the Policy Maximum shown on the Policy Schedule be increased by this Rider.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

LIMITATIONS

Benefits of this Rider are not payable while benefits are being provided under any other provision of the Policy to which this Rider is attached or under any other Rider attached to the Policy.

Subject to the following paragraphs, benefits of this Rider will be paid after termination of payments under any other provisions of the Policy or Riders attached to the Policy.

No increase of benefits under any Compounded Inflation Protection Benefit Rider which may be attached to the Policy will take place after the due date of the unpaid Premium.

TERMINATION

This Rider terminates:

- when the Policy to which this Rider is attached lapses before the Policy has been in force for three years; or
- when You give Kanawha a written request to terminate this Rider; or
- when You have paid Premiums for the Period Premium Payable shown on the Policy Schedule.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY

210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 — Telephone: 800-635-4252

COMPOUNDED INFLATION PROTECTION BENEFIT RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

On each Rider Anniversary date, We will increase each of the Daily Benefit Amounts shown on the Policy Schedule. The increase shall be at the rate of 5%, compounded annually.

The increase will be applied to Covered Services incurred after the Rider Anniversary dates on which increases occur for which benefits are payable.

The amount of each Daily Benefit Amount increase will be rounded up to the nearest whole dollar.

LIMITATIONS

If this Rider terminates, increases to Daily Benefit Amounts cease and will not occur. If this Rider terminates, the Daily Benefit Amounts will then reduce to those shown on the Policy Schedule as of the original Date of Policy. However, if You are receiving Covered Service when this Rider terminates, increases established while this Rider was in force will continue subject to the Continuation of Benefits provision.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when the Policy to which this Rider is attached terminates; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary President

KANAWHA INSURANCE COMPANY
210 South White Street, Office Box 810 • Lancaster, South Carolina 29721-0616 • Telephone: 800-635-4252

GUARANTEED FUTURE BENEFIT INCREASE OPTION RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

Optional Policy Purchase. On each of the Optional Policy Purchase Dates prior to Your 85th birthday, Kanawha will issue You a new Policy. The date of the new Policy will be the Optional Policy Purchase Date. Evidence of insurability is not required. Except for fraud, the new Policy will be incontestable.

The new Policy will be a Policy of insurance then being issued by Kanawha which provides coverage most nearly similar to the coverage contained in this Policy. Riders attached to the new Policy will be those then issued by Kanawha which provide coverage most nearly similar to the coverage provided by Riders in this Policy.

Riders attached to this Policy which provide Daily Benefit Amounts will be attached to the new Policy.

A Paid Up Insurance Benefits on Death of Spouse Rider will be attached to the new Policy if:

- You and Your Spouse are covered under Long Term Care Policies issued by Kanawha on the Optional Policy Purchase Date; and
- Premiums on Your Policy and Your Spouse's Policy are paid to or beyond the Optional Policy Purchase Date; and
- a Paid Up Insurance Benefits on Death of Spouse Rider is attached to this Policy; and
- You and Your Spouse have not divorced on or before the Optional Policy Purchase Date; and
- this Rider has not terminated.

If this Policy contains a Return of Premium Benefit Rider, a Return of Premium Benefit Rider will be attached to the new Policy. Rider years in the Return of Premium Benefit Rider attached to the new Policy will be calculated from the Optional Policy Purchase Date on which the new Policy is issued.

Daily Benefit Amounts of the new Policy will be 25% of Daily Benefit Amounts provided by this Policy. Maximum Days provided in the new Policy will be the same as the Maximum Days provided by this Policy.

Optional Policy Purchases are subject to the following:

1. The Premium for the new Policy will be based on Your attained Age on the date of the new policy and the Premium schedule for the Policy in effect on the Optional Policy Purchase Date.
2. Kanawha will notify You of the Premium for the new Policy at least 60 days in advance of the Optional Policy Purchase Date.
3. You must pay the initial Premium for the new Policy not more than 31 days after the Optional Policy Purchase Date. When the first Premium is paid, coverage of the new Policy will be in force as of the Optional Policy Purchase Date.
4. If You do not pay the first Premium for a new Policy issued under this Rider, the new Policy will not be in force. This Rider will continue in force, subject to its Termination provision.

DEFINITIONS

Optional Policy Purchase Dates means the third, sixth, ninth and twelfth Anniversaries of the Date of Policy so long as such anniversaries fall prior to the date of Your 85th birthday.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

LIMITATIONS

There are no Optional Policy Purchase Dates available on or after the date of Your 85th birthday. If the Date of Policy is on or after the date of Your 73rd birthday, the number of Optional Policy Purchase Dates is reduced. This Rider is not issued to individuals whose Age on the Date of Policy is 82 or more.

No coverage is provided by any Policy issued in accordance with the terms of this Rider until and unless the first Premium is paid within 31 days following the Date of Policy of the new Policy. When the first Premium is paid, You are covered from the Date of Policy of the new Policy.

Kanawha will not issue a Compounded Inflation Protection Benefit Rider or other Rider providing inflation protection as part of the new Policy.

Kanawha will not issue a Guaranteed Future Benefit Increase Option Rider with the new Policy.

TERMINATION

This Rider terminates on the earliest of the following dates:

- when Your coverage terminates under the Policy to which this Rider is attached;
- when any Premium for this Rider is not paid before the end of the Grace Period;
- when You give Kanawha a written request to terminate this Rider;
- at the end of 31 days after the twelth anniversary of the Date of Policy of this Policy.
- the date of Your 85th birthday.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY
Post Office Box • Lancaster, South Carolina 29721-0610 — Telephon 3-635-4252

RETURN OF PREMIUM BENEFIT RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

Kanawha will pay a Return of Premium Benefit if:

- You terminate or lapse Your Policy; or
- We receive notice of Your death.

We will pay a Return of Premium Benefit equal to:

- the total amount of Premiums You have paid for this Policy while the Rider is in effect, less any unearned Premiums refunded at Your death, multiplied by:
- the appropriate percentage shown on the Table of Percentages for Return of Premium at Termination or Death minus:
- any benefits You have received or are eligible to receive.

If You are receiving benefits when You terminate Your Policy, the Return of Premium Benefit, if any, will be paid after no further benefits are payable.

TABLE OF PERCENTAGES
FOR RETURN OF PREMIUM AT TERMINATION OR DEATH

Rider Year	Percentage	Rider Year	Percentage
1 - 5	0%	13	40%
6	5%	14	45%
7	10%	15	50%
8	15%	16	60%
9	20%	17	70%
10	25%	18	80%
11	30%	19	90%
12	35%	20 or later	100%

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when Your coverage terminates under the Policy to which this Rider is attached; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with
Historical Premium Restated to Proposed Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest: Proposed Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	1.3	9,539	0	0.0%	21,536	0	0.0%	1.25	2.2576
Historical	1996	8.2	70,097	0	0.0%	151,438	0	0.0%	1.46	2.1604
Experience	1997	284.3	467,062	1,381	0.3%	965,591	2,856	0.3%	1.45	2.0674
	1998	2,249.2	10,744,790	188,075	1.8%	21,256,925	372,078	1.8%	1.47	1.9783
	1999	5,949.0	25,581,522	1,623,442	6.3%	48,429,791	3,073,428	6.3%	1.50	1.8932
	2000	10,758.3	44,305,338	5,220,819	11.8%	80,264,957	9,458,202	11.8%	1.53	1.8116
	2001	17,306.5	70,437,040	7,092,939	10.1%	122,110,983	12,296,454	10.1%	1.56	1.7336
	2002	23,770.1	96,532,308	11,397,031	11.8%	160,143,763	18,907,280	11.8%	1.60	1.6590
	2003	25,351.0	94,193,391	16,291,857	17.3%	149,534,528	25,863,759	17.3%	1.60	1.5875
	2004	24,702.4	91,014,195	12,563,904	13.8%	138,265,521	19,086,635	13.8%	1.60	1.5192
	2005	24,071.3	88,692,254	22,154,766	25.0%	128,935,991	32,207,397	25.0%	1.61	1.4537
	2006	23,511.9	85,802,448	17,169,826	20.0%	119,363,586	23,885,705	20.0%	1.61	1.3911
	2007	22,948.3	83,610,768	21,015,785	25.1%	111,305,878	27,977,024	25.1%	1.61	1.3312
	2008	22,432.5	81,347,796	25,681,440	31.6%	103,629,974	32,715,907	31.6%	1.61	1.2739
	2009	21,925.4	77,204,059	28,632,916	37.1%	94,115,995	34,905,100	37.1%	1.61	1.2191
	2010	21,408.9	69,017,519	30,016,411	43.5%	80,513,065	35,015,939	43.5%	1.61	1.1666
	2011	20,925.1	59,918,104	33,791,185	56.4%	66,888,089	37,721,951	56.4%	1.60	1.1163
	2012	20,489.0	52,523,796	39,867,494	75.9%	56,108,743	42,588,601	75.9%	1.60	1.0683
	2013	20,030.5	51,295,934	40,368,680	78.7%	52,437,392	41,266,980	78.7%	1.59	1.0223
	2014	19,373.8	46,054,984	48,157,310	104.6%	45,052,458	47,109,021	104.6%	1.60	0.9782
Projected	2015	18,676.2	43,461,154	51,645,597	118.8%	40,684,297	48,345,812	118.8%	1.61	0.9361
Future	2016	17,862.0	40,815,112	54,822,443	134.3%	36,562,028	49,109,743	134.3%	1.62	0.8958
Experience	2017	17,032.1	38,045,051	58,818,024	154.6%	32,613,030	50,420,066	154.6%	1.62	0.8572
(50 years)	2018	16,188.7	35,251,827	63,421,373	179.9%	28,917,339	52,025,029	179.9%	1.63	0.8203
	2019	15,336.8	32,489,457	68,262,371	210.1%	25,503,680	53,584,820	210.1%	1.64	0.7850
	2020	14,480.7	29,762,811	73,463,013	246.8%	22,357,233	55,183,958	246.8%	1.65	0.7512
	2021	13,620.9	27,159,163	78,563,898	289.3%	19,522,894	56,474,298	289.3%	1.66	0.7188
	2022	12,762.7	24,661,948	83,423,296	338.3%	16,964,416	57,385,064	338.3%	1.67	0.6879
	2023	11,911.2	22,264,607	88,112,162	395.7%	14,655,825	58,000,415	395.7%	1.68	0.6583
	2024	11,069.7	19,978,922	92,549,352	463.2%	12,584,936	58,297,822	463.2%	1.69	0.6299
	2025	10,240.9	17,812,303	97,037,446	544.8%	10,736,995	58,492,747	544.8%	1.69	0.6028
	2026	9,429.9	15,778,346	101,512,896	643.4%	9,101,392	58,555,486	643.4%	1.70	0.5768
	2027	8,641.2	13,882,874	105,233,824	758.0%	7,663,188	58,087,867	758.0%	1.71	0.5520
	2028	7,879.0	12,133,870	107,848,806	888.8%	6,409,337	56,967,758	888.8%	1.72	0.5282
	2029	7,146.8	10,534,085	109,372,185	1038.3%	5,324,690	55,284,628	1038.3%	1.73	0.5055
	2030	6,446.1	9,078,289	110,302,826	1215.0%	4,391,220	53,354,106	1215.0%	1.74	0.4837
	2031	5,779.7	7,764,961	111,706,484	1438.6%	3,594,216	51,706,281	1438.6%	1.75	0.4629
	2032	5,150.5	6,590,253	112,313,402	1704.2%	2,919,112	49,748,525	1704.2%	1.75	0.4429
	2033	4,562.1	5,550,344	110,934,546	1998.7%	2,352,623	47,021,789	1998.7%	1.76	0.4239
	2034	4,015.0	4,640,653	107,598,881	2318.6%	1,882,327	43,643,925	2318.6%	1.77	0.4056
	2035	3,508.6	3,850,303	102,800,794	2669.9%	1,494,496	39,902,143	2669.9%	1.77	0.3882
	2036	3,043.2	3,168,362	99,231,476	3131.9%	1,176,842	36,858,098	3131.9%	1.78	0.3714
	2037	2,620.3	2,585,108	95,069,386	3677.6%	918,853	33,791,531	3677.6%	1.79	0.3554
	2038	2,240.3	2,092,897	88,626,834	4234.6%	711,867	30,145,058	4234.6%	1.79	0.3401
	2039	1,902.1	1,683,160	80,623,312	4790.0%	547,848	26,241,897	4790.0%	1.79	0.3255
	2040	1,602.7	1,344,759	71,881,137	5345.3%	418,854	22,388,925	5345.3%	1.80	0.3115
	2041	1,339.7	1,066,994	65,271,104	6117.3%	318,027	19,454,630	6117.3%	1.80	0.2981
	2042	1,111.9	840,607	59,186,607	7040.9%	239,761	16,881,427	7040.9%	1.81	0.2852
	2043	917.3	658,307	52,185,340	7927.2%	179,679	14,243,540	7927.2%	1.81	0.2729
	2044	752.6	513,309	44,989,524	8764.6%	134,070	11,750,722	8764.6%	1.81	0.2612
	2045	613.8	398,666	38,190,445	9579.6%	99,643	9,545,344	9579.6%	1.81	0.2499
	2046	497.6	308,268	33,253,746	10787.3%	73,731	7,953,552	10787.3%	1.82	0.2392
	2047	401.3	237,178	29,287,782	12348.5%	54,285	6,703,332	12348.5%	1.82	0.2289
	2048	322.4	181,676	25,342,971	13949.6%	39,791	5,550,671	13949.6%	1.82	0.2190
	2049	258.0	138,672	21,497,249	15502.2%	29,064	4,505,620	15502.2%	1.83	0.2096
	2050	205.4	105,400	17,985,298	17063.9%	21,140	3,607,223	17063.9%	1.83	0.2006
	2051	162.4	79,635	15,478,928	19437.4%	15,284	2,970,845	19437.4%	1.83	0.1919
	2052	127.5	59,698	13,442,130	22517.1%	10,964	2,468,828	22517.1%	1.84	0.1837
	2053	99.4	44,376	11,393,322	25674.4%	7,799	2,002,428	25674.4%	1.84	0.1758
	2054	76.9	32,709	9,220,341	28189.2%	5,501	1,550,734	28189.2%	1.84	0.1682
	2055	58.8	23,869	7,211,083	30211.2%	3,842	1,160,578	30211.2%	1.85	0.1609
	2056	44.3	17,201	5,784,217	33626.8%	2,649	890,845	33626.8%	1.85	0.1540
	2057	32.9	12,208	4,634,652	37964.8%	1,799	683,059	37964.8%	1.85	0.1474
	2058	24.0	8,530	3,565,463	41801.5%	1,203	502,853	41801.5%	1.86	0.1410
	2059	17.3	5,874	2,583,437	43979.8%	793	348,664	43979.8%	1.86	0.1350
	2060	12.2	3,982	1,782,816	44768.1%	514	230,250	44768.1%	1.86	0.1291
	2061	8.4	2,656	1,244,274	46856.3%	328	153,777	46856.3%	1.86	0.1236
	2062	5.6	1,740	869,666	49974.3%	206	102,852	49974.3%	1.87	0.1183
	2063	3.7	1,121	592,704	52871.8%	127	67,078	52871.8%	1.87	0.1132
	Past		1,082,767,960	313,077,951	28.9%	1,534,443,744	397,345,295	25.9%		
	Future		483,178,278	2,838,326,172	587.4%	356,302,196	1,421,455,665	398.9%		
	Lifetime		1,565,946,238	3,151,404,122	201.2%	1,890,745,940	1,818,800,961	96.2%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with
Historical Premium Restated to Proposed Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	9,539	0	0.0%	21,536	0	0.0%	1.25	2.2576
	1996	5.6	41,095	0	0.0%	88,783	0	0.0%	1.25	2.1604
Historical	1997	217.3	276,363	1,381	0.5%	571,345	2,856	0.5%	1.25	2.0674
Experience	1998	1,491.8	6,083,613	188,075	3.1%	12,035,499	372,078	3.1%	1.25	1.9783
	1999	3,773.1	13,217,126	1,607,522	12.2%	25,022,070	3,043,289	12.2%	1.25	1.8932
	2000	6,315.5	20,550,407	4,734,133	23.0%	37,229,769	8,576,506	23.0%	1.25	1.8116
	2001	9,252.5	29,646,485	5,571,803	18.8%	51,395,707	9,659,383	18.8%	1.25	1.7336
	2002	11,447.4	35,204,392	9,136,707	26.0%	58,402,870	15,157,482	26.0%	1.25	1.6590
	2003	11,564.0	33,944,366	12,021,551	35.4%	53,887,588	19,084,534	35.4%	1.25	1.5875
	2004	11,127.1	32,318,961	8,171,826	25.3%	49,097,814	12,414,347	25.3%	1.25	1.5192
	2005	10,746.4	31,340,037	14,872,544	47.5%	45,560,446	21,620,897	47.5%	1.25	1.4537
	2006	10,411.2	29,931,038	12,303,438	41.1%	41,638,393	17,115,858	41.1%	1.25	1.3911
	2007	10,079.8	28,830,848	15,562,263	54.0%	38,380,737	20,717,084	54.0%	1.25	1.3312
	2008	9,761.8	27,713,499	17,908,774	64.6%	35,304,573	22,814,211	64.6%	1.25	1.2739
	2009	9,465.9	26,416,065	18,707,272	70.8%	32,202,637	22,805,194	70.8%	1.25	1.2191
	2010	9,158.8	23,827,618	19,077,855	80.1%	27,796,342	22,255,459	80.1%	1.25	1.1666
	2011	8,864.8	21,211,976	15,449,570	72.8%	23,679,464	17,246,744	72.8%	1.25	1.1163
	2012	8,588.9	19,092,615	21,485,982	112.5%	20,395,758	22,952,481	112.5%	1.25	1.0683
	2013	8,289.9	19,082,812	21,706,361	113.7%	19,507,450	22,189,380	113.7%	1.25	1.0223
	2014	7,890.4	16,377,150	21,058,938	128.6%	16,020,652	20,600,526	128.6%	1.25	0.9782
Projected	2015	7,472.7	15,087,440	21,231,917	140.7%	14,123,461	19,875,349	140.7%	1.25	0.9361
Future	2016	6,988.0	13,765,261	21,035,976	152.8%	12,330,870	18,843,950	152.8%	1.25	0.8958
Experience	2017	6,506.9	12,419,146	20,965,023	168.8%	10,645,958	17,971,665	168.8%	1.25	0.8572
(50 years)	2018	6,030.5	11,120,808	20,903,669	188.0%	9,122,482	17,147,437	188.0%	1.25	0.8203
	2019	5,561.7	9,884,022	20,723,006	209.7%	7,758,792	16,267,213	209.7%	1.25	0.7850
	2020	5,104.7	8,717,022	20,430,242	234.4%	6,548,054	15,346,793	234.4%	1.25	0.7512
	2021	4,658.6	7,629,197	19,903,753	260.9%	5,484,116	14,307,468	260.9%	1.25	0.7188
	2022	4,228.3	6,628,188	19,156,093	289.0%	4,559,386	13,177,058	289.0%	1.25	0.6879
	2023	3,816.1	5,713,354	18,229,223	319.1%	3,760,853	11,999,507	319.1%	1.25	0.6583
	2024	3,423.7	4,885,250	17,224,076	352.6%	3,077,271	10,849,629	352.6%	1.25	0.6299
	2025	3,052.4	4,144,609	16,191,942	390.7%	2,498,309	9,760,265	390.7%	1.25	0.6028
	2026	2,704.6	3,486,757	15,114,138	433.5%	2,011,259	8,718,259	433.5%	1.25	0.5768
	2027	2,381.8	2,910,226	13,892,683	477.4%	1,606,411	7,668,602	477.4%	1.25	0.5520
	2028	2,084.3	2,410,294	12,583,037	522.1%	1,273,162	6,646,596	522.1%	1.25	0.5282
	2029	1,812.5	1,981,753	11,268,628	568.6%	1,001,722	5,695,981	568.6%	1.25	0.5055
	2030	1,565.8	1,616,994	10,060,669	622.2%	782,149	4,866,403	622.2%	1.25	0.4837
	2031	1,343.9	1,309,096	8,984,980	686.3%	605,950	4,158,934	686.3%	1.25	0.4629
	2032	1,146.1	1,052,127	7,934,103	754.1%	466,033	3,514,362	754.1%	1.25	0.4429
	2033	971.3	839,956	6,889,114	820.2%	356,032	2,920,086	820.2%	1.25	0.4239
	2034	817.9	666,385	5,910,839	887.0%	270,297	2,397,536	887.0%	1.25	0.4056
	2035	684.0	525,181	5,042,155	960.1%	203,849	1,957,113	960.1%	1.25	0.3882
	2036	568.0	411,067	4,334,092	1054.4%	152,685	1,609,836	1054.4%	1.25	0.3714
	2037	468.6	319,671	3,677,182	1150.3%	113,624	1,307,020	1150.3%	1.25	0.3554
	2038	384.2	247,260	3,055,593	1235.8%	84,102	1,039,313	1235.8%	1.25	0.3401
	2039	313.0	190,363	2,494,723	1310.5%	61,961	812,002	1310.5%	1.25	0.3255
	2040	253.2	145,846	2,019,374	1384.6%	45,427	628,978	1384.6%	1.25	0.3115
	2041	203.4	111,158	1,658,806	1492.3%	33,132	494,422	1492.3%	1.25	0.2981
	2042	162.3	84,317	1,344,795	1594.9%	24,049	383,568	1594.9%	1.25	0.2852
	2043	128.9	63,742	1,068,787	1676.7%	17,398	291,716	1676.7%	1.25	0.2729
	2044	101.7	48,033	833,705	1735.7%	12,546	217,754	1735.7%	1.25	0.2612
	2045	79.8	36,044	650,519	1804.8%	9,009	162,591	1804.8%	1.25	0.2499
	2046	62.3	26,897	519,018	1929.6%	6,433	124,137	1929.6%	1.25	0.2392
	2047	48.3	19,948	412,847	2069.7%	4,566	94,492	2069.7%	1.25	0.2289
	2048	37.3	14,705	323,454	2199.6%	3,221	70,843	2199.6%	1.25	0.2190
	2049	28.7	10,767	246,748	2291.6%	2,257	51,716	2291.6%	1.25	0.2096
	2050	22.0	7,819	190,208	2432.8%	1,568	38,149	2432.8%	1.25	0.2006
	2051	16.7	5,618	150,349	2676.2%	1,078	28,856	2676.2%	1.25	0.1919
	2052	12.6	3,991	117,591	2946.2%	733	21,597	2946.2%	1.25	0.1837
	2053	9.4	2,803	89,226	3183.5%	493	15,682	3183.5%	1.25	0.1758
	2054	7.0	1,946	63,946	3286.8%	327	10,755	3286.8%	1.25	0.1682
	2055	5.1	1,332	46,380	3480.7%	214	7,465	3480.7%	1.25	0.1609
	2056	3.7	898	34,368	3827.6%	138	5,293	3827.6%	1.25	0.1540
	2057	2.7	595	24,717	4156.7%	88	3,643	4156.7%	1.25	0.1474
	2058	1.9	387	17,017	4392.8%	55	2,400	4392.8%	1.25	0.1410
	2059	1.3	248	10,954	4422.1%	33	1,478	4422.1%	1.25	0.1350
	2060	0.9	156	7,040	4518.7%	20	909	4518.7%	1.25	0.1291
	2061	0.6	96	4,582	4762.5%	12	566	4762.5%	1.25	0.1236
	2062	0.4	58	2,909	4978.4%	7	344	4978.4%	1.25	0.1183
	2063	0.2	35	1,804	5185.4%	4	204	5185.4%	1.25	0.1132
	Past		398,738,855	198,507,058	49.8%	572,218,779	258,027,784	45.1%		
	Future		134,926,017	358,134,937	265.4%	105,082,247	242,116,462	230.4%		
	Lifetime		533,664,872	556,641,995	104.3%	677,301,026	500,144,245	73.8%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with
Historical Premium Restated to Proposed Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	1.90	2.2576
	1996	2.6	29,002	0	0.0%	62,655	0	0.0%	1.90	2.1604
Historical	1997	66.9	190,699	0	0.0%	394,246	0	0.0%	1.90	2.0674
Experience	1998	757.4	4,661,177	0	0.0%	9,221,426	0	0.0%	1.90	1.9783
	1999	2,175.9	12,364,397	15,920	0.1%	23,407,722	30,139	0.1%	1.90	1.8932
	2000	4,442.8	23,754,932	486,686	2.0%	43,035,188	881,696	2.0%	1.90	1.8116
	2001	8,054.0	40,790,555	1,521,136	3.7%	70,715,276	2,637,071	3.7%	1.90	1.7336
	2002	12,322.7	61,327,916	2,260,323	3.7%	101,740,893	3,749,798	3.7%	1.90	1.6590
	2003	13,787.0	60,249,026	4,270,306	7.1%	95,646,940	6,779,224	7.1%	1.90	1.5875
	2004	13,575.3	58,695,234	4,392,078	7.5%	89,167,707	6,672,288	7.5%	1.90	1.5192
	2005	13,324.9	57,352,218	7,282,222	12.7%	83,375,545	10,586,500	12.7%	1.90	1.4537
	2006	13,100.8	55,871,410	4,866,387	8.7%	77,725,193	6,769,847	8.7%	1.90	1.3911
	2007	12,868.5	54,779,919	5,453,522	10.0%	72,925,141	7,259,939	10.0%	1.90	1.3312
	2008	12,670.8	53,634,297	7,772,666	14.5%	68,325,402	9,901,696	14.5%	1.90	1.2739
	2009	12,459.5	50,787,994	9,925,644	19.5%	61,913,359	12,099,906	19.5%	1.90	1.2191
	2010	12,250.2	45,189,901	10,938,555	24.2%	52,716,723	12,760,479	24.2%	1.90	1.1666
	2011	12,060.3	38,706,127	18,341,615	47.4%	43,208,625	20,475,207	47.4%	1.90	1.1163
	2012	11,900.1	33,431,181	18,381,512	55.0%	35,712,985	19,636,120	55.0%	1.90	1.0683
	2013	11,740.6	32,213,122	18,662,319	57.9%	32,929,942	19,077,600	57.9%	1.90	1.0223
	2014	11,483.4	29,677,834	27,098,373	91.3%	29,031,807	26,508,495	91.3%	1.90	0.9782
Projected	2015	11,203.5	28,373,714	30,413,680	107.2%	26,560,836	28,470,463	107.2%	1.90	0.9361
Future	2016	10,874.0	27,049,852	33,786,467	124.9%	24,231,157	30,265,793	124.9%	1.90	0.8958
Experience	2017	10,525.2	25,625,905	37,853,001	147.7%	21,967,073	32,448,401	147.7%	1.90	0.8572
(50 years)	2018	10,158.1	24,131,019	42,517,704	176.2%	19,794,857	34,877,592	176.2%	1.90	0.8203
	2019	9,775.1	22,605,435	47,539,365	210.3%	17,744,888	37,317,606	210.3%	1.90	0.7850
	2020	9,376.0	21,045,789	53,032,771	252.0%	15,809,179	39,837,166	252.0%	1.90	0.7512
	2021	8,962.3	19,529,966	58,660,144	300.4%	14,038,778	42,166,830	300.4%	1.90	0.7188
	2022	8,534.4	18,033,761	64,267,203	356.4%	12,405,030	44,208,006	356.4%	1.90	0.6879
	2023	8,095.1	16,551,252	69,882,939	422.2%	10,894,971	46,000,908	422.2%	1.90	0.6583
	2024	7,645.9	15,093,672	75,325,276	499.1%	9,507,665	47,448,193	499.1%	1.90	0.6299
	2025	7,188.5	13,667,694	80,845,504	591.5%	8,238,685	48,732,482	591.5%	1.90	0.6028
	2026	6,725.3	12,291,589	86,398,758	702.9%	7,090,133	49,837,227	702.9%	1.90	0.5768
	2027	6,259.4	10,972,648	91,341,142	832.4%	6,056,776	50,419,266	832.4%	1.90	0.5520
	2028	5,794.7	9,723,576	95,265,769	979.7%	5,136,175	50,321,162	979.7%	1.90	0.5282
	2029	5,334.3	8,552,332	98,103,558	1147.1%	4,322,968	49,588,647	1147.1%	1.90	0.5055
	2030	4,880.3	7,461,296	100,242,156	1343.5%	3,609,071	48,487,703	1343.5%	1.90	0.4837
	2031	4,435.8	6,455,865	102,721,504	1591.1%	2,988,267	47,547,347	1591.1%	1.90	0.4629
	2032	4,004.4	5,538,126	104,379,299	1884.7%	2,453,079	46,234,163	1884.7%	1.90	0.4429
	2033	3,590.7	4,710,388	104,045,432	2208.9%	1,996,591	44,101,702	2208.9%	1.90	0.4239
	2034	3,197.1	3,974,267	101,688,043	2558.7%	1,612,030	41,246,389	2558.7%	1.90	0.4056
	2035	2,824.7	3,325,123	97,758,639	2940.0%	1,290,647	37,945,030	2940.0%	1.90	0.3882
	2036	2,475.3	2,757,295	94,897,384	3441.7%	1,024,157	35,248,262	3441.7%	1.90	0.3714
	2037	2,151.7	2,265,437	91,392,204	4034.2%	805,229	32,484,510	4034.2%	1.90	0.3554
	2038	1,856.2	1,845,637	85,571,241	4636.4%	627,765	29,105,744	4636.4%	1.90	0.3401
	2039	1,589.1	1,492,797	78,128,589	5233.7%	485,887	25,429,895	5233.7%	1.90	0.3255
	2040	1,349.5	1,198,913	69,861,763	5827.1%	373,427	21,759,947	5827.1%	1.90	0.3115
	2041	1,136.3	955,836	63,612,298	6655.1%	284,895	18,960,208	6655.1%	1.90	0.2981
	2042	949.5	756,290	57,841,812	7648.1%	215,712	16,497,860	7648.1%	1.90	0.2852
	2043	788.4	594,565	51,116,553	8597.3%	162,281	13,951,824	8597.3%	1.90	0.2729
	2044	650.9	465,276	44,155,819	9490.2%	121,524	11,532,968	9490.2%	1.90	0.2612
	2045	534.0	362,622	37,539,925	10352.4%	90,634	9,382,752	10352.4%	1.90	0.2499
	2046	435.4	281,371	32,734,729	11634.0%	67,298	7,829,415	11634.0%	1.90	0.2392
	2047	353.0	217,230	28,874,935	13292.3%	49,719	6,608,841	13292.3%	1.90	0.2289
	2048	285.1	166,971	25,019,518	14984.4%	36,570	5,479,828	14984.4%	1.90	0.2190
	2049	229.3	127,905	21,250,501	16614.3%	26,808	4,453,904	16614.3%	1.90	0.2096
	2050	183.4	97,581	17,795,090	18236.2%	19,571	3,569,074	18236.2%	1.90	0.2006
	2051	145.7	74,017	15,328,579	20709.6%	14,206	2,941,989	20709.6%	1.90	0.1919
	2052	114.9	55,706	13,324,539	23919.3%	10,231	2,447,231	23919.3%	1.90	0.1837
	2053	90.0	41,573	11,304,096	27190.7%	7,307	1,986,746	27190.7%	1.90	0.1758
	2054	69.9	30,763	9,156,395	29764.1%	5,174	1,539,979	29764.1%	1.90	0.1682
	2055	53.6	22,536	7,164,703	31791.7%	3,627	1,153,114	31791.7%	1.90	0.1609
	2056	40.6	16,303	5,749,849	35268.0%	2,511	885,552	35268.0%	1.90	0.1540
	2057	30.2	11,613	4,609,935	39695.8%	1,712	679,417	39695.8%	1.90	0.1474
	2058	22.1	8,142	3,548,446	43581.3%	1,148	500,453	43581.3%	1.90	0.1410
	2059	15.9	5,626	2,572,483	45721.4%	759	347,185	45721.4%	1.90	0.1350
	2060	11.3	3,827	1,775,776	46406.9%	494	229,340	46406.9%	1.90	0.1291
	2061	7.8	2,559	1,239,693	48438.6%	316	153,211	48438.6%	1.90	0.1236
	2062	5.3	1,682	866,758	51537.4%	199	102,508	51537.4%	1.90	0.1183
	2063	3.5	1,086	590,900	54399.5%	123	66,874	54399.5%	1.90	0.1132
	Past		684,029,104	114,570,893	16.7%	962,224,965	139,317,512	14.5%		
	Future		348,252,262	2,480,191,235	712.2%	251,219,949	1,179,339,204	469.4%		
	Lifetime		1,032,281,366	2,594,762,127	251.4%	1,213,444,914	1,318,656,715	108.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	#DIV/0!	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	#DIV/0!	2.1604
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	1.25	2.0674
Historical	1998	8.3	43,913	0	0.0%	86,876	0	0.0%	1.61	1.9783
Experience	1999	29.3	156,061	0	0.0%	295,447	0	0.0%	1.63	1.8932
	2000	99.4	552,139	0	0.0%	1,000,272	0	0.0%	1.70	1.8116
	2001	423.0	2,234,523	575	0.0%	3,873,812	997	0.0%	1.67	1.7336
	2002	918.7	3,816,104	1,200	0.0%	6,330,785	1,991	0.0%	1.66	1.6590
	2003	1,103.4	4,096,638	302,199	7.4%	6,503,522	479,749	7.4%	1.66	1.5875
	2004	1,080.9	3,971,292	344,340	8.7%	6,033,044	523,109	8.7%	1.66	1.5192
	2005	1,055.8	3,900,347	257,328	6.6%	5,670,113	374,089	6.6%	1.67	1.4537
	2006	1,040.6	3,891,421	294,652	7.6%	5,413,527	409,903	7.6%	1.67	1.3911
	2007	1,027.9	3,804,739	120,750	3.2%	5,065,016	160,747	3.2%	1.67	1.3312
	2008	1,017.9	3,778,731	196,600	5.2%	4,813,772	250,451	5.2%	1.67	1.2739
	2009	1,004.7	3,358,761	421,309	12.5%	4,094,514	513,599	12.5%	1.66	1.2191
	2010	985.1	3,077,548	146,259	4.8%	3,590,144	170,620	4.8%	1.67	1.1666
	2011	954.6	2,483,233	1,805,208	72.7%	2,772,096	2,015,200	72.7%	1.68	1.1163
	2012	932.8	2,316,555	521,796	22.5%	2,474,668	557,411	22.5%	1.68	1.0683
	2013	920.5	2,249,135	858,763	38.2%	2,299,184	877,873	38.2%	1.68	1.0223
	2014	897.8	2,589,669	1,819,032	70.2%	2,533,297	1,779,435	70.2%	1.70	0.9782
Projected	2015	872.9	2,476,531	2,027,486	81.9%	2,318,299	1,897,944	81.9%	1.70	0.9361
Future	2016	841.8	2,356,437	2,213,683	93.9%	2,110,887	1,983,009	93.9%	1.70	0.8958
Experience	2017	809.5	2,228,115	2,433,219	109.2%	1,909,987	2,085,808	109.2%	1.71	0.8572
(50 years)	2018	776.0	2,095,921	2,669,749	127.4%	1,719,300	2,190,015	127.4%	1.71	0.8203
	2019	741.1	1,961,945	2,918,253	148.7%	1,540,094	2,290,780	148.7%	1.72	0.7850
	2020	705.5	1,822,126	3,215,175	176.5%	1,368,745	2,415,175	176.5%	1.73	0.7512
	2021	668.9	1,687,164	3,523,000	208.8%	1,212,788	2,532,447	208.8%	1.73	0.7188
	2022	631.5	1,557,948	3,828,299	245.7%	1,071,679	2,633,403	245.7%	1.74	0.6879
	2023	593.7	1,430,872	4,121,862	288.1%	941,881	2,713,243	288.1%	1.74	0.6583
	2024	555.6	1,306,859	4,388,648	335.8%	823,205	2,764,456	335.8%	1.75	0.6299
	2025	517.3	1,186,019	4,693,742	395.8%	714,915	2,829,318	395.8%	1.76	0.6028
	2026	479.0	1,068,299	5,029,629	470.8%	616,225	2,901,231	470.8%	1.76	0.5768
	2027	441.0	954,972	5,327,941	557.9%	527,134	2,940,963	557.9%	1.77	0.5520
	2028	403.7	847,254	5,544,534	654.4%	447,535	2,928,727	654.4%	1.78	0.5282
	2029	367.5	746,409	5,652,592	757.3%	377,289	2,857,230	757.3%	1.78	0.5055
	2030	332.3	652,456	5,732,047	878.5%	315,596	2,772,624	878.5%	1.79	0.4837
	2031	298.4	564,990	5,862,495	1037.6%	261,520	2,713,610	1037.6%	1.80	0.4629
	2032	266.0	484,696	5,956,640	1228.9%	214,693	2,638,457	1228.9%	1.80	0.4429
	2033	235.6	411,926	5,939,961	1442.0%	174,603	2,517,769	1442.0%	1.81	0.4239
	2034	207.2	347,336	5,753,218	1656.4%	140,885	2,333,603	1656.4%	1.81	0.4056
	2035	180.8	290,389	5,423,405	1867.6%	112,715	2,105,095	1867.6%	1.82	0.3882
	2036	156.5	240,326	5,222,180	2173.0%	89,265	1,939,703	2173.0%	1.83	0.3714
	2037	134.3	196,769	5,031,739	2557.2%	69,940	1,788,485	2557.2%	1.83	0.3554
	2038	114.4	159,477	4,734,347	2968.7%	54,244	1,610,315	2968.7%	1.83	0.3401
	2039	96.7	128,208	4,306,254	3358.8%	41,730	1,401,633	3358.8%	1.84	0.3255
	2040	81.1	102,233	3,781,635	3699.0%	31,843	1,177,871	3699.0%	1.84	0.3115
	2041	67.4	80,729	3,408,074	4221.6%	24,062	1,015,807	4221.6%	1.85	0.2981
	2042	55.5	63,036	3,104,144	4924.4%	17,979	885,376	4924.4%	1.85	0.2852
	2043	45.4	48,721	2,769,254	5683.9%	13,298	755,844	5683.9%	1.85	0.2729
	2044	36.9	37,377	2,398,035	6415.8%	9,762	626,338	6415.8%	1.86	0.2612
	2045	29.8	28,476	2,013,575	7071.1%	7,117	503,274	7071.1%	1.86	0.2499
	2046	23.8	21,515	1,726,186	8023.3%	5,146	412,865	8023.3%	1.86	0.2392
	2047	18.9	16,091	1,511,997	9396.5%	3,683	346,063	9396.5%	1.87	0.2289
	2048	14.9	11,917	1,302,701	10931.8%	2,610	285,320	10931.8%	1.87	0.2190
	2049	11.7	8,759	1,081,665	12348.7%	1,836	226,707	12348.7%	1.87	0.2096
	2050	9.1	6,386	866,513	13568.1%	1,281	173,792	13568.1%	1.87	0.2006
	2051	7.0	4,613	708,823	15366.0%	885	136,043	15366.0%	1.88	0.1919
	2052	5.3	3,293	587,514	17840.6%	605	107,905	17840.6%	1.88	0.1837
	2053	4.0	2,322	474,132	20420.5%	408	83,331	20420.5%	1.88	0.1758
	2054	3.0	1,620	361,301	22301.2%	272	60,766	22301.2%	1.88	0.1682
	2055	2.2	1,117	265,316	23756.7%	180	42,701	23756.7%	1.89	0.1609
	2056	1.6	760	199,252	26222.7%	117	30,687	26222.7%	1.89	0.1540
	2057	1.1	508	149,587	29419.2%	75	22,046	29419.2%	1.89	0.1474
	2058	0.8	335	109,019	32590.0%	47	15,375	32590.0%	1.89	0.1410
	2059	0.5	216	75,510	34939.8%	29	10,191	34939.8%	1.89	0.1350
	2060	0.4	137	51,615	37708.4%	18	6,666	37708.4%	1.89	0.1291
	2061	0.2	86	35,383	41194.7%	11	4,373	41194.7%	1.89	0.1236
	2062	0.2	53	23,852	45431.2%	6	2,821	45431.2%	1.89	0.1183
	2063	0.1	32	15,745	49750.7%	4	1,782	49750.7%	1.89	0.1132
	Past		43,733,761	5,270,979	12.1%	60,322,214	6,335,738	10.5%		
	Future		30,233,445	140,389,958	464.4%	21,829,726	68,498,423	313.8%		
	Lifetime		73,967,207	145,660,937	196.9%	82,151,941	74,834,161	91.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Proposed Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Proposed Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A	1.25	2.3592
	1995	0.0	0	0	N/A	0	0	N/A	1.25	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	1.25	2.1604
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	1.25	2.0674
	1998	3.4	15,193	0	0.0%	30,056	0	0.0%	1.25	1.9783
Historical	1999	12.3	49,276	0	0.0%	93,286	0	0.0%	1.25	1.8932
Experience	2000	46.3	122,418	0	0.0%	221,776	0	0.0%	1.25	1.8116
	2001	188.9	587,870	575	0.1%	1,019,142	997	0.1%	1.25	1.7336
	2002	358.3	1,055,700	0	0.0%	1,751,370	0	0.0%	1.25	1.6590
	2003	395.8	1,114,752	270,600	24.3%	1,769,699	429,585	24.3%	1.25	1.5875
	2004	386.7	1,097,525	0	0.0%	1,667,320	0	0.0%	1.25	1.5192
	2005	374.5	1,042,266	129,850	12.5%	1,515,190	188,769	12.5%	1.25	1.4537
	2006	365.4	1,045,937	19,460	1.9%	1,455,049	27,072	1.9%	1.25	1.3911
	2007	356.6	1,013,018	120,750	11.9%	1,348,569	160,747	11.9%	1.25	1.3312
	2008	353.1	1,002,361	196,600	19.6%	1,276,920	250,451	19.6%	1.25	1.2739
	2009	347.8	918,210	336,460	36.6%	1,119,348	410,163	36.6%	1.25	1.2191
	2010	338.4	797,316	143,522	18.0%	930,117	167,427	18.0%	1.25	1.1666
	2011	325.1	632,615	551,236	87.1%	706,204	615,358	87.1%	1.25	1.1163
	2012	311.0	573,990	38,644	6.7%	613,167	41,282	6.7%	1.25	1.0683
	2013	303.8	557,056	428,982	77.0%	569,452	438,528	77.0%	1.25	1.0223
	2014	293.3	597,479	517,332	86.6%	584,473	506,071	86.6%	1.25	0.9782
Projected	2015	281.9	559,880	547,983	97.9%	524,107	512,970	97.9%	1.25	0.9361
Future	2016	267.4	519,630	566,683	109.1%	465,483	507,632	109.1%	1.25	0.8958
Experience	2017	252.8	476,995	589,987	123.7%	408,890	505,750	123.7%	1.25	0.8572
(50 years)	2018	238.1	435,263	608,927	139.9%	357,050	499,508	139.9%	1.25	0.8203
	2019	222.8	394,658	621,839	157.6%	309,800	488,133	157.6%	1.25	0.7850
	2020	207.7	355,242	634,132	178.5%	266,850	476,347	178.5%	1.25	0.7512
	2021	192.6	317,146	642,247	202.5%	227,975	461,668	202.5%	1.25	0.7188
	2022	177.4	280,817	644,850	229.6%	193,168	443,578	229.6%	1.25	0.6879
	2023	162.5	246,670	635,206	257.5%	162,372	418,129	257.5%	1.25	0.6583
	2024	147.9	214,994	613,409	285.3%	135,427	386,393	285.3%	1.25	0.6299
	2025	133.7	185,672	590,155	317.8%	111,920	355,736	317.8%	1.25	0.6028
	2026	120.0	158,688	571,419	360.1%	91,536	329,611	360.1%	1.25	0.5768
	2027	106.8	134,192	545,444	406.5%	74,073	301,079	406.5%	1.25	0.5520
	2028	94.5	112,365	507,099	451.3%	59,353	267,859	451.3%	1.25	0.5282
	2029	83.0	93,238	457,087	490.2%	47,129	231,045	490.2%	1.25	0.5055
	2030	72.2	76,604	408,758	533.6%	37,054	197,718	533.6%	1.25	0.4837
	2031	62.3	62,226	372,879	599.2%	28,803	172,597	599.2%	1.25	0.4629
	2032	53.3	49,951	337,587	675.8%	22,125	149,532	675.8%	1.25	0.4429
	2033	45.3	39,701	298,052	750.7%	16,828	126,335	750.7%	1.25	0.4239
	2034	38.2	31,283	254,997	815.1%	12,689	103,431	815.1%	1.25	0.4056
	2035	31.9	24,410	214,358	878.1%	9,475	83,203	878.1%	1.25	0.3882
	2036	26.4	18,845	186,474	989.5%	7,000	69,263	989.5%	1.25	0.3714
	2037	21.6	14,388	161,483	1122.4%	5,114	57,398	1122.4%	1.25	0.3554
	2038	17.6	10,877	135,862	1249.1%	3,700	46,212	1249.1%	1.25	0.3401
	2039	14.2	8,160	109,968	1347.6%	2,656	35,793	1347.6%	1.25	0.3255
	2040	11.3	6,071	87,170	1435.7%	1,891	27,151	1435.7%	1.25	0.3115
	2041	8.9	4,469	71,851	1607.9%	1,332	21,416	1607.9%	1.25	0.2981
	2042	6.9	3,252	58,420	1796.5%	928	16,663	1796.5%	1.25	0.2852
	2043	5.4	2,344	45,939	1960.3%	640	12,539	1960.3%	1.25	0.2729
	2044	4.1	1,673	34,893	2085.2%	437	9,114	2085.2%	1.25	0.2612
	2045	3.1	1,183	26,132	2209.3%	296	6,531	2209.3%	1.25	0.2499
	2046	2.3	826	20,213	2446.0%	198	4,834	2446.0%	1.25	0.2392
	2047	1.7	570	15,505	2722.2%	130	3,549	2722.2%	1.25	0.2289
	2048	1.2	387	11,581	2996.0%	85	2,536	2996.0%	1.25	0.2190
	2049	0.9	259	8,239	3182.6%	54	1,727	3182.6%	1.25	0.2096
	2050	0.6	171	5,873	3435.8%	34	1,178	3435.8%	1.25	0.2006
	2051	0.4	111	4,254	3841.5%	21	816	3841.5%	1.25	0.1919
	2052	0.3	71	2,986	4233.3%	13	548	4233.3%	1.25	0.1837
	2053	0.2	44	2,052	4645.2%	8	361	4645.2%	1.25	0.1758
	2054	0.1	27	1,296	4756.6%	5	218	4756.6%	1.25	0.1682
	2055	0.1	16	828	5024.8%	3	133	5024.8%	1.25	0.1609
	2056	0.1	10	533	5424.0%	2	82	5424.0%	1.25	0.1540
	2057	0.0	6	333	5817.7%	1	49	5817.7%	1.25	0.1474
	2058	0.0	3	204	6076.8%	0	29	6076.8%	1.25	0.1410
	2059	0.0	2	123	6446.4%	0	17	6446.4%	1.25	0.1350
	2060	0.0	1	73	7074.7%	0	9	7074.7%	1.25	0.1291
	2061	0.0	1	42	7178.3%	0	5	7178.3%	1.25	0.1236
	2062	0.0	0	24	7996.2%	0	3	7996.2%	1.25	0.1183
	2063	0.0	0	14	7131.2%	0	2	7131.2%	1.25	0.1132
	Past		11,628,124	2,236,678	19.2%	16,092,088	2,730,378	17.0%		
	Future		5,440,869	12,172,791	223.7%	4,171,126	7,842,500	188.0%		
	Lifetime		17,068,994	14,409,469	84.4%	20,263,214	10,572,879	52.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A	1.90	2.3592
	1995	0.0	0	0	N/A	0	0	N/A	1.90	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	1.90	2.1604
	1997	0.0	0	0	N/A	0	0	N/A	1.90	2.0674
	1998	4.8	28,721	0	0.0%	56,820	0	0.0%	1.90	1.9783
Historical	1999	17.1	106,785	0	0.0%	202,161	0	0.0%	1.90	1.8932
Experience	2000	53.1	429,721	0	0.0%	778,496	0	0.0%	1.90	1.8116
	2001	234.1	1,646,654	0	0.0%	2,854,670	0	0.0%	1.90	1.7336
	2002	560.4	2,760,404	1,200	0.0%	4,579,415	1,991	0.0%	1.90	1.6590
	2003	707.7	2,981,885	31,599	1.1%	4,733,823	50,164	1.1%	1.90	1.5875
	2004	694.3	2,873,767	344,340	12.0%	4,365,724	523,109	12.0%	1.90	1.5192
	2005	681.3	2,858,080	127,478	4.5%	4,154,922	185,321	4.5%	1.90	1.4537
	2006	675.2	2,845,484	275,192	9.7%	3,958,479	382,832	9.7%	1.90	1.3911
	2007	671.3	2,791,721	0	0.0%	3,716,447	0	0.0%	1.90	1.3312
	2008	664.8	2,776,370	0	0.0%	3,536,852	0	0.0%	1.90	1.2739
	2009	656.8	2,440,551	84,849	3.5%	2,975,166	103,436	3.5%	1.90	1.2191
	2010	646.7	2,280,232	2,737	0.1%	2,660,027	3,193	0.1%	1.90	1.1666
	2011	629.5	1,850,618	1,253,973	67.8%	2,065,892	1,399,841	67.8%	1.90	1.1163
	2012	621.8	1,742,565	483,152	27.7%	1,861,502	516,129	27.7%	1.90	1.0683
	2013	616.8	1,692,078	429,781	25.4%	1,729,731	439,345	25.4%	1.90	1.0223
	2014	604.6	1,992,191	1,301,699	65.3%	1,948,825	1,273,364	65.3%	1.90	0.9782
Projected	2015	591.0	1,916,651	1,479,504	77.2%	1,794,191	1,384,974	77.2%	1.90	0.9361
Future	2016	574.4	1,836,807	1,647,000	89.7%	1,645,405	1,475,377	89.7%	1.90	0.8958
Experience	2017	556.7	1,751,120	1,843,232	105.3%	1,501,097	1,580,058	105.3%	1.90	0.8572
(50 years)	2018	537.9	1,660,658	2,060,822	124.1%	1,362,250	1,690,508	124.1%	1.90	0.8203
	2019	518.3	1,567,286	2,296,415	146.5%	1,230,293	1,802,647	146.5%	1.90	0.7850
	2020	497.8	1,466,884	2,581,043	176.0%	1,101,894	1,938,828	176.0%	1.90	0.7512
	2021	476.4	1,370,017	2,880,753	210.3%	984,813	2,070,779	210.3%	1.90	0.7188
	2022	454.1	1,277,132	3,183,449	249.3%	878,511	2,189,825	249.3%	1.90	0.6879
	2023	431.2	1,184,202	3,486,656	294.4%	779,509	2,295,115	294.4%	1.90	0.6583
	2024	407.6	1,091,866	3,775,239	345.8%	687,778	2,378,063	345.8%	1.90	0.6299
	2025	383.5	1,000,347	4,103,587	410.2%	602,995	2,473,582	410.2%	1.90	0.6028
	2026	359.0	909,611	4,458,209	490.1%	524,689	2,571,620	490.1%	1.90	0.5768
	2027	334.1	820,780	4,782,498	582.7%	453,061	2,639,884	582.7%	1.90	0.5520
	2028	309.2	734,889	5,037,435	685.5%	388,182	2,660,868	685.5%	1.90	0.5282
	2029	284.6	653,172	5,195,505	795.4%	330,160	2,626,185	795.4%	1.90	0.5055
	2030	260.1	575,852	5,323,289	924.4%	278,543	2,574,905	924.4%	1.90	0.4837
	2031	236.1	502,764	5,489,616	1091.9%	232,717	2,541,013	1091.9%	1.90	0.4629
	2032	212.7	434,746	5,619,053	1292.5%	192,568	2,488,925	1292.5%	1.90	0.4429
	2033	190.3	372,225	5,641,909	1515.7%	157,775	2,391,434	1515.7%	1.90	0.4239
	2034	169.0	316,053	5,498,221	1739.7%	128,197	2,230,172	1739.7%	1.90	0.4056
	2035	149.0	265,979	5,209,047	1958.4%	103,240	2,021,892	1958.4%	1.90	0.3882
	2036	130.1	221,481	5,035,705	2273.7%	82,266	1,870,440	2273.7%	1.90	0.3714
	2037	112.7	182,381	4,870,256	2670.4%	64,826	1,731,087	2670.4%	1.90	0.3554
	2038	96.8	148,600	4,598,484	3094.5%	50,544	1,564,104	3094.5%	1.90	0.3401
	2039	82.6	120,047	4,196,286	3495.5%	39,074	1,365,839	3495.5%	1.90	0.3255
	2040	69.8	96,162	3,694,465	3841.9%	29,952	1,150,721	3841.9%	1.90	0.3115
	2041	58.5	76,260	3,336,224	4374.8%	22,730	994,391	4374.8%	1.90	0.2981
	2042	48.6	59,784	3,045,724	5094.5%	17,052	868,713	5094.5%	1.90	0.2852
	2043	40.1	46,378	2,723,314	5872.0%	12,658	743,305	5872.0%	1.90	0.2729
	2044	32.8	35,704	2,363,141	6618.7%	9,325	617,224	6618.7%	1.90	0.2612
	2045	26.7	27,294	1,987,444	7281.7%	6,822	496,743	7281.7%	1.90	0.2499
	2046	21.5	20,688	1,705,973	8246.0%	4,948	408,031	8246.0%	1.90	0.2392
	2047	17.2	15,522	1,496,492	9641.4%	3,553	342,514	9641.4%	1.90	0.2289
	2048	13.7	11,530	1,291,120	11197.8%	2,525	282,784	11197.8%	1.90	0.2190
	2049	10.8	8,500	1,073,426	12627.9%	1,782	224,980	12627.9%	1.90	0.2096
	2050	8.4	6,215	860,640	13846.8%	1,247	172,614	13846.8%	1.90	0.2006
	2051	6.5	4,502	704,569	15649.4%	864	135,227	15649.4%	1.90	0.1919
	2052	5.0	3,223	584,528	18138.4%	592	107,356	18138.4%	1.90	0.1837
	2053	3.8	2,278	472,081	20726.4%	400	82,970	20726.4%	1.90	0.1758
	2054	2.8	1,593	360,005	22601.3%	268	60,548	22601.3%	1.90	0.1682
	2055	2.1	1,100	264,488	24037.3%	177	42,568	24037.3%	1.90	0.1609
	2056	1.5	750	198,719	26495.0%	116	30,605	26495.0%	1.90	0.1540
	2057	1.1	503	149,254	29688.0%	74	21,997	29688.0%	1.90	0.1474
	2058	0.7	331	108,815	32858.6%	47	15,347	32858.6%	1.90	0.1410
	2059	0.5	214	75,387	35193.1%	29	10,174	35193.1%	1.90	0.1350
	2060	0.3	136	51,542	37940.1%	18	6,657	37940.1%	1.90	0.1291
	2061	0.2	85	35,341	41429.5%	11	4,368	41429.5%	1.90	0.1236
	2062	0.1	52	23,828	45647.2%	6	2,818	45647.2%	1.90	0.1183
	2063	0.1	31	15,732	50010.0%	4	1,780	50010.0%	1.90	0.1132
	Past		32,105,637	3,034,301	9.5%	44,230,127	3,605,360	8.2%		
	Future		24,792,576	128,217,166	517.2%	17,658,600	60,655,923	343.5%		
	Lifetime		56,898,213	131,251,467	230.7%	61,888,727	64,261,283	103.8%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		3.7410
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	284.3	200,911	1,381	0.7%	613,531	4,218	0.7%		3.0537
	1998	2,249.2	4,576,673	188,075	4.1%	13,061,661	536,759	4.1%		2.8540
	1999	5,949.0	10,675,799	1,623,442	15.2%	28,475,093	4,330,137	15.2%		2.6673
	2000	10,758.3	18,089,615	5,220,819	28.9%	45,093,125	13,014,266	28.9%		2.4928
	2001	17,306.5	28,241,478	7,092,939	25.1%	65,793,751	16,524,315	25.1%		2.3297
	2002	23,770.1	37,776,605	11,397,031	30.2%	82,250,088	24,814,479	30.2%		2.1773
	2003	25,351.0	37,287,606	16,291,857	43.7%	75,874,208	33,151,276	43.7%		2.0348
	2004	24,702.4	37,466,981	12,563,904	33.5%	71,251,595	23,892,990	33.5%		1.9017
	2005	24,071.3	37,200,203	22,154,766	59.6%	66,116,130	39,375,789	59.6%		1.7773
	2006	23,511.9	36,786,811	17,169,826	46.7%	61,104,118	28,519,652	46.7%		1.6610
	2007	22,948.3	37,254,154	21,015,785	56.4%	57,832,139	32,624,223	56.4%		1.5524
	2008	22,432.5	36,436,947	25,681,440	70.5%	52,863,116	37,258,910	70.5%		1.4508
	2009	21,925.4	34,708,672	28,632,916	82.5%	47,061,417	38,823,312	82.5%		1.3559
	2010	21,408.9	34,609,494	30,016,411	86.7%	43,856,954	38,036,625	86.7%		1.2672
	2011	20,925.1	32,880,340	33,791,185	102.8%	38,939,981	40,018,689	102.8%		1.1843
	2012	20,489.0	30,176,300	39,867,494	132.1%	33,399,630	44,126,004	132.1%		1.1068
	2013	20,030.5	30,072,935	40,368,680	134.2%	31,107,685	41,757,687	134.2%		1.0344
	2014	19,373.8	26,813,292	48,157,310	179.6%	25,921,388	46,555,429	179.6%	1.00	0.9667
Projected	2015	18,676.2	25,209,044	51,645,597	204.9%	22,776,171	46,661,386	204.9%	1.00	0.9035
Future	2016	17,862.0	23,571,139	54,822,443	232.6%	19,903,119	46,291,254	232.6%	1.00	0.8444
Experience	2017	17,032.1	21,865,975	58,818,024	269.0%	17,255,424	46,415,946	269.0%	1.00	0.7891
(50 years)	2018	16,188.7	20,161,577	63,421,373	314.6%	14,869,539	46,774,445	314.6%	1.00	0.7375
	2019	15,336.8	18,487,919	68,262,371	369.2%	12,743,164	47,051,188	369.2%	1.00	0.6893
	2020	14,480.7	16,849,730	73,463,013	436.0%	10,854,214	47,323,209	436.0%	1.00	0.6442
	2021	13,620.9	15,292,192	78,563,898	513.8%	9,206,433	47,298,208	513.8%	1.00	0.6020
	2022	12,762.7	13,809,234	83,423,296	604.1%	7,769,758	46,938,070	604.1%	1.00	0.5626
	2023	11,911.2	12,397,286	88,112,162	710.7%	6,518,996	46,332,952	710.7%	1.00	0.5258
	2024	11,069.7	11,062,316	92,549,352	836.6%	5,436,463	45,482,436	836.6%	1.00	0.4914
	2025	10,240.9	9,808,238	97,037,446	989.3%	4,504,821	44,568,284	989.3%	1.00	0.4593
	2026	9,429.9	8,640,655	101,512,896	1174.8%	3,708,937	43,573,656	1174.8%	1.00	0.4292
	2027	8,641.2	7,561,992	105,233,824	1391.6%	3,033,578	42,215,735	1391.6%	1.00	0.4012
	2028	7,879.0	6,574,921	107,848,806	1640.3%	2,465,050	40,434,359	1640.3%	1.00	0.3749
	2029	7,146.8	5,679,453	109,372,185	1925.8%	1,990,022	38,322,897	1925.8%	1.00	0.3504
	2030	6,446.1	4,871,095	110,302,826	2264.4%	1,595,123	36,120,546	2264.4%	1.00	0.3275
	2031	5,779.7	4,147,365	111,706,484	2693.4%	1,269,276	34,187,101	2693.4%	1.00	0.3060
	2032	5,150.5	3,504,801	112,313,402	3204.6%	1,002,452	32,124,154	3204.6%	1.00	0.2860
	2033	4,562.1	2,939,932	110,934,546	3773.4%	785,875	29,653,991	3773.4%	1.00	0.2673
	2034	4,015.0	2,448,906	107,598,881	4393.8%	611,793	26,880,684	4393.8%	1.00	0.2498
	2035	3,508.6	2,024,782	102,800,794	5077.1%	472,745	24,001,879	5077.1%	1.00	0.2335
	2036	3,043.2	1,660,836	99,231,476	5974.8%	362,403	21,652,819	5974.8%	1.00	0.2182
	2037	2,620.3	1,351,160	95,069,386	7036.1%	275,542	19,387,505	7036.1%	1.00	0.2039
	2038	2,240.3	1,091,034	88,626,834	8123.2%	207,939	16,891,285	8123.2%	1.00	0.1906
	2039	1,902.1	875,358	80,623,312	9210.3%	155,919	14,360,657	9210.3%	1.00	0.1781
	2040	1,602.7	697,862	71,881,137	10300.2%	116,172	11,965,885	10300.2%	1.00	0.1665
	2041	1,339.7	552,642	65,271,104	11810.7%	85,979	10,154,699	11810.7%	1.00	0.1556
	2042	1,111.9	434,642	59,186,607	13617.3%	63,197	8,605,692	13617.3%	1.00	0.1454
	2043	917.3	339,878	52,185,340	15354.1%	46,185	7,091,320	15354.1%	1.00	0.1359
	2044	752.6	264,663	44,989,524	16998.8%	33,612	5,713,552	16998.8%	1.00	0.1270
	2045	613.8	205,296	38,190,445	18602.6%	24,366	4,532,791	18602.6%	1.00	0.1187
	2046	497.6	158,554	33,253,746	20973.2%	17,587	3,688,653	20973.2%	1.00	0.1109
	2047	401.3	121,847	29,287,782	24036.5%	12,632	3,036,197	24036.5%	1.00	0.1037
	2048	322.4	93,228	25,342,971	27184.0%	9,032	2,455,371	27184.0%	1.00	0.0969
	2049	258.0	71,076	21,497,249	30245.3%	6,436	1,946,520	30245.3%	1.00	0.0905
	2050	205.4	53,955	17,985,298	33334.0%	4,566	1,521,983	33334.0%	1.00	0.0846
	2051	162.4	40,711	15,478,928	38021.4%	3,220	1,224,191	38021.4%	1.00	0.0791
	2052	127.5	30,476	13,442,130	44106.7%	2,253	993,557	44106.7%	1.00	0.0739
	2053	99.4	22,623	11,393,322	50362.7%	1,563	787,030	50362.7%	1.00	0.0691
	2054	76.9	16,650	9,220,341	55376.0%	1,075	595,256	55376.0%	1.00	0.0646
	2055	58.8	12,132	7,211,083	59436.1%	732	435,085	59436.1%	1.00	0.0603
	2056	44.3	8,730	5,784,217	66257.8%	492	326,162	66257.8%	1.00	0.0564
	2057	32.9	6,186	4,634,652	74921.4%	326	244,243	74921.4%	1.00	0.0527
	2058	24.0	4,316	3,565,463	82617.8%	213	175,605	82617.8%	1.00	0.0493
	2059	17.3	2,967	2,583,437	87058.3%	137	118,915	87058.3%	1.00	0.0460
	2060	12.2	2,009	1,782,816	88754.3%	86	76,694	88754.3%	1.00	0.0430
	2061	8.4	1,337	1,244,274	93036.1%	54	50,025	93036.1%	1.00	0.0402
	2062	5.6	875	869,666	99376.8%	33	32,677	99376.8%	1.00	0.0376
	2063	3.7	563	592,704	100000%+	20	20,813	100000%+	1.00	0.0351
	Past		484,476,382	313,077,951	64.6%	814,809,209	456,809,333	56.1%		
	Future		271,843,453	2,838,326,172	1044.1%	176,126,110	1,043,292,990	592.4%		
	Lifetime		756,319,834	3,151,404,122	416.7%	990,935,319	1,500,102,322	151.4%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		3.7410
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	284.3	200,911	1,381	0.7%	613,531	4,218	0.7%		3.0537
	1998	2,249.2	4,576,673	188,075	4.1%	13,061,661	536,759	4.1%		2.8540
	1999	5,949.0	10,675,799	1,623,442	15.2%	28,475,093	4,330,137	15.2%		2.6673
	2000	10,758.3	18,089,615	5,220,819	28.9%	45,093,125	13,014,266	28.9%		2.4928
	2001	17,306.5	28,241,478	7,092,939	25.1%	65,793,751	16,524,315	25.1%		2.3297
	2002	23,770.1	37,776,605	11,397,031	30.2%	82,250,088	24,814,479	30.2%		2.1773
	2003	25,351.0	37,287,606	16,291,857	43.7%	75,874,208	33,151,276	43.7%		2.0348
	2004	24,702.4	37,466,981	12,563,904	33.5%	71,251,595	23,892,990	33.5%		1.9017
	2005	24,071.3	37,200,203	22,154,766	59.6%	66,116,130	39,375,789	59.6%		1.7773
	2006	23,511.9	36,786,811	17,169,826	46.7%	61,104,118	28,519,652	46.7%		1.6610
	2007	22,948.3	37,254,154	21,015,785	56.4%	57,832,139	32,624,223	56.4%		1.5524
	2008	22,432.5	36,436,947	25,681,440	70.5%	52,863,116	37,258,910	70.5%		1.4508
	2009	21,925.4	34,708,672	28,632,916	82.5%	47,061,417	38,823,312	82.5%		1.3559
	2010	21,408.9	34,609,494	30,016,411	86.7%	43,856,954	38,036,625	86.7%		1.2672
	2011	20,925.1	32,880,340	33,791,185	102.8%	38,939,981	40,018,689	102.8%		1.1843
	2012	20,489.0	30,176,300	39,867,494	132.1%	33,399,630	44,126,004	132.1%		1.1068
	2013	20,030.5	30,072,935	40,368,680	134.2%	31,107,685	41,757,687	134.2%		1.0344
	2014	19,373.8	26,813,292	48,157,310	179.6%	25,921,388	46,555,429	179.6%	1.00	0.9667
Projected	2015	18,676.2	32,903,248	51,645,597	157.0%	29,727,823	46,661,386	157.0%	1.31	0.9035
Future	2016	17,862.0	38,125,689	54,822,443	143.8%	32,192,763	46,291,254	143.8%	1.62	0.8444
Experience	2017	17,032.1	35,537,724	58,818,024	165.5%	28,044,415	46,415,946	165.5%	1.63	0.7891
(50 years)	2018	16,188.7	32,928,048	63,421,373	192.6%	24,285,049	46,774,445	192.6%	1.63	0.7375
	2019	15,336.8	30,346,885	68,262,371	224.9%	20,917,190	47,051,188	224.9%	1.64	0.6893
	2020	14,480.7	27,799,190	73,463,013	264.3%	17,907,608	47,323,209	264.3%	1.65	0.6442
	2021	13,620.9	25,366,393	78,563,898	309.7%	15,271,454	47,298,208	309.7%	1.66	0.6020
	2022	12,762.7	23,033,233	83,423,296	362.2%	12,959,635	46,938,070	362.2%	1.67	0.5626
	2023	11,911.2	20,793,229	88,112,162	423.8%	10,933,924	46,332,952	423.8%	1.68	0.5258
	2024	11,069.7	18,657,494	92,549,352	496.0%	9,169,035	45,482,436	496.0%	1.69	0.4914
	2025	10,240.9	16,633,052	97,037,446	583.4%	7,639,387	44,568,284	583.4%	1.70	0.4593
	2026	9,429.9	14,732,830	101,512,896	689.0%	6,323,958	43,573,656	689.0%	1.71	0.4292
	2027	8,641.2	12,962,167	105,233,824	811.9%	5,199,919	42,215,735	811.9%	1.71	0.4012
	2028	7,879.0	11,328,438	107,848,806	952.0%	4,247,225	40,434,359	952.0%	1.72	0.3749
	2029	7,146.8	9,834,195	109,372,185	1112.2%	3,445,802	38,322,897	1112.2%	1.73	0.3504
	2030	6,446.1	8,474,587	110,302,826	1301.6%	2,775,148	36,120,546	1301.6%	1.74	0.3275
	2031	5,779.7	7,248,251	111,706,484	1541.2%	2,218,284	34,187,101	1541.2%	1.75	0.3060
	2032	5,150.5	6,151,490	112,313,402	1825.8%	1,759,464	32,124,154	1825.8%	1.76	0.2860
	2033	4,562.1	5,180,687	110,934,546	2141.3%	1,384,853	29,653,991	2141.3%	1.76	0.2673
	2034	4,015.0	4,331,524	107,598,881	2484.1%	1,082,115	26,880,684	2484.1%	1.77	0.2498
	2035	3,508.6	3,593,834	102,800,794	2860.5%	839,087	24,001,879	2860.5%	1.77	0.2335
	2036	3,043.2	2,957,393	99,231,476	3355.4%	645,318	21,652,819	3355.4%	1.78	0.2182
	2037	2,620.3	2,413,094	95,069,386	3939.7%	492,102	19,387,505	3939.7%	1.79	0.2039
	2038	2,240.3	1,953,775	88,626,834	4536.2%	372,368	16,891,285	4536.2%	1.79	0.1906
	2039	1,902.1	1,571,424	80,623,312	5130.6%	279,903	14,360,657	5130.6%	1.80	0.1781
	2040	1,602.7	1,255,642	71,881,137	5724.7%	209,024	11,965,885	5724.7%	1.80	0.1665
	2041	1,339.7	996,442	65,271,104	6550.4%	155,024	10,154,699	6550.4%	1.80	0.1556
	2042	1,111.9	785,177	59,186,607	7538.0%	114,164	8,605,692	7538.0%	1.81	0.1454
	2043	917.3	615,040	52,185,340	8484.9%	83,576	7,091,320	8484.9%	1.81	0.1359
	2044	752.6	479,701	44,989,524	9378.7%	60,921	5,713,552	9378.7%	1.81	0.1270
	2045	613.8	372,679	38,190,445	10247.5%	44,233	4,532,791	10247.5%	1.82	0.1187
	2046	497.6	288,277	33,253,746	11535.4%	31,977	3,688,653	11535.4%	1.82	0.1109
	2047	401.3	221,884	29,287,782	13199.6%	23,002	3,036,197	13199.6%	1.82	0.1037
	2048	322.4	170,034	25,342,971	14904.7%	16,474	2,455,371	14904.7%	1.82	0.0969
	2049	258.0	129,845	21,497,249	16556.1%	11,757	1,946,520	16556.1%	1.83	0.0905
	2050	205.4	98,736	17,985,298	18215.5%	8,355	1,521,983	18215.5%	1.83	0.0846
	2051	162.4	74,635	15,478,928	20739.5%	5,903	1,224,191	20739.5%	1.83	0.0791
	2052	127.5	55,975	13,442,130	24014.7%	4,137	993,557	24014.7%	1.84	0.0739
	2053	99.4	41,626	11,393,322	27370.5%	2,875	787,030	27370.5%	1.84	0.0691
	2054	76.9	30,694	9,220,341	30039.8%	1,982	595,256	30039.8%	1.84	0.0646
	2055	58.8	22,406	7,211,083	32183.6%	1,352	435,085	32183.6%	1.85	0.0603
	2056	44.3	16,151	5,784,217	35812.4%	911	326,162	35812.4%	1.85	0.0564
	2057	32.9	11,465	4,634,652	40424.4%	604	244,243	40424.4%	1.85	0.0527
	2058	24.0	8,012	3,565,463	44503.6%	395	175,605	44503.6%	1.86	0.0493
	2059	17.3	5,518	2,583,437	46819.1%	254	118,915	46819.1%	1.86	0.0460
	2060	12.2	3,741	1,782,816	47658.0%	161	76,694	47658.0%	1.86	0.0430
	2061	8.4	2,494	1,244,274	49884.6%	100	50,025	49884.6%	1.87	0.0402
	2062	5.6	1,634	869,666	53213.1%	61	32,677	53213.1%	1.87	0.0376
	2063	3.7	1,053	592,704	56312.8%	37	20,813	56312.8%	1.87	0.0351
	Past		484,476,382	313,077,951	64.6%	814,809,209	456,809,333	56.1%		
	Future		427,360,027	2,838,326,172	664.2%	266,812,497	1,043,292,990	391.0%		
	Lifetime		911,836,408	3,151,404,122	345.6%	1,081,621,706	1,500,102,322	138.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Historical	1997	217.3	138,181	1,381	1.0%	421,970	4,218	1.0%		3.0537
Experience	1998	1,491.8	3,043,391	188,075	6.2%	8,685,729	536,759	6.2%		2.8540
	1999	3,773.1	6,608,563	1,607,522	24.3%	17,626,732	4,287,674	24.3%		2.6673
	2000	6,315.5	10,275,493	4,734,133	46.1%	25,614,370	11,801,073	46.1%		2.4928
	2001	9,252.5	14,823,533	5,571,803	37.6%	34,534,163	12,980,546	37.6%		2.3297
	2002	11,447.4	17,602,196	9,136,707	51.9%	38,324,836	19,893,132	51.9%		2.1773
	2003	11,564.0	17,296,237	12,021,551	69.5%	35,195,026	24,461,900	69.5%		2.0348
	2004	11,127.1	17,363,085	8,171,826	47.1%	33,019,674	15,540,501	47.1%		1.9017
	2005	10,746.4	17,304,474	14,872,544	85.9%	30,755,339	26,433,055	85.9%		1.7773
	2006	10,411.2	17,003,309	12,303,438	72.4%	28,243,063	20,436,421	72.4%		1.6610
	2007	10,079.8	17,137,240	15,562,263	90.8%	26,603,296	24,158,352	90.8%		1.5524
	2008	9,761.8	16,585,468	17,908,774	108.0%	24,062,375	25,982,242	108.0%		1.4508
	2009	9,465.9	15,817,175	18,707,272	118.3%	21,446,474	25,365,152	118.3%		1.3559
	2010	9,158.8	15,586,304	19,077,855	122.4%	19,750,876	24,175,350	122.4%		1.2672
	2011	8,864.8	15,211,939	15,449,570	101.6%	18,015,404	18,296,829	101.6%		1.1843
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,777,727	23,781,041	150.7%		1.1068
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,930,010	22,453,234	150.4%		1.0344
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,785,963	20,358,444	172.7%	1.00	0.9667
Projected	2015	7,472.7	11,230,358	21,231,917	189.1%	10,146,539	19,182,868	189.1%	1.00	0.9035
Future	2016	6,988.0	10,245,348	21,035,976	205.3%	8,651,019	17,762,464	205.3%	1.00	0.8444
Experience	2017	6,506.9	9,242,506	20,965,023	226.8%	7,293,677	16,544,442	226.8%	1.00	0.7891
(50 years)	2018	6,030.5	8,275,303	20,903,669	252.6%	6,103,190	15,416,845	252.6%	1.00	0.7375
	2019	5,561.7	7,354,095	20,723,006	281.8%	5,068,955	14,283,742	281.8%	1.00	0.6893
	2020	5,104.7	6,485,072	20,430,242	315.0%	4,177,536	13,160,699	315.0%	1.00	0.6442
	2021	4,658.6	5,675,034	19,903,753	350.7%	3,416,569	11,982,754	350.7%	1.00	0.6020
	2022	4,228.3	4,929,712	19,156,093	388.6%	2,773,699	10,778,165	388.6%	1.00	0.5626
	2023	3,816.1	4,248,636	18,229,223	429.1%	2,234,105	9,585,666	429.1%	1.00	0.5258
	2024	3,423.7	3,632,165	17,224,076	474.2%	1,784,990	8,464,597	474.2%	1.00	0.4914
	2025	3,052.4	3,080,924	16,191,942	525.6%	1,415,036	7,436,790	525.6%	1.00	0.4593
	2026	2,704.6	2,591,409	15,114,138	583.2%	1,112,343	6,487,631	583.2%	1.00	0.4292
	2027	2,381.8	2,162,490	13,892,683	642.4%	867,507	5,573,206	642.4%	1.00	0.4012
	2028	2,084.3	1,790,635	12,583,037	702.7%	671,339	4,717,595	702.7%	1.00	0.3749
	2029	1,812.5	1,471,946	11,268,628	765.6%	515,755	3,948,412	765.6%	1.00	0.3504
	2030	1,565.8	1,200,759	10,060,669	837.9%	393,209	3,294,538	837.9%	1.00	0.3275
	2031	1,343.9	971,912	8,984,980	924.5%	297,448	2,749,799	924.5%	1.00	0.3060
	2032	1,146.1	780,972	7,934,103	1015.9%	223,376	2,269,332	1015.9%	1.00	0.2860
	2033	971.3	623,361	6,889,114	1105.2%	166,631	1,841,534	1105.2%	1.00	0.2673
	2034	817.9	494,456	5,910,839	1195.4%	123,527	1,476,664	1195.4%	1.00	0.2498
	2035	684.0	389,617	5,042,155	1294.1%	90,968	1,177,240	1294.1%	1.00	0.2335
	2036	568.0	304,914	4,334,092	1421.4%	66,534	945,721	1421.4%	1.00	0.2182
	2037	468.6	237,091	3,677,182	1551.0%	48,350	749,888	1551.0%	1.00	0.2039
	2038	384.2	183,369	3,055,593	1666.4%	34,948	582,362	1666.4%	1.00	0.1906
	2039	313.0	141,164	2,494,723	1767.3%	25,144	444,361	1767.3%	1.00	0.1781
	2040	253.2	108,149	2,019,374	1867.2%	18,003	336,161	1867.2%	1.00	0.1665
	2041	203.4	82,428	1,658,806	2012.4%	12,824	258,072	2012.4%	1.00	0.1556
	2042	162.3	62,528	1,344,795	2150.7%	9,091	195,532	2150.7%	1.00	0.1454
	2043	128.9	47,275	1,068,787	2260.8%	6,424	145,234	2260.8%	1.00	0.1359
	2044	101.7	35,630	833,705	2339.9%	4,525	105,878	2339.9%	1.00	0.1270
	2045	79.8	26,743	650,519	2432.5%	3,174	77,210	2432.5%	1.00	0.1187
	2046	62.3	19,962	519,018	2600.1%	2,214	57,572	2600.1%	1.00	0.1109
	2047	48.3	14,809	412,847	2787.8%	1,535	42,799	2787.8%	1.00	0.1037
	2048	37.3	10,921	323,454	2961.7%	1,058	31,338	2961.7%	1.00	0.0969
	2049	28.7	8,000	246,748	3084.3%	724	22,342	3084.3%	1.00	0.0905
	2050	22.0	5,812	190,208	3272.7%	492	16,096	3272.7%	1.00	0.0846
	2051	16.7	4,178	150,349	3598.3%	330	11,891	3598.3%	1.00	0.0791
	2052	12.6	2,970	117,591	3959.2%	220	8,692	3959.2%	1.00	0.0739
	2053	9.4	2,087	89,226	4275.6%	144	6,164	4275.6%	1.00	0.0691
	2054	7.0	1,449	63,946	4411.9%	94	4,128	4411.9%	1.00	0.0646
	2055	5.1	993	46,380	4669.4%	60	2,798	4669.4%	1.00	0.0603
	2056	3.7	670	34,368	5131.7%	38	1,938	5131.7%	1.00	0.0564
	2057	2.7	444	24,717	5569.7%	23	1,303	5569.7%	1.00	0.0527
	2058	1.9	289	17,017	5882.8%	14	838	5882.8%	1.00	0.0493
	2059	1.3	185	10,954	5918.9%	9	504	5918.9%	1.00	0.0460
	2060	0.9	116	7,040	6045.1%	5	303	6045.1%	1.00	0.0430
	2061	0.6	72	4,582	6367.3%	3	184	6367.3%	1.00	0.0402
	2062	0.4	44	2,909	6652.9%	2	109	6652.9%	1.00	0.0376
	2063	0.2	26	1,804	6926.6%	1	63	6926.6%	1.00	0.0351
	Past		230,510,340	198,507,058	86.1%	393,090,877	300,587,479	76.5%		
	Future		100,370,520	358,134,937	356.8%	69,549,365	202,542,908	291.2%		
	Lifetime		330,880,860	556,641,995	168.2%	462,640,242	503,130,387	108.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Historical	1997	217.3	138,181	1,381	1.0%	421,970	4,218	1.0%		3.0537
Experience	1998	1,491.8	3,043,391	188,075	6.2%	8,685,729	536,759	6.2%		2.8540
	1999	3,773.1	6,608,563	1,607,522	24.3%	17,626,732	4,287,674	24.3%		2.6673
	2000	6,315.5	10,275,493	4,734,133	46.1%	25,614,370	11,801,073	46.1%		2.4928
	2001	9,252.5	14,823,533	5,571,803	37.6%	34,534,163	12,980,546	37.6%		2.3297
	2002	11,447.4	17,602,196	9,136,707	51.9%	38,324,836	19,893,132	51.9%		2.1773
	2003	11,564.0	17,296,237	12,021,551	69.5%	35,195,026	24,461,900	69.5%		2.0348
	2004	11,127.1	17,363,085	8,171,826	47.1%	33,019,674	15,540,501	47.1%		1.9017
	2005	10,746.4	17,304,474	14,872,544	85.9%	30,755,339	26,433,055	85.9%		1.7773
	2006	10,411.2	17,003,309	12,303,438	72.4%	28,243,063	20,436,421	72.4%		1.6610
	2007	10,079.8	17,137,240	15,562,263	90.8%	26,603,296	24,158,352	90.8%		1.5524
	2008	9,761.8	16,585,468	17,908,774	108.0%	24,062,375	25,982,242	108.0%		1.4508
	2009	9,465.9	15,817,175	18,707,272	118.3%	21,446,474	25,365,152	118.3%		1.3559
	2010	9,158.8	15,586,304	19,077,855	122.4%	19,750,876	24,175,350	122.4%		1.2672
	2011	8,864.8	15,211,939	15,449,570	101.6%	18,015,404	18,296,829	101.6%		1.1843
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,777,727	23,781,041	150.7%		1.1068
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,930,010	22,453,234	150.4%		1.0344
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,785,963	20,358,444	172.7%	1.00	0.9667
Projected	2015	7,472.7	12,634,152	21,231,917	168.1%	11,414,856	19,182,868	168.1%	1.13	0.9035
Future	2016	6,988.0	12,806,684	21,035,976	164.3%	10,813,773	17,762,464	164.3%	1.25	0.8444
Experience	2017	6,506.9	11,553,132	20,965,023	181.5%	9,117,096	16,544,442	181.5%	1.25	0.7891
(50 years)	2018	6,030.5	10,344,129	20,903,669	202.1%	7,628,988	15,416,845	202.1%	1.25	0.7375
	2019	5,561.7	9,192,619	20,723,006	225.4%	6,336,194	14,283,742	225.4%	1.25	0.6893
	2020	5,104.7	8,106,340	20,430,242	252.0%	5,221,921	13,160,699	252.0%	1.25	0.6442
	2021	4,658.6	7,093,792	19,903,753	280.6%	4,270,711	11,982,754	280.6%	1.25	0.6020
	2022	4,228.3	6,162,139	19,156,093	310.9%	3,467,124	10,778,165	310.9%	1.25	0.5626
	2023	3,816.1	5,310,795	18,229,223	343.2%	2,792,631	9,585,666	343.2%	1.25	0.5258
	2024	3,423.7	4,540,206	17,224,076	379.4%	2,231,238	8,464,597	379.4%	1.25	0.4914
	2025	3,052.4	3,851,155	16,191,942	420.4%	1,768,795	7,436,790	420.4%	1.25	0.4593
	2026	2,704.6	3,239,261	15,114,138	466.6%	1,390,429	6,487,631	466.6%	1.25	0.4292
	2027	2,381.8	2,703,113	13,892,683	514.0%	1,084,384	5,573,206	514.0%	1.25	0.4012
	2028	2,084.3	2,238,293	12,583,037	562.2%	839,174	4,717,595	562.2%	1.25	0.3749
	2029	1,812.5	1,839,932	11,268,628	612.4%	644,693	3,948,412	612.4%	1.25	0.3504
	2030	1,565.8	1,500,949	10,060,669	670.3%	491,512	3,294,538	670.3%	1.25	0.3275
	2031	1,343.9	1,214,891	8,984,980	739.6%	371,810	2,749,799	739.6%	1.25	0.3060
	2032	1,146.1	976,215	7,934,103	812.7%	279,219	2,269,332	812.7%	1.25	0.2860
	2033	971.3	779,201	6,889,114	884.1%	208,289	1,841,534	884.1%	1.25	0.2673
	2034	817.9	618,070	5,910,839	956.3%	154,408	1,476,664	956.3%	1.25	0.2498
	2035	684.0	487,021	5,042,155	1035.3%	113,709	1,177,240	1035.3%	1.25	0.2335
	2036	568.0	381,143	4,334,092	1137.1%	83,167	945,721	1137.1%	1.25	0.2182
	2037	468.6	296,364	3,677,182	1240.8%	60,438	749,888	1240.8%	1.25	0.2039
	2038	384.2	229,211	3,055,593	1333.1%	43,685	582,362	1333.1%	1.25	0.1906
	2039	313.0	176,455	2,494,723	1413.8%	31,430	444,361	1413.8%	1.25	0.1781
	2040	253.2	135,186	2,019,374	1493.8%	22,504	336,161	1493.8%	1.25	0.1665
	2041	203.4	103,034	1,658,806	1610.0%	16,030	258,072	1610.0%	1.25	0.1556
	2042	162.3	78,159	1,344,795	1720.6%	11,364	195,532	1720.6%	1.25	0.1454
	2043	128.9	59,093	1,068,787	1808.6%	8,030	145,234	1808.6%	1.25	0.1359
	2044	101.7	44,537	833,705	1871.9%	5,656	105,878	1871.9%	1.25	0.1270
	2045	79.8	33,428	650,519	1946.0%	3,968	77,210	1946.0%	1.25	0.1187
	2046	62.3	24,952	519,018	2080.0%	2,768	57,572	2080.0%	1.25	0.1109
	2047	48.3	18,511	412,847	2230.3%	1,919	42,799	2230.3%	1.25	0.1037
	2048	37.3	13,651	323,454	2369.4%	1,323	31,338	2369.4%	1.25	0.0969
	2049	28.7	10,000	246,748	2467.4%	905	22,342	2467.4%	1.25	0.0905
	2050	22.0	7,265	190,208	2618.2%	615	16,096	2618.2%	1.25	0.0846
	2051	16.7	5,223	150,349	2878.7%	413	11,891	2878.7%	1.25	0.0791
	2052	12.6	3,713	117,591	3167.4%	274	8,692	3167.4%	1.25	0.0739
	2053	9.4	2,609	89,226	3420.5%	180	6,164	3420.5%	1.25	0.0691
	2054	7.0	1,812	63,946	3529.5%	117	4,128	3529.5%	1.25	0.0646
	2055	5.1	1,242	46,380	3735.5%	75	2,798	3735.5%	1.25	0.0603
	2056	3.7	837	34,368	4105.4%	47	1,938	4105.4%	1.25	0.0564
	2057	2.7	555	24,717	4455.8%	29	1,303	4455.8%	1.25	0.0527
	2058	1.9	362	17,017	4706.3%	18	838	4706.3%	1.25	0.0493
	2059	1.3	231	10,954	4735.1%	11	504	4735.1%	1.25	0.0460
	2060	0.9	146	7,040	4836.1%	6	303	4836.1%	1.25	0.0430
	2061	0.6	90	4,582	5093.8%	4	184	5093.8%	1.25	0.0402
	2062	0.4	55	2,909	5322.3%	2	109	5322.3%	1.25	0.0376
	2063	0.2	33	1,804	5541.3%	1	63	5541.3%	1.25	0.0351
	Past		230,510,340	198,507,058	86.1%	393,090,877	300,587,479	76.5%		
	Future		121,011,482	358,134,937	296.0%	82,721,898	202,542,908	244.8%		
	Lifetime		351,521,822	556,641,995	158.4%	475,812,775	503,130,387	105.7%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Historical	1997	66.9	62,730	0	0.0%	191,561	0	0.0%		3.0537
Experience	1998	757.4	1,533,282	0	0.0%	4,375,932	0	0.0%		2.8540
	1999	2,175.9	4,067,236	15,920	0.4%	10,848,361	42,463	0.4%		2.6673
	2000	4,442.8	7,814,122	486,686	6.2%	19,478,755	1,213,193	6.2%		2.4928
	2001	8,054.0	13,417,946	1,521,136	11.3%	31,259,588	3,543,769	11.3%		2.3297
	2002	12,322.7	20,174,409	2,260,323	11.2%	43,925,253	4,921,347	11.2%		2.1773
	2003	13,787.0	19,991,370	4,270,306	21.4%	40,679,182	8,689,377	21.4%		2.0348
	2004	13,575.3	20,103,896	4,392,078	21.8%	38,231,920	8,352,490	21.8%		1.9017
	2005	13,324.9	19,895,729	7,282,222	36.6%	35,360,791	12,942,734	36.6%		1.7773
	2006	13,100.8	19,783,502	4,866,387	24.6%	32,861,055	8,083,231	24.6%		1.6610
	2007	12,868.5	20,116,913	5,453,522	27.1%	31,228,843	8,465,871	27.1%		1.5524
	2008	12,670.8	19,851,480	7,772,666	39.2%	28,800,741	11,276,667	39.2%		1.4508
	2009	12,459.5	18,891,498	9,925,644	52.5%	25,614,943	13,458,160	52.5%		1.3559
	2010	12,250.2	19,023,190	10,938,555	57.5%	24,106,078	13,861,275	57.5%		1.2672
	2011	12,060.3	17,668,401	18,341,615	103.8%	20,924,577	21,721,860	103.8%		1.1843
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,621,903	20,344,963	115.5%		1.1068
	2013	11,740.6	15,639,550	18,662,319	119.3%	16,177,676	19,304,453	119.3%		1.0344
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,135,425	26,196,986	185.3%	1.00	0.9667
Projected	2015	11,203.5	13,978,687	30,413,680	217.6%	12,629,632	27,478,518	217.6%	1.00	0.9035
Future	2016	10,874.0	13,325,792	33,786,467	253.5%	11,252,100	28,528,789	253.5%	1.00	0.8444
Experience	2017	10,525.2	12,623,469	37,853,001	299.9%	9,961,747	29,871,505	299.9%	1.00	0.7891
(50 years)	2018	10,158.1	11,886,273	42,517,704	357.7%	8,766,348	31,357,599	357.7%	1.00	0.7375
	2019	9,775.1	11,133,824	47,539,365	427.0%	7,674,208	32,767,446	427.0%	1.00	0.6893
	2020	9,376.0	10,364,658	53,032,771	511.7%	6,676,678	34,162,510	511.7%	1.00	0.6442
	2021	8,962.3	9,617,158	58,660,144	610.0%	5,789,865	35,315,454	610.0%	1.00	0.6020
	2022	8,534.4	8,879,523	64,267,203	723.8%	4,996,058	36,159,906	723.8%	1.00	0.5626
	2023	8,095.1	8,148,650	69,882,939	857.6%	4,284,891	36,747,286	857.6%	1.00	0.5258
	2024	7,645.9	7,430,152	75,325,276	1013.8%	3,651,472	37,017,839	1013.8%	1.00	0.4914
	2025	7,188.5	6,727,314	80,845,504	1201.8%	3,089,785	37,131,495	1201.8%	1.00	0.4593
	2026	6,725.3	6,049,247	86,398,758	1428.3%	2,596,594	37,086,024	1428.3%	1.00	0.4292
	2027	6,259.4	5,399,502	91,341,142	1691.7%	2,166,071	36,642,529	1691.7%	1.00	0.4012
	2028	5,794.7	4,784,287	95,265,769	1991.2%	1,793,711	35,716,764	1991.2%	1.00	0.3749
	2029	5,334.3	4,207,507	98,103,558	2331.6%	1,474,267	34,374,485	2331.6%	1.00	0.3504
	2030	4,880.3	3,670,336	100,242,156	2731.1%	1,201,914	32,826,008	2731.1%	1.00	0.3275
	2031	4,435.8	3,175,453	102,721,504	3234.9%	971,828	31,437,302	3234.9%	1.00	0.3060
	2032	4,004.4	2,723,829	104,379,299	3832.1%	779,076	29,854,822	3832.1%	1.00	0.2860
	2033	3,590.7	2,316,571	104,045,432	4491.4%	619,244	27,812,457	4491.4%	1.00	0.2673
	2034	3,197.1	1,954,449	101,688,043	5202.9%	488,267	25,404,020	5202.9%	1.00	0.2498
	2035	2,824.7	1,635,165	97,758,639	5978.5%	381,777	22,824,639	5978.5%	1.00	0.2335
	2036	2,475.3	1,355,921	94,897,384	6998.7%	295,869	20,707,098	6998.7%	1.00	0.2182
	2037	2,151.7	1,114,068	91,392,204	8203.5%	227,192	18,637,617	8203.5%	1.00	0.2039
	2038	1,856.2	907,666	85,571,241	9427.6%	172,991	16,308,923	9427.6%	1.00	0.1906
	2039	1,589.1	734,195	78,128,589	10641.4%	130,775	13,916,296	10641.4%	1.00	0.1781
	2040	1,349.5	589,714	69,861,763	11846.7%	98,168	11,629,725	11846.7%	1.00	0.1665
	2041	1,136.3	470,215	63,612,298	13528.4%	73,155	9,896,627	13528.4%	1.00	0.1556
	2042	949.5	372,115	57,841,812	15544.1%	54,105	8,410,159	15544.1%	1.00	0.1454
	2043	788.4	292,603	51,116,553	17469.6%	39,761	6,946,085	17469.6%	1.00	0.1359
	2044	650.9	229,034	44,155,819	19279.2%	29,087	5,607,674	19279.2%	1.00	0.1270
	2045	534.0	178,553	37,539,925	21024.5%	21,192	4,455,582	21024.5%	1.00	0.1187
	2046	435.4	138,592	32,734,729	23619.5%	15,373	3,631,081	23619.5%	1.00	0.1109
	2047	353.0	107,038	28,874,935	26976.3%	11,096	2,993,398	26976.3%	1.00	0.1037
	2048	285.1	82,306	25,019,518	30398.0%	7,974	2,424,033	30398.0%	1.00	0.0969
	2049	229.3	63,076	21,250,501	33690.2%	5,711	1,924,177	33690.2%	1.00	0.0905
	2050	183.4	48,143	17,795,090	36963.1%	4,074	1,505,887	36963.1%	1.00	0.0846
	2051	145.7	36,533	15,328,579	41958.5%	2,889	1,212,300	41958.5%	1.00	0.0791
	2052	114.9	27,506	13,324,539	48441.7%	2,033	984,865	48441.7%	1.00	0.0739
	2053	90.0	20,536	11,304,096	55046.1%	1,419	780,866	55046.1%	1.00	0.0691
	2054	69.9	15,201	9,156,395	60235.3%	981	591,128	60235.3%	1.00	0.0646
	2055	53.6	11,139	7,164,703	64319.7%	672	432,286	64319.7%	1.00	0.0603
	2056	40.6	8,060	5,749,849	71336.7%	454	324,225	71336.7%	1.00	0.0564
	2057	30.2	5,742	4,609,935	80281.0%	303	242,941	80281.0%	1.00	0.0527
	2058	22.1	4,026	3,548,446	88130.8%	198	174,767	88130.8%	1.00	0.0493
	2059	15.9	2,782	2,572,483	92455.2%	128	118,411	92455.2%	1.00	0.0460
	2060	11.3	1,892	1,775,776	93844.7%	81	76,391	93844.7%	1.00	0.0430
	2061	7.8	1,265	1,239,693	97964.6%	51	49,841	97964.6%	1.00	0.0402
	2062	5.3	831	866,758	100000%+	31	32,568	100000%+	1.00	0.0376
	2063	3.5	537	590,900	100000%+	19	20,750	100000%+	1.00	0.0351
	Past		253,966,042	114,570,893	45.1%	421,718,332	156,221,854	37.0%		
	Future		171,472,932	2,480,191,235	1446.4%	106,576,745	840,750,081	788.9%		
	Lifetime		425,438,974	2,594,762,127	609.9%	528,295,077	996,971,935	188.7%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Historical	1997	66.9	62,730	0	0.0%	191,561	0	0.0%		3.0537
Experience	1998	757.4	1,533,282	0	0.0%	4,375,932	0	0.0%		2.8540
	1999	2,175.9	4,067,236	15,920	0.4%	10,848,361	42,463	0.4%		2.6673
	2000	4,442.8	7,814,122	486,686	6.2%	19,478,755	1,213,193	6.2%		2.4928
	2001	8,054.0	13,417,946	1,521,136	11.3%	31,259,588	3,543,769	11.3%		2.3297
	2002	12,322.7	20,174,409	2,260,323	11.2%	43,925,253	4,921,347	11.2%		2.1773
	2003	13,787.0	19,991,370	4,270,306	21.4%	40,679,182	8,689,377	21.4%		2.0348
	2004	13,575.3	20,103,896	4,392,078	21.8%	38,231,920	8,352,490	21.8%		1.9017
	2005	13,324.9	19,895,729	7,282,222	36.6%	35,360,791	12,942,734	36.6%		1.7773
	2006	13,100.8	19,783,502	4,866,387	24.6%	32,861,055	8,083,231	24.6%		1.6610
	2007	12,868.5	20,116,913	5,453,522	27.1%	31,228,843	8,465,871	27.1%		1.5524
	2008	12,670.8	19,851,480	7,772,666	39.2%	28,800,741	11,276,667	39.2%		1.4508
	2009	12,459.5	18,891,498	9,925,644	52.5%	25,614,943	13,458,160	52.5%		1.3559
	2010	12,250.2	19,023,190	10,938,555	57.5%	24,106,078	13,861,275	57.5%		1.2672
	2011	12,060.3	17,668,401	18,341,615	103.8%	20,924,577	21,721,860	103.8%		1.1843
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,621,903	20,344,963	115.5%		1.1068
	2013	11,740.6	15,639,550	18,662,319	119.3%	16,177,676	19,304,453	119.3%		1.0344
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,135,425	26,196,986	185.3%	1.00	0.9667
Projected	2015	11,203.5	20,269,096	30,413,680	150.0%	18,312,967	27,478,518	150.0%	1.45	0.9035
Future	2016	10,874.0	25,319,004	33,786,467	133.4%	21,378,990	28,528,789	133.4%	1.90	0.8444
Experience	2017	10,525.2	23,984,592	37,853,001	157.8%	18,927,320	29,871,505	157.8%	1.90	0.7891
(50 years)	2018	10,158.1	22,583,919	42,517,704	188.3%	16,656,061	31,357,599	188.3%	1.90	0.7375
	2019	9,775.1	21,154,266	47,539,365	224.7%	14,580,996	32,767,446	224.7%	1.90	0.6893
	2020	9,376.0	19,692,850	53,032,771	269.3%	12,685,688	34,162,510	269.3%	1.90	0.6442
	2021	8,962.3	18,272,600	58,660,144	321.0%	11,000,743	35,315,454	321.0%	1.90	0.6020
	2022	8,534.4	16,871,093	64,267,203	380.9%	9,492,511	36,159,906	380.9%	1.90	0.5626
	2023	8,095.1	15,482,435	69,882,939	451.4%	8,141,293	36,747,286	451.4%	1.90	0.5258
	2024	7,645.9	14,117,288	75,325,276	533.6%	6,937,797	37,017,839	533.6%	1.90	0.4914
	2025	7,188.5	12,781,897	80,845,504	632.5%	5,870,592	37,131,495	632.5%	1.90	0.4593
	2026	6,725.3	11,493,569	86,398,758	751.7%	4,933,529	37,086,024	751.7%	1.90	0.4292
	2027	6,259.4	10,259,054	91,341,142	890.3%	4,115,535	36,642,529	890.3%	1.90	0.4012
	2028	5,794.7	9,090,145	95,265,769	1048.0%	3,408,050	35,716,764	1048.0%	1.90	0.3749
	2029	5,334.3	7,994,263	98,103,558	1227.2%	2,801,108	34,374,485	1227.2%	1.90	0.3504
	2030	4,880.3	6,973,638	100,242,156	1437.4%	2,283,637	32,826,008	1437.4%	1.90	0.3275
	2031	4,435.8	6,033,360	102,721,504	1702.6%	1,846,474	31,437,302	1702.6%	1.90	0.3060
	2032	4,004.4	5,175,275	104,379,299	2016.9%	1,480,245	29,854,822	2016.9%	1.90	0.2860
	2033	3,590.7	4,401,485	104,045,432	2363.9%	1,176,564	27,812,457	2363.9%	1.90	0.2673
	2034	3,197.1	3,713,454	101,688,043	2738.4%	927,706	25,404,020	2738.4%	1.90	0.2498
	2035	2,824.7	3,106,813	97,758,639	3146.6%	725,377	22,824,639	3146.6%	1.90	0.2335
	2036	2,475.3	2,576,251	94,897,384	3683.5%	562,151	20,707,098	3683.5%	1.90	0.2182
	2037	2,151.7	2,116,730	91,392,204	4317.6%	431,665	18,637,617	4317.6%	1.90	0.2039
	2038	1,856.2	1,724,565	85,571,241	4961.9%	328,683	16,308,923	4961.9%	1.90	0.1906
	2039	1,589.1	1,394,970	78,128,589	5600.7%	248,473	13,916,296	5600.7%	1.90	0.1781
	2040	1,349.5	1,120,456	69,861,763	6235.1%	186,520	11,629,725	6235.1%	1.90	0.1665
	2041	1,136.3	893,408	63,612,298	7120.2%	138,994	9,896,627	7120.2%	1.90	0.1556
	2042	949.5	707,018	57,841,812	8181.1%	102,800	8,410,159	8181.1%	1.90	0.1454
	2043	788.4	555,946	51,116,553	9194.5%	75,546	6,946,085	9194.5%	1.90	0.1359
	2044	650.9	435,164	44,155,819	10146.9%	55,265	5,607,674	10146.9%	1.90	0.1270
	2045	534.0	339,251	37,539,925	11065.5%	40,265	4,455,582	11065.5%	1.90	0.1187
	2046	435.4	263,324	32,734,729	12431.3%	29,209	3,631,081	12431.3%	1.90	0.1109
	2047	353.0	203,372	28,874,935	14198.1%	21,083	2,993,398	14198.1%	1.90	0.1037
	2048	285.1	156,382	25,019,518	15998.9%	15,151	2,424,033	15998.9%	1.90	0.0969
	2049	229.3	119,845	21,250,501	17731.7%	10,852	1,924,177	17731.7%	1.90	0.0905
	2050	183.4	91,471	17,795,090	19454.3%	7,741	1,505,887	19454.3%	1.90	0.0846
	2051	145.7	69,412	15,328,579	22083.4%	5,490	1,212,300	22083.4%	1.90	0.0791
	2052	114.9	52,262	13,324,539	25495.6%	3,863	984,865	25495.6%	1.90	0.0739
	2053	90.0	39,018	11,304,096	28971.6%	2,695	780,866	28971.6%	1.90	0.0691
	2054	69.9	28,882	9,156,395	31702.8%	1,865	591,128	31702.8%	1.90	0.0646
	2055	53.6	21,164	7,164,703	33852.5%	1,277	432,286	33852.5%	1.90	0.0603
	2056	40.6	15,314	5,749,849	37545.7%	864	324,225	37545.7%	1.90	0.0564
	2057	30.2	10,910	4,609,935	42253.2%	575	242,941	42253.2%	1.90	0.0527
	2058	22.1	7,650	3,548,446	46384.6%	377	174,767	46384.6%	1.90	0.0493
	2059	15.9	5,287	2,572,483	48660.6%	243	118,411	48660.6%	1.90	0.0460
	2060	11.3	3,595	1,775,776	49391.9%	155	76,391	49391.9%	1.90	0.0430
	2061	7.8	2,404	1,239,693	51560.3%	97	49,841	51560.3%	1.90	0.0402
	2062	5.3	1,580	866,758	54869.9%	59	32,568	54869.9%	1.90	0.0376
	2063	3.5	1,020	590,900	57933.7%	36	20,750	57933.7%	1.90	0.0351
	Past		253,966,042	114,570,893	45.1%	421,718,332	156,221,854	37.0%		
	Future		306,348,545	2,480,191,235	809.6%	184,090,598	840,750,081	456.7%		
	Lifetime		560,314,587	2,594,762,127	463.1%	605,808,930	996,971,935	164.6%		

April 29, 2015

Janet Houser
Commonwealth of Virginia
Bureau of Insurance
P.O. Box 1157
Richmond VA 23218-1157

RE: SERFF #: HUMA-129780509
Policy Forms: 80650 1/97 VA, 80880 NTQ 1/98 VA & Riders (LTC 2)

Dear Ms. Houser:

Please find the requested information from your notice dated 1/23/2015:

1. Please reconcile the number of insureds in section 21 of the actuarial memorandum versus those shown in Rate Information tab in SERFF.

Response:

The actuarial memorandum was updated in January to reflect additional policies issued in the state of Virginia that currently reside in another state. At the same time, the same adjustment was not made to the Rate Information tab in SERFF. This has now been completed. This was referenced in the cover letter to the response 1/16/2015.

For LTC 2, the actuarial memorandum showing 715 premium paying policies with $1,443,869 of annualized premium is correct.

2. Please provide a discussion of the number of claims underlying the morbidity experience and the corresponding measure of credibility. Also discuss the granularity of the adjustments made to the Milliman guidelines based on the Kanawha experience.

Response:

The number of claims over the past five years on our LTC products are as follows:

Year	Claim Count
2009	486
2010	491
2011	499
2012	585
2013	424
Total	2,485

Note that a major reason for the increase is also due to persistency being much greater than expected. Please note this has been based on 451,395 life years of history. While the Kanawha number of claims insinuates a very credible block, the Milliman guidelines are used to provide a shape for the claims and to supplement those areas (ex: older ages) where experience is limited.

For incidence rates actual-to-expected adjustments were made based on initial site of care (facility versus home care), product generation and tax qualified versus non-tax qualified. We also reviewed the actual-to-expected experience based on policies with and without inflation riders.

For actual-to-expected termination factors we looked at adjustments based on the granularity of the guidelines themselves: site of care, lifetime versus limited benefits, gender, tax qualified status and claim durations.

3. Please provide actual-to-expected ratios by duration for total terminations based on the current best-estimate assumptions for lapse and mortality.

Response:

Please see the document Kanawha Historical Terminations Rate Study.pdf". Actual lapse and mortality rates have been far below the original pricing assumptions. This outage is further described in section 5 of the actuarial memorandum submitted with this filing. While every effort has been made to get better and more accurate mortality information for prior years, there is still the belief that some of the total terminations are really deaths and not lapses.

4. Please provide a chart of the status of rate increase in all states, including annual premiums by state so that a weighted average can be calculated.

Response:

Please see the document "Rate Increase StatusUpdate Response Workbook - VA".

Similar rate increases are being requested nationwide with a priority on filing first in the largest states which VA is one of the largest. Kanawha has already filed for increases on more than 80% of the premium of the block in this nationwide filing.

5. If policies in paid-up status are included in the exhibits provided, please provide a complete set of projections (preferably in .xls format) that excludes all policies that are in paid-up status.

Response:

Please see "0130HUM22.LTC.ExhibitID.LifetimePay.Nationwide".

This exhibit sufficiently excludes paid-up policies by only containing policies with the lifetime payment option. However, it also excludes policies with the 10-year payment option and the "To age 65" payment option that are not yet paid-up. Including these policies would be immaterial.

The "With Rate Revision", "With Interest" loss ratio for only those policies with the lifetime payment option is 157.2%, compared to the total loss ratio of 184.9% for all policies with rate revision and with interest. This still justifies the request for the rate increase.

6. Please explain why the premium in future years (after the rate increase is fully implemented) differs between the exhibits "with Historical Premiums Restated to Proposed Rate Revision" and "with Rate Revision".

Response:

Thanks for bringing this to our attention. There are two reasons why the projected future premiums were different between the two exhibits. The first reason is that the VA issued policies were not being appropriately treated in the new exhibit with historical premiums, and we have corrected this issue in the exhibit. The second reason is that the originally provided exhibit (with actual historical premiums) assumes a delay in the implementation of the proposed rate increase itself. 0% is assumed to be implemented in 2014, 50% of the increase in 2015 and 100% of the increase in 2016+.

Please compare these four files to reconcile these differences.

1. "1. 130HUM22.VA.LTC2.ExhibitI_VA.01162015" – the VA only baseline exhibit.
2. "2. VA.LTC2.Exhibit I E.VAState" – apologies – this exhibit had the two inconsistencies described.
3. "3. ExhibitI.LTC2.ProposedPremiumsPaidSinceIssue" – this is the corrected file.
4. "4. ExhibitI.LTC2.ActualPremiumExperienceWith100%ImplementationImmediately" – this restates the exhibit #1 above with the rate increase immediately implemented to show the impact of this assumption. The projected premiums for this exhibit exactly match the projected premiums in #3.

7. Please demonstrate that the elimination of all future increases is actuarially equivalent to the requested rate increase.

Response:

Policies with inflation riders present the greatest long term risk to the solvency of the company. This has been demonstrated via Exhibit I where lifetime projections for policies with inflation have materially worse experience than policies with inflation. Therefore, Kanawha is asking for large increases on policies with inflation riders.

We believe that it is important for the policyholder to have the full information with respect to their future rates so they can choose the option that is right for them given full knowledge of expected future events.

Kanawha realizes all policyholders may not be able to afford large increases. Taking this into account, Kanawha has been exploring a new option to allow policyholders with inflation riders to avoid the proposed rate increase altogether. That said, some policyholders may value the option to keep their accrued benefit and forego future benefit inflation, while avoiding the proposed large premium increase. Allowing the option gives the policyholder the flexibility to choose the right option for their situation. This option has been favorably received in other states.

Here is an example to illustrate the potential tradeoffs from the policyholder standpoint and to illustrate the Company's thinking around the equity of the option:

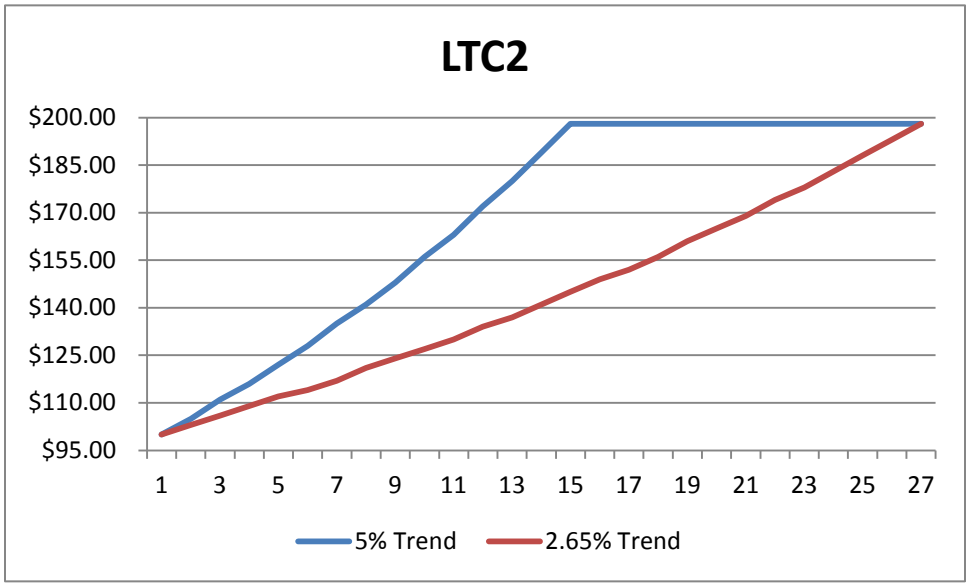
The values utilized in this example are for the typical policyholder that has compound inflation protection. The increase assumed in the example is as originally filed (25% for policies without inflation and 90% for policies with compound inflation).

The inflation protection rider guarantees 5% increases in daily benefit per year, even though LTC costs have increased at a rate of approximately 2.65%. [See Appendix G illustrating a historical study of LTC inflation. This study indicates a 1.67% annual increase in HHC cost and a 3.81% annual increase in NH cost between the years 1994 and 2012. Kanawha business has consistently seen 54% of claims be HHC

resulting in a 2.65% blended trend rate.] A policyholder will have achieved the necessary protection for future benefits without any increases to their current daily benefit.

The graph below illustrates this point. A person who bought a policy of $100 daily benefit with compound inflation 14 years ago (the average duration for an LTC2 policy holder) would currently have a daily benefit of $198. At the same point in time, a person would need only $145 in coverage (based upon a 2.65% increase in LTC trend). At this same trend rate, it would be another twelve years before a policyholder would need coverage that is equivalent to their current daily benefit amount. A graphical illustration is included at the top of the next page.

Let's place this in context of a person who was 62 years old at purchase. (The example policy provides $100 daily benefit with a 5% compound inflation protection rider, 0 day elimination period, and a lifetime year benefit period). The policy holder has now reached 76 years old with a current daily benefit of $198 per day. It wouldn't be until the policy holder reached their 88th birthday when they would need coverage at their current daily benefit amount in order to keep up with actual LTC inflation.



This 62 year old that purchased the LTC2 policy with $100 per day in benefits and an inflation protection rider is paying $2,754.91 annually. They have currently accrued $198 in daily benefit.

With approval of the new non-forfeiture option, let us review the potential options for this particular policyholder.

(1) They can pay the 90% increase and retain future inflation options. This premium would be $5,234.33.

(2) They can remove their inflation rider and revert back to the original daily benefit amount purchased ($100). The premium to do so would be $2,080.75.

(3) They could accept the new non-forfeiture option and keep their accumulated benefit ($198) in lieu of the rate increase and future increases to their daily benefit. Thus, their premium would remain $2,754.91.

Previously, the only options for the insured were the first two options above. To reiterate, the second option removes the inflation protection rider and would revert the policyholder back to their original daily benefit. (While the policyholder still has the option to drop the rider and revert back to the original benefit, this option is not proactively encouraged.)

We would like to provide another option to number two that is beneficial to the policyholder in that they get to keep their accumulated benefit.

One way to further illustrate that this option is not harmful to the policyholder is to calculate the premium one would pay had they purchased their current accrued daily benefit at issue. In order to calculate this, one would increase the premium in option number two by the ratio of the accrued benefit ($198) to the original benefit ($100). In other words, had the insured purchased $198 benefit at issue they would have had to pay $4,119.89 (= $2,080.75 * 198 / 100).

As you can see, this is a worse alternative than our proposed new option number three. In essence, the insured is receiving a 33.1% discount by electing the new option compared to if they would have purchased this benefit originally.

8. Your response indicated the company was compliant with the NAIC Executive/Plenary Bulletin; however, these items were not specifically addressed:

a) If a single rate increase of the requested amount is approved, is the insurer agreeable to not implement future rate increase for three years from the date of implementation?

b) In lieu of a single increase, the Bureau may approve a series of scheduled rate increases that are actuarially equivalent to the single amount requested by the insurer over the lifetime of the policy. The entire series would be approved at one time as part of the current increase filing. If the rate increase is approved in a series of scheduled rate increases and the sum of all scheduled rate increases would ultimately trigger the offering of the contingent benefit upon lapse, the insurer will be required to include contingent benefit upon lapse at the time of each scheduled increase. If the company is agreeable to this, what implementation schedule would be offered?

c) The Bureau will require the implementation of the contingent benefit upon lapse as outlined in the bulletin. Please confirm the company is willing to comply with this by providing the benefit:

1) For a block of business for which the contingent benefit upon lapse is not required for pre-rate-stability policies; and

2) Contingent Benefit upon lapse may be required to be provided without reference to the table of trigger percentages for policies that have reached their 20th duration and for policies that have not reached that point, any percentage value in excess of 100% will be reduced to 100%.

d) The policyholder letter should clearly indicate premium rates may increase again in the future. We note this is indicated on the chart under the options but could be overlooked. We suggest this information also be provided on the first page of the letter. We also note in the options available to reduce future premiums do not include reducing or removing riders. Is this not available?

The company should clearly indicate option two would convert the policy to a "reduced" paid-up long term care insurance policy.

Response:

If the full amount is approved, it is agreed that another rate increase will not be requested for three years from the date of implementation. In addition, the company is willing to spread the increase requested over a three-year period. If the requested increase is spread out over a three year period, correspondence to policyholders will properly reflect these pre-approved increases in the notification.

The company is providing Contingent Benefit upon lapse as an option for all policyholders.

The policyholder letters were updated to reflect requested changes. Please see attached revised letters.

(1) A discussion on the first page of the letter regarding the guaranteed renewable nature of the policy and the possibility that rates could potentially be increased in the future.
(2) Option number two was updated as requested to reflect the “reduced” nature of the paid up option.

While the option of removing riders is an option of the insured upon calling customer service, this is not actively marketed. For example, the policyholder could remove the inflation protection rider and the associated premium. Under the terms of the rider in doing so, however, the insured would revert back to the original daily benefit amount purchased. We feel the new option of keeping accrued daily benefit increases in lieu of removal of the rider is more beneficial to the policyholder.

9. In addition, the management of the Bureau of Insurance (BOI) has also provided direction that policyholder letters provide an explanation for the rate increase in consumer friendly language including the driving factors contributing to the increase. Please expand the second paragraph of the letter accordingly.

Response:

The policyholder letters were updated per request.

10. Given that most policyholders do not have the sophistication to understand the relative value of each option presented to them in lieu of an increase, please describe how the policyholder will be appropriately educated about the available choices.

Response:

The table on page 2 of the rate increase notification letter assists the policyholder in their effort to compare and contrast the various options available. The policyholder is also directed to contact customer service to obtain additional information in order to make the most educated choice. The customer service representatives (CSRs) are fully equipped to educate policyholders regarding their available choices due to:

1. The CSRs are highly experienced in interacting with policyholders regarding the options that involve (a) the reduction of daily benefit amounts, (b) the reduction of benefit periods and/or the increase of elimination periods, and (c) the "reduced paid-up" options. They have a strong grasp of the concepts associated with each of these options and are skilled at communicating those to policyholders in an "easy to understand" manner. The current CSR staff has been interacting with policyholders on issues associated with these options for nearly three years.
2. Extensive time and effort has been invested by Kanawha's operational & business staff to educate the CSRs on the recently developed option for policyholder's with an inflation rider. With this option, the policyholder agrees to (a) a fixed daily benefit that is equivalent to their current accumulated daily benefit with (b) no further accumulation of daily benefits for the remaining life of the policy in exchange for (c) holding their premiums at the current level instead of receiving a large rate increase of X%. Classroom-type presentations, hands-on training, and extensive question & answer sessions where likely policyholder questions along with appropriate responses and explanations to those questions were presented, thoroughly explored, and vetted.
3. "Re-training" for the CSR staff regarding the options listed in *1.* above was performed simultaneously with the initial training of the new option described in *2.* above. This training has helped to reinforce the CSRs' understanding of the similarities and the differences between the various options, enabling them to effectively explain the options to the policyholders.
4. CSRs have the full support of the operational & business staffs and the freedom to contact them at any time if an issue/inquiry should arise that they are not prepared to comprehensively answer.

If a policyholder decides to choose any of the aforementioned options in lieu of acceptance of the fully approved rate increase, the following will transpire:

1. A designation form will be provided to the policyholder where the individual will (a) elect an option choice in lieu of the fully approved rate increase, (b) sign, and (c) return to the Customer Service Center.
2. In turn, a final communication from Policyholder Services to the policyholder will be generated indicating their option choice. Additionally, an updated Schedule Page will also be included with said communication and is based upon the particular choice designated by the policyholder. The policyholder will be advised to file these updated documents with their current policy.

Kanawha Insurance Company LTC Termination History

	Original Pricing			Current Best Estimate			Actuals			Actual to Expected: Actual / Original Pricing			Actual to Expected: Actual / Current Best Estimate			Actual to Expected: Best Estimate / Original Pricing		
	Mortality	Lapse	Total	Mortality	Lapse	Total	Mortality	Lapse	Total	Mortality	Lapse	Total	Mortality	Lapse	Total	Mortality	Lapse	Total
2000	0.9%	10.0%	10.9%	0.9%	1.3%	2.2%										94%	13%	20%
2001	0.9%	9.7%	10.6%	0.8%	1.3%	2.1%										96%	13%	20%
2002	0.9%	9.1%	9.9%	0.8%	1.3%	2.1%										95%	14%	21%
2003	0.9%	7.6%	8.5%	0.8%	1.2%	2.1%										91%	16%	24%
2004	1.0%	6.5%	7.5%	0.9%	1.2%	2.0%										88%	18%	27%
2005	1.1%	5.7%	6.9%	1.0%	1.1%	2.0%										85%	19%	30%
2006	1.3%	5.2%	6.5%	1.0%	1.0%	2.0%										83%	19%	32%
2007	1.4%	5.0%	6.4%	1.1%	0.9%	2.1%	0.7%	1.4%	2.1%	47%	29%	33%	58%	154%	100%	81%	19%	33%
2008	1.6%	4.9%	6.4%	1.3%	0.9%	2.1%	0.7%	1.4%	2.1%	48%	28%	33%	59%	154%	98%	80%	18%	33%
2009	1.7%	4.8%	6.6%	1.4%	0.9%	2.2%	0.8%	1.4%	2.2%	49%	29%	34%	62%	160%	100%	79%	18%	34%
2010	1.9%	4.8%	6.7%	1.5%	0.9%	2.4%	1.4%	1.4%	2.9%	74%	30%	43%	95%	168%	121%	78%	18%	35%
2011	2.1%	4.7%	6.9%	1.7%	0.9%	2.5%	1.5%	2.9%	4.4%	69%	61%	64%	89%	342%	175%	77%	18%	36%
2012	2.4%	4.7%	7.1%	1.8%	0.8%	2.7%	1.5%	0.9%	2.5%	65%	19%	35%	85%	108%	92%	76%	18%	38%
2013	2.6%	4.7%	7.3%	2.0%	0.8%	2.8%	1.9%	0.8%	2.7%	74%	17%	37%	97%	95%	97%	76%	18%	39%

Original Pricing Assumption: 90% of the 75-80 Life S&U ALB
2/3 Female; 1/3 Male

Last Approved Filing Best Estimate: 1994 GAM ANB Male and Female Table
0.5% improvement for 5 years grading to 0.25% over 5 years then 0.25% for 5 years

Current Best Estimate: Annuity 2012 Basic Table
No Improvement

Humana Inc. acquired KMG and Kanawha Insurance Company in 2007. Mortality data was not specifically tracked prior to 2007.

Deaths are assumed to be understated and lapses overstated during this time as the company concentrated on gathering total termination data.

4Q 2014 / 2015 Rate Increase Filing Status

		Current Filing Status		^^^^		LTC2 Premium Annualized Premium		LTC3 Premium Annualized Premium
		LTC2	LTC3					
AL	Alabama	To be filed 3Q 2015				41,679		22,616
AK	Alaska	To be filed 4Q 2015				-		-
AZ	Arizona	To be filed 2Q 2015				397,027		347,540
AR	Arkansas	To be filed 3Q 2015				102,491		26,683
CA	California	Pending Review				1,135,115		584,179
CO	Colorado	To be filed 3Q 2015				52,802		39,608
CT	Connecticut	To be filed 3Q 2015				56,002		14,159
DC	District of Columbia	No Px Paying Policies				-		-
DE	Delaware	To be filed 4Q 2015				20,521		6,448
FL	Florida	Pending Review				9,045,531		2,111,502
GA	Georgia	To be filed 2Q 2015				773,190		291,059
HI	Hawaii	Pending Review				1,205,939		611,625
ID	Idaho	To be filed 4Q 2015				6,776		17,290
IL	Illinois	Pending Review				493,846		205,971
IN	Indiana	To be filed 3Q 2015				27,704		9,238
IA	Iowa	Pending Review				464,489		485,067
KS	Kansas	To be filed 2Q 2015				201,013		153,648
KY	Kentucky	To be filed 3Q 2015				88,632		108,306
LA	Louisiana	To be filed 2Q 2015				218,921		100,903
ME	Maine	To be filed 4Q 2015				11,088		5,238
MD	Maryland	Pending Review				308,060		76,992
MA	Massachusetts	To be filed 3Q 2015				62,210		23,144
MI	Michigan	Pending Review				162,446		63,136
MN	Minnesota	Pending Review				695,654		633,083
MS	Mississippi	To be filed 2Q 2015				289,540		71,000
MO	Missouri	To be filed 2Q 2015				189,693		113,734
MT	Montana	To be filed 4Q 2015				6,431		21,577
NE	Nebraska	Pending Review				161,726		211,409
NV	Nevada	To be filed 3Q 2015				102,318		44,207
NH	New Hampshire	To be filed 4Q 2015				8,553		-
NJ	New Jersey	To be filed 2Q 2015				456,859		293,154
NM	New Mexico	To be filed 3Q 2015				33,544		52,786
NY	New York	To be filed 2Q 2015				410,917		184,315
NC	North Carolina	60%	30%	^		3,387,953		1,676,020
ND	North Dakota	To be filed 3Q 2015				69,860		65,396
OH	Ohio	Pending Review				245,826		127,887
OK	Oklahoma	Pending Review				267,069		209,243
OR	Oregon	To be filed 4Q 2015				9,469		27,051
PA	Pennsylvania	Pending Review				1,078,017		236,165
RI	Rhode Island	To be filed 4Q 2015				16,180		4,574
SC	South Carolina	20%	20%	^^		2,317,905		924,010
SD	South Dakota	To be filed 3Q 2015				84,579		70,352
TN	Tennessee	Pending Review				829,133		356,673
TX	Texas	9% & 32%	Pending	^^^		1,788,351		875,582
UT	Utah	To be filed 3Q 2015				20,839		19,333
VT	Vermont	To be filed 4Q 2015				5,595		2,401
VA	Virginia	Pending Review				1,443,869		1,193,865
WA	Washington	To be filed 3Q 2015				45,047		56,991
WV	West Virginia	To be filed 3Q 2015				27,685		13,711
WI	Wisconsin	To be filed 2Q 2015				259,801		131,820
WY	Wyoming	To be filed 4Q 2015				975		1,534
	Other					708		5,240
TOTAL						**29,129,576**		**12,927,465**

^ (NC) LTC2 is in the 1st year of a 3-year multiple increase. 30% this year followed by pre-approved 15% and 7% next two

^^ (SC) All policies received 20% increase. Inflation policies will receive 20% per year for three years.

^^^ (TX) LTC2 approved a 32% increase for policies with a compound inflation rider and a 9% increase for policies without

^^^ IL and NC were filed requesting a flat 60% rate increase.

All other states are (to be) filed requesting 25% no inflation, 75% simple inflation, 90% compound inflation.

Exhibit I D - Lifetime Pay
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%		2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%		1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%		1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%		1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%		1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%		1.6590
	2003	20,957.4	30,269,583	15,845,696	52.3%	48,053,773	25,155,466	52.3%		1.5875
	2004	20,371.8	30,370,369	10,481,964	34.5%	46,137,583	15,923,826	34.5%		1.5192
	2005	19,791.5	30,178,337	21,273,851	70.5%	43,871,631	30,926,771	70.5%		1.4537
	2006	19,278.5	29,909,644	16,362,210	54.7%	41,608,630	22,762,195	54.7%		1.3911
	2007	18,758.0	30,375,563	18,547,444	61.1%	40,437,120	24,691,072	61.1%		1.3312
	2008	18,277.9	29,910,943	25,541,555	85.4%	38,103,924	32,537,706	85.4%		1.2739
	2009	17,806.9	28,917,818	27,843,834	96.3%	35,252,411	33,943,166	96.3%		1.2191
	2010	17,325.3	29,659,850	28,056,318	94.6%	34,599,990	32,729,374	94.6%		1.1666
	2011	16,864.3	30,087,131	30,666,849	101.9%	33,587,023	34,234,176	101.9%		1.1163
	2012	16,447.7	29,440,453	36,911,898	125.4%	31,449,875	39,431,274	125.4%		1.0683
	2013	15,995.6	29,735,190	37,151,020	124.9%	30,396,870	37,977,720	124.9%		1.0223
	2014	15,389.9	26,600,795	42,243,849	158.8%	26,021,748	41,324,284	158.8%	1.00	0.9782
Projected	2015	14,749.1	25,046,844	44,979,507	179.6%	23,446,530	42,105,639	179.6%	1.00	0.9361
Future	2016	13,997.7	23,423,246	47,353,312	202.2%	20,982,458	42,418,923	202.2%	1.00	0.8958
Experience	2017	13,237.4	21,730,952	50,319,793	231.6%	18,628,236	43,135,202	231.6%	1.00	0.8572
(50 years)	2018	12,468.7	20,062,801	53,683,872	267.6%	16,457,667	44,037,284	267.6%	1.00	0.8203
	2019	11,698.4	18,423,172	57,136,934	310.1%	14,461,882	44,851,537	310.1%	1.00	0.7850
	2020	10,930.7	16,825,767	60,763,477	361.1%	12,639,182	45,644,319	361.1%	1.00	0.7512
	2021	10,166.5	15,279,457	64,130,330	419.7%	10,983,373	46,098,978	419.7%	1.00	0.7188
	2022	9,411.5	13,798,369	67,098,724	486.3%	9,491,597	46,155,748	486.3%	1.00	0.6879
	2023	8,670.1	12,389,220	69,705,388	562.6%	8,155,286	45,884,034	562.6%	1.00	0.6583
	2024	7,946.2	11,056,942	71,931,193	650.6%	6,964,885	45,310,224	650.6%	1.00	0.6299
	2025	7,242.1	9,806,400	73,974,327	754.3%	5,911,154	44,590,638	754.3%	1.00	0.6028
	2026	6,563.1	8,639,197	75,755,671	876.9%	4,983,331	43,697,996	876.9%	1.00	0.5768
	2027	5,913.1	7,560,545	76,763,753	1015.3%	4,173,334	42,372,714	1015.3%	1.00	0.5520
	2028	5,295.4	6,573,485	76,751,283	1167.6%	3,472,238	40,541,464	1167.6%	1.00	0.5282
	2029	4,713.0	5,678,390	75,751,226	1334.0%	2,870,270	38,290,159	1334.0%	1.00	0.5055
	2030	4,166.9	4,871,095	74,134,160	1521.9%	2,356,176	35,859,116	1521.9%	1.00	0.4837
	2031	3,658.8	4,147,365	72,706,885	1753.1%	1,919,717	33,654,292	1753.1%	1.00	0.4629
	2032	3,190.0	3,504,801	70,834,250	2021.1%	1,552,430	31,375,592	2021.1%	1.00	0.4429
	2033	2,762.3	2,939,932	67,741,141	2304.2%	1,246,148	28,713,415	2304.2%	1.00	0.4239
	2034	2,375.1	2,448,906	63,540,932	2594.7%	993,317	25,773,276	2594.7%	1.00	0.4056
	2035	2,026.7	2,024,782	58,479,430	2888.2%	785,919	22,698,799	2888.2%	1.00	0.3882
	2036	1,715.4	1,660,836	54,183,590	3262.4%	616,893	20,125,712	3262.4%	1.00	0.3714
	2037	1,440.7	1,351,160	50,149,343	3711.6%	480,257	17,825,119	3711.6%	1.00	0.3554
	2038	1,201.2	1,091,034	45,290,665	4151.2%	371,099	15,404,925	4151.2%	1.00	0.3401
	2039	994.4	875,358	39,919,831	4560.4%	284,918	12,993,414	4560.4%	1.00	0.3255
	2040	817.1	697,862	34,310,463	4916.5%	217,364	10,686,731	4916.5%	1.00	0.3115
	2041	666.1	552,642	29,722,859	5378.3%	164,720	8,859,161	5378.3%	1.00	0.2981
	2042	539.1	434,642	26,074,130	5999.0%	123,970	7,436,962	5999.0%	1.00	0.2852
	2043	433.9	339,878	22,410,894	6593.8%	92,767	6,116,861	6593.8%	1.00	0.2729
	2044	347.5	264,663	18,809,459	7106.9%	69,127	4,912,804	7106.9%	1.00	0.2612
	2045	277.0	205,296	15,498,562	7549.4%	51,312	3,873,720	7549.4%	1.00	0.2499
	2046	219.5	158,554	12,876,003	8120.9%	37,922	3,079,652	8120.9%	1.00	0.2392
	2047	173.2	121,847	10,996,661	9025.0%	27,888	2,516,895	9025.0%	1.00	0.2289
	2048	136.3	93,228	9,329,836	10007.6%	20,419	2,043,440	10007.6%	1.00	0.2190
	2049	106.9	71,076	7,742,955	10893.9%	14,897	1,622,850	10893.9%	1.00	0.2096
	2050	83.6	53,955	6,375,890	11817.1%	10,821	1,278,781	11817.1%	1.00	0.2006
	2051	65.0	40,711	5,308,178	13038.7%	7,814	1,018,790	13038.7%	1.00	0.1919
	2052	50.3	30,476	4,519,070	14828.1%	5,597	829,988	14828.1%	1.00	0.1837
	2053	38.6	22,623	3,800,168	16798.2%	3,976	667,897	16798.2%	1.00	0.1758
	2054	29.5	16,650	3,051,264	18325.4%	2,800	513,180	18325.4%	1.00	0.1682
	2055	22.3	12,132	2,396,421	19752.1%	1,953	385,689	19752.1%	1.00	0.1609
	2056	16.6	8,730	1,889,069	21639.1%	1,345	290,941	21639.1%	1.00	0.1540
	2057	12.2	6,186	1,505,335	24334.5%	912	221,858	24334.5%	1.00	0.1474
	2058	8.8	4,316	1,162,412	26935.1%	609	163,940	26935.1%	1.00	0.1410
	2059	6.3	2,967	843,055	28409.8%	400	113,780	28409.8%	1.00	0.1350
	2060	4.4	2,009	590,680	29406.0%	259	76,286	29406.0%	1.00	0.1291
	2061	3.0	1,337	412,007	30806.3%	165	50,919	30806.3%	1.00	0.1236
	2062	2.0	875	288,598	32978.1%	103	34,131	32978.1%	1.00	0.1183
	2063	1.3	563	197,986	35174.3%	64	22,407	35174.3%	1.00	0.1132
	Past		408,420,916	292,943,001	71.7%	562,808,444	372,310,568	66.2%		
	Future		270,954,069	1,825,434,822	673.7%	201,107,252	997,700,464	496.1%		
	Lifetime		679,374,986	2,118,377,823	311.8%	763,915,696	1,370,011,032	179.3%		

Exhibit I D - Lifetime Pay
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%		2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%		1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%		1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%		1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%		1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%		1.6590
	2003	20,957.4	30,269,583	15,845,696	52.3%	48,053,773	25,155,466	52.3%		1.5875
	2004	20,371.8	30,370,369	10,481,964	34.5%	46,137,583	15,923,826	34.5%		1.5192
	2005	19,791.5	30,178,337	21,273,851	70.5%	43,871,631	30,926,771	70.5%		1.4537
	2006	19,278.5	29,909,644	16,362,210	54.7%	41,608,630	22,762,195	54.7%		1.3911
	2007	18,758.0	30,375,563	18,547,444	61.1%	40,437,120	24,691,072	61.1%		1.3312
	2008	18,277.9	29,910,943	25,541,555	85.4%	38,103,924	32,537,706	85.4%		1.2739
	2009	17,806.9	28,917,818	27,843,834	96.3%	35,252,411	33,943,166	96.3%		1.2191
	2010	17,325.3	29,659,850	28,056,318	94.6%	34,599,990	32,729,374	94.6%		1.1666
	2011	16,864.3	30,087,131	30,666,849	101.9%	33,587,023	34,234,176	101.9%		1.1163
	2012	16,447.7	29,440,453	36,911,898	125.4%	31,449,875	39,431,274	125.4%		1.0683
	2013	15,995.6	29,735,190	37,151,020	124.9%	30,396,870	37,977,720	124.9%		1.0223
	2014	15,389.9	26,600,795	42,243,849	158.8%	26,021,748	41,324,284	158.8%	1.00	0.9782
Projected	2015	14,749.1	32,674,014	44,979,507	137.7%	30,586,378	42,105,639	137.7%	1.30	0.9361
Future	2016	13,997.7	37,855,598	47,353,312	125.1%	33,910,905	42,418,923	125.1%	1.62	0.8958
Experience	2017	13,237.4	35,290,755	50,319,793	142.6%	30,251,989	43,135,202	142.6%	1.62	0.8572
(50 years)	2018	12,468.7	32,746,231	53,683,872	163.9%	26,861,979	44,037,284	163.9%	1.63	0.8203
	2019	11,698.4	30,227,931	57,136,934	189.0%	23,728,420	44,851,537	189.0%	1.64	0.7850
	2020	10,930.7	27,755,702	60,763,477	218.9%	20,849,533	45,644,319	218.9%	1.65	0.7512
	2021	10,166.5	25,343,382	64,130,330	253.0%	18,217,651	46,098,978	253.0%	1.66	0.7188
	2022	9,411.5	23,013,635	67,098,724	291.6%	15,830,578	46,155,748	291.6%	1.67	0.6879
	2023	8,670.1	20,778,613	69,705,388	335.5%	13,677,659	45,884,034	335.5%	1.68	0.6583
	2024	7,946.2	18,647,304	71,931,193	385.7%	11,746,135	45,310,224	385.7%	1.69	0.6299
	2025	7,242.1	16,629,560	73,974,327	444.8%	10,024,054	44,590,638	444.8%	1.70	0.6028
	2026	6,563.1	14,730,059	75,755,671	514.3%	8,496,711	43,697,996	514.3%	1.71	0.5768
	2027	5,913.1	12,959,416	76,763,753	592.3%	7,153,449	42,372,714	592.3%	1.71	0.5520
	2028	5,295.4	11,325,709	76,751,283	677.7%	5,982,452	40,541,464	677.7%	1.72	0.5282
	2029	4,713.0	9,832,177	75,751,226	770.4%	4,969,895	38,290,159	770.4%	1.73	0.5055
	2030	4,166.9	8,474,587	74,134,160	874.8%	4,099,206	35,859,116	874.8%	1.74	0.4837
	2031	3,658.8	7,248,251	72,706,885	1003.1%	3,355,043	33,654,292	1003.1%	1.75	0.4629
	2032	3,190.0	6,151,490	70,834,250	1151.5%	2,724,765	31,375,592	1151.5%	1.76	0.4429
	2033	2,762.3	5,180,687	67,741,141	1307.6%	2,195,936	28,713,415	1307.6%	1.76	0.4239
	2034	2,375.1	4,331,524	63,540,932	1466.9%	1,756,939	25,773,276	1466.9%	1.77	0.4056
	2035	2,026.7	3,593,834	58,479,430	1627.2%	1,394,947	22,698,799	1627.2%	1.77	0.3882
	2036	1,715.4	2,957,393	54,183,590	1832.1%	1,098,481	20,125,712	1832.1%	1.78	0.3714
	2037	1,440.7	2,413,094	50,149,343	2078.2%	857,712	17,825,119	2078.2%	1.79	0.3554
	2038	1,201.2	1,953,775	45,290,665	2318.1%	664,547	15,404,925	2318.1%	1.79	0.3401
	2039	994.4	1,571,424	39,919,831	2540.4%	511,479	12,993,414	2540.4%	1.80	0.3255
	2040	817.1	1,255,642	34,310,463	2732.5%	391,097	10,686,731	2732.5%	1.80	0.3115
	2041	666.1	996,442	29,722,859	2982.9%	296,998	8,859,161	2982.9%	1.80	0.2981
	2042	539.1	785,177	26,074,130	3320.8%	223,951	7,436,962	3320.8%	1.81	0.2852
	2043	433.9	615,040	22,410,894	3643.8%	167,870	6,116,861	3643.8%	1.81	0.2729
	2044	347.5	479,701	18,809,459	3921.1%	125,292	4,912,804	3921.1%	1.81	0.2612
	2045	277.0	372,679	15,498,562	4158.7%	93,148	3,873,720	4158.7%	1.82	0.2499
	2046	219.5	288,277	12,876,003	4466.5%	68,949	3,079,652	4466.5%	1.82	0.2392
	2047	173.2	221,884	10,996,661	4956.0%	50,784	2,516,895	4956.0%	1.82	0.2289
	2048	136.3	170,034	9,329,836	5487.1%	37,241	2,043,440	5487.1%	1.82	0.2190
	2049	106.9	129,845	7,742,955	5963.2%	27,214	1,622,850	5963.2%	1.83	0.2096
	2050	83.6	98,736	6,375,890	6457.5%	19,803	1,278,781	6457.5%	1.83	0.2006
	2051	65.0	74,635	5,308,178	7112.2%	14,325	1,018,790	7112.2%	1.83	0.1919
	2052	50.3	55,975	4,519,070	8073.4%	10,280	829,988	8073.4%	1.84	0.1837
	2053	38.6	41,626	3,800,168	9129.2%	7,316	667,897	9129.2%	1.84	0.1758
	2054	29.5	30,694	3,051,264	9941.0%	5,162	513,180	9941.0%	1.84	0.1682
	2055	22.3	22,406	2,396,421	10695.4%	3,606	385,689	10695.4%	1.85	0.1609
	2056	16.6	16,151	1,889,069	11696.0%	2,488	290,941	11696.0%	1.85	0.1540
	2057	12.2	11,465	1,505,335	13129.8%	1,690	221,858	13129.8%	1.85	0.1474
	2058	8.8	8,012	1,162,412	14509.0%	1,130	163,940	14509.0%	1.86	0.1410
	2059	6.3	5,518	843,055	15278.5%	745	113,780	15278.5%	1.86	0.1350
	2060	4.4	3,741	590,680	15790.0%	483	76,286	15790.0%	1.86	0.1291
	2061	3.0	2,494	412,007	16517.9%	308	50,919	16517.9%	1.87	0.1236
	2062	2.0	1,634	288,598	17658.7%	193	34,131	17658.7%	1.87	0.1183
	2063	1.3	1,053	197,986	18810.6%	119	22,407	18810.6%	1.87	0.1132
	Past		408,420,916	292,943,001	71.7%	562,808,444	372,310,568	66.2%		
	Future		425,975,800	1,825,434,822	428.5%	308,518,786	997,700,464	323.4%		
	Lifetime		834,396,716	2,118,377,823	253.9%	871,327,230	1,370,011,032	157.2%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%		1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%		1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%		1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%		1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%		1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%		1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,340,574	2,027,486	151.2%	1,254,921	1,897,944	151.2%	1.00	0.9361
Future	2016	841.8	1,272,171	2,213,683	174.0%	1,139,606	1,983,009	174.0%	1.00	0.8958
Experience	2017	809.5	1,199,181	2,433,219	202.9%	1,027,963	2,085,808	202.9%	1.00	0.8572
(50 years)	2018	776.0	1,124,577	2,669,749	237.4%	922,499	2,190,015	237.4%	1.00	0.8203
	2019	741.1	1,049,396	2,918,253	278.1%	823,758	2,290,780	278.1%	1.00	0.7850
	2020	705.5	971,491	3,215,175	331.0%	729,765	2,415,175	331.0%	1.00	0.7512
	2021	668.9	896,361	3,523,000	393.0%	644,334	2,532,447	393.0%	1.00	0.7188
	2022	631.5	824,552	3,828,299	464.3%	567,191	2,633,403	464.3%	1.00	0.6879
	2023	593.7	754,334	4,121,862	546.4%	496,545	2,713,243	546.4%	1.00	0.6583
	2024	555.6	686,227	4,388,648	639.5%	432,262	2,764,456	639.5%	1.00	0.6299
	2025	517.3	620,258	4,693,742	756.7%	373,882	2,829,318	756.7%	1.00	0.6028
	2026	479.0	556,402	5,029,629	904.0%	320,948	2,901,231	904.0%	1.00	0.5768
	2027	441.0	495,313	5,327,941	1075.7%	273,407	2,940,963	1075.7%	1.00	0.5520
	2028	403.7	437,626	5,544,534	1267.0%	231,162	2,928,727	1267.0%	1.00	0.5282
	2029	367.5	383,962	5,652,592	1472.2%	194,082	2,857,230	1472.2%	1.00	0.5055
	2030	332.3	334,279	5,732,047	1714.7%	161,693	2,772,624	1714.7%	1.00	0.4837
	2031	298.4	288,324	5,862,495	2033.3%	133,458	2,713,610	2033.3%	1.00	0.4629
	2032	266.0	246,386	5,956,640	2417.6%	109,135	2,638,457	2417.6%	1.00	0.4429
	2033	235.6	208,616	5,939,961	2847.3%	88,426	2,517,769	2847.3%	1.00	0.4239
	2034	207.2	175,280	5,753,218	3282.3%	71,097	2,333,603	3282.3%	1.00	0.4056
	2035	180.8	146,042	5,423,405	3713.6%	56,686	2,105,095	3713.6%	1.00	0.3882
	2036	156.5	120,472	5,222,180	4334.8%	44,747	1,939,703	4334.8%	1.00	0.3714
	2037	134.3	98,335	5,031,739	5117.0%	34,952	1,788,485	5117.0%	1.00	0.3554
	2038	114.4	79,470	4,734,347	5957.4%	27,030	1,610,315	5957.4%	1.00	0.3401
	2039	96.7	63,717	4,306,254	6758.4%	20,739	1,401,633	6758.4%	1.00	0.3255
	2040	81.1	50,682	3,781,635	7461.5%	15,786	1,177,871	7461.5%	1.00	0.3115
	2041	67.4	39,928	3,408,074	8535.6%	11,901	1,015,807	8535.6%	1.00	0.2981
	2042	55.5	31,110	3,104,144	9977.9%	8,873	885,376	9977.9%	1.00	0.2852
	2043	45.4	23,999	2,769,254	11539.1%	6,550	755,844	11539.1%	1.00	0.2729
	2044	36.9	18,378	2,398,035	13048.2%	4,800	626,338	13048.2%	1.00	0.2612
	2045	29.8	13,978	2,013,575	14404.8%	3,494	503,274	14404.8%	1.00	0.2499
	2046	23.8	10,545	1,726,186	16369.6%	2,522	412,865	16369.6%	1.00	0.2392
	2047	18.9	7,876	1,511,997	19198.0%	1,803	346,063	19198.0%	1.00	0.2289
	2048	14.9	5,825	1,302,701	22363.9%	1,276	285,320	22363.9%	1.00	0.2190
	2049	11.7	4,277	1,081,665	25293.2%	896	226,707	25293.2%	1.00	0.2096
	2050	9.1	3,114	866,513	27822.3%	625	173,792	27822.3%	1.00	0.2006
	2051	7.0	2,247	708,823	31543.7%	431	136,043	31543.7%	1.00	0.1919
	2052	5.3	1,603	587,514	36661.9%	294	107,905	36661.9%	1.00	0.1837
	2053	4.0	1,129	474,132	42005.1%	198	83,331	42005.1%	1.00	0.1758
	2054	3.0	787	361,301	45915.6%	132	60,766	45915.6%	1.00	0.1682
	2055	2.2	542	265,316	48955.0%	87	42,701	48955.0%	1.00	0.1609
	2056	1.6	368	199,252	54081.3%	57	30,687	54081.3%	1.00	0.1540
	2057	1.1	246	149,587	60721.3%	36	22,046	60721.3%	1.00	0.1474
	2058	0.8	162	109,019	67308.2%	23	15,375	67308.2%	1.00	0.1410
	2059	0.5	105	75,510	72210.0%	14	10,191	72210.0%	1.00	0.1350
	2060	0.4	66	51,615	77991.6%	9	6,666	77991.6%	1.00	0.1291
	2061	0.2	42	35,383	85240.1%	5	4,373	85240.1%	1.00	0.1236
	2062	0.2	25	23,852	94090.0%	3	2,821	94090.0%	1.00	0.1183
	2063	0.1	15	15,745	100000%+	2	1,782	100000%+	1.00	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		15,995,351	140,389,958	877.7%	11,614,482	68,498,423	589.8%		
	Lifetime		34,208,211	145,660,937	425.8%	36,213,047	74,834,161	206.6%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%		1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%		1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%		1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%		1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%		1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%		1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,809,226	2,027,486	112.1%	1,693,629	1,897,944	112.1%	1.35	0.9361
Future	2016	841.8	2,167,242	2,213,683	102.1%	1,941,407	1,983,009	102.1%	1.70	0.8958
Experience	2017	809.5	2,049,043	2,433,219	118.7%	1,756,483	2,085,808	118.7%	1.71	0.8572
(50 years)	2018	776.0	1,927,348	2,669,749	138.5%	1,581,018	2,190,015	138.5%	1.71	0.8203
	2019	741.1	1,804,023	2,918,253	161.8%	1,416,128	2,290,780	161.8%	1.72	0.7850
	2020	705.5	1,674,957	3,215,175	192.0%	1,258,194	2,415,175	192.0%	1.72	0.7512
	2021	668.9	1,550,534	3,523,000	227.2%	1,114,574	2,532,447	227.2%	1.73	0.7188
	2022	631.5	1,431,574	3,828,299	267.4%	984,748	2,633,403	267.4%	1.74	0.6879
	2023	593.7	1,314,590	4,121,862	313.5%	865,338	2,713,243	313.5%	1.74	0.6583
	2024	555.6	1,200,433	4,388,648	365.6%	756,165	2,764,456	365.6%	1.75	0.6299
	2025	517.3	1,089,206	4,693,742	430.9%	656,558	2,829,318	430.9%	1.76	0.6028
	2026	479.0	980,870	5,029,629	512.8%	565,793	2,901,231	512.8%	1.76	0.5768
	2027	441.0	876,592	5,327,941	607.8%	483,869	2,940,963	607.8%	1.77	0.5520
	2028	403.7	777,494	5,544,534	713.1%	410,687	2,928,727	713.1%	1.78	0.5282
	2029	367.5	684,739	5,652,592	825.5%	346,117	2,857,230	825.5%	1.78	0.5055
	2030	332.3	598,345	5,732,047	958.0%	289,423	2,772,624	958.0%	1.79	0.4837
	2031	298.4	517,946	5,862,495	1131.9%	239,745	2,713,610	1131.9%	1.80	0.4629
	2032	266.0	444,168	5,956,640	1341.1%	196,741	2,638,457	1341.1%	1.80	0.4429
	2033	235.6	377,331	5,939,961	1574.2%	159,939	2,517,769	1574.2%	1.81	0.4239
	2034	207.2	318,036	5,753,218	1809.0%	129,001	2,333,603	1809.0%	1.81	0.4056
	2035	180.8	265,783	5,423,405	2040.5%	103,164	2,105,095	2040.5%	1.82	0.3882
	2036	156.5	219,870	5,222,180	2375.1%	81,667	1,939,703	2375.1%	1.83	0.3714
	2037	134.3	179,947	5,031,739	2796.2%	63,960	1,788,485	2796.2%	1.83	0.3554
	2038	114.4	145,786	4,734,347	3247.5%	49,587	1,610,315	3247.5%	1.83	0.3401
	2039	96.7	117,158	4,306,254	3675.6%	38,134	1,401,633	3675.6%	1.84	0.3255
	2040	81.1	93,391	3,781,635	4049.2%	29,089	1,177,871	4049.2%	1.84	0.3115
	2041	67.4	73,726	3,408,074	4622.6%	21,975	1,015,807	4622.6%	1.85	0.2981
	2042	55.5	57,555	3,104,144	5393.4%	16,416	885,376	5393.4%	1.85	0.2852
	2043	45.4	44,478	2,769,254	6226.1%	12,140	755,844	6226.1%	1.85	0.2729
	2044	36.9	34,119	2,398,035	7028.4%	8,912	626,338	7028.4%	1.86	0.2612
	2045	29.8	25,994	2,013,575	7746.2%	6,497	503,274	7746.2%	1.86	0.2499
	2046	23.8	19,641	1,726,186	8788.6%	4,698	412,865	8788.6%	1.86	0.2392
	2047	18.9	14,692	1,511,997	10291.1%	3,363	346,063	10291.1%	1.87	0.2289
	2048	14.9	10,883	1,302,701	11969.8%	2,384	285,320	11969.8%	1.87	0.2190
	2049	11.7	8,002	1,081,665	13517.4%	1,677	226,707	13517.4%	1.87	0.2096
	2050	9.1	5,836	866,513	14847.6%	1,171	173,792	14847.6%	1.87	0.2006
	2051	7.0	4,217	708,823	16809.5%	809	136,043	16809.5%	1.88	0.1919
	2052	5.3	3,011	587,514	19510.7%	553	107,905	19510.7%	1.88	0.1837
	2053	4.0	2,124	474,132	22326.5%	373	83,331	22326.5%	1.88	0.1758
	2054	3.0	1,482	361,301	24377.1%	249	60,766	24377.1%	1.88	0.1682
	2055	2.2	1,022	265,316	25963.1%	164	42,701	25963.1%	1.89	0.1609
	2056	1.6	695	199,252	28654.6%	107	30,687	28654.6%	1.89	0.1540
	2057	1.1	465	149,587	32145.2%	69	22,046	32145.2%	1.89	0.1474
	2058	0.8	306	109,019	35609.6%	43	15,375	35609.6%	1.89	0.1410
	2059	0.5	198	75,510	38178.9%	27	10,191	38178.9%	1.89	0.1350
	2060	0.4	125	51,615	41208.0%	16	6,666	41208.0%	1.89	0.1291
	2061	0.2	79	35,383	45022.8%	10	4,373	45022.8%	1.89	0.1236
	2062	0.2	48	23,852	49668.5%	6	2,821	49668.5%	1.89	0.1183
	2063	0.1	29	15,745	54404.7%	3	1,782	54404.7%	1.89	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		26,329,315	140,389,958	533.2%	18,667,192	68,498,423	366.9%		
	Lifetime		44,542,175	145,660,937	327.0%	43,265,758	74,834,161	173.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	414,173	547,983	132.3%	387,711	512,970	132.3%	1.00	0.9361
Future	2016	267.4	384,436	566,683	147.4%	344,376	507,632	147.4%	1.00	0.8958
Experience	2017	252.8	352,924	589,987	167.2%	302,534	505,750	167.2%	1.00	0.8572
(50 years)	2018	238.1	322,075	608,927	189.1%	264,200	499,508	189.1%	1.00	0.8203
	2019	222.8	292,046	621,839	212.9%	229,251	488,133	212.9%	1.00	0.7850
	2020	207.7	262,886	634,132	241.2%	197,475	476,347	241.2%	1.00	0.7512
	2021	192.6	234,697	642,247	273.6%	168,708	461,668	273.6%	1.00	0.7188
	2022	177.4	207,808	644,850	310.3%	142,947	443,578	310.3%	1.00	0.6879
	2023	162.5	182,530	635,206	348.0%	120,151	418,129	348.0%	1.00	0.6583
	2024	147.9	159,074	613,409	385.6%	100,202	386,393	385.6%	1.00	0.6299
	2025	133.7	137,360	590,155	429.6%	82,798	355,736	429.6%	1.00	0.6028
	2026	120.0	117,376	571,419	486.8%	67,706	329,611	486.8%	1.00	0.5768
	2027	106.8	99,234	545,444	549.7%	54,776	301,079	549.7%	1.00	0.5520
	2028	94.5	83,070	507,099	610.4%	43,879	267,859	610.4%	1.00	0.5282
	2029	83.0	68,907	457,087	663.3%	34,831	231,045	663.3%	1.00	0.5055
	2030	72.2	56,593	408,758	722.3%	27,374	197,718	722.3%	1.00	0.4837
	2031	62.3	45,952	372,879	811.4%	21,270	172,597	811.4%	1.00	0.4629
	2032	53.3	36,871	337,587	915.6%	16,332	149,532	915.6%	1.00	0.4429
	2033	45.3	29,293	298,052	1017.5%	12,416	126,335	1017.5%	1.00	0.4239
	2034	38.2	23,072	254,997	1105.2%	9,358	103,431	1105.2%	1.00	0.4056
	2035	31.9	17,995	214,358	1191.2%	6,985	83,203	1191.2%	1.00	0.3882
	2036	26.4	13,887	186,474	1342.8%	5,158	69,263	1342.8%	1.00	0.3714
	2037	21.6	10,598	161,483	1523.7%	3,767	57,398	1523.7%	1.00	0.3554
	2038	17.6	8,009	135,862	1696.3%	2,724	46,212	1696.3%	1.00	0.3401
	2039	14.2	6,007	109,968	1830.7%	1,955	35,793	1830.7%	1.00	0.3255
	2040	11.3	4,468	87,170	1951.1%	1,392	27,151	1951.1%	1.00	0.3115
	2041	8.9	3,287	71,851	2185.7%	980	21,416	2185.7%	1.00	0.2981
	2042	6.9	2,391	58,420	2442.8%	682	16,663	2442.8%	1.00	0.2852
	2043	5.4	1,723	45,939	2666.5%	470	12,539	2666.5%	1.00	0.2729
	2044	4.1	1,230	34,893	2837.7%	321	9,114	2837.7%	1.00	0.2612
	2045	3.1	869	26,132	3007.7%	217	6,531	3007.7%	1.00	0.2499
	2046	2.3	607	20,213	3331.3%	145	4,834	3331.3%	1.00	0.2392
	2047	1.7	418	15,505	3709.2%	96	3,549	3709.2%	1.00	0.2289
	2048	1.2	284	11,581	4084.4%	62	2,536	4084.4%	1.00	0.2190
	2049	0.9	190	8,239	4341.2%	40	1,727	4341.2%	1.00	0.2096
	2050	0.6	125	5,873	4689.3%	25	1,178	4689.3%	1.00	0.2006
	2051	0.4	81	4,254	5246.3%	16	816	5246.3%	1.00	0.1919
	2052	0.3	52	2,986	5784.8%	9	548	5784.8%	1.00	0.1837
	2053	0.2	32	2,052	6351.5%	6	361	6351.5%	1.00	0.1758
	2054	0.1	20	1,296	6507.9%	3	218	6507.9%	1.00	0.1682
	2055	0.1	12	828	6878.2%	2	133	6878.2%	1.00	0.1609
	2056	0.1	7	533	7426.8%	1	82	7426.8%	1.00	0.1540
	2057	0.0	4	333	7966.7%	1	49	7966.7%	1.00	0.1474
	2058	0.0	2	204	8322.4%	0	29	8322.4%	1.00	0.1410
	2059	0.0	1	123	8831.7%	0	17	8831.7%	1.00	0.1350
	2060	0.0	1	73	9692.0%	0	9	9692.0%	1.00	0.1291
	2061	0.0	0	42	9827.9%	0	5	9827.9%	1.00	0.1236
	2062	0.0	0	24	10950.0%	0	3	10950.0%	1.00	0.1183
	2063	0.0	0	14	9750.0%	0	2	9750.0%	1.00	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,024,626	12,172,791	302.5%	3,085,683	7,842,500	254.2%		
	Lifetime		10,453,949	14,409,469	137.8%	11,801,181	10,572,879	89.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	465,945	547,983	117.6%	436,174	512,970	117.6%	1.13	0.9361
Future	2016	267.4	480,544	566,683	117.9%	430,470	507,632	117.9%	1.25	0.8958
Experience	2017	252.8	441,154	589,987	133.7%	378,167	505,750	133.7%	1.25	0.8572
(50 years)	2018	238.1	402,593	608,927	151.3%	330,250	499,508	151.3%	1.25	0.8203
	2019	222.8	365,057	621,839	170.3%	286,564	488,133	170.3%	1.25	0.7850
	2020	207.7	328,608	634,132	193.0%	246,844	476,347	193.0%	1.25	0.7512
	2021	192.6	293,371	642,247	218.9%	210,885	461,668	218.9%	1.25	0.7188
	2022	177.4	259,760	644,850	248.2%	178,683	443,578	248.2%	1.25	0.6879
	2023	162.5	228,162	635,206	278.4%	150,189	418,129	278.4%	1.25	0.6583
	2024	147.9	198,843	613,409	308.5%	125,253	386,393	308.5%	1.25	0.6299
	2025	133.7	171,700	590,155	343.7%	103,498	355,736	343.7%	1.25	0.6028
	2026	120.0	146,720	571,419	389.5%	84,632	329,611	389.5%	1.25	0.5768
	2027	106.8	124,043	545,444	439.7%	68,470	301,079	439.7%	1.25	0.5520
	2028	94.5	103,837	507,099	488.4%	54,849	267,859	488.4%	1.25	0.5282
	2029	83.0	86,134	457,087	530.7%	43,538	231,045	530.7%	1.25	0.5055
	2030	72.2	70,741	408,758	577.8%	34,218	197,718	577.8%	1.25	0.4837
	2031	62.3	57,441	372,879	649.2%	26,588	172,597	649.2%	1.25	0.4629
	2032	53.3	46,089	337,587	732.5%	20,415	149,532	732.5%	1.25	0.4429
	2033	45.3	36,616	298,052	814.0%	15,520	126,335	814.0%	1.25	0.4239
	2034	38.2	28,839	254,997	884.2%	11,698	103,431	884.2%	1.25	0.4056
	2035	31.9	22,494	214,358	953.0%	8,731	83,203	953.0%	1.25	0.3882
	2036	26.4	17,358	186,474	1074.3%	6,448	69,263	1074.3%	1.25	0.3714
	2037	21.6	13,248	161,483	1218.9%	4,709	57,398	1218.9%	1.25	0.3554
	2038	17.6	10,012	135,862	1357.0%	3,405	46,212	1357.0%	1.25	0.3401
	2039	14.2	7,509	109,968	1464.6%	2,444	35,793	1464.6%	1.25	0.3255
	2040	11.3	5,585	87,170	1560.9%	1,739	27,151	1560.9%	1.25	0.3115
	2041	8.9	4,109	71,851	1748.6%	1,225	21,416	1748.6%	1.25	0.2981
	2042	6.9	2,989	58,420	1954.3%	853	16,663	1954.3%	1.25	0.2852
	2043	5.4	2,154	45,939	2133.2%	588	12,539	2133.2%	1.25	0.2729
	2044	4.1	1,537	34,893	2270.1%	401	9,114	2270.1%	1.25	0.2612
	2045	3.1	1,086	26,132	2406.1%	271	6,531	2406.1%	1.25	0.2499
	2046	2.3	758	20,213	2665.0%	181	4,834	2665.0%	1.25	0.2392
	2047	1.7	523	15,505	2967.3%	120	3,549	2967.3%	1.25	0.2289
	2048	1.2	354	11,581	3267.5%	78	2,536	3267.5%	1.25	0.2190
	2049	0.9	237	8,239	3473.0%	50	1,727	3473.0%	1.25	0.2096
	2050	0.6	157	5,873	3751.5%	31	1,178	3751.5%	1.25	0.2006
	2051	0.4	101	4,254	4197.1%	19	816	4197.1%	1.25	0.1919
	2052	0.3	65	2,986	4627.9%	12	548	4627.9%	1.25	0.1837
	2053	0.2	40	2,052	5081.2%	7	361	5081.2%	1.25	0.1758
	2054	0.1	25	1,296	5206.3%	4	218	5206.3%	1.25	0.1682
	2055	0.1	15	828	5502.5%	2	133	5502.5%	1.25	0.1609
	2056	0.1	9	533	5941.4%	1	82	5941.4%	1.25	0.1540
	2057	0.0	5	333	6373.4%	1	49	6373.4%	1.25	0.1474
	2058	0.0	3	204	6658.0%	0	29	6658.0%	1.25	0.1410
	2059	0.0	2	123	7065.3%	0	17	7065.3%	1.25	0.1350
	2060	0.0	1	73	7753.6%	0	9	7753.6%	1.25	0.1291
	2061	0.0	1	42	7862.3%	0	5	7862.3%	1.25	0.1236
	2062	0.0	0	24	8760.0%	0	3	8760.0%	1.25	0.1183
	2063	0.0	0	14	7800.0%	0	2	7800.0%	1.25	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,868,524	12,172,791	250.0%	3,700,557	7,842,500	211.9%		
	Lifetime		11,297,846	14,409,469	127.5%	12,416,055	10,572,879	85.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	926,401	1,479,504	159.7%	867,210	1,384,974	159.7%	1.00	0.9361
Future	2016	574.4	887,735	1,647,000	185.5%	795,230	1,475,377	185.5%	1.00	0.8958
Experience	2017	556.7	846,257	1,843,232	217.8%	725,430	1,580,058	217.8%	1.00	0.8572
(50 years)	2018	537.9	802,503	2,060,822	256.8%	658,299	1,690,508	256.8%	1.00	0.8203
	2019	518.3	757,350	2,296,415	303.2%	594,507	1,802,647	303.2%	1.00	0.7850
	2020	497.8	708,605	2,581,043	364.2%	532,290	1,938,828	364.2%	1.00	0.7512
	2021	476.4	661,664	2,880,753	435.4%	475,626	2,070,779	435.4%	1.00	0.7188
	2022	454.1	616,744	3,183,449	516.2%	424,245	2,189,825	516.2%	1.00	0.6879
	2023	431.2	571,804	3,486,656	609.8%	376,394	2,295,115	609.8%	1.00	0.6583
	2024	407.6	527,153	3,775,239	716.2%	332,059	2,378,063	716.2%	1.00	0.6299
	2025	383.5	482,898	4,103,587	849.8%	291,084	2,473,582	849.8%	1.00	0.6028
	2026	359.0	439,027	4,458,209	1015.5%	253,243	2,571,620	1015.5%	1.00	0.5768
	2027	334.1	396,079	4,782,498	1207.5%	218,631	2,639,884	1207.5%	1.00	0.5520
	2028	309.2	354,556	5,037,435	1420.8%	187,283	2,660,868	1420.8%	1.00	0.5282
	2029	284.6	315,056	5,195,505	1649.1%	159,252	2,626,185	1649.1%	1.00	0.5055
	2030	260.1	277,686	5,323,289	1917.0%	134,318	2,574,905	1917.0%	1.00	0.4837
	2031	236.1	242,371	5,489,616	2265.0%	112,188	2,541,013	2265.0%	1.00	0.4629
	2032	212.7	209,515	5,619,053	2681.9%	92,803	2,488,925	2681.9%	1.00	0.4429
	2033	190.3	179,324	5,641,909	3146.2%	76,010	2,391,434	3146.2%	1.00	0.4239
	2034	169.0	152,209	5,498,221	3612.3%	61,738	2,230,172	3612.3%	1.00	0.4056
	2035	149.0	128,047	5,209,047	4068.1%	49,701	2,021,892	4068.1%	1.00	0.3882
	2036	130.1	106,585	5,035,705	4724.6%	39,589	1,870,440	4724.6%	1.00	0.3714
	2037	112.7	87,736	4,870,256	5551.0%	31,185	1,731,087	5551.0%	1.00	0.3554
	2038	96.8	71,460	4,598,484	6435.0%	24,306	1,564,104	6435.0%	1.00	0.3401
	2039	82.6	57,710	4,196,286	7271.3%	18,784	1,365,839	7271.3%	1.00	0.3255
	2040	69.8	46,214	3,694,465	7994.3%	14,394	1,150,721	7994.3%	1.00	0.3115
	2041	58.5	36,640	3,336,224	9105.3%	10,921	994,391	9105.3%	1.00	0.2981
	2042	48.6	28,719	3,045,724	10605.4%	8,191	868,713	10605.4%	1.00	0.2852
	2043	40.1	22,276	2,723,314	12225.3%	6,080	743,305	12225.3%	1.00	0.2729
	2044	32.8	17,149	2,363,141	13780.4%	4,479	617,224	13780.4%	1.00	0.2612
	2045	26.7	13,110	1,987,444	15160.2%	3,277	496,743	15160.2%	1.00	0.2499
	2046	21.5	9,938	1,705,973	17165.6%	2,377	408,031	17165.6%	1.00	0.2392
	2047	17.2	7,458	1,496,492	20066.2%	1,707	342,514	20066.2%	1.00	0.2289
	2048	13.7	5,541	1,291,120	23299.2%	1,214	282,784	23299.2%	1.00	0.2190
	2049	10.8	4,087	1,073,426	26266.2%	857	224,980	26266.2%	1.00	0.2096
	2050	8.4	2,989	860,640	28791.5%	600	172,614	28791.5%	1.00	0.2006
	2051	6.5	2,166	704,569	32528.1%	416	135,227	32528.1%	1.00	0.1919
	2052	5.0	1,551	584,528	37689.6%	285	107,356	37689.6%	1.00	0.1837
	2053	3.8	1,096	472,081	43055.4%	193	82,970	43055.4%	1.00	0.1758
	2054	2.8	767	360,005	46938.6%	129	60,548	46938.6%	1.00	0.1682
	2055	2.1	530	264,488	49911.0%	85	42,568	49911.0%	1.00	0.1609
	2056	1.5	361	198,719	55007.3%	56	30,605	55007.3%	1.00	0.1540
	2057	1.1	242	149,254	61631.9%	36	21,997	61631.9%	1.00	0.1474
	2058	0.7	160	108,815	68214.1%	22	15,347	68214.1%	1.00	0.1410
	2059	0.5	103	75,387	73063.8%	14	10,174	73063.8%	1.00	0.1350
	2060	0.3	65	51,542	78774.5%	8	6,657	78774.5%	1.00	0.1291
	2061	0.2	41	35,341	86029.5%	5	4,368	86029.5%	1.00	0.1236
	2062	0.1	25	23,828	94817.9%	3	2,818	94817.9%	1.00	0.1183
	2063	0.1	15	15,732	100000%+	2	1,780	100000%+	1.00	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		11,970,725	128,217,166	1071.1%	8,528,799	60,655,923	711.2%		
	Lifetime		23,754,262	131,251,467	552.5%	24,411,867	64,261,283	263.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	1,343,281	1,479,504	110.1%	1,257,455	1,384,974	110.1%	1.45	0.9361
Future	2016	574.4	1,686,697	1,647,000	97.6%	1,510,937	1,475,377	97.6%	1.90	0.8958
Experience	2017	556.7	1,607,888	1,843,232	114.6%	1,378,316	1,580,058	114.6%	1.90	0.8572
(50 years)	2018	537.9	1,524,755	2,060,822	135.2%	1,250,768	1,690,508	135.2%	1.90	0.8203
	2019	518.3	1,438,966	2,296,415	159.6%	1,129,564	1,802,647	159.6%	1.90	0.7850
	2020	497.8	1,346,349	2,581,043	191.7%	1,011,350	1,938,828	191.7%	1.90	0.7512
	2021	476.4	1,257,162	2,880,753	229.1%	903,689	2,070,779	229.1%	1.90	0.7188
	2022	454.1	1,171,813	3,183,449	271.7%	806,065	2,189,825	271.7%	1.90	0.6879
	2023	431.2	1,086,428	3,486,656	320.9%	715,149	2,295,115	320.9%	1.90	0.6583
	2024	407.6	1,001,590	3,775,239	376.9%	630,912	2,378,063	376.9%	1.90	0.6299
	2025	383.5	917,507	4,103,587	447.3%	553,060	2,473,582	447.3%	1.90	0.6028
	2026	359.0	834,150	4,458,209	534.5%	481,161	2,571,620	534.5%	1.90	0.5768
	2027	334.1	752,550	4,782,498	635.5%	415,399	2,639,884	635.5%	1.90	0.5520
	2028	309.2	673,657	5,037,435	747.8%	355,838	2,660,868	747.8%	1.90	0.5282
	2029	284.6	598,605	5,195,505	867.9%	302,579	2,626,185	867.9%	1.90	0.5055
	2030	260.1	527,604	5,323,289	1009.0%	255,205	2,574,905	1009.0%	1.90	0.4837
	2031	236.1	460,506	5,489,616	1192.1%	213,157	2,541,013	1192.1%	1.90	0.4629
	2032	212.7	398,079	5,619,053	1411.5%	176,327	2,488,925	1411.5%	1.90	0.4429
	2033	190.3	340,715	5,641,909	1655.9%	144,419	2,391,434	1655.9%	1.90	0.4239
	2034	169.0	289,196	5,498,221	1901.2%	117,303	2,230,172	1901.2%	1.90	0.4056
	2035	149.0	243,289	5,209,047	2141.1%	94,433	2,021,892	2141.1%	1.90	0.3882
	2036	130.1	202,512	5,035,705	2486.6%	75,220	1,870,440	2486.6%	1.90	0.3714
	2037	112.7	166,699	4,870,256	2921.6%	59,252	1,731,087	2921.6%	1.90	0.3554
	2038	96.8	135,774	4,598,484	3386.9%	46,182	1,564,104	3386.9%	1.90	0.3401
	2039	82.6	109,650	4,196,286	3827.0%	35,690	1,365,839	3827.0%	1.90	0.3255
	2040	69.8	87,807	3,694,465	4207.5%	27,349	1,150,721	4207.5%	1.90	0.3115
	2041	58.5	69,617	3,336,224	4792.3%	20,750	994,391	4792.3%	1.90	0.2981
	2042	48.6	54,565	3,045,724	5581.8%	15,563	868,713	5581.8%	1.90	0.2852
	2043	40.1	42,324	2,723,314	6434.4%	11,552	743,305	6434.4%	1.90	0.2729
	2044	32.8	32,582	2,363,141	7252.8%	8,510	617,224	7252.8%	1.90	0.2612
	2045	26.7	24,908	1,987,444	7979.0%	6,226	496,743	7979.0%	1.90	0.2499
	2046	21.5	18,883	1,705,973	9034.5%	4,516	408,031	9034.5%	1.90	0.2392
	2047	17.2	14,170	1,496,492	10561.2%	3,243	342,514	10561.2%	1.90	0.2289
	2048	13.7	10,529	1,291,120	12262.7%	2,306	282,784	12262.7%	1.90	0.2190
	2049	10.8	7,765	1,073,426	13824.3%	1,627	224,980	13824.3%	1.90	0.2096
	2050	8.4	5,680	860,640	15153.4%	1,139	172,614	15153.4%	1.90	0.2006
	2051	6.5	4,115	704,569	17120.1%	790	135,227	17120.1%	1.90	0.1919
	2052	5.0	2,947	584,528	19836.6%	541	107,356	19836.6%	1.90	0.1837
	2053	3.8	2,083	472,081	22660.7%	366	82,970	22660.7%	1.90	0.1758
	2054	2.8	1,457	360,005	24704.5%	245	60,548	24704.5%	1.90	0.1682
	2055	2.1	1,007	264,488	26268.9%	162	42,568	26268.9%	1.90	0.1609
	2056	1.5	686	198,719	28951.2%	106	30,605	28951.2%	1.90	0.1540
	2057	1.1	460	149,254	32437.8%	68	21,997	32437.8%	1.90	0.1474
	2058	0.7	303	108,815	35902.2%	43	15,347	35902.2%	1.90	0.1410
	2059	0.5	196	75,387	38454.6%	26	10,174	38454.6%	1.90	0.1350
	2060	0.3	124	51,542	41460.3%	16	6,657	41460.3%	1.90	0.1291
	2061	0.2	78	35,341	45278.7%	10	4,368	45278.7%	1.90	0.1236
	2062	0.1	48	23,828	49904.1%	6	2,818	49904.1%	1.90	0.1183
	2063	0.1	29	15,732	54688.2%	3	1,780	54688.2%	1.90	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		21,460,791	128,217,166	597.4%	14,966,635	60,655,923	405.3%		
	Lifetime		33,244,328	131,251,467	394.8%	30,849,703	64,261,283	208.3%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	#DIV/0!	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	#DIV/0!	2.1604
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	1.25	2.0674
Historical	1998	8.3	43,913	0	0.0%	86,876	0	0.0%	1.61	1.9783
Experience	1999	29.3	156,061	0	0.0%	295,447	0	0.0%	1.63	1.8932
	2000	99.4	552,139	0	0.0%	1,000,272	0	0.0%	1.70	1.8116
	2001	423.0	2,234,523	575	0.0%	3,873,812	997	0.0%	1.67	1.7336
	2002	918.7	3,816,104	1,200	0.0%	6,330,785	1,991	0.0%	1.66	1.6590
	2003	1,103.4	4,096,638	302,199	7.4%	6,503,522	479,749	7.4%	1.66	1.5875
	2004	1,080.9	3,971,292	344,340	8.7%	6,033,044	523,109	8.7%	1.66	1.5192
	2005	1,055.8	3,900,347	257,328	6.6%	5,670,113	374,089	6.6%	1.67	1.4537
	2006	1,040.6	3,891,421	294,652	7.6%	5,413,527	409,903	7.6%	1.67	1.3911
	2007	1,027.9	3,804,739	120,750	3.2%	5,065,016	160,747	3.2%	1.67	1.3312
	2008	1,017.9	3,778,731	196,600	5.2%	4,813,772	250,451	5.2%	1.67	1.2739
	2009	1,004.7	3,358,761	421,309	12.5%	4,094,514	513,599	12.5%	1.66	1.2191
	2010	985.1	3,077,548	146,259	4.8%	3,590,144	170,620	4.8%	1.67	1.1666
	2011	954.6	2,483,233	1,805,208	72.7%	2,772,096	2,015,200	72.7%	1.68	1.1163
	2012	932.8	2,316,555	521,796	22.5%	2,474,668	557,411	22.5%	1.68	1.0683
	2013	920.5	2,249,135	858,763	38.2%	2,299,184	877,873	38.2%	1.68	1.0223
	2014	897.8	2,589,669	1,819,032	70.2%	2,533,297	1,779,435	70.2%	1.70	0.9782
Projected	2015	872.9	2,476,531	2,027,486	81.9%	2,318,299	1,897,944	81.9%	1.70	0.9361
Future	2016	841.8	2,356,437	2,213,683	93.9%	2,110,887	1,983,009	93.9%	1.70	0.8958
Experience	2017	809.5	2,228,115	2,433,219	109.2%	1,909,987	2,085,808	109.2%	1.71	0.8572
(50 years)	2018	776.0	2,095,921	2,669,749	127.4%	1,719,300	2,190,015	127.4%	1.71	0.8203
	2019	741.1	1,961,945	2,918,253	148.7%	1,540,094	2,290,780	148.7%	1.72	0.7850
	2020	705.5	1,822,126	3,215,175	176.5%	1,368,745	2,415,175	176.5%	1.73	0.7512
	2021	668.9	1,687,164	3,523,000	208.8%	1,212,788	2,532,447	208.8%	1.73	0.7188
	2022	631.5	1,557,948	3,828,299	245.7%	1,071,679	2,633,403	245.7%	1.74	0.6879
	2023	593.7	1,430,872	4,121,862	288.1%	941,881	2,713,243	288.1%	1.74	0.6583
	2024	555.6	1,306,859	4,388,648	335.8%	823,205	2,764,456	335.8%	1.75	0.6299
	2025	517.3	1,186,019	4,693,742	395.8%	714,915	2,829,318	395.8%	1.76	0.6028
	2026	479.0	1,068,299	5,029,629	470.8%	616,225	2,901,231	470.8%	1.76	0.5768
	2027	441.0	954,972	5,327,941	557.9%	527,134	2,940,963	557.9%	1.77	0.5520
	2028	403.7	847,254	5,544,534	654.4%	447,535	2,928,727	654.4%	1.78	0.5282
	2029	367.5	746,409	5,652,592	757.3%	377,289	2,857,230	757.3%	1.78	0.5055
	2030	332.3	652,456	5,732,047	878.5%	315,596	2,772,624	878.5%	1.79	0.4837
	2031	298.4	564,990	5,862,495	1037.6%	261,520	2,713,610	1037.6%	1.80	0.4629
	2032	266.0	484,696	5,956,640	1228.9%	214,693	2,638,457	1228.9%	1.80	0.4429
	2033	235.6	411,926	5,939,961	1442.0%	174,603	2,517,769	1442.0%	1.81	0.4239
	2034	207.2	347,336	5,753,218	1656.4%	140,885	2,333,603	1656.4%	1.81	0.4056
	2035	180.8	290,389	5,423,405	1867.6%	112,715	2,105,095	1867.6%	1.82	0.3882
	2036	156.5	240,326	5,222,180	2173.0%	89,265	1,939,703	2173.0%	1.83	0.3714
	2037	134.3	196,769	5,031,739	2557.2%	69,940	1,788,485	2557.2%	1.83	0.3554
	2038	114.4	159,477	4,734,347	2968.7%	54,244	1,610,315	2968.7%	1.83	0.3401
	2039	96.7	128,208	4,306,254	3358.8%	41,730	1,401,633	3358.8%	1.84	0.3255
	2040	81.1	102,233	3,781,635	3699.0%	31,843	1,177,871	3699.0%	1.84	0.3115
	2041	67.4	80,729	3,408,074	4221.6%	24,062	1,015,807	4221.6%	1.85	0.2981
	2042	55.5	63,036	3,104,144	4924.4%	17,979	885,376	4924.4%	1.85	0.2852
	2043	45.4	48,721	2,769,254	5683.9%	13,298	755,844	5683.9%	1.85	0.2729
	2044	36.9	37,377	2,398,035	6415.8%	9,762	626,338	6415.8%	1.86	0.2612
	2045	29.8	28,476	2,013,575	7071.1%	7,117	503,274	7071.1%	1.86	0.2499
	2046	23.8	21,515	1,726,186	8023.3%	5,146	412,865	8023.3%	1.86	0.2392
	2047	18.9	16,091	1,511,997	9396.5%	3,683	346,063	9396.5%	1.87	0.2289
	2048	14.9	11,917	1,302,701	10931.8%	2,610	285,320	10931.8%	1.87	0.2190
	2049	11.7	8,759	1,081,665	12348.7%	1,836	226,707	12348.7%	1.87	0.2096
	2050	9.1	6,386	866,513	13568.1%	1,281	173,792	13568.1%	1.87	0.2006
	2051	7.0	4,613	708,823	15366.0%	885	136,043	15366.0%	1.88	0.1919
	2052	5.3	3,293	587,514	17840.6%	605	107,905	17840.6%	1.88	0.1837
	2053	4.0	2,322	474,132	20420.5%	408	83,331	20420.5%	1.88	0.1758
	2054	3.0	1,620	361,301	22301.2%	272	60,766	22301.2%	1.88	0.1682
	2055	2.2	1,117	265,316	23756.7%	180	42,701	23756.7%	1.89	0.1609
	2056	1.6	760	199,252	26222.7%	117	30,687	26222.7%	1.89	0.1540
	2057	1.1	508	149,587	29419.2%	75	22,046	29419.2%	1.89	0.1474
	2058	0.8	335	109,019	32590.0%	47	15,375	32590.0%	1.89	0.1410
	2059	0.5	216	75,510	34939.8%	29	10,191	34939.8%	1.89	0.1350
	2060	0.4	137	51,615	37708.4%	18	6,666	37708.4%	1.89	0.1291
	2061	0.2	86	35,383	41194.7%	11	4,373	41194.7%	1.89	0.1236
	2062	0.2	53	23,852	45431.2%	6	2,821	45431.2%	1.89	0.1183
	2063	0.1	32	15,745	49750.7%	4	1,782	49750.7%	1.89	0.1132
	Past		43,733,761	5,270,979	12.1%	60,322,214	6,335,738	10.5%		
	Future		30,233,445	140,389,958	464.4%	21,829,726	68,498,423	313.8%		
	Lifetime		73,967,207	145,660,937	196.9%	82,151,941	74,834,161	91.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Proposed Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Proposed Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A	1.25	2.3592
	1995	0.0	0	0	N/A	0	0	N/A	1.25	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	1.25	2.1604
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	1.25	2.0674
	1998	3.4	15,193	0	0.0%	30,056	0	0.0%	1.25	1.9783
Historical	1999	12.3	49,276	0	0.0%	93,286	0	0.0%	1.25	1.8932
Experience	2000	46.3	122,418	0	0.0%	221,776	0	0.0%	1.25	1.8116
	2001	188.9	587,870	575	0.1%	1,019,142	997	0.1%	1.25	1.7336
	2002	358.3	1,055,700	0	0.0%	1,751,370	0	0.0%	1.25	1.6590
	2003	395.8	1,114,752	270,600	24.3%	1,769,699	429,585	24.3%	1.25	1.5875
	2004	386.7	1,097,525	0	0.0%	1,667,320	0	0.0%	1.25	1.5192
	2005	374.5	1,042,266	129,850	12.5%	1,515,190	188,769	12.5%	1.25	1.4537
	2006	365.4	1,045,937	19,460	1.9%	1,455,049	27,072	1.9%	1.25	1.3911
	2007	356.6	1,013,018	120,750	11.9%	1,348,569	160,747	11.9%	1.25	1.3312
	2008	353.1	1,002,361	196,600	19.6%	1,276,920	250,451	19.6%	1.25	1.2739
	2009	347.8	918,210	336,460	36.6%	1,119,348	410,163	36.6%	1.25	1.2191
	2010	338.4	797,316	143,522	18.0%	930,117	167,427	18.0%	1.25	1.1666
	2011	325.1	632,615	551,236	87.1%	706,204	615,358	87.1%	1.25	1.1163
	2012	311.0	573,990	38,644	6.7%	613,167	41,282	6.7%	1.25	1.0683
	2013	303.8	557,056	428,982	77.0%	569,452	438,528	77.0%	1.25	1.0223
	2014	293.3	597,479	517,332	86.6%	584,473	506,071	86.6%	1.25	0.9782
Projected	2015	281.9	559,880	547,983	97.9%	524,107	512,970	97.9%	1.25	0.9361
Future	2016	267.4	519,630	566,683	109.1%	465,483	507,632	109.1%	1.25	0.8958
Experience	2017	252.8	476,995	589,987	123.7%	408,890	505,750	123.7%	1.25	0.8572
(50 years)	2018	238.1	435,263	608,927	139.9%	357,050	499,508	139.9%	1.25	0.8203
	2019	222.8	394,658	621,839	157.6%	309,800	488,133	157.6%	1.25	0.7850
	2020	207.7	355,242	634,132	178.5%	266,850	476,347	178.5%	1.25	0.7512
	2021	192.6	317,146	642,247	202.5%	227,975	461,668	202.5%	1.25	0.7188
	2022	177.4	280,817	644,850	229.6%	193,168	443,578	229.6%	1.25	0.6879
	2023	162.5	246,670	635,206	257.5%	162,372	418,129	257.5%	1.25	0.6583
	2024	147.9	214,994	613,409	285.3%	135,427	386,393	285.3%	1.25	0.6299
	2025	133.7	185,672	590,155	317.8%	111,920	355,736	317.8%	1.25	0.6028
	2026	120.0	158,688	571,419	360.1%	91,536	329,611	360.1%	1.25	0.5768
	2027	106.8	134,192	545,444	406.5%	74,073	301,079	406.5%	1.25	0.5520
	2028	94.5	112,365	507,099	451.3%	59,353	267,859	451.3%	1.25	0.5282
	2029	83.0	93,238	457,087	490.2%	47,129	231,045	490.2%	1.25	0.5055
	2030	72.2	76,604	408,758	533.6%	37,054	197,718	533.6%	1.25	0.4837
	2031	62.3	62,226	372,879	599.2%	28,803	172,597	599.2%	1.25	0.4629
	2032	53.3	49,951	337,587	675.8%	22,125	149,532	675.8%	1.25	0.4429
	2033	45.3	39,701	298,052	750.7%	16,828	126,335	750.7%	1.25	0.4239
	2034	38.2	31,283	254,997	815.1%	12,689	103,431	815.1%	1.25	0.4056
	2035	31.9	24,410	214,358	878.1%	9,475	83,203	878.1%	1.25	0.3882
	2036	26.4	18,845	186,474	989.5%	7,000	69,263	989.5%	1.25	0.3714
	2037	21.6	14,388	161,483	1122.4%	5,114	57,398	1122.4%	1.25	0.3554
	2038	17.6	10,877	135,862	1249.1%	3,700	46,212	1249.1%	1.25	0.3401
	2039	14.2	8,160	109,968	1347.6%	2,656	35,793	1347.6%	1.25	0.3255
	2040	11.3	6,071	87,170	1435.7%	1,891	27,151	1435.7%	1.25	0.3115
	2041	8.9	4,469	71,851	1607.9%	1,332	21,416	1607.9%	1.25	0.2981
	2042	6.9	3,252	58,420	1796.5%	928	16,663	1796.5%	1.25	0.2852
	2043	5.4	2,344	45,939	1960.3%	640	12,539	1960.3%	1.25	0.2729
	2044	4.1	1,673	34,893	2085.2%	437	9,114	2085.2%	1.25	0.2612
	2045	3.1	1,183	26,132	2209.3%	296	6,531	2209.3%	1.25	0.2499
	2046	2.3	826	20,213	2446.0%	198	4,834	2446.0%	1.25	0.2392
	2047	1.7	570	15,505	2722.2%	130	3,549	2722.2%	1.25	0.2289
	2048	1.2	387	11,581	2996.0%	85	2,536	2996.0%	1.25	0.2190
	2049	0.9	259	8,239	3182.6%	54	1,727	3182.6%	1.25	0.2096
	2050	0.6	171	5,873	3435.8%	34	1,178	3435.8%	1.25	0.2006
	2051	0.4	111	4,254	3841.5%	21	816	3841.5%	1.25	0.1919
	2052	0.3	71	2,986	4233.3%	13	548	4233.3%	1.25	0.1837
	2053	0.2	44	2,052	4645.2%	8	361	4645.2%	1.25	0.1758
	2054	0.1	27	1,296	4756.6%	5	218	4756.6%	1.25	0.1682
	2055	0.1	16	828	5024.8%	3	133	5024.8%	1.25	0.1609
	2056	0.1	10	533	5424.0%	2	82	5424.0%	1.25	0.1540
	2057	0.0	6	333	5817.7%	1	49	5817.7%	1.25	0.1474
	2058	0.0	3	204	6076.8%	0	29	6076.8%	1.25	0.1410
	2059	0.0	2	123	6446.4%	0	17	6446.4%	1.25	0.1350
	2060	0.0	1	73	7074.7%	0	9	7074.7%	1.25	0.1291
	2061	0.0	1	42	7178.3%	0	5	7178.3%	1.25	0.1236
	2062	0.0	0	24	7996.2%	0	3	7996.2%	1.25	0.1183
	2063	0.0	0	14	7131.2%	0	2	7131.2%	1.25	0.1132
	Past		11,628,124	2,236,678	19.2%	16,092,088	2,730,378	17.0%		
	Future		5,440,869	12,172,791	223.7%	4,171,126	7,842,500	188.0%		
	Lifetime		17,068,994	14,409,469	84.4%	20,263,214	10,572,879	52.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A	1.90	2.3592
	1995	0.0	0	0	N/A	0	0	N/A	1.90	2.2576
	1996	0.0	0	0	N/A	0	0	N/A	1.90	2.1604
	1997	0.0	0	0	N/A	0	0	N/A	1.90	2.0674
	1998	4.8	28,721	0	0.0%	56,820	0	0.0%	1.90	1.9783
Historical	1999	17.1	106,785	0	0.0%	202,161	0	0.0%	1.90	1.8932
Experience	2000	53.1	429,721	0	0.0%	778,496	0	0.0%	1.90	1.8116
	2001	234.1	1,646,654	0	0.0%	2,854,670	0	0.0%	1.90	1.7336
	2002	560.4	2,760,404	1,200	0.0%	4,579,415	1,991	0.0%	1.90	1.6590
	2003	707.7	2,981,885	31,599	1.1%	4,733,823	50,164	1.1%	1.90	1.5875
	2004	694.3	2,873,767	344,340	12.0%	4,365,724	523,109	12.0%	1.90	1.5192
	2005	681.3	2,858,080	127,478	4.5%	4,154,922	185,321	4.5%	1.90	1.4537
	2006	675.2	2,845,484	275,192	9.7%	3,958,479	382,832	9.7%	1.90	1.3911
	2007	671.3	2,791,721	0	0.0%	3,716,447	0	0.0%	1.90	1.3312
	2008	664.8	2,776,370	0	0.0%	3,536,852	0	0.0%	1.90	1.2739
	2009	656.8	2,440,551	84,849	3.5%	2,975,166	103,436	3.5%	1.90	1.2191
	2010	646.7	2,280,232	2,737	0.1%	2,660,027	3,193	0.1%	1.90	1.1666
	2011	629.5	1,850,618	1,253,973	67.8%	2,065,892	1,399,841	67.8%	1.90	1.1163
	2012	621.8	1,742,565	483,152	27.7%	1,861,502	516,129	27.7%	1.90	1.0683
	2013	616.8	1,692,078	429,781	25.4%	1,729,731	439,345	25.4%	1.90	1.0223
	2014	604.6	1,992,191	1,301,699	65.3%	1,948,825	1,273,364	65.3%	1.90	0.9782
Projected	2015	591.0	1,916,651	1,479,504	77.2%	1,794,191	1,384,974	77.2%	1.90	0.9361
Future	2016	574.4	1,836,807	1,647,000	89.7%	1,645,405	1,475,377	89.7%	1.90	0.8958
Experience	2017	556.7	1,751,120	1,843,232	105.3%	1,501,097	1,580,058	105.3%	1.90	0.8572
(50 years)	2018	537.9	1,660,658	2,060,822	124.1%	1,362,250	1,690,508	124.1%	1.90	0.8203
	2019	518.3	1,567,286	2,296,415	146.5%	1,230,293	1,802,647	146.5%	1.90	0.7850
	2020	497.8	1,466,884	2,581,043	176.0%	1,101,894	1,938,828	176.0%	1.90	0.7512
	2021	476.4	1,370,017	2,880,753	210.3%	984,813	2,070,779	210.3%	1.90	0.7188
	2022	454.1	1,277,132	3,183,449	249.3%	878,511	2,189,825	249.3%	1.90	0.6879
	2023	431.2	1,184,202	3,486,656	294.4%	779,509	2,295,115	294.4%	1.90	0.6583
	2024	407.6	1,091,866	3,775,239	345.8%	687,778	2,378,063	345.8%	1.90	0.6299
	2025	383.5	1,000,347	4,103,587	410.2%	602,995	2,473,582	410.2%	1.90	0.6028
	2026	359.0	909,611	4,458,209	490.1%	524,689	2,571,620	490.1%	1.90	0.5768
	2027	334.1	820,780	4,782,498	582.7%	453,061	2,639,884	582.7%	1.90	0.5520
	2028	309.2	734,889	5,037,435	685.5%	388,182	2,660,868	685.5%	1.90	0.5282
	2029	284.6	653,172	5,195,505	795.4%	330,160	2,626,185	795.4%	1.90	0.5055
	2030	260.1	575,852	5,323,289	924.4%	278,543	2,574,905	924.4%	1.90	0.4837
	2031	236.1	502,764	5,489,616	1091.9%	232,717	2,541,013	1091.9%	1.90	0.4629
	2032	212.7	434,746	5,619,053	1292.5%	192,568	2,488,925	1292.5%	1.90	0.4429
	2033	190.3	372,225	5,641,909	1515.7%	157,775	2,391,434	1515.7%	1.90	0.4239
	2034	169.0	316,053	5,498,221	1739.7%	128,197	2,230,172	1739.7%	1.90	0.4056
	2035	149.0	265,979	5,209,047	1958.4%	103,240	2,021,892	1958.4%	1.90	0.3882
	2036	130.1	221,481	5,035,705	2273.7%	82,266	1,870,440	2273.7%	1.90	0.3714
	2037	112.7	182,381	4,870,256	2670.4%	64,826	1,731,087	2670.4%	1.90	0.3554
	2038	96.8	148,600	4,598,484	3094.5%	50,544	1,564,104	3094.5%	1.90	0.3401
	2039	82.6	120,047	4,196,286	3495.5%	39,074	1,365,839	3495.5%	1.90	0.3255
	2040	69.8	96,162	3,694,465	3841.9%	29,952	1,150,721	3841.9%	1.90	0.3115
	2041	58.5	76,260	3,336,224	4374.8%	22,730	994,391	4374.8%	1.90	0.2981
	2042	48.6	59,784	3,045,724	5094.5%	17,052	868,713	5094.5%	1.90	0.2852
	2043	40.1	46,378	2,723,314	5872.0%	12,658	743,305	5872.0%	1.90	0.2729
	2044	32.8	35,704	2,363,141	6618.7%	9,325	617,224	6618.7%	1.90	0.2612
	2045	26.7	27,294	1,987,444	7281.7%	6,822	496,743	7281.7%	1.90	0.2499
	2046	21.5	20,688	1,705,973	8246.0%	4,948	408,031	8246.0%	1.90	0.2392
	2047	17.2	15,522	1,496,492	9641.4%	3,553	342,514	9641.4%	1.90	0.2289
	2048	13.7	11,530	1,291,120	11197.8%	2,525	282,784	11197.8%	1.90	0.2190
	2049	10.8	8,500	1,073,426	12627.9%	1,782	224,980	12627.9%	1.90	0.2096
	2050	8.4	6,215	860,640	13846.8%	1,247	172,614	13846.8%	1.90	0.2006
	2051	6.5	4,502	704,569	15649.4%	864	135,227	15649.4%	1.90	0.1919
	2052	5.0	3,223	584,528	18138.4%	592	107,356	18138.4%	1.90	0.1837
	2053	3.8	2,278	472,081	20726.4%	400	82,970	20726.4%	1.90	0.1758
	2054	2.8	1,593	360,005	22601.3%	268	60,548	22601.3%	1.90	0.1682
	2055	2.1	1,100	264,488	24037.3%	177	42,568	24037.3%	1.90	0.1609
	2056	1.5	750	198,719	26495.0%	116	30,605	26495.0%	1.90	0.1540
	2057	1.1	503	149,254	29688.0%	74	21,997	29688.0%	1.90	0.1474
	2058	0.7	331	108,815	32858.6%	47	15,347	32858.6%	1.90	0.1410
	2059	0.5	214	75,387	35193.1%	29	10,174	35193.1%	1.90	0.1350
	2060	0.3	136	51,542	37940.1%	18	6,657	37940.1%	1.90	0.1291
	2061	0.2	85	35,341	41429.5%	11	4,368	41429.5%	1.90	0.1236
	2062	0.1	52	23,828	45647.2%	6	2,818	45647.2%	1.90	0.1183
	2063	0.1	31	15,732	50010.0%	4	1,780	50010.0%	1.90	0.1132
	Past		32,105,637	3,034,301	9.5%	44,230,127	3,605,360	8.2%		
	Future		24,792,576	128,217,166	517.2%	17,658,600	60,655,923	343.5%		
	Lifetime		56,898,213	131,251,467	230.7%	61,888,727	64,261,283	103.8%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,005	302,199	19.6%	2,443,212	479,749	19.6%		1.5875
	2004	1,080.9	1,494,804	344,340	23.0%	2,270,853	523,109	23.0%		1.5192
	2005	1,055.8	1,462,015	257,328	17.6%	2,125,398	374,089	17.6%		1.4537
	2006	1,040.6	1,459,706	294,652	20.2%	2,030,662	409,903	20.2%		1.3911
	2007	1,027.9	1,425,562	120,750	8.5%	1,897,763	160,747	8.5%		1.3312
	2008	1,017.9	1,415,184	196,600	13.9%	1,802,820	250,451	13.9%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,148,734	146,259	12.7%	1,340,067	170,620	12.7%		1.1666
	2011	954.6	925,064	1,805,208	195.1%	1,032,672	2,015,200	195.1%		1.1163
	2012	932.8	860,207	521,796	60.7%	918,919	557,411	60.7%		1.0683
	2013	920.5	835,133	858,763	102.8%	853,717	877,873	102.8%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,340,574	2,027,486	151.2%	1,254,921	1,897,944	151.2%	1.00	0.9361
Future	2016	841.8	1,272,171	2,213,683	174.0%	1,139,606	1,983,009	174.0%	1.00	0.8958
Experience	2017	809.5	1,199,181	2,433,219	202.9%	1,027,963	2,085,808	202.9%	1.00	0.8572
(50 years)	2018	776.0	1,124,577	2,669,749	237.4%	922,499	2,190,015	237.4%	1.00	0.8203
	2019	741.1	1,049,396	2,918,253	278.1%	823,758	2,290,780	278.1%	1.00	0.7850
	2020	705.5	971,491	3,215,175	331.0%	729,765	2,415,175	331.0%	1.00	0.7512
	2021	668.9	896,361	3,523,000	393.0%	644,334	2,532,447	393.0%	1.00	0.7188
	2022	631.5	824,552	3,828,299	464.3%	567,191	2,633,403	464.3%	1.00	0.6879
	2023	593.7	754,334	4,121,862	546.4%	496,545	2,713,243	546.4%	1.00	0.6583
	2024	555.6	686,227	4,388,648	639.5%	432,262	2,764,456	639.5%	1.00	0.6299
	2025	517.3	620,258	4,693,742	756.7%	373,882	2,829,318	756.7%	1.00	0.6028
	2026	479.0	556,402	5,029,629	904.0%	320,948	2,901,231	904.0%	1.00	0.5768
	2027	441.0	495,313	5,327,941	1075.7%	273,407	2,940,963	1075.7%	1.00	0.5520
	2028	403.7	437,626	5,544,534	1267.0%	231,162	2,928,727	1267.0%	1.00	0.5282
	2029	367.5	383,962	5,652,592	1472.2%	194,082	2,857,230	1472.2%	1.00	0.5055
	2030	332.3	334,279	5,732,047	1714.7%	161,693	2,772,624	1714.7%	1.00	0.4837
	2031	298.4	288,324	5,862,495	2033.3%	133,458	2,713,610	2033.3%	1.00	0.4629
	2032	266.0	246,386	5,956,640	2417.6%	109,135	2,638,457	2417.6%	1.00	0.4429
	2033	235.6	208,616	5,939,961	2847.3%	88,426	2,517,769	2847.3%	1.00	0.4239
	2034	207.2	175,280	5,753,218	3282.3%	71,097	2,333,603	3282.3%	1.00	0.4056
	2035	180.8	146,042	5,423,405	3713.6%	56,686	2,105,095	3713.6%	1.00	0.3882
	2036	156.5	120,472	5,222,180	4334.8%	44,747	1,939,703	4334.8%	1.00	0.3714
	2037	134.3	98,335	5,031,739	5117.0%	34,952	1,788,485	5117.0%	1.00	0.3554
	2038	114.4	79,470	4,734,347	5957.4%	27,030	1,610,315	5957.4%	1.00	0.3401
	2039	96.7	63,717	4,306,254	6758.4%	20,739	1,401,633	6758.4%	1.00	0.3255
	2040	81.1	50,682	3,781,635	7461.5%	15,786	1,177,871	7461.5%	1.00	0.3115
	2041	67.4	39,928	3,408,074	8535.6%	11,901	1,015,807	8535.6%	1.00	0.2981
	2042	55.5	31,110	3,104,144	9977.9%	8,873	885,376	9977.9%	1.00	0.2852
	2043	45.4	23,999	2,769,254	11539.1%	6,550	755,844	11539.1%	1.00	0.2729
	2044	36.9	18,378	2,398,035	13048.2%	4,800	626,338	13048.2%	1.00	0.2612
	2045	29.8	13,978	2,013,575	14404.8%	3,494	503,274	14404.8%	1.00	0.2499
	2046	23.8	10,545	1,726,186	16369.6%	2,522	412,865	16369.6%	1.00	0.2392
	2047	18.9	7,876	1,511,997	19198.0%	1,803	346,063	19198.0%	1.00	0.2289
	2048	14.9	5,825	1,302,701	22363.9%	1,276	285,320	22363.9%	1.00	0.2190
	2049	11.7	4,277	1,081,665	25293.2%	896	226,707	25293.2%	1.00	0.2096
	2050	9.1	3,114	866,513	27822.3%	625	173,792	27822.3%	1.00	0.2006
	2051	7.0	2,247	708,823	31543.7%	431	136,043	31543.7%	1.00	0.1919
	2052	5.3	1,603	587,514	36661.9%	294	107,905	36661.9%	1.00	0.1837
	2053	4.0	1,129	474,132	42005.1%	198	83,331	42005.1%	1.00	0.1758
	2054	3.0	787	361,301	45915.6%	132	60,766	45915.6%	1.00	0.1682
	2055	2.2	542	265,316	48955.0%	87	42,701	48955.0%	1.00	0.1609
	2056	1.6	368	199,252	54081.3%	57	30,687	54081.3%	1.00	0.1540
	2057	1.1	246	149,587	60721.3%	36	22,046	60721.3%	1.00	0.1474
	2058	0.8	162	109,019	67308.2%	23	15,375	67308.2%	1.00	0.1410
	2059	0.5	105	75,510	72210.0%	14	10,191	72210.0%	1.00	0.1350
	2060	0.4	66	51,615	77991.6%	9	6,666	77991.6%	1.00	0.1291
	2061	0.2	42	35,383	85240.1%	5	4,373	85240.1%	1.00	0.1236
	2062	0.2	25	23,852	94090.0%	3	2,821	94090.0%	1.00	0.1183
	2063	0.1	15	15,745	100000%+	2	1,782	100000%+	1.00	0.1132
	Past		16,380,244	5,270,979	32.2%	22,602,903	6,335,738	28.0%		
	Future		15,995,351	140,389,958	877.7%	11,614,482	68,498,423	589.8%		
	Lifetime		32,375,595	145,660,937	449.9%	34,217,385	74,834,161	218.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	2.00	2.0674
Historical	1998	8.3	43,913	0	0.0%	86,876	0	0.0%	2.58	1.9783
Experience	1999	29.3	156,061	0	0.0%	295,447	0	0.0%	2.61	1.8932
	2000	99.4	552,139	0	0.0%	1,000,272	0	0.0%	2.73	1.8116
	2001	423.0	2,234,523	575	0.0%	3,873,812	997	0.0%	2.67	1.7336
	2002	918.7	3,818,393	1,200	0.0%	6,334,582	1,991	0.0%	2.66	1.6590
	2003	1,103.4	4,098,904	302,199	7.4%	6,507,120	479,749	7.4%	2.66	1.5875
	2004	1,080.9	3,973,491	344,340	8.7%	6,036,387	523,109	8.7%	2.66	1.5192
	2005	1,055.8	3,902,547	257,328	6.6%	5,673,311	374,089	6.6%	2.67	1.4537
	2006	1,040.6	3,893,620	294,652	7.6%	5,416,588	409,903	7.6%	2.67	1.3911
	2007	1,027.9	3,806,939	120,750	3.2%	5,067,944	160,747	3.2%	2.67	1.3312
	2008	1,017.9	3,780,931	196,600	5.2%	4,816,575	250,451	5.2%	2.67	1.2739
	2009	1,004.7	3,358,761	421,309	12.5%	4,094,514	513,599	12.5%	2.66	1.2191
	2010	985.1	3,077,548	146,259	4.8%	3,590,144	170,620	4.8%	2.68	1.1666
	2011	954.6	2,483,233	1,805,208	72.7%	2,772,096	2,015,200	72.7%	2.68	1.1163
	2012	932.8	2,316,555	521,796	22.5%	2,474,668	557,411	22.5%	2.69	1.0683
	2013	920.5	2,249,135	858,763	38.2%	2,299,184	877,873	38.2%	2.69	1.0223
	2014	897.8	2,382,148	1,819,032	76.4%	2,330,294	1,779,435	76.4%	1.70	0.9782
Projected	2015	872.9	2,277,878	2,027,486	89.0%	2,132,338	1,897,944	89.0%	1.70	0.9361
Future	2016	841.8	2,167,242	2,213,683	102.1%	1,941,407	1,983,009	102.1%	1.70	0.8958
Experience	2017	809.5	2,049,043	2,433,219	118.7%	1,756,483	2,085,808	118.7%	1.71	0.8572
(50 years)	2018	776.0	1,927,348	2,669,749	138.5%	1,581,018	2,190,015	138.5%	1.71	0.8203
	2019	741.1	1,804,023	2,918,253	161.8%	1,416,128	2,290,780	161.8%	1.72	0.7850
	2020	705.5	1,674,957	3,215,175	192.0%	1,258,194	2,415,175	192.0%	1.72	0.7512
	2021	668.9	1,550,534	3,523,000	227.2%	1,114,574	2,532,447	227.2%	1.73	0.7188
	2022	631.5	1,431,574	3,828,299	267.4%	984,748	2,633,403	267.4%	1.74	0.6879
	2023	593.7	1,314,590	4,121,862	313.5%	865,338	2,713,243	313.5%	1.74	0.6583
	2024	555.6	1,200,433	4,388,648	365.6%	756,165	2,764,456	365.6%	1.75	0.6299
	2025	517.3	1,089,206	4,693,742	430.9%	656,558	2,829,318	430.9%	1.76	0.6028
	2026	479.0	980,870	5,029,629	512.8%	565,793	2,901,231	512.8%	1.76	0.5768
	2027	441.0	876,592	5,327,941	607.8%	483,869	2,940,963	607.8%	1.77	0.5520
	2028	403.7	777,494	5,544,534	713.1%	410,687	2,928,727	713.1%	1.78	0.5282
	2029	367.5	684,739	5,652,592	825.5%	346,117	2,857,230	825.5%	1.78	0.5055
	2030	332.3	598,345	5,732,047	958.0%	289,423	2,772,624	958.0%	1.79	0.4837
	2031	298.4	517,946	5,862,495	1131.9%	239,745	2,713,610	1131.9%	1.80	0.4629
	2032	266.0	444,168	5,956,640	1341.1%	196,741	2,638,457	1341.1%	1.80	0.4429
	2033	235.6	377,331	5,939,961	1574.2%	159,939	2,517,769	1574.2%	1.81	0.4239
	2034	207.2	318,036	5,753,218	1809.0%	129,001	2,333,603	1809.0%	1.81	0.4056
	2035	180.8	265,783	5,423,405	2040.5%	103,164	2,105,095	2040.5%	1.82	0.3882
	2036	156.5	219,870	5,222,180	2375.1%	81,667	1,939,703	2375.1%	1.83	0.3714
	2037	134.3	179,947	5,031,739	2796.2%	63,960	1,788,485	2796.2%	1.83	0.3554
	2038	114.4	145,786	4,734,347	3247.5%	49,587	1,610,315	3247.5%	1.83	0.3401
	2039	96.7	117,158	4,306,254	3675.6%	38,134	1,401,633	3675.6%	1.84	0.3255
	2040	81.1	93,391	3,781,635	4049.2%	29,089	1,177,871	4049.2%	1.84	0.3115
	2041	67.4	73,726	3,408,074	4622.6%	21,975	1,015,807	4622.6%	1.85	0.2981
	2042	55.5	57,555	3,104,144	5393.4%	16,416	885,376	5393.4%	1.85	0.2852
	2043	45.4	44,478	2,769,254	6226.1%	12,140	755,844	6226.1%	1.85	0.2729
	2044	36.9	34,119	2,398,035	7028.4%	8,912	626,338	7028.4%	1.86	0.2612
	2045	29.8	25,994	2,013,575	7746.2%	6,497	503,274	7746.2%	1.86	0.2499
	2046	23.8	19,641	1,726,186	8788.6%	4,698	412,865	8788.6%	1.86	0.2392
	2047	18.9	14,692	1,511,997	10291.1%	3,363	346,063	10291.1%	1.87	0.2289
	2048	14.9	10,883	1,302,701	11969.8%	2,384	285,320	11969.8%	1.87	0.2190
	2049	11.7	8,002	1,081,665	13517.4%	1,677	226,707	13517.4%	1.87	0.2096
	2050	9.1	5,836	866,513	14847.6%	1,171	173,792	14847.6%	1.87	0.2006
	2051	7.0	4,217	708,823	16809.5%	809	136,043	16809.5%	1.88	0.1919
	2052	5.3	3,011	587,514	19510.7%	553	107,905	19510.7%	1.88	0.1837
	2053	4.0	2,124	474,132	22326.5%	373	83,331	22326.5%	1.88	0.1758
	2054	3.0	1,482	361,301	24377.1%	249	60,766	24377.1%	1.88	0.1682
	2055	2.2	1,022	265,316	25963.1%	164	42,701	25963.1%	1.89	0.1609
	2056	1.6	695	199,252	28654.6%	107	30,687	28654.6%	1.89	0.1540
	2057	1.1	465	149,587	32145.2%	69	22,046	32145.2%	1.89	0.1474
	2058	0.8	306	109,019	35609.6%	43	15,375	35609.6%	1.89	0.1410
	2059	0.5	198	75,510	38178.9%	27	10,191	38178.9%	1.89	0.1350
	2060	0.4	125	51,615	41208.0%	16	6,666	41208.0%	1.89	0.1291
	2061	0.2	79	35,383	45022.8%	10	4,373	45022.8%	1.89	0.1236
	2062	0.2	48	23,852	49668.5%	6	2,821	49668.5%	1.89	0.1183
	2063	0.1	29	15,745	54404.7%	3	1,782	54404.7%	1.89	0.1132
	Past		43,749,316	5,270,979	12.0%	60,344,941	6,335,738	10.5%		
	Future		27,775,160	140,389,958	505.5%	20,061,822	68,498,423	341.4%		
	Lifetime		71,524,476	145,660,937	203.7%	80,406,763	74,834,161	93.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,376	270,600	48.5%	884,850	429,585	48.5%		1.5875
	2004	386.7	548,762	0	0.0%	833,660	0	0.0%		1.5192
	2005	374.5	521,133	129,850	24.9%	757,595	188,769	24.9%		1.4537
	2006	365.4	522,968	19,460	3.7%	727,524	27,072	3.7%		1.3911
	2007	356.6	506,509	120,750	23.8%	674,285	160,747	23.8%		1.3312
	2008	353.1	501,180	196,600	39.2%	638,460	250,451	39.2%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	398,658	143,522	36.0%	465,059	167,427	36.0%		1.1666
	2011	325.1	316,308	551,236	174.3%	353,102	615,358	174.3%		1.1163
	2012	311.0	286,995	38,644	13.5%	306,583	41,282	13.5%		1.0683
	2013	303.8	278,528	428,982	154.0%	284,726	438,528	154.0%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	414,173	547,983	132.3%	387,711	512,970	132.3%	1.00	0.9361
Future	2016	267.4	384,436	566,683	147.4%	344,376	507,632	147.4%	1.00	0.8958
Experience	2017	252.8	352,924	589,987	167.2%	302,534	505,750	167.2%	1.00	0.8572
(50 years)	2018	238.1	322,075	608,927	189.1%	264,200	499,508	189.1%	1.00	0.8203
	2019	222.8	292,046	621,839	212.9%	229,251	488,133	212.9%	1.00	0.7850
	2020	207.7	262,886	634,132	241.2%	197,475	476,347	241.2%	1.00	0.7512
	2021	192.6	234,697	642,247	273.6%	168,708	461,668	273.6%	1.00	0.7188
	2022	177.4	207,808	644,850	310.3%	142,947	443,578	310.3%	1.00	0.6879
	2023	162.5	182,530	635,206	348.0%	120,151	418,129	348.0%	1.00	0.6583
	2024	147.9	159,074	613,409	385.6%	100,202	386,393	385.6%	1.00	0.6299
	2025	133.7	137,360	590,155	429.6%	82,798	355,736	429.6%	1.00	0.6028
	2026	120.0	117,376	571,419	486.8%	67,706	329,611	486.8%	1.00	0.5768
	2027	106.8	99,234	545,444	549.7%	54,776	301,079	549.7%	1.00	0.5520
	2028	94.5	83,070	507,099	610.4%	43,879	267,859	610.4%	1.00	0.5282
	2029	83.0	68,907	457,087	663.3%	34,831	231,045	663.3%	1.00	0.5055
	2030	72.2	56,593	408,758	722.3%	27,374	197,718	722.3%	1.00	0.4837
	2031	62.3	45,952	372,879	811.4%	21,270	172,597	811.4%	1.00	0.4629
	2032	53.3	36,871	337,587	915.6%	16,332	149,532	915.6%	1.00	0.4429
	2033	45.3	29,293	298,052	1017.5%	12,416	126,335	1017.5%	1.00	0.4239
	2034	38.2	23,072	254,997	1105.2%	9,358	103,431	1105.2%	1.00	0.4056
	2035	31.9	17,995	214,358	1191.2%	6,985	83,203	1191.2%	1.00	0.3882
	2036	26.4	13,887	186,474	1342.8%	5,158	69,263	1342.8%	1.00	0.3714
	2037	21.6	10,598	161,483	1523.7%	3,767	57,398	1523.7%	1.00	0.3554
	2038	17.6	8,009	135,862	1696.3%	2,724	46,212	1696.3%	1.00	0.3401
	2039	14.2	6,007	109,968	1830.7%	1,955	35,793	1830.7%	1.00	0.3255
	2040	11.3	4,468	87,170	1951.1%	1,392	27,151	1951.1%	1.00	0.3115
	2041	8.9	3,287	71,851	2185.7%	980	21,416	2185.7%	1.00	0.2981
	2042	6.9	2,391	58,420	2442.8%	682	16,663	2442.8%	1.00	0.2852
	2043	5.4	1,723	45,939	2666.5%	470	12,539	2666.5%	1.00	0.2729
	2044	4.1	1,230	34,893	2837.7%	321	9,114	2837.7%	1.00	0.2612
	2045	3.1	869	26,132	3007.7%	217	6,531	3007.7%	1.00	0.2499
	2046	2.3	607	20,213	3331.3%	145	4,834	3331.3%	1.00	0.2392
	2047	1.7	418	15,505	3709.2%	96	3,549	3709.2%	1.00	0.2289
	2048	1.2	284	11,581	4084.4%	62	2,536	4084.4%	1.00	0.2190
	2049	0.9	190	8,239	4341.2%	40	1,727	4341.2%	1.00	0.2096
	2050	0.6	125	5,873	4689.3%	25	1,178	4689.3%	1.00	0.2006
	2051	0.4	81	4,254	5246.3%	16	816	5246.3%	1.00	0.1919
	2052	0.3	52	2,986	5784.8%	9	548	5784.8%	1.00	0.1837
	2053	0.2	32	2,052	6351.5%	6	361	6351.5%	1.00	0.1758
	2054	0.1	20	1,296	6507.9%	3	218	6507.9%	1.00	0.1682
	2055	0.1	12	828	6878.2%	2	133	6878.2%	1.00	0.1609
	2056	0.1	7	533	7426.8%	1	82	7426.8%	1.00	0.1540
	2057	0.0	4	333	7966.7%	1	49	7966.7%	1.00	0.1474
	2058	0.0	2	204	8322.4%	0	29	8322.4%	1.00	0.1410
	2059	0.0	1	123	8831.7%	0	17	8831.7%	1.00	0.1350
	2060	0.0	1	73	9692.0%	0	9	9692.0%	1.00	0.1291
	2061	0.0	0	42	9827.9%	0	5	9827.9%	1.00	0.1236
	2062	0.0	0	24	10950.0%	0	3	10950.0%	1.00	0.1183
	2063	0.0	0	14	9750.0%	0	2	9750.0%	1.00	0.1132
	Past		5,814,062	2,236,678	38.5%	8,046,044	2,730,378	33.9%		
	Future		4,024,626	12,172,791	302.5%	3,085,683	7,842,500	254.2%		
	Lifetime		9,838,688	14,409,469	146.5%	11,131,727	10,572,879	95.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	2,622	0	0.0%	5,422	0	0.0%	2.00	2.0674
	1998	3.4	15,193	0	0.0%	30,056	0	0.0%	2.00	1.9783
Historical	1999	12.3	49,276	0	0.0%	93,286	0	0.0%	2.00	1.8932
Experience	2000	46.3	122,418	0	0.0%	221,776	0	0.0%	2.00	1.8116
	2001	188.9	587,870	575	0.1%	1,019,142	997	0.1%	2.00	1.7336
	2002	358.3	1,055,700	0	0.0%	1,751,370	0	0.0%	2.00	1.6590
	2003	395.8	1,114,752	270,600	24.3%	1,769,699	429,585	24.3%	2.00	1.5875
	2004	386.7	1,097,525	0	0.0%	1,667,320	0	0.0%	2.00	1.5192
	2005	374.5	1,042,266	129,850	12.5%	1,515,190	188,769	12.5%	2.00	1.4537
	2006	365.4	1,045,937	19,460	1.9%	1,455,049	27,072	1.9%	2.00	1.3911
	2007	356.6	1,013,018	120,750	11.9%	1,348,569	160,747	11.9%	2.00	1.3312
	2008	353.1	1,002,361	196,600	19.6%	1,276,920	250,451	19.6%	2.00	1.2739
	2009	347.8	918,210	336,460	36.6%	1,119,348	410,163	36.6%	2.00	1.2191
	2010	338.4	797,316	143,522	18.0%	930,117	167,427	18.0%	2.00	1.1666
	2011	325.1	632,615	551,236	87.1%	706,204	615,358	87.1%	2.00	1.1163
	2012	311.0	573,990	38,644	6.7%	613,167	41,282	6.7%	2.00	1.0683
	2013	303.8	557,056	428,982	77.0%	569,452	438,528	77.0%	2.00	1.0223
	2014	293.3	552,438	517,332	93.6%	540,412	506,071	93.6%	1.25	0.9782
Projected	2015	281.9	517,717	547,983	105.8%	484,638	512,970	105.8%	1.25	0.9361
Future	2016	267.4	480,544	566,683	117.9%	430,470	507,632	117.9%	1.25	0.8958
Experience	2017	252.8	441,154	589,987	133.7%	378,167	505,750	133.7%	1.25	0.8572
(50 years)	2018	238.1	402,593	608,927	151.3%	330,250	499,508	151.3%	1.25	0.8203
	2019	222.8	365,057	621,839	170.3%	286,564	488,133	170.3%	1.25	0.7850
	2020	207.7	328,608	634,132	193.0%	246,844	476,347	193.0%	1.25	0.7512
	2021	192.6	293,371	642,247	218.9%	210,885	461,668	218.9%	1.25	0.7188
	2022	177.4	259,760	644,850	248.2%	178,683	443,578	248.2%	1.25	0.6879
	2023	162.5	228,162	635,206	278.4%	150,189	418,129	278.4%	1.25	0.6583
	2024	147.9	198,843	613,409	308.5%	125,253	386,393	308.5%	1.25	0.6299
	2025	133.7	171,700	590,155	343.7%	103,498	355,736	343.7%	1.25	0.6028
	2026	120.0	146,720	571,419	389.5%	84,632	329,611	389.5%	1.25	0.5768
	2027	106.8	124,043	545,444	439.7%	68,470	301,079	439.7%	1.25	0.5520
	2028	94.5	103,837	507,099	488.4%	54,849	267,859	488.4%	1.25	0.5282
	2029	83.0	86,134	457,087	530.7%	43,538	231,045	530.7%	1.25	0.5055
	2030	72.2	70,741	408,758	577.8%	34,218	197,718	577.8%	1.25	0.4837
	2031	62.3	57,441	372,879	649.2%	26,588	172,597	649.2%	1.25	0.4629
	2032	53.3	46,089	337,587	732.5%	20,415	149,532	732.5%	1.25	0.4429
	2033	45.3	36,616	298,052	814.0%	15,520	126,335	814.0%	1.25	0.4239
	2034	38.2	28,839	254,997	884.2%	11,698	103,431	884.2%	1.25	0.4056
	2035	31.9	22,494	214,358	953.0%	8,731	83,203	953.0%	1.25	0.3882
	2036	26.4	17,358	186,474	1074.3%	6,448	69,263	1074.3%	1.25	0.3714
	2037	21.6	13,248	161,483	1218.9%	4,709	57,398	1218.9%	1.25	0.3554
	2038	17.6	10,012	135,862	1357.0%	3,405	46,212	1357.0%	1.25	0.3401
	2039	14.2	7,509	109,968	1464.6%	2,444	35,793	1464.6%	1.25	0.3255
	2040	11.3	5,585	87,170	1560.9%	1,739	27,151	1560.9%	1.25	0.3115
	2041	8.9	4,109	71,851	1748.6%	1,225	21,416	1748.6%	1.25	0.2981
	2042	6.9	2,989	58,420	1954.3%	853	16,663	1954.3%	1.25	0.2852
	2043	5.4	2,154	45,939	2133.2%	588	12,539	2133.2%	1.25	0.2729
	2044	4.1	1,537	34,893	2270.1%	401	9,114	2270.1%	1.25	0.2612
	2045	3.1	1,086	26,132	2406.1%	271	6,531	2406.1%	1.25	0.2499
	2046	2.3	758	20,213	2665.0%	181	4,834	2665.0%	1.25	0.2392
	2047	1.7	523	15,505	2967.3%	120	3,549	2967.3%	1.25	0.2289
	2048	1.2	354	11,581	3267.5%	78	2,536	3267.5%	1.25	0.2190
	2049	0.9	237	8,239	3473.0%	50	1,727	3473.0%	1.25	0.2096
	2050	0.6	157	5,873	3751.5%	31	1,178	3751.5%	1.25	0.2006
	2051	0.4	101	4,254	4197.1%	19	816	4197.1%	1.25	0.1919
	2052	0.3	65	2,986	4627.9%	12	548	4627.9%	1.25	0.1837
	2053	0.2	40	2,052	5081.2%	7	361	5081.2%	1.25	0.1758
	2054	0.1	25	1,296	5206.3%	4	218	5206.3%	1.25	0.1682
	2055	0.1	15	828	5502.5%	2	133	5502.5%	1.25	0.1609
	2056	0.1	9	533	5941.4%	1	82	5941.4%	1.25	0.1540
	2057	0.0	5	333	6373.4%	1	49	6373.4%	1.25	0.1474
	2058	0.0	3	204	6658.0%	0	29	6658.0%	1.25	0.1410
	2059	0.0	2	123	7065.3%	0	17	7065.3%	1.25	0.1350
	2060	0.0	1	73	7753.6%	0	9	7753.6%	1.25	0.1291
	2061	0.0	1	42	7862.3%	0	5	7862.3%	1.25	0.1236
	2062	0.0	0	24	8760.0%	0	3	8760.0%	1.25	0.1183
	2063	0.0	0	14	7800.0%	0	2	7800.0%	1.25	0.1132
	Past		11,628,124	2,236,678	19.2%	16,092,088	2,730,378	17.0%		
	Future		5,030,783	12,172,791	242.0%	3,857,103	7,842,500	203.3%		
	Lifetime		16,658,907	14,409,469	86.5%	19,949,191	10,572,879	53.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	981,629	31,599	3.2%	1,558,362	50,164	3.2%		1.5875
	2004	694.3	946,042	344,340	36.4%	1,437,193	523,109	36.4%		1.5192
	2005	681.3	940,882	127,478	13.5%	1,367,803	185,321	13.5%		1.4537
	2006	675.2	936,738	275,192	29.4%	1,303,138	382,832	29.4%		1.3911
	2007	671.3	919,053	0	0.0%	1,223,479	0	0.0%		1.3312
	2008	664.8	914,003	0	0.0%	1,164,360	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	750,076	2,737	0.4%	875,009	3,193	0.4%		1.1666
	2011	629.5	608,756	1,253,973	206.0%	679,570	1,399,841	206.0%		1.1163
	2012	621.8	573,212	483,152	84.3%	612,336	516,129	84.3%		1.0683
	2013	616.8	556,605	429,781	77.2%	568,991	439,345	77.2%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	926,401	1,479,504	159.7%	867,210	1,384,974	159.7%	1.00	0.9361
Future	2016	574.4	887,735	1,647,000	185.5%	795,230	1,475,377	185.5%	1.00	0.8958
Experience	2017	556.7	846,257	1,843,232	217.8%	725,430	1,580,058	217.8%	1.00	0.8572
(50 years)	2018	537.9	802,503	2,060,822	256.8%	658,299	1,690,508	256.8%	1.00	0.8203
	2019	518.3	757,350	2,296,415	303.2%	594,507	1,802,647	303.2%	1.00	0.7850
	2020	497.8	708,605	2,581,043	364.2%	532,290	1,938,828	364.2%	1.00	0.7512
	2021	476.4	661,664	2,880,753	435.4%	475,626	2,070,779	435.4%	1.00	0.7188
	2022	454.1	616,744	3,183,449	516.2%	424,245	2,189,825	516.2%	1.00	0.6879
	2023	431.2	571,804	3,486,656	609.8%	376,394	2,295,115	609.8%	1.00	0.6583
	2024	407.6	527,153	3,775,239	716.2%	332,059	2,378,063	716.2%	1.00	0.6299
	2025	383.5	482,898	4,103,587	849.8%	291,084	2,473,582	849.8%	1.00	0.6028
	2026	359.0	439,027	4,458,209	1015.5%	253,243	2,571,620	1015.5%	1.00	0.5768
	2027	334.1	396,079	4,782,498	1207.5%	218,631	2,639,884	1207.5%	1.00	0.5520
	2028	309.2	354,556	5,037,435	1420.8%	187,283	2,660,868	1420.8%	1.00	0.5282
	2029	284.6	315,056	5,195,505	1649.1%	159,252	2,626,185	1649.1%	1.00	0.5055
	2030	260.1	277,686	5,323,289	1917.0%	134,318	2,574,905	1917.0%	1.00	0.4837
	2031	236.1	242,371	5,489,616	2265.0%	112,188	2,541,013	2265.0%	1.00	0.4629
	2032	212.7	209,515	5,619,053	2681.9%	92,803	2,488,925	2681.9%	1.00	0.4429
	2033	190.3	179,324	5,641,909	3146.2%	76,010	2,391,434	3146.2%	1.00	0.4239
	2034	169.0	152,209	5,498,221	3612.3%	61,738	2,230,172	3612.3%	1.00	0.4056
	2035	149.0	128,047	5,209,047	4068.1%	49,701	2,021,892	4068.1%	1.00	0.3882
	2036	130.1	106,585	5,035,705	4724.6%	39,589	1,870,440	4724.6%	1.00	0.3714
	2037	112.7	87,736	4,870,256	5551.0%	31,185	1,731,087	5551.0%	1.00	0.3554
	2038	96.8	71,460	4,598,484	6435.0%	24,306	1,564,104	6435.0%	1.00	0.3401
	2039	82.6	57,710	4,196,286	7271.3%	18,784	1,365,839	7271.3%	1.00	0.3255
	2040	69.8	46,214	3,694,465	7994.3%	14,394	1,150,721	7994.3%	1.00	0.3115
	2041	58.5	36,640	3,336,224	9105.3%	10,921	994,391	9105.3%	1.00	0.2981
	2042	48.6	28,719	3,045,724	10605.4%	8,191	868,713	10605.4%	1.00	0.2852
	2043	40.1	22,276	2,723,314	12225.3%	6,080	743,305	12225.3%	1.00	0.2729
	2044	32.8	17,149	2,363,141	13780.4%	4,479	617,224	13780.4%	1.00	0.2612
	2045	26.7	13,110	1,987,444	15160.2%	3,277	496,743	15160.2%	1.00	0.2499
	2046	21.5	9,938	1,705,973	17165.6%	2,377	408,031	17165.6%	1.00	0.2392
	2047	17.2	7,458	1,496,492	20066.2%	1,707	342,514	20066.2%	1.00	0.2289
	2048	13.7	5,541	1,291,120	23299.2%	1,214	282,784	23299.2%	1.00	0.2190
	2049	10.8	4,087	1,073,426	26266.2%	857	224,980	26266.2%	1.00	0.2096
	2050	8.4	2,989	860,640	28791.5%	600	172,614	28791.5%	1.00	0.2006
	2051	6.5	2,166	704,569	32528.1%	416	135,227	32528.1%	1.00	0.1919
	2052	5.0	1,551	584,528	37689.6%	285	107,356	37689.6%	1.00	0.1837
	2053	3.8	1,096	472,081	43055.4%	193	82,970	43055.4%	1.00	0.1758
	2054	2.8	767	360,005	46938.6%	129	60,548	46938.6%	1.00	0.1682
	2055	2.1	530	264,488	49911.0%	85	42,568	49911.0%	1.00	0.1609
	2056	1.5	361	198,719	55007.3%	56	30,605	55007.3%	1.00	0.1540
	2057	1.1	242	149,254	61631.9%	36	21,997	61631.9%	1.00	0.1474
	2058	0.7	160	108,815	68214.1%	22	15,347	68214.1%	1.00	0.1410
	2059	0.5	103	75,387	73063.8%	14	10,174	73063.8%	1.00	0.1350
	2060	0.3	65	51,542	78774.5%	8	6,657	78774.5%	1.00	0.1291
	2061	0.2	41	35,341	86029.5%	5	4,368	86029.5%	1.00	0.1236
	2062	0.1	25	23,828	94817.9%	3	2,818	94817.9%	1.00	0.1183
	2063	0.1	15	15,732	100000%+	2	1,780	100000%+	1.00	0.1132
	Past		10,566,181	3,034,301	28.7%	14,556,860	3,605,360	24.8%		
	Future		11,970,725	128,217,166	1071.1%	8,528,799	60,655,923	711.2%		
	Lifetime		22,536,906	131,251,467	582.4%	23,085,659	64,261,283	278.4%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Proposed Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Proposed Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1998	4.8	28,721	0	0.0%	56,820	0	0.0%	3.04	1.9783
Historical	1999	17.1	106,785	0	0.0%	202,161	0	0.0%	3.04	1.8932
Experience	2000	53.1	429,721	0	0.0%	778,496	0	0.0%	3.04	1.8116
	2001	234.1	1,646,654	0	0.0%	2,854,670	0	0.0%	3.04	1.7336
	2002	560.4	2,762,693	1,200	0.0%	4,583,212	1,991	0.0%	3.04	1.6590
	2003	707.7	2,984,152	31,599	1.1%	4,737,421	50,164	1.1%	3.04	1.5875
	2004	694.3	2,875,967	344,340	12.0%	4,369,066	523,109	12.0%	3.04	1.5192
	2005	681.3	2,860,280	127,478	4.5%	4,158,120	185,321	4.5%	3.04	1.4537
	2006	675.2	2,847,684	275,192	9.7%	3,961,539	382,832	9.7%	3.04	1.3911
	2007	671.3	2,793,921	0	0.0%	3,719,375	0	0.0%	3.04	1.3312
	2008	664.8	2,778,570	0	0.0%	3,539,655	0	0.0%	3.04	1.2739
	2009	656.8	2,440,551	84,849	3.5%	2,975,166	103,436	3.5%	3.04	1.2191
	2010	646.7	2,280,232	2,737	0.1%	2,660,027	3,193	0.1%	3.04	1.1666
	2011	629.5	1,850,618	1,253,973	67.8%	2,065,892	1,399,841	67.8%	3.04	1.1163
	2012	621.8	1,742,565	483,152	27.7%	1,861,502	516,129	27.7%	3.04	1.0683
	2013	616.8	1,692,078	429,781	25.4%	1,729,731	439,345	25.4%	3.04	1.0223
	2014	604.6	1,829,711	1,301,699	71.1%	1,789,881	1,273,364	71.1%	1.90	0.9782
Projected	2015	591.0	1,760,161	1,479,504	84.1%	1,647,700	1,384,974	84.1%	1.90	0.9361
Future	2016	574.4	1,686,697	1,647,000	97.6%	1,510,937	1,475,377	97.6%	1.90	0.8958
Experience	2017	556.7	1,607,888	1,843,232	114.6%	1,378,316	1,580,058	114.6%	1.90	0.8572
(50 years)	2018	537.9	1,524,755	2,060,822	135.2%	1,250,768	1,690,508	135.2%	1.90	0.8203
	2019	518.3	1,438,966	2,296,415	159.6%	1,129,564	1,802,647	159.6%	1.90	0.7850
	2020	497.8	1,346,349	2,581,043	191.7%	1,011,350	1,938,828	191.7%	1.90	0.7512
	2021	476.4	1,257,162	2,880,753	229.1%	903,689	2,070,779	229.1%	1.90	0.7188
	2022	454.1	1,171,813	3,183,449	271.7%	806,065	2,189,825	271.7%	1.90	0.6879
	2023	431.2	1,086,428	3,486,656	320.9%	715,149	2,295,115	320.9%	1.90	0.6583
	2024	407.6	1,001,590	3,775,239	376.9%	630,912	2,378,063	376.9%	1.90	0.6299
	2025	383.5	917,507	4,103,587	447.3%	553,060	2,473,582	447.3%	1.90	0.6028
	2026	359.0	834,150	4,458,209	534.5%	481,161	2,571,620	534.5%	1.90	0.5768
	2027	334.1	752,550	4,782,498	635.5%	415,399	2,639,884	635.5%	1.90	0.5520
	2028	309.2	673,657	5,037,435	747.8%	355,838	2,660,868	747.8%	1.90	0.5282
	2029	284.6	598,605	5,195,505	867.9%	302,579	2,626,185	867.9%	1.90	0.5055
	2030	260.1	527,604	5,323,289	1009.0%	255,205	2,574,905	1009.0%	1.90	0.4837
	2031	236.1	460,506	5,489,616	1192.1%	213,157	2,541,013	1192.1%	1.90	0.4629
	2032	212.7	398,079	5,619,053	1411.5%	176,327	2,488,925	1411.5%	1.90	0.4429
	2033	190.3	340,715	5,641,909	1655.9%	144,419	2,391,434	1655.9%	1.90	0.4239
	2034	169.0	289,196	5,498,221	1901.2%	117,303	2,230,172	1901.2%	1.90	0.4056
	2035	149.0	243,289	5,209,047	2141.1%	94,433	2,021,892	2141.1%	1.90	0.3882
	2036	130.1	202,512	5,035,705	2486.6%	75,220	1,870,440	2486.6%	1.90	0.3714
	2037	112.7	166,699	4,870,256	2921.6%	59,252	1,731,087	2921.6%	1.90	0.3554
	2038	96.8	135,774	4,598,484	3386.9%	46,182	1,564,104	3386.9%	1.90	0.3401
	2039	82.6	109,650	4,196,286	3827.0%	35,690	1,365,839	3827.0%	1.90	0.3255
	2040	69.8	87,807	3,694,465	4207.5%	27,349	1,150,721	4207.5%	1.90	0.3115
	2041	58.5	69,617	3,336,224	4792.3%	20,750	994,391	4792.3%	1.90	0.2981
	2042	48.6	54,565	3,045,724	5581.8%	15,563	868,713	5581.8%	1.90	0.2852
	2043	40.1	42,324	2,723,314	6434.4%	11,552	743,305	6434.4%	1.90	0.2729
	2044	32.8	32,582	2,363,141	7252.8%	8,510	617,224	7252.8%	1.90	0.2612
	2045	26.7	24,908	1,987,444	7979.0%	6,226	496,743	7979.0%	1.90	0.2499
	2046	21.5	18,883	1,705,973	9034.5%	4,516	408,031	9034.5%	1.90	0.2392
	2047	17.2	14,170	1,496,492	10561.2%	3,243	342,514	10561.2%	1.90	0.2289
	2048	13.7	10,529	1,291,120	12262.7%	2,306	282,784	12262.7%	1.90	0.2190
	2049	10.8	7,765	1,073,426	13824.3%	1,627	224,980	13824.3%	1.90	0.2096
	2050	8.4	5,680	860,640	15153.4%	1,139	172,614	15153.4%	1.90	0.2006
	2051	6.5	4,115	704,569	17120.1%	790	135,227	17120.1%	1.90	0.1919
	2052	5.0	2,947	584,528	19836.6%	541	107,356	19836.6%	1.90	0.1837
	2053	3.8	2,083	472,081	22660.7%	366	82,970	22660.7%	1.90	0.1758
	2054	2.8	1,457	360,005	24704.5%	245	60,548	24704.5%	1.90	0.1682
	2055	2.1	1,007	264,488	26268.9%	162	42,568	26268.9%	1.90	0.1609
	2056	1.5	686	198,719	28951.2%	106	30,605	28951.2%	1.90	0.1540
	2057	1.1	460	149,254	32437.8%	68	21,997	32437.8%	1.90	0.1474
	2058	0.7	303	108,815	35902.2%	43	15,347	35902.2%	1.90	0.1410
	2059	0.5	196	75,387	38454.6%	26	10,174	38454.6%	1.90	0.1350
	2060	0.3	124	51,542	41460.3%	16	6,657	41460.3%	1.90	0.1291
	2061	0.2	78	35,341	45278.7%	10	4,368	45278.7%	1.90	0.1236
	2062	0.1	48	23,828	49904.1%	6	2,818	49904.1%	1.90	0.1183
	2063	0.1	29	15,732	54688.2%	3	1,780	54688.2%	1.90	0.1132
	Past		32,121,192	3,034,301	9.4%	44,252,853	3,605,360	8.1%		
	Future		22,744,377	128,217,166	563.7%	16,204,718	60,655,923	374.3%		
	Lifetime		54,865,568	131,251,467	239.2%	60,457,572	64,261,283	106.3%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%		1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%		1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%		1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%		1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%		1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%		1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,340,574	2,027,486	151.2%	1,254,921	1,897,944	151.2%	1.00	0.9361
Future	2016	841.8	1,272,171	2,213,683	174.0%	1,139,606	1,983,009	174.0%	1.00	0.8958
Experience	2017	809.5	1,199,181	2,433,219	202.9%	1,027,963	2,085,808	202.9%	1.00	0.8572
(50 years)	2018	776.0	1,124,577	2,669,749	237.4%	922,499	2,190,015	237.4%	1.00	0.8203
	2019	741.1	1,049,396	2,918,253	278.1%	823,758	2,290,780	278.1%	1.00	0.7850
	2020	705.5	971,491	3,215,175	331.0%	729,765	2,415,175	331.0%	1.00	0.7512
	2021	668.9	896,361	3,523,000	393.0%	644,334	2,532,447	393.0%	1.00	0.7188
	2022	631.5	824,552	3,828,299	464.3%	567,191	2,633,403	464.3%	1.00	0.6879
	2023	593.7	754,334	4,121,862	546.4%	496,545	2,713,243	546.4%	1.00	0.6583
	2024	555.6	686,227	4,388,648	639.5%	432,262	2,764,456	639.5%	1.00	0.6299
	2025	517.3	620,258	4,693,742	756.7%	373,882	2,829,318	756.7%	1.00	0.6028
	2026	479.0	556,402	5,029,629	904.0%	320,948	2,901,231	904.0%	1.00	0.5768
	2027	441.0	495,313	5,327,941	1075.7%	273,407	2,940,963	1075.7%	1.00	0.5520
	2028	403.7	437,626	5,544,534	1267.0%	231,162	2,928,727	1267.0%	1.00	0.5282
	2029	367.5	383,962	5,652,592	1472.2%	194,082	2,857,230	1472.2%	1.00	0.5055
	2030	332.3	334,279	5,732,047	1714.7%	161,693	2,772,624	1714.7%	1.00	0.4837
	2031	298.4	288,324	5,862,495	2033.3%	133,458	2,713,610	2033.3%	1.00	0.4629
	2032	266.0	246,386	5,956,640	2417.6%	109,135	2,638,457	2417.6%	1.00	0.4429
	2033	235.6	208,616	5,939,961	2847.3%	88,426	2,517,769	2847.3%	1.00	0.4239
	2034	207.2	175,280	5,753,218	3282.3%	71,097	2,333,603	3282.3%	1.00	0.4056
	2035	180.8	146,042	5,423,405	3713.6%	56,686	2,105,095	3713.6%	1.00	0.3882
	2036	156.5	120,472	5,222,180	4334.8%	44,747	1,939,703	4334.8%	1.00	0.3714
	2037	134.3	98,335	5,031,739	5117.0%	34,952	1,788,485	5117.0%	1.00	0.3554
	2038	114.4	79,470	4,734,347	5957.4%	27,030	1,610,315	5957.4%	1.00	0.3401
	2039	96.7	63,717	4,306,254	6758.4%	20,739	1,401,633	6758.4%	1.00	0.3255
	2040	81.1	50,682	3,781,635	7461.5%	15,786	1,177,871	7461.5%	1.00	0.3115
	2041	67.4	39,928	3,408,074	8535.6%	11,901	1,015,807	8535.6%	1.00	0.2981
	2042	55.5	31,110	3,104,144	9977.9%	8,873	885,376	9977.9%	1.00	0.2852
	2043	45.4	23,999	2,769,254	11539.1%	6,550	755,844	11539.1%	1.00	0.2729
	2044	36.9	18,378	2,398,035	13048.2%	4,800	626,338	13048.2%	1.00	0.2612
	2045	29.8	13,978	2,013,575	14404.8%	3,494	503,274	14404.8%	1.00	0.2499
	2046	23.8	10,545	1,726,186	16369.6%	2,522	412,865	16369.6%	1.00	0.2392
	2047	18.9	7,876	1,511,997	19198.0%	1,803	346,063	19198.0%	1.00	0.2289
	2048	14.9	5,825	1,302,701	22363.9%	1,276	285,320	22363.9%	1.00	0.2190
	2049	11.7	4,277	1,081,665	25293.2%	896	226,707	25293.2%	1.00	0.2096
	2050	9.1	3,114	866,513	27822.3%	625	173,792	27822.3%	1.00	0.2006
	2051	7.0	2,247	708,823	31543.7%	431	136,043	31543.7%	1.00	0.1919
	2052	5.3	1,603	587,514	36661.9%	294	107,905	36661.9%	1.00	0.1837
	2053	4.0	1,129	474,132	42005.1%	198	83,331	42005.1%	1.00	0.1758
	2054	3.0	787	361,301	45915.6%	132	60,766	45915.6%	1.00	0.1682
	2055	2.2	542	265,316	48955.0%	87	42,701	48955.0%	1.00	0.1609
	2056	1.6	368	199,252	54081.3%	57	30,687	54081.3%	1.00	0.1540
	2057	1.1	246	149,587	60721.3%	36	22,046	60721.3%	1.00	0.1474
	2058	0.8	162	109,019	67308.2%	23	15,375	67308.2%	1.00	0.1410
	2059	0.5	105	75,510	72210.0%	14	10,191	72210.0%	1.00	0.1350
	2060	0.4	66	51,615	77991.6%	9	6,666	77991.6%	1.00	0.1291
	2061	0.2	42	35,383	85240.1%	5	4,373	85240.1%	1.00	0.1236
	2062	0.2	25	23,852	94090.0%	3	2,821	94090.0%	1.00	0.1183
	2063	0.1	15	15,745	100000%+	2	1,782	100000%+	1.00	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		15,995,351	140,389,958	877.7%	11,614,482	68,498,423	589.8%		
	Lifetime		34,208,211	145,660,937	425.8%	36,213,047	74,834,161	206.6%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%	1.00	1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%	1.00	1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%	1.00	1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%	1.00	1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%	1.00	1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%	1.00	1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%	1.00	1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%	1.00	1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%	1.00	1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%	1.00	1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%	1.00	1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%	1.00	1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%	1.00	1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%	1.00	1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%	1.00	1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%	1.00	1.0223
	2014	897.8	2,382,148	1,819,032	76.4%	2,330,294	1,779,435	76.4%	1.70	0.9782
Projected	2015	872.9	2,277,878	2,027,486	89.0%	2,132,338	1,897,944	89.0%	1.70	0.9361
Future	2016	841.8	2,167,242	2,213,683	102.1%	1,941,407	1,983,009	102.1%	1.70	0.8958
Experience	2017	809.5	2,049,043	2,433,219	118.7%	1,756,483	2,085,808	118.7%	1.71	0.8572
(50 years)	2018	776.0	1,927,348	2,669,749	138.5%	1,581,018	2,190,015	138.5%	1.71	0.8203
	2019	741.1	1,804,023	2,918,253	161.8%	1,416,128	2,290,780	161.8%	1.72	0.7850
	2020	705.5	1,674,957	3,215,175	192.0%	1,258,194	2,415,175	192.0%	1.72	0.7512
	2021	668.9	1,550,534	3,523,000	227.2%	1,114,574	2,532,447	227.2%	1.73	0.7188
	2022	631.5	1,431,574	3,828,299	267.4%	984,748	2,633,403	267.4%	1.74	0.6879
	2023	593.7	1,314,590	4,121,862	313.5%	865,338	2,713,243	313.5%	1.74	0.6583
	2024	555.6	1,200,433	4,388,648	365.6%	756,165	2,764,456	365.6%	1.75	0.6299
	2025	517.3	1,089,206	4,693,742	430.9%	656,558	2,829,318	430.9%	1.76	0.6028
	2026	479.0	980,870	5,029,629	512.8%	565,793	2,901,231	512.8%	1.76	0.5768
	2027	441.0	876,592	5,327,941	607.8%	483,869	2,940,963	607.8%	1.77	0.5520
	2028	403.7	777,494	5,544,534	713.1%	410,687	2,928,727	713.1%	1.78	0.5282
	2029	367.5	684,739	5,652,592	825.5%	346,117	2,857,230	825.5%	1.78	0.5055
	2030	332.3	598,345	5,732,047	958.0%	289,423	2,772,624	958.0%	1.79	0.4837
	2031	298.4	517,946	5,862,495	1131.9%	239,745	2,713,610	1131.9%	1.80	0.4629
	2032	266.0	444,168	5,956,640	1341.1%	196,741	2,638,457	1341.1%	1.80	0.4429
	2033	235.6	377,331	5,939,961	1574.2%	159,939	2,517,769	1574.2%	1.81	0.4239
	2034	207.2	318,036	5,753,218	1809.0%	129,001	2,333,603	1809.0%	1.81	0.4056
	2035	180.8	265,783	5,423,405	2040.5%	103,164	2,105,095	2040.5%	1.82	0.3882
	2036	156.5	219,870	5,222,180	2375.1%	81,667	1,939,703	2375.1%	1.83	0.3714
	2037	134.3	179,947	5,031,739	2796.2%	63,960	1,788,485	2796.2%	1.83	0.3554
	2038	114.4	145,786	4,734,347	3247.5%	49,587	1,610,315	3247.5%	1.83	0.3401
	2039	96.7	117,158	4,306,254	3675.6%	38,134	1,401,633	3675.6%	1.84	0.3255
	2040	81.1	93,391	3,781,635	4049.2%	29,089	1,177,871	4049.2%	1.84	0.3115
	2041	67.4	73,726	3,408,074	4622.6%	21,975	1,015,807	4622.6%	1.85	0.2981
	2042	55.5	57,555	3,104,144	5393.4%	16,416	885,376	5393.4%	1.85	0.2852
	2043	45.4	44,478	2,769,254	6226.1%	12,140	755,844	6226.1%	1.85	0.2729
	2044	36.9	34,119	2,398,035	7028.4%	8,912	626,338	7028.4%	1.86	0.2612
	2045	29.8	25,994	2,013,575	7746.2%	6,497	503,274	7746.2%	1.86	0.2499
	2046	23.8	19,641	1,726,186	8788.6%	4,698	412,865	8788.6%	1.86	0.2392
	2047	18.9	14,692	1,511,997	10291.1%	3,363	346,063	10291.1%	1.87	0.2289
	2048	14.9	10,883	1,302,701	11969.8%	2,384	285,320	11969.8%	1.87	0.2190
	2049	11.7	8,002	1,081,665	13517.4%	1,677	226,707	13517.4%	1.87	0.2096
	2050	9.1	5,836	866,513	14847.6%	1,171	173,792	14847.6%	1.87	0.2006
	2051	7.0	4,217	708,823	16809.5%	809	136,043	16809.5%	1.88	0.1919
	2052	5.3	3,011	587,514	19510.7%	553	107,905	19510.7%	1.88	0.1837
	2053	4.0	2,124	474,132	22326.5%	373	83,331	22326.5%	1.88	0.1758
	2054	3.0	1,482	361,301	24377.1%	249	60,766	24377.1%	1.88	0.1682
	2055	2.2	1,022	265,316	25963.1%	164	42,701	25963.1%	1.89	0.1609
	2056	1.6	695	199,252	28654.6%	107	30,687	28654.6%	1.89	0.1540
	2057	1.1	465	149,587	32145.2%	69	22,046	32145.2%	1.89	0.1474
	2058	0.8	306	109,019	35609.6%	43	15,375	35609.6%	1.89	0.1410
	2059	0.5	198	75,510	38178.9%	27	10,191	38178.9%	1.89	0.1350
	2060	0.4	125	51,615	41208.0%	16	6,666	41208.0%	1.89	0.1291
	2061	0.2	79	35,383	45022.8%	10	4,373	45022.8%	1.89	0.1236
	2062	0.2	48	23,852	49668.5%	6	2,821	49668.5%	1.89	0.1183
	2063	0.1	29	15,745	54404.7%	3	1,782	54404.7%	1.89	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		27,775,160	140,389,958	505.5%	20,061,822	68,498,423	341.4%		
	Lifetime		45,988,019	145,660,937	316.7%	44,660,387	74,834,161	167.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	414,173	547,983	132.3%	387,711	512,970	132.3%	1.00	0.9361
Future	2016	267.4	384,436	566,683	147.4%	344,376	507,632	147.4%	1.00	0.8958
Experience	2017	252.8	352,924	589,987	167.2%	302,534	505,750	167.2%	1.00	0.8572
(50 years)	2018	238.1	322,075	608,927	189.1%	264,200	499,508	189.1%	1.00	0.8203
	2019	222.8	292,046	621,839	212.9%	229,251	488,133	212.9%	1.00	0.7850
	2020	207.7	262,886	634,132	241.2%	197,475	476,347	241.2%	1.00	0.7512
	2021	192.6	234,697	642,247	273.6%	168,708	461,668	273.6%	1.00	0.7188
	2022	177.4	207,808	644,850	310.3%	142,947	443,578	310.3%	1.00	0.6879
	2023	162.5	182,530	635,206	348.0%	120,151	418,129	348.0%	1.00	0.6583
	2024	147.9	159,074	613,409	385.6%	100,202	386,393	385.6%	1.00	0.6299
	2025	133.7	137,360	590,155	429.6%	82,798	355,736	429.6%	1.00	0.6028
	2026	120.0	117,376	571,419	486.8%	67,706	329,611	486.8%	1.00	0.5768
	2027	106.8	99,234	545,444	549.7%	54,776	301,079	549.7%	1.00	0.5520
	2028	94.5	83,070	507,099	610.4%	43,879	267,859	610.4%	1.00	0.5282
	2029	83.0	68,907	457,087	663.3%	34,831	231,045	663.3%	1.00	0.5055
	2030	72.2	56,593	408,758	722.3%	27,374	197,718	722.3%	1.00	0.4837
	2031	62.3	45,952	372,879	811.4%	21,270	172,597	811.4%	1.00	0.4629
	2032	53.3	36,871	337,587	915.6%	16,332	149,532	915.6%	1.00	0.4429
	2033	45.3	29,293	298,052	1017.5%	12,416	126,335	1017.5%	1.00	0.4239
	2034	38.2	23,072	254,997	1105.2%	9,358	103,431	1105.2%	1.00	0.4056
	2035	31.9	17,995	214,358	1191.2%	6,985	83,203	1191.2%	1.00	0.3882
	2036	26.4	13,887	186,474	1342.8%	5,158	69,263	1342.8%	1.00	0.3714
	2037	21.6	10,598	161,483	1523.7%	3,767	57,398	1523.7%	1.00	0.3554
	2038	17.6	8,009	135,862	1696.3%	2,724	46,212	1696.3%	1.00	0.3401
	2039	14.2	6,007	109,968	1830.7%	1,955	35,793	1830.7%	1.00	0.3255
	2040	11.3	4,468	87,170	1951.1%	1,392	27,151	1951.1%	1.00	0.3115
	2041	8.9	3,287	71,851	2185.7%	980	21,416	2185.7%	1.00	0.2981
	2042	6.9	2,391	58,420	2442.8%	682	16,663	2442.8%	1.00	0.2852
	2043	5.4	1,723	45,939	2666.5%	470	12,539	2666.5%	1.00	0.2729
	2044	4.1	1,230	34,893	2837.7%	321	9,114	2837.7%	1.00	0.2612
	2045	3.1	869	26,132	3007.7%	217	6,531	3007.7%	1.00	0.2499
	2046	2.3	607	20,213	3331.3%	145	4,834	3331.3%	1.00	0.2392
	2047	1.7	418	15,505	3709.2%	96	3,549	3709.2%	1.00	0.2289
	2048	1.2	284	11,581	4084.4%	62	2,536	4084.4%	1.00	0.2190
	2049	0.9	190	8,239	4341.2%	40	1,727	4341.2%	1.00	0.2096
	2050	0.6	125	5,873	4689.3%	25	1,178	4689.3%	1.00	0.2006
	2051	0.4	81	4,254	5246.3%	16	816	5246.3%	1.00	0.1919
	2052	0.3	52	2,986	5784.8%	9	548	5784.8%	1.00	0.1837
	2053	0.2	32	2,052	6351.5%	6	361	6351.5%	1.00	0.1758
	2054	0.1	20	1,296	6507.9%	3	218	6507.9%	1.00	0.1682
	2055	0.1	12	828	6878.2%	2	133	6878.2%	1.00	0.1609
	2056	0.1	7	533	7426.8%	1	82	7426.8%	1.00	0.1540
	2057	0.0	4	333	7966.7%	1	49	7966.7%	1.00	0.1474
	2058	0.0	2	204	8322.4%	0	29	8322.4%	1.00	0.1410
	2059	0.0	1	123	8831.7%	0	17	8831.7%	1.00	0.1350
	2060	0.0	1	73	9692.0%	0	9	9692.0%	1.00	0.1291
	2061	0.0	0	42	9827.9%	0	5	9827.9%	1.00	0.1236
	2062	0.0	0	24	10950.0%	0	3	10950.0%	1.00	0.1183
	2063	0.0	0	14	9750.0%	0	2	9750.0%	1.00	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,024,626	12,172,791	302.5%	3,085,683	7,842,500	254.2%		
	Lifetime		10,453,949	14,409,469	137.8%	11,801,181	10,572,879	89.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	552,438	517,332	93.6%	540,412	506,071	93.6%	1.25	0.9782
Projected	2015	281.9	517,717	547,983	105.8%	484,638	512,970	105.8%	1.25	0.9361
Future	2016	267.4	480,544	566,683	117.9%	430,470	507,632	117.9%	1.25	0.8958
Experience	2017	252.8	441,154	589,987	133.7%	378,167	505,750	133.7%	1.25	0.8572
(50 years)	2018	238.1	402,593	608,927	151.3%	330,250	499,508	151.3%	1.25	0.8203
	2019	222.8	365,057	621,839	170.3%	286,564	488,133	170.3%	1.25	0.7850
	2020	207.7	328,608	634,132	193.0%	246,844	476,347	193.0%	1.25	0.7512
	2021	192.6	293,371	642,247	218.9%	210,885	461,668	218.9%	1.25	0.7188
	2022	177.4	259,760	644,850	248.2%	178,683	443,578	248.2%	1.25	0.6879
	2023	162.5	228,162	635,206	278.4%	150,189	418,129	278.4%	1.25	0.6583
	2024	147.9	198,843	613,409	308.5%	125,253	386,393	308.5%	1.25	0.6299
	2025	133.7	171,700	590,155	343.7%	103,498	355,736	343.7%	1.25	0.6028
	2026	120.0	146,720	571,419	389.5%	84,632	329,611	389.5%	1.25	0.5768
	2027	106.8	124,043	545,444	439.7%	68,470	301,079	439.7%	1.25	0.5520
	2028	94.5	103,837	507,099	488.4%	54,849	267,859	488.4%	1.25	0.5282
	2029	83.0	86,134	457,087	530.7%	43,538	231,045	530.7%	1.25	0.5055
	2030	72.2	70,741	408,758	577.8%	34,218	197,718	577.8%	1.25	0.4837
	2031	62.3	57,441	372,879	649.2%	26,588	172,597	649.2%	1.25	0.4629
	2032	53.3	46,089	337,587	732.5%	20,415	149,532	732.5%	1.25	0.4429
	2033	45.3	36,616	298,052	814.0%	15,520	126,335	814.0%	1.25	0.4239
	2034	38.2	28,839	254,997	884.2%	11,698	103,431	884.2%	1.25	0.4056
	2035	31.9	22,494	214,358	953.0%	8,731	83,203	953.0%	1.25	0.3882
	2036	26.4	17,358	186,474	1074.3%	6,448	69,263	1074.3%	1.25	0.3714
	2037	21.6	13,248	161,483	1218.9%	4,709	57,398	1218.9%	1.25	0.3554
	2038	17.6	10,012	135,862	1357.0%	3,405	46,212	1357.0%	1.25	0.3401
	2039	14.2	7,509	109,968	1464.6%	2,444	35,793	1464.6%	1.25	0.3255
	2040	11.3	5,585	87,170	1560.9%	1,739	27,151	1560.9%	1.25	0.3115
	2041	8.9	4,109	71,851	1748.6%	1,225	21,416	1748.6%	1.25	0.2981
	2042	6.9	2,989	58,420	1954.3%	853	16,663	1954.3%	1.25	0.2852
	2043	5.4	2,154	45,939	2133.2%	588	12,539	2133.2%	1.25	0.2729
	2044	4.1	1,537	34,893	2270.1%	401	9,114	2270.1%	1.25	0.2612
	2045	3.1	1,086	26,132	2406.1%	271	6,531	2406.1%	1.25	0.2499
	2046	2.3	758	20,213	2665.0%	181	4,834	2665.0%	1.25	0.2392
	2047	1.7	523	15,505	2967.3%	120	3,549	2967.3%	1.25	0.2289
	2048	1.2	354	11,581	3267.5%	78	2,536	3267.5%	1.25	0.2190
	2049	0.9	237	8,239	3473.0%	50	1,727	3473.0%	1.25	0.2096
	2050	0.6	157	5,873	3751.5%	31	1,178	3751.5%	1.25	0.2006
	2051	0.4	101	4,254	4197.1%	19	816	4197.1%	1.25	0.1919
	2052	0.3	65	2,986	4627.9%	12	548	4627.9%	1.25	0.1837
	2053	0.2	40	2,052	5081.2%	7	361	5081.2%	1.25	0.1758
	2054	0.1	25	1,296	5206.3%	4	218	5206.3%	1.25	0.1682
	2055	0.1	15	828	5502.5%	2	133	5502.5%	1.25	0.1609
	2056	0.1	9	533	5941.4%	1	82	5941.4%	1.25	0.1540
	2057	0.0	5	333	6373.4%	1	49	6373.4%	1.25	0.1474
	2058	0.0	3	204	6658.0%	0	29	6658.0%	1.25	0.1410
	2059	0.0	2	123	7065.3%	0	17	7065.3%	1.25	0.1350
	2060	0.0	1	73	7753.6%	0	9	7753.6%	1.25	0.1291
	2061	0.0	1	42	7862.3%	0	5	7862.3%	1.25	0.1236
	2062	0.0	0	24	8760.0%	0	3	8760.0%	1.25	0.1183
	2063	0.0	0	14	7800.0%	0	2	7800.0%	1.25	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		5,030,783	12,172,791	242.0%	3,857,103	7,842,500	203.3%		
	Lifetime		11,460,106	14,409,469	125.7%	12,572,601	10,572,879	84.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	926,401	1,479,504	159.7%	867,210	1,384,974	159.7%	1.00	0.9361
Future	2016	574.4	887,735	1,647,000	185.5%	795,230	1,475,377	185.5%	1.00	0.8958
Experience	2017	556.7	846,257	1,843,232	217.8%	725,430	1,580,058	217.8%	1.00	0.8572
(50 years)	2018	537.9	802,503	2,060,822	256.8%	658,299	1,690,508	256.8%	1.00	0.8203
	2019	518.3	757,350	2,296,415	303.2%	594,507	1,802,647	303.2%	1.00	0.7850
	2020	497.8	708,605	2,581,043	364.2%	532,290	1,938,828	364.2%	1.00	0.7512
	2021	476.4	661,664	2,880,753	435.4%	475,626	2,070,779	435.4%	1.00	0.7188
	2022	454.1	616,744	3,183,449	516.2%	424,245	2,189,825	516.2%	1.00	0.6879
	2023	431.2	571,804	3,486,656	609.8%	376,394	2,295,115	609.8%	1.00	0.6583
	2024	407.6	527,153	3,775,239	716.2%	332,059	2,378,063	716.2%	1.00	0.6299
	2025	383.5	482,898	4,103,587	849.8%	291,084	2,473,582	849.8%	1.00	0.6028
	2026	359.0	439,027	4,458,209	1015.5%	253,243	2,571,620	1015.5%	1.00	0.5768
	2027	334.1	396,079	4,782,498	1207.5%	218,631	2,639,884	1207.5%	1.00	0.5520
	2028	309.2	354,556	5,037,435	1420.8%	187,283	2,660,868	1420.8%	1.00	0.5282
	2029	284.6	315,056	5,195,505	1649.1%	159,252	2,626,185	1649.1%	1.00	0.5055
	2030	260.1	277,686	5,323,289	1917.0%	134,318	2,574,905	1917.0%	1.00	0.4837
	2031	236.1	242,371	5,489,616	2265.0%	112,188	2,541,013	2265.0%	1.00	0.4629
	2032	212.7	209,515	5,619,053	2681.9%	92,803	2,488,925	2681.9%	1.00	0.4429
	2033	190.3	179,324	5,641,909	3146.2%	76,010	2,391,434	3146.2%	1.00	0.4239
	2034	169.0	152,209	5,498,221	3612.3%	61,738	2,230,172	3612.3%	1.00	0.4056
	2035	149.0	128,047	5,209,047	4068.1%	49,701	2,021,892	4068.1%	1.00	0.3882
	2036	130.1	106,585	5,035,705	4724.6%	39,589	1,870,440	4724.6%	1.00	0.3714
	2037	112.7	87,736	4,870,256	5551.0%	31,185	1,731,087	5551.0%	1.00	0.3554
	2038	96.8	71,460	4,598,484	6435.0%	24,306	1,564,104	6435.0%	1.00	0.3401
	2039	82.6	57,710	4,196,286	7271.3%	18,784	1,365,839	7271.3%	1.00	0.3255
	2040	69.8	46,214	3,694,465	7994.3%	14,394	1,150,721	7994.3%	1.00	0.3115
	2041	58.5	36,640	3,336,224	9105.3%	10,921	994,391	9105.3%	1.00	0.2981
	2042	48.6	28,719	3,045,724	10605.4%	8,191	868,713	10605.4%	1.00	0.2852
	2043	40.1	22,276	2,723,314	12225.3%	6,080	743,305	12225.3%	1.00	0.2729
	2044	32.8	17,149	2,363,141	13780.4%	4,479	617,224	13780.4%	1.00	0.2612
	2045	26.7	13,110	1,987,444	15160.2%	3,277	496,743	15160.2%	1.00	0.2499
	2046	21.5	9,938	1,705,973	17165.6%	2,377	408,031	17165.6%	1.00	0.2392
	2047	17.2	7,458	1,496,492	20066.2%	1,707	342,514	20066.2%	1.00	0.2289
	2048	13.7	5,541	1,291,120	23299.2%	1,214	282,784	23299.2%	1.00	0.2190
	2049	10.8	4,087	1,073,426	26266.2%	857	224,980	26266.2%	1.00	0.2096
	2050	8.4	2,989	860,640	28791.5%	600	172,614	28791.5%	1.00	0.2006
	2051	6.5	2,166	704,569	32528.1%	416	135,227	32528.1%	1.00	0.1919
	2052	5.0	1,551	584,528	37689.6%	285	107,356	37689.6%	1.00	0.1837
	2053	3.8	1,096	472,081	43055.4%	193	82,970	43055.4%	1.00	0.1758
	2054	2.8	767	360,005	46938.6%	129	60,548	46938.6%	1.00	0.1682
	2055	2.1	530	264,488	49911.0%	85	42,568	49911.0%	1.00	0.1609
	2056	1.5	361	198,719	55007.3%	56	30,605	55007.3%	1.00	0.1540
	2057	1.1	242	149,254	61631.9%	36	21,997	61631.9%	1.00	0.1474
	2058	0.7	160	108,815	68214.1%	22	15,347	68214.1%	1.00	0.1410
	2059	0.5	103	75,387	73063.8%	14	10,174	73063.8%	1.00	0.1350
	2060	0.3	65	51,542	78774.5%	8	6,657	78774.5%	1.00	0.1291
	2061	0.2	41	35,341	86029.5%	5	4,368	86029.5%	1.00	0.1236
	2062	0.1	25	23,828	94817.9%	3	2,818	94817.9%	1.00	0.1183
	2063	0.1	15	15,732	100000%+	2	1,780	100000%+	1.00	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		11,970,725	128,217,166	1071.1%	8,528,799	60,655,923	711.2%		
	Lifetime		23,754,262	131,251,467	552.5%	24,411,867	64,261,283	263.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Proposed Premium	Incurred Claims	Loss Ratio	Proposed Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	1,829,711	1,301,699	71.1%	1,789,881	1,273,364	71.1%	1.90	0.9782
Projected	2015	591.0	1,760,161	1,479,504	84.1%	1,647,700	1,384,974	84.1%	1.90	0.9361
Future	2016	574.4	1,686,697	1,647,000	97.6%	1,510,937	1,475,377	97.6%	1.90	0.8958
Experience	2017	556.7	1,607,888	1,843,232	114.6%	1,378,316	1,580,058	114.6%	1.90	0.8572
(50 years)	2018	537.9	1,524,755	2,060,822	135.2%	1,250,768	1,690,508	135.2%	1.90	0.8203
	2019	518.3	1,438,966	2,296,415	159.6%	1,129,564	1,802,647	159.6%	1.90	0.7850
	2020	497.8	1,346,349	2,581,043	191.7%	1,011,350	1,938,828	191.7%	1.90	0.7512
	2021	476.4	1,257,162	2,880,753	229.1%	903,689	2,070,779	229.1%	1.90	0.7188
	2022	454.1	1,171,813	3,183,449	271.7%	806,065	2,189,825	271.7%	1.90	0.6879
	2023	431.2	1,086,428	3,486,656	320.9%	715,149	2,295,115	320.9%	1.90	0.6583
	2024	407.6	1,001,590	3,775,239	376.9%	630,912	2,378,063	376.9%	1.90	0.6299
	2025	383.5	917,507	4,103,587	447.3%	553,060	2,473,582	447.3%	1.90	0.6028
	2026	359.0	834,150	4,458,209	534.5%	481,161	2,571,620	534.5%	1.90	0.5768
	2027	334.1	752,550	4,782,498	635.5%	415,399	2,639,884	635.5%	1.90	0.5520
	2028	309.2	673,657	5,037,435	747.8%	355,838	2,660,868	747.8%	1.90	0.5282
	2029	284.6	598,605	5,195,505	867.9%	302,579	2,626,185	867.9%	1.90	0.5055
	2030	260.1	527,604	5,323,289	1009.0%	255,205	2,574,905	1009.0%	1.90	0.4837
	2031	236.1	460,506	5,489,616	1192.1%	213,157	2,541,013	1192.1%	1.90	0.4629
	2032	212.7	398,079	5,619,053	1411.5%	176,327	2,488,925	1411.5%	1.90	0.4429
	2033	190.3	340,715	5,641,909	1655.9%	144,419	2,391,434	1655.9%	1.90	0.4239
	2034	169.0	289,196	5,498,221	1901.2%	117,303	2,230,172	1901.2%	1.90	0.4056
	2035	149.0	243,289	5,209,047	2141.1%	94,433	2,021,892	2141.1%	1.90	0.3882
	2036	130.1	202,512	5,035,705	2486.6%	75,220	1,870,440	2486.6%	1.90	0.3714
	2037	112.7	166,699	4,870,256	2921.6%	59,252	1,731,087	2921.6%	1.90	0.3554
	2038	96.8	135,774	4,598,484	3386.9%	46,182	1,564,104	3386.9%	1.90	0.3401
	2039	82.6	109,650	4,196,286	3827.0%	35,690	1,365,839	3827.0%	1.90	0.3255
	2040	69.8	87,807	3,694,465	4207.5%	27,349	1,150,721	4207.5%	1.90	0.3115
	2041	58.5	69,617	3,336,224	4792.3%	20,750	994,391	4792.3%	1.90	0.2981
	2042	48.6	54,565	3,045,724	5581.8%	15,563	868,713	5581.8%	1.90	0.2852
	2043	40.1	42,324	2,723,314	6434.4%	11,552	743,305	6434.4%	1.90	0.2729
	2044	32.8	32,582	2,363,141	7252.8%	8,510	617,224	7252.8%	1.90	0.2612
	2045	26.7	24,908	1,987,444	7979.0%	6,226	496,743	7979.0%	1.90	0.2499
	2046	21.5	18,883	1,705,973	9034.5%	4,516	408,031	9034.5%	1.90	0.2392
	2047	17.2	14,170	1,496,492	10561.2%	3,243	342,514	10561.2%	1.90	0.2289
	2048	13.7	10,529	1,291,120	12262.7%	2,306	282,784	12262.7%	1.90	0.2190
	2049	10.8	7,765	1,073,426	13824.3%	1,627	224,980	13824.3%	1.90	0.2096
	2050	8.4	5,680	860,640	15153.4%	1,139	172,614	15153.4%	1.90	0.2006
	2051	6.5	4,115	704,569	17120.1%	790	135,227	17120.1%	1.90	0.1919
	2052	5.0	2,947	584,528	19836.6%	541	107,356	19836.6%	1.90	0.1837
	2053	3.8	2,083	472,081	22660.7%	366	82,970	22660.7%	1.90	0.1758
	2054	2.8	1,457	360,005	24704.5%	245	60,548	24704.5%	1.90	0.1682
	2055	2.1	1,007	264,488	26268.9%	162	42,568	26268.9%	1.90	0.1609
	2056	1.5	686	198,719	28951.2%	106	30,605	28951.2%	1.90	0.1540
	2057	1.1	460	149,254	32437.8%	68	21,997	32437.8%	1.90	0.1474
	2058	0.7	303	108,815	35902.2%	43	15,347	35902.2%	1.90	0.1410
	2059	0.5	196	75,387	38454.6%	26	10,174	38454.6%	1.90	0.1350
	2060	0.3	124	51,542	41460.3%	16	6,657	41460.3%	1.90	0.1291
	2061	0.2	78	35,341	45278.7%	10	4,368	45278.7%	1.90	0.1236
	2062	0.1	48	23,828	49904.1%	6	2,818	49904.1%	1.90	0.1183
	2063	0.1	29	15,732	54688.2%	3	1,780	54688.2%	1.90	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		22,744,377	128,217,166	563.7%	16,204,718	60,655,923	374.3%		
	Lifetime		34,527,914	131,251,467	380.1%	32,087,786	64,261,283	200.3%		

Appendix G

AALTCI's LTC Insurance Inflation & Price Indexes

The "Good - Better - Best" Approach To Long-Term Care Planning.

Long-Term Care Inflation Index

Consumer Price Index (CPI) All Urban Consumers (All Items)		Producer Price Index Home Health Care Services		Producer Price Index Skilled & Intermediate Care Facilities *(After 2003: Nursing Care Facilities)*	
Year	**Annual**	**Year**	**Annual**	**Year**	**Annual**
2002	2.4%	2002	116.6	2002	144.6
2003	1.9%	2003	117.0	2003	149.4
2004	3.3%	2004	119.8	2004	155.6
2005	3.4%	2005	121.1	2005	161.4
2006	2.5%	2006	121.8	2006	166.2
2007	4.1%	2007	124.0	2007	173.5
2008	0.1%	2008	126.0	2008	178.9
2009	2.7%	2009	128.0	2009	185.3
2010	1.5%	2010	129.5	2010	188.6
2011	3.0%	2011	129.7	2011	193.1
2012	1.7%	2012	130.4	2012	196.0

Annualized Increase Home Health Care
1.67% for years 1996 to 2012
1.01% for years 2000 to 2012

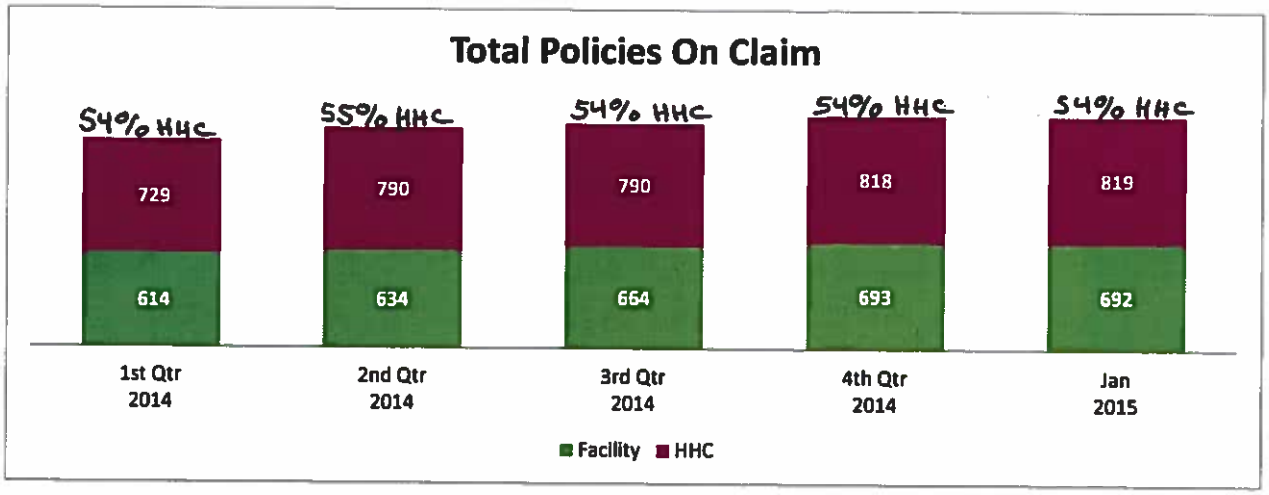
Annualized Increase Nursing Home Care
3.81% for years 1994 to 2012
3.41% for years 2000 to 2012

Data provided by Jason Goetze, a 20+ year veteran of the LTCI industry, who runs a consulting practice dedicated to improving the industry.

Long-Term Care Insurance Price Index

Age(s)	Yearly Cost	Immediate Value	Value of Protection
GOOD Pool of dollars that can be supplemented with savings, income.			
Ages 60 / 60	$ 1,816/year	$ 162,000 each	$ 162,000 each
Range of policy prices: Low: $1,667 High: $2,167 (30% difference between)			
BETTER Coverage you can add to later.			
Ages 60 / 60	$ 1,942/year	$ 162,000 each	Higher if future increase options are accepted
Range of policy prices: Low: $1,742 High: $2,431 (40% difference between)			
BEST Coverage that grows at 3% compounded annually.			
Ages 60 / 60	$ 3,725/year	$ 162,000 each	$ 284,000 each
Range of policy prices: Low: $2,580 High: $4,959 (92% difference between)			

Calculations based on: $150 daily benefit selected at inception of plan, 3 year benefit period, 90-day elimination period, 100% home care benefit and inflation growth at 3% compounded annually. Includes spousal discount (where applicable) and preferred health discount (when indicated). Calculated, March 2013 by AALTCI.



[54%] [1.67%] + [46%] [3.81%] = 2.65%

↑ Weight for HHC

↑ HHC Trend

↑ Weight for Facilities

↑ Facility Trend

↑ weighted Average Trend

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%		2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%		1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%		1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%		1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%		1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%		1.6590
	2003	20,646.8	30,266,663	15,845,696	52.4%	48,049,138	25,155,466	52.4%		1.5875
	2004	19,968.7	30,365,201	10,481,964	34.5%	46,129,731	15,923,826	34.5%		1.5192
	2005	19,396.3	30,173,003	21,273,851	70.5%	43,863,876	30,926,771	70.5%		1.4537
	2006	18,893.3	29,868,730	16,362,210	54.8%	41,551,714	22,762,195	54.8%		1.3911
	2007	18,380.0	30,370,194	18,547,444	61.1%	40,429,973	24,691,072	61.1%		1.3312
	2008	17,908.5	29,905,910	25,541,555	85.4%	38,097,513	32,537,706	85.4%		1.2739
	2009	17,444.5	28,912,427	27,843,834	96.3%	35,245,839	33,943,166	96.3%		1.2191
	2010	16,968.5	29,654,232	28,056,318	94.6%	34,593,436	32,729,374	94.6%		1.1666
	2011	16,513.3	30,085,654	30,666,849	101.9%	33,585,373	34,234,176	101.9%		1.1163
	2012	16,101.3	29,425,335	36,911,898	125.4%	31,433,725	39,431,274	125.4%		1.0683
	2013	15,651.9	29,727,186	37,151,020	125.0%	30,388,688	37,977,720	125.0%		1.0223
	2014	15,057.8	26,553,507	42,211,533	159.0%	25,975,490	41,292,671	159.0%	1.00	0.9782
Projected	2015	14,429.3	25,002,052	44,943,873	179.8%	23,404,600	42,072,281	179.8%	1.00	0.9361
Future	2016	13,692.4	23,381,281	47,314,639	202.4%	20,944,865	42,384,279	202.4%	1.00	0.8958
Experience	2017	12,946.9	21,692,069	50,278,130	231.8%	18,594,905	43,099,487	231.8%	1.00	0.8572
(50 years)	2018	12,193.5	20,027,125	53,639,597	267.8%	16,428,401	44,000,964	267.8%	1.00	0.8203
	2019	11,438.6	18,390,763	57,091,112	310.4%	14,436,441	44,815,568	310.4%	1.00	0.7850
	2020	10,686.4	16,796,652	60,716,202	361.5%	12,617,312	45,608,807	361.5%	1.00	0.7512
	2021	9,937.9	15,253,624	64,082,162	420.1%	10,964,803	46,064,353	420.1%	1.00	0.7188
	2022	9,198.5	13,775,748	67,051,241	486.7%	9,476,037	46,123,085	486.7%	1.00	0.6879
	2023	8,472.6	12,369,671	69,659,358	563.1%	8,142,418	45,853,734	563.1%	1.00	0.6583
	2024	7,764.1	11,040,285	71,888,112	651.1%	6,954,393	45,283,088	651.1%	1.00	0.6299
	2025	7,075.1	9,792,402	73,934,154	755.0%	5,902,716	44,566,422	755.0%	1.00	0.6028
	2026	6,410.8	8,627,603	75,718,775	877.6%	4,976,643	43,676,713	877.6%	1.00	0.5768
	2027	5,775.0	7,551,073	76,730,951	1016.2%	4,168,106	42,354,608	1016.2%	1.00	0.5520
	2028	5,171.0	6,565,844	76,722,593	1168.5%	3,468,202	40,526,310	1168.5%	1.00	0.5282
	2029	4,601.6	5,672,299	75,726,791	1335.0%	2,867,191	38,277,807	1335.0%	1.00	0.5055
	2030	4,067.9	4,866,290	74,113,384	1523.0%	2,353,852	35,849,067	1523.0%	1.00	0.4837
	2031	3,571.3	4,143,614	72,689,252	1754.2%	1,917,981	33,646,130	1754.2%	1.00	0.4629
	2032	3,113.4	3,501,900	70,819,555	2022.3%	1,551,145	31,369,083	2022.3%	1.00	0.4429
	2033	2,695.6	2,937,705	67,728,962	2305.5%	1,245,204	28,708,252	2305.5%	1.00	0.4239
	2034	2,317.5	2,447,207	63,530,858	2596.1%	992,628	25,769,190	2596.1%	1.00	0.4056
	2035	1,977.3	2,023,495	58,471,204	2889.6%	785,420	22,695,607	2889.6%	1.00	0.3882
	2036	1,673.4	1,659,868	54,176,724	3263.9%	616,534	20,123,161	3263.9%	1.00	0.3714
	2037	1,405.3	1,350,438	50,143,628	3713.1%	480,000	17,823,087	3713.1%	1.00	0.3554
	2038	1,171.5	1,090,501	45,286,082	4152.8%	370,917	15,403,366	4152.8%	1.00	0.3401
	2039	969.8	874,968	39,916,153	4562.0%	284,791	12,992,217	4562.0%	1.00	0.3255
	2040	796.8	697,579	34,307,657	4918.1%	217,276	10,685,857	4918.1%	1.00	0.3115
	2041	649.5	552,440	29,720,681	5379.9%	164,660	8,858,512	5379.9%	1.00	0.2981
	2042	525.7	434,500	26,072,487	6000.6%	123,930	7,436,493	6000.6%	1.00	0.2852
	2043	423.0	339,779	22,409,727	6595.4%	92,740	6,116,542	6595.4%	1.00	0.2729
	2044	338.8	264,596	18,808,641	7108.4%	69,109	4,912,590	7108.4%	1.00	0.2612
	2045	270.0	205,251	15,498,011	7550.8%	51,300	3,873,583	7550.8%	1.00	0.2499
	2046	214.0	158,524	12,875,628	8122.2%	37,915	3,079,562	8122.2%	1.00	0.2392
	2047	168.8	121,828	10,996,412	9026.2%	27,884	2,516,838	9026.2%	1.00	0.2289
	2048	132.8	93,215	9,329,674	10008.8%	20,416	2,043,405	10008.8%	1.00	0.2190
	2049	104.2	71,069	7,742,852	10894.9%	14,895	1,622,829	10894.9%	1.00	0.2096
	2050	81.5	53,950	6,375,826	11818.0%	10,821	1,278,768	11818.0%	1.00	0.2006
	2051	63.4	40,708	5,308,139	13039.5%	7,813	1,018,782	13039.5%	1.00	0.1919
	2052	49.0	30,475	4,519,047	14828.8%	5,597	829,984	14828.8%	1.00	0.1837
	2053	37.6	22,622	3,800,154	16798.8%	3,976	667,894	16798.8%	1.00	0.1758
	2054	28.7	16,650	3,051,256	18326.0%	2,800	513,179	18326.0%	1.00	0.1682
	2055	21.7	12,132	2,396,417	19752.6%	1,953	385,688	19752.6%	1.00	0.1609
	2056	16.2	8,730	1,889,066	21639.6%	1,344	290,941	21639.6%	1.00	0.1540
	2057	11.9	6,186	1,505,333	24334.8%	912	221,857	24334.8%	1.00	0.1474
	2058	8.6	4,316	1,162,411	26935.4%	609	163,940	26935.4%	1.00	0.1410
	2059	6.1	2,967	843,054	28410.1%	400	113,780	28410.1%	1.00	0.1350
	2060	4.3	2,009	590,680	29406.1%	259	76,286	29406.1%	1.00	0.1291
	2061	2.9	1,337	412,007	30806.3%	165	50,919	30806.3%	1.00	0.1236
	2062	2.0	875	288,598	32978.4%	103	34,131	32978.4%	1.00	0.1183
	2063	1.3	563	197,986	35174.3%	64	22,407	35174.3%	1.00	0.1132
	Past		408,320,570	292,943,001	71.7%	562,678,620	372,310,568	66.2%		
	Future		270,530,280	1,824,686,769	674.5%	200,777,937	997,194,105	496.7%		
	Lifetime		678,850,849	2,117,629,770	311.9%	763,456,557	1,369,504,673	179.4%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%		2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%		1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%		1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%		1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%		1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%		1.6590
	2003	20,646.8	30,266,663	15,845,696	52.4%	48,049,138	25,155,466	52.4%		1.5875
	2004	19,968.7	30,365,201	10,481,964	34.5%	46,129,731	15,923,826	34.5%		1.5192
	2005	19,396.3	30,173,003	21,273,851	70.5%	43,863,876	30,926,771	70.5%		1.4537
	2006	18,893.3	29,868,730	16,362,210	54.8%	41,551,714	22,762,195	54.8%		1.3911
	2007	18,380.0	30,370,194	18,547,444	61.1%	40,429,973	24,691,072	61.1%		1.3312
	2008	17,908.5	29,905,910	25,541,555	85.4%	38,097,513	32,537,706	85.4%		1.2739
	2009	17,444.5	28,912,427	27,843,834	96.3%	35,245,839	33,943,166	96.3%		1.2191
	2010	16,968.5	29,654,232	28,056,318	94.6%	34,593,436	32,729,374	94.6%		1.1666
	2011	16,513.3	30,085,654	30,666,849	101.9%	33,585,373	34,234,176	101.9%		1.1163
	2012	16,101.3	29,425,335	36,911,898	125.4%	31,433,725	39,431,274	125.4%		1.0683
	2013	15,651.9	29,727,186	37,151,020	125.0%	30,388,688	37,977,720	125.0%		1.0223
	2014	15,057.8	26,553,507	42,211,533	159.0%	25,975,490	41,292,671	159.0%	1.00	0.9782
Projected	2015	14,429.3	32,623,622	44,943,873	137.8%	30,539,206	42,072,281	137.8%	1.30	0.9361
Future	2016	13,692.4	37,803,141	47,314,639	125.2%	33,863,915	42,384,279	125.2%	1.62	0.8958
Experience	2017	12,946.9	35,242,152	50,278,130	142.7%	30,210,325	43,099,487	142.7%	1.62	0.8572
(50 years)	2018	12,193.5	32,701,636	53,639,597	164.0%	26,825,398	44,000,964	164.0%	1.63	0.8203
	2019	11,438.6	30,187,419	57,091,112	189.1%	23,696,619	44,815,568	189.1%	1.64	0.7850
	2020	10,686.4	27,719,308	60,716,202	219.0%	20,822,194	45,608,807	219.0%	1.65	0.7512
	2021	9,937.9	25,311,091	64,082,162	253.2%	18,194,439	46,064,353	253.2%	1.66	0.7188
	2022	9,198.5	22,985,359	67,051,241	291.7%	15,811,127	46,123,085	291.7%	1.67	0.6879
	2023	8,472.6	20,754,177	69,659,358	335.6%	13,661,575	45,853,734	335.6%	1.68	0.6583
	2024	7,764.1	18,626,482	71,888,112	385.9%	11,733,019	45,283,088	385.9%	1.69	0.6299
	2025	7,075.1	16,612,062	73,934,154	445.1%	10,013,507	44,566,422	445.1%	1.70	0.6028
	2026	6,410.8	14,715,566	75,718,775	514.5%	8,488,351	43,676,713	514.5%	1.71	0.5768
	2027	5,775.0	12,947,577	76,730,951	592.6%	7,146,914	42,354,608	592.6%	1.71	0.5520
	2028	5,171.0	11,316,157	76,722,593	678.0%	5,977,406	40,526,310	678.0%	1.72	0.5282
	2029	4,601.6	9,824,562	75,726,791	770.8%	4,966,046	38,277,807	770.8%	1.73	0.5055
	2030	4,067.9	8,468,580	74,113,384	875.2%	4,096,301	35,849,067	875.2%	1.74	0.4837
	2031	3,571.3	7,243,562	72,689,252	1003.5%	3,352,873	33,646,130	1003.5%	1.75	0.4629
	2032	3,113.4	6,147,864	70,819,555	1151.9%	2,723,158	31,369,083	1151.9%	1.76	0.4429
	2033	2,695.6	5,177,903	67,728,962	1308.0%	2,194,756	28,708,252	1308.0%	1.76	0.4239
	2034	2,317.5	4,329,401	63,530,858	1467.4%	1,756,078	25,769,190	1467.4%	1.77	0.4056
	2035	1,977.3	3,592,226	58,471,204	1627.7%	1,394,323	22,695,607	1627.7%	1.78	0.3882
	2036	1,673.4	2,956,183	54,176,724	1832.7%	1,098,032	20,123,161	1832.7%	1.78	0.3714
	2037	1,405.3	2,412,191	50,143,628	2078.8%	857,391	17,823,087	2078.8%	1.79	0.3554
	2038	1,171.5	1,953,108	45,286,082	2318.7%	664,320	15,403,366	2318.7%	1.79	0.3401
	2039	969.8	1,570,936	39,916,153	2540.9%	511,320	12,992,217	2540.9%	1.80	0.3255
	2040	796.8	1,255,288	34,307,657	2733.1%	390,986	10,685,857	2733.1%	1.80	0.3115
	2041	649.5	996,190	29,720,681	2983.4%	296,923	8,858,512	2983.4%	1.80	0.2981
	2042	525.7	784,999	26,072,487	3321.3%	223,900	7,436,493	3321.3%	1.81	0.2852
	2043	423.0	614,916	22,409,727	3644.4%	167,836	6,116,542	3644.4%	1.81	0.2729
	2044	338.8	479,617	18,808,641	3921.6%	125,270	4,912,590	3921.6%	1.81	0.2612
	2045	270.0	372,623	15,498,011	4159.2%	93,134	3,873,583	4159.2%	1.82	0.2499
	2046	214.0	288,239	12,875,628	4467.0%	68,940	3,079,562	4467.0%	1.82	0.2392
	2047	168.8	221,859	10,996,412	4956.5%	50,779	2,516,838	4956.5%	1.82	0.2289
	2048	132.8	170,018	9,329,674	5487.5%	37,238	2,043,405	5487.5%	1.82	0.2190
	2049	104.2	129,835	7,742,852	5963.6%	27,212	1,622,829	5963.6%	1.83	0.2096
	2050	81.5	98,730	6,375,826	6457.8%	19,802	1,278,768	6457.8%	1.83	0.2006
	2051	63.4	74,632	5,308,139	7112.5%	14,324	1,018,782	7112.5%	1.83	0.1919
	2052	49.0	55,973	4,519,047	8073.7%	10,280	829,984	8073.7%	1.84	0.1837
	2053	37.6	41,625	3,800,154	9129.5%	7,316	667,894	9129.5%	1.84	0.1758
	2054	28.7	30,693	3,051,256	9941.2%	5,162	513,179	9941.2%	1.84	0.1682
	2055	21.7	22,406	2,396,417	10695.6%	3,606	385,688	10695.6%	1.85	0.1609
	2056	16.2	16,151	1,889,066	11696.1%	2,487	290,941	11696.1%	1.85	0.1540
	2057	11.9	11,465	1,505,333	13130.0%	1,690	221,857	13130.0%	1.85	0.1474
	2058	8.6	8,012	1,162,411	14509.2%	1,130	163,940	14509.2%	1.86	0.1410
	2059	6.1	5,518	843,054	15278.6%	745	113,780	15278.6%	1.86	0.1350
	2060	4.3	3,741	590,680	15790.1%	483	76,286	15790.1%	1.86	0.1291
	2061	2.9	2,494	412,007	16517.9%	308	50,919	16517.9%	1.87	0.1236
	2062	2.0	1,634	288,598	17658.8%	193	34,131	17658.8%	1.87	0.1183
	2063	1.3	1,053	197,986	18810.6%	119	22,407	18810.6%	1.87	0.1132
	Past		408,320,570	292,943,001	71.7%	562,678,620	372,310,568	66.2%		
	Future		425,463,483	1,824,686,769	428.9%	308,123,948	997,194,105	323.6%		
	Lifetime		833,784,053	2,117,629,770	254.0%	870,802,568	1,369,504,673	157.3%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Experience	1997	215.5	100,283	1,381	1.4%	207,322	2,856	1.4%		2.0674
	1998	1,426.1	2,843,010	188,075	6.6%	5,624,461	372,078	6.6%		1.9783
	1999	3,569.8	6,144,202	1,607,522	26.2%	11,631,929	3,043,289	26.2%		1.8932
	2000	5,933.9	9,531,155	4,631,283	48.6%	17,266,942	8,390,180	48.6%		1.8116
	2001	8,672.5	13,719,685	5,571,803	40.6%	23,784,706	9,659,383	40.6%		1.7336
	2002	10,745.6	16,523,679	9,123,503	55.2%	27,412,212	15,135,577	55.2%		1.6590
	2003	10,822.9	16,294,916	11,937,371	73.3%	25,868,614	18,950,896	73.3%		1.5875
	2004	10,392.3	16,371,162	7,332,428	44.8%	24,870,485	11,139,163	44.8%		1.5192
	2005	10,025.6	16,316,344	14,661,024	89.9%	23,719,816	21,313,401	89.9%		1.4537
	2006	9,700.0	16,037,449	12,051,883	75.1%	22,310,406	16,765,909	75.1%		1.3911
	2007	9,381.8	16,209,179	14,456,805	89.2%	21,578,284	19,245,457	89.2%		1.3312
	2008	9,075.9	15,756,425	17,895,424	113.6%	20,072,307	22,797,204	113.6%		1.2739
	2009	8,789.0	15,144,824	18,046,206	119.2%	18,462,373	21,999,318	119.2%		1.2191
	2010	8,490.8	15,103,162	18,347,899	121.5%	17,618,742	21,403,921	121.5%		1.1666
	2011	8,200.4	14,974,648	14,758,675	98.6%	16,716,577	16,475,481	98.6%		1.1163
	2012	7,931.3	14,187,625	21,208,293	149.5%	15,155,984	22,655,839	149.5%		1.0683
	2013	7,636.1	14,397,286	21,463,183	149.1%	14,717,660	21,940,791	149.1%		1.0223
	2014	7,249.3	12,120,007	20,185,299	166.5%	11,856,179	19,745,905	166.5%	1.00	0.9782
Projected	2015	6,845.2	11,167,241	20,299,104	181.8%	10,453,734	19,002,137	181.8%	1.00	0.9361
Future	2016	6,374.5	10,186,604	20,047,935	196.8%	9,125,122	17,958,866	196.8%	1.00	0.8958
Experience	2017	5,910.1	9,188,893	19,914,245	216.7%	7,876,915	17,070,916	216.7%	1.00	0.8572
(50 years)	2018	5,450.5	8,230,618	19,775,513	240.3%	6,751,638	16,222,002	240.3%	1.00	0.8203
	2019	5,000.0	7,315,430	19,519,339	266.8%	5,742,490	15,322,354	266.8%	1.00	0.7850
	2020	4,562.5	6,452,816	19,147,916	296.7%	4,847,227	14,383,535	296.7%	1.00	0.7512
	2021	4,137.3	5,647,376	18,553,358	328.5%	4,059,519	13,336,760	328.5%	1.00	0.7188
	2022	3,729.2	4,905,481	17,748,890	361.8%	3,374,373	12,209,074	361.8%	1.00	0.6879
	2023	3,340.2	4,227,997	16,775,594	396.8%	2,783,107	11,042,646	396.8%	1.00	0.6583
	2024	2,972.3	3,615,475	15,731,911	435.1%	2,277,426	9,909,698	435.1%	1.00	0.6299
	2025	2,626.2	3,066,925	14,660,901	478.0%	1,848,698	8,837,376	478.0%	1.00	0.6028
	2026	2,304.5	2,579,814	13,558,284	525.6%	1,488,109	7,820,798	525.6%	1.00	0.5768
	2027	2,008.3	2,153,019	12,333,380	572.8%	1,188,442	6,807,885	572.8%	1.00	0.5520
	2028	1,737.7	1,782,993	11,040,540	619.2%	941,810	5,831,820	619.2%	1.00	0.5282
	2029	1,492.9	1,465,854	9,755,142	665.5%	740,949	4,930,955	665.5%	1.00	0.5055
	2030	1,273.2	1,195,954	8,580,744	717.5%	578,490	4,150,555	717.5%	1.00	0.4837
	2031	1,077.9	968,161	7,543,879	779.2%	448,139	3,491,883	779.2%	1.00	0.4629
	2032	906.0	778,071	6,553,704	842.3%	344,642	2,902,922	842.3%	1.00	0.4429
	2033	756.3	621,134	5,590,589	900.1%	263,280	2,369,681	900.1%	1.00	0.4239
	2034	626.9	492,758	4,702,606	954.3%	199,871	1,907,456	954.3%	1.00	0.4056
	2035	515.8	388,330	3,924,073	1010.5%	150,730	1,523,130	1010.5%	1.00	0.3882
	2036	421.2	303,946	3,302,833	1086.7%	112,896	1,226,789	1086.7%	1.00	0.3714
	2037	341.6	236,369	2,748,958	1163.0%	84,015	977,092	1163.0%	1.00	0.3554
	2038	275.4	182,835	2,240,322	1225.3%	62,189	762,011	1225.3%	1.00	0.3401
	2039	220.6	140,773	1,792,502	1273.3%	45,820	583,438	1273.3%	1.00	0.3255
	2040	175.5	107,866	1,417,181	1313.8%	33,597	441,412	1313.8%	1.00	0.3115
	2041	138.7	82,225	1,140,812	1387.4%	24,508	340,029	1387.4%	1.00	0.2981
	2042	108.9	62,385	910,306	1459.2%	17,794	259,641	1459.2%	1.00	0.2852
	2043	85.2	47,176	713,107	1511.6%	12,876	194,636	1511.6%	1.00	0.2729
	2044	66.3	35,562	549,406	1544.9%	9,288	143,498	1544.9%	1.00	0.2612
	2045	51.2	26,697	421,891	1580.3%	6,673	105,448	1580.3%	1.00	0.2499
	2046	39.4	19,932	331,617	1663.8%	4,767	79,315	1663.8%	1.00	0.2392
	2047	30.2	14,789	260,705	1762.8%	3,385	59,670	1762.8%	1.00	0.2289
	2048	23.0	10,909	202,099	1852.6%	2,389	44,264	1852.6%	1.00	0.2190
	2049	17.4	7,992	152,397	1906.8%	1,675	31,941	1906.8%	1.00	0.2096
	2050	13.1	5,807	114,109	1965.0%	1,165	22,886	1965.0%	1.00	0.2006
	2051	9.8	4,175	87,952	2106.4%	801	16,880	2106.4%	1.00	0.1919
	2052	7.3	2,968	67,240	2265.2%	545	12,350	2265.2%	1.00	0.1837
	2053	5.3	2,086	50,130	2403.3%	367	8,811	2403.3%	1.00	0.1758
	2054	3.9	1,449	35,120	2424.0%	244	5,907	2424.0%	1.00	0.1682
	2055	2.8	993	24,275	2444.8%	160	3,907	2444.8%	1.00	0.1609
	2056	2.0	670	17,351	2591.5%	103	2,672	2591.5%	1.00	0.1540
	2057	1.4	444	12,128	2733.6%	65	1,787	2733.6%	1.00	0.1474
	2058	0.9	289	8,199	2835.1%	41	1,156	2835.1%	1.00	0.1410
	2059	0.6	185	5,182	2800.3%	25	699	2800.3%	1.00	0.1350
	2060	0.4	116	3,220	2765.0%	15	416	2765.0%	1.00	0.1291
	2061	0.3	72	2,025	2814.5%	9	250	2814.5%	1.00	0.1236
	2062	0.2	44	1,247	2853.5%	5	148	2853.5%	1.00	0.1183
	2063	0.1	26	750	2877.6%	3	85	2877.6%	1.00	0.1132
	Past		219,680,350	193,282,760	88.0%	307,073,980	251,290,743	81.8%		
	Future		99,849,732	322,556,010	323.0%	77,766,310	222,105,494	285.6%		
	Lifetime		319,530,083	515,838,770	161.4%	384,840,289	473,396,236	123.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Experience	1997	215.5	100,283	1,381	1.4%	207,322	2,856	1.4%		2.0674
	1998	1,426.1	2,843,010	188,075	6.6%	5,624,461	372,078	6.6%		1.9783
	1999	3,569.8	6,144,202	1,607,522	26.2%	11,631,929	3,043,289	26.2%		1.8932
	2000	5,933.9	9,531,155	4,631,283	48.6%	17,266,942	8,390,180	48.6%		1.8116
	2001	8,672.5	13,719,685	5,571,803	40.6%	23,784,706	9,659,383	40.6%		1.7336
	2002	10,745.6	16,523,679	9,123,503	55.2%	27,412,212	15,135,577	55.2%		1.6590
	2003	10,822.9	16,294,916	11,937,371	73.3%	25,868,614	18,950,896	73.3%		1.5875
	2004	10,392.3	16,371,162	7,332,428	44.8%	24,870,485	11,139,163	44.8%		1.5192
	2005	10,025.6	16,316,344	14,661,024	89.9%	23,719,816	21,313,401	89.9%		1.4537
	2006	9,700.0	16,037,449	12,051,883	75.1%	22,310,406	16,765,909	75.1%		1.3911
	2007	9,381.8	16,209,179	14,456,805	89.2%	21,578,284	19,245,457	89.2%		1.3312
	2008	9,075.9	15,756,425	17,895,424	113.6%	20,072,307	22,797,204	113.6%		1.2739
	2009	8,789.0	15,144,824	18,046,206	119.2%	18,462,373	21,999,318	119.2%		1.2191
	2010	8,490.8	15,103,162	18,347,899	121.5%	17,618,742	21,403,921	121.5%		1.1666
	2011	8,200.4	14,974,648	14,758,675	98.6%	16,716,577	16,475,481	98.6%		1.1163
	2012	7,931.3	14,187,625	21,208,293	149.5%	15,155,984	22,655,839	149.5%		1.0683
	2013	7,636.1	14,397,286	21,463,183	149.1%	14,717,660	21,940,791	149.1%		1.0223
	2014	7,249.3	12,120,007	20,185,299	166.5%	11,856,179	19,745,905	166.5%	1.00	0.9782
Projected	2015	6,845.2	12,563,146	20,299,104	161.6%	11,760,451	19,002,137	161.6%	1.13	0.9361
Future	2016	6,374.5	12,733,255	20,047,935	157.4%	11,406,403	17,958,866	157.4%	1.25	0.8958
Experience	2017	5,910.1	11,486,116	19,914,245	173.4%	9,846,144	17,070,916	173.4%	1.25	0.8572
(50 years)	2018	5,450.5	10,288,273	19,775,513	192.2%	8,439,548	16,222,002	192.2%	1.25	0.8203
	2019	5,000.0	9,144,287	19,519,339	213.5%	7,178,113	15,322,354	213.5%	1.25	0.7850
	2020	4,562.5	8,066,020	19,147,916	237.4%	6,059,034	14,383,535	237.4%	1.25	0.7512
	2021	4,137.3	7,059,220	18,553,358	262.8%	5,074,398	13,336,760	262.8%	1.25	0.7188
	2022	3,729.2	6,131,851	17,748,890	289.5%	4,217,966	12,209,074	289.5%	1.25	0.6879
	2023	3,340.2	5,284,997	16,775,594	317.4%	3,478,884	11,042,646	317.4%	1.25	0.6583
	2024	2,972.3	4,519,344	15,731,911	348.1%	2,846,783	9,909,698	348.1%	1.25	0.6299
	2025	2,626.2	3,833,657	14,660,901	382.4%	2,310,872	8,837,376	382.4%	1.25	0.6028
	2026	2,304.5	3,224,768	13,558,284	420.4%	1,860,136	7,820,798	420.4%	1.25	0.5768
	2027	2,008.3	2,691,274	12,333,380	458.3%	1,485,552	6,807,885	458.3%	1.25	0.5520
	2028	1,737.7	2,228,742	11,040,540	495.4%	1,177,263	5,831,820	495.4%	1.25	0.5282
	2029	1,492.9	1,832,318	9,755,142	532.4%	926,186	4,930,955	532.4%	1.25	0.5055
	2030	1,273.2	1,494,943	8,580,744	574.0%	723,112	4,150,555	574.0%	1.25	0.4837
	2031	1,077.9	1,210,201	7,543,879	623.4%	560,174	3,491,883	623.4%	1.25	0.4629
	2032	906.0	972,589	6,553,704	673.8%	430,802	2,902,922	673.8%	1.25	0.4429
	2033	756.3	776,417	5,590,589	720.0%	329,100	2,369,681	720.0%	1.25	0.4239
	2034	626.9	615,947	4,702,606	763.5%	249,838	1,907,456	763.5%	1.25	0.4056
	2035	515.8	485,413	3,924,073	808.4%	188,413	1,523,130	808.4%	1.25	0.3882
	2036	421.2	379,933	3,302,833	869.3%	141,121	1,226,789	869.3%	1.25	0.3714
	2037	341.6	295,461	2,748,958	930.4%	105,019	977,092	930.4%	1.25	0.3554
	2038	275.4	228,544	2,240,322	980.3%	77,736	762,011	980.3%	1.25	0.3401
	2039	220.6	175,966	1,792,502	1018.7%	57,275	583,438	1018.7%	1.25	0.3255
	2040	175.5	134,832	1,417,181	1051.1%	41,996	441,412	1051.1%	1.25	0.3115
	2041	138.7	102,782	1,140,812	1109.9%	30,635	340,029	1109.9%	1.25	0.2981
	2042	108.9	77,982	910,306	1167.3%	22,242	259,641	1167.3%	1.25	0.2852
	2043	85.2	58,970	713,107	1209.3%	16,095	194,636	1209.3%	1.25	0.2729
	2044	66.3	44,453	549,406	1235.9%	11,611	143,498	1235.9%	1.25	0.2612
	2045	51.2	33,372	421,891	1264.2%	8,341	105,448	1264.2%	1.25	0.2499
	2046	39.4	24,915	331,617	1331.0%	5,959	79,315	1331.0%	1.25	0.2392
	2047	30.2	18,487	260,705	1410.2%	4,231	59,670	1410.2%	1.25	0.2289
	2048	23.0	13,636	202,099	1482.1%	2,987	44,264	1482.1%	1.25	0.2190
	2049	17.4	9,990	152,397	1525.4%	2,094	31,941	1525.4%	1.25	0.2096
	2050	13.1	7,259	114,109	1572.0%	1,456	22,886	1572.0%	1.25	0.2006
	2051	9.8	5,219	87,952	1685.1%	1,002	16,880	1685.1%	1.25	0.1919
	2052	7.3	3,710	67,240	1812.2%	681	12,350	1812.2%	1.25	0.1837
	2053	5.3	2,607	50,130	1922.7%	458	8,811	1922.7%	1.25	0.1758
	2054	3.9	1,811	35,120	1939.2%	305	5,907	1939.2%	1.25	0.1682
	2055	2.8	1,241	24,275	1955.8%	200	3,907	1955.8%	1.25	0.1609
	2056	2.0	837	17,351	2073.2%	129	2,672	2073.2%	1.25	0.1540
	2057	1.4	555	12,128	2186.9%	82	1,787	2186.9%	1.25	0.1474
	2058	0.9	362	8,199	2268.1%	51	1,156	2268.1%	1.25	0.1410
	2059	0.6	231	5,182	2240.2%	31	699	2240.2%	1.25	0.1350
	2060	0.4	146	3,220	2212.0%	19	416	2212.0%	1.25	0.1291
	2061	0.3	90	2,025	2251.6%	11	250	2251.6%	1.25	0.1236
	2062	0.2	55	1,247	2282.8%	6	148	2282.8%	1.25	0.1183
	2063	0.1	33	750	2302.1%	4	85	2302.1%	1.25	0.1132
	Past		219,680,350	193,282,760	88.0%	307,073,980	251,290,743	81.8%		
	Future		120,386,259	322,556,010	267.9%	92,937,126	222,105,494	239.0%		
	Lifetime		340,066,609	515,838,770	151.7%	400,011,106	473,396,236	118.3%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Experience	1997	64.6	42,364	0	0.0%	87,583	0	0.0%		2.0674
	1998	631.7	1,139,082	0	0.0%	2,253,500	0	0.0%		1.9783
	1999	1,733.3	2,673,143	14,880	0.6%	5,060,675	28,170	0.6%		1.8932
	2000	3,335.2	5,008,610	486,686	9.7%	9,073,757	881,696	9.7%		1.8116
	2001	5,830.4	8,779,513	1,511,536	17.2%	15,220,329	2,620,428	17.2%		1.7336
	2002	8,819.3	13,026,449	1,123,692	8.6%	21,610,429	1,864,166	8.6%		1.6590
	2003	9,823.8	13,971,748	3,908,325	28.0%	22,180,523	6,204,570	28.0%		1.5875
	2004	9,576.3	13,994,040	3,149,536	22.5%	21,259,246	4,784,663	22.5%		1.5192
	2005	9,370.7	13,856,659	6,612,827	47.7%	20,144,060	9,613,370	47.7%		1.4537
	2006	9,193.3	13,831,281	4,310,327	31.2%	19,241,308	5,996,286	31.2%		1.3911
	2007	8,998.3	14,161,015	4,090,638	28.9%	18,851,689	5,445,615	28.9%		1.3312
	2008	8,832.6	14,149,485	7,646,131	54.0%	18,025,206	9,740,501	54.0%		1.2739
	2009	8,655.5	13,767,603	9,797,628	71.2%	16,783,466	11,943,848	71.2%		1.2191
	2010	8,477.8	14,551,070	9,708,420	66.7%	16,974,693	11,325,453	66.7%		1.1666
	2011	8,312.9	15,111,006	15,908,173	105.3%	16,868,796	17,758,695	105.3%		1.1163
	2012	8,169.9	15,237,710	15,703,604	103.1%	16,277,741	16,775,435	103.1%		1.0683
	2013	8,015.8	15,329,900	15,687,837	102.3%	15,671,028	16,036,929	102.3%		1.0223
	2014	7,808.4	14,433,500	22,026,233	152.6%	14,119,311	21,546,766	152.6%	1.00	0.9782
Projected	2015	7,584.1	13,834,811	24,644,768	178.1%	12,950,866	23,070,144	178.1%	1.00	0.9361
Future	2016	7,317.9	13,194,677	27,266,704	206.6%	11,819,743	24,425,413	206.6%	1.00	0.8958
Experience	2017	7,036.8	12,503,177	30,363,885	242.8%	10,717,990	26,028,571	242.8%	1.00	0.8572
(50 years)	2018	6,743.0	11,796,507	33,864,084	287.1%	9,676,763	27,778,962	287.1%	1.00	0.8203
	2019	6,438.6	11,075,333	37,571,773	339.2%	8,693,951	29,493,214	339.2%	1.00	0.7850
	2020	6,123.9	10,343,836	41,568,286	401.9%	7,770,084	31,225,272	401.9%	1.00	0.7512
	2021	5,800.5	9,606,248	45,528,804	473.9%	6,905,285	32,727,593	473.9%	1.00	0.7188
	2022	5,469.3	8,870,268	49,302,351	555.8%	6,101,664	33,914,011	555.8%	1.00	0.6879
	2023	5,132.4	8,141,674	52,883,765	649.5%	5,359,311	34,811,089	649.5%	1.00	0.6583
	2024	4,791.8	7,424,810	56,156,202	756.3%	4,676,967	35,373,390	756.3%	1.00	0.6299
	2025	4,448.9	6,725,476	59,273,253	881.3%	4,054,018	35,729,046	881.3%	1.00	0.6028
	2026	4,106.3	6,047,789	62,160,491	1027.8%	3,488,534	35,855,915	1027.8%	1.00	0.5768
	2027	3,766.7	5,398,054	64,397,572	1193.0%	2,979,664	35,546,723	1193.0%	1.00	0.5520
	2028	3,433.3	4,782,850	65,682,053	1373.3%	2,526,391	34,694,490	1373.3%	1.00	0.5282
	2029	3,108.7	4,206,445	65,971,649	1568.3%	2,126,242	33,346,852	1568.3%	1.00	0.5055
	2030	2,794.7	3,670,336	65,532,640	1785.5%	1,775,362	31,698,512	1785.5%	1.00	0.4837
	2031	2,493.5	3,175,453	65,145,373	2051.5%	1,469,842	30,154,247	2051.5%	1.00	0.4629
	2032	2,207.4	2,723,829	64,265,851	2359.4%	1,206,503	28,466,160	2359.4%	1.00	0.4429
	2033	1,939.3	2,316,571	62,138,373	2682.3%	981,924	26,338,571	2682.3%	1.00	0.4239
	2034	1,690.6	1,954,449	58,828,252	3010.0%	792,758	23,861,733	3010.0%	1.00	0.4056
	2035	1,461.5	1,635,165	54,547,131	3335.9%	634,689	21,172,477	3335.9%	1.00	0.3882
	2036	1,252.2	1,355,921	50,873,892	3752.0%	503,637	18,896,372	3752.0%	1.00	0.3714
	2037	1,063.6	1,114,068	47,394,670	4254.2%	395,985	16,845,995	4254.2%	1.00	0.3554
	2038	896.1	907,666	43,045,760	4742.5%	308,729	14,641,355	4742.5%	1.00	0.3401
	2039	749.2	734,195	38,123,651	5192.6%	238,971	12,408,780	5192.6%	1.00	0.3255
	2040	621.3	589,714	32,890,476	5577.4%	183,679	10,244,446	5577.4%	1.00	0.3115
	2041	510.8	470,215	28,579,869	6078.0%	140,152	8,518,483	6078.0%	1.00	0.2981
	2042	416.7	372,115	25,162,181	6761.9%	106,136	7,176,852	6761.9%	1.00	0.2852
	2043	337.8	292,603	21,696,620	7415.0%	79,864	5,921,906	7415.0%	1.00	0.2729
	2044	272.5	229,034	18,259,235	7972.3%	59,821	4,769,092	7972.3%	1.00	0.2612
	2045	218.8	178,553	15,076,121	8443.5%	44,628	3,768,135	8443.5%	1.00	0.2499
	2046	174.6	138,592	12,544,011	9051.1%	33,148	3,000,247	9051.1%	1.00	0.2392
	2047	138.7	107,038	10,735,708	10029.8%	24,499	2,457,169	10029.8%	1.00	0.2289
	2048	109.8	82,306	9,127,575	11089.7%	18,027	1,999,141	11089.7%	1.00	0.2190
	2049	86.8	63,076	7,590,455	12033.8%	13,220	1,590,888	12033.8%	1.00	0.2096
	2050	68.4	48,143	6,261,717	13006.5%	9,656	1,255,882	13006.5%	1.00	0.2006
	2051	53.6	36,533	5,220,187	14289.1%	7,012	1,001,902	14289.1%	1.00	0.1919
	2052	41.7	27,506	4,451,807	16184.7%	5,052	817,634	16184.7%	1.00	0.1837
	2053	32.3	20,536	3,750,024	18261.0%	3,609	659,084	18261.0%	1.00	0.1758
	2054	24.8	15,201	3,016,136	19841.6%	2,557	507,272	19841.6%	1.00	0.1682
	2055	18.9	11,139	2,372,142	21295.4%	1,793	381,781	21295.4%	1.00	0.1609
	2056	14.2	8,060	1,871,715	23221.8%	1,241	288,269	23221.8%	1.00	0.1540
	2057	10.5	5,742	1,493,205	26003.8%	846	220,070	26003.8%	1.00	0.1474
	2058	7.7	4,026	1,154,212	28666.5%	568	162,784	28666.5%	1.00	0.1410
	2059	5.5	2,782	837,873	30113.2%	376	113,080	30113.2%	1.00	0.1350
	2060	3.9	1,892	587,460	31045.6%	244	75,870	31045.6%	1.00	0.1291
	2061	2.7	1,265	409,981	32398.1%	156	50,669	32398.1%	1.00	0.1236
	2062	1.8	831	287,350	34562.2%	98	33,984	34562.2%	1.00	0.1183
	2063	1.2	537	197,236	36741.6%	61	22,322	36741.6%	1.00	0.1132
	Past		188,640,219	99,660,241	52.8%	255,604,641	121,019,825	47.3%		
	Future		170,680,547	1,502,130,758	880.1%	123,011,627	775,088,611	630.1%		
	Lifetime		359,320,766	1,601,790,999	445.8%	378,616,268	896,108,436	236.7%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Experience	1997	64.6	42,364	0	0.0%	87,583	0	0.0%		2.0674
	1998	631.7	1,139,082	0	0.0%	2,253,500	0	0.0%		1.9783
	1999	1,733.3	2,673,143	14,880	0.6%	5,060,675	28,170	0.6%		1.8932
	2000	3,335.2	5,008,610	486,686	9.7%	9,073,757	881,696	9.7%		1.8116
	2001	5,830.4	8,779,513	1,511,536	17.2%	15,220,329	2,620,428	17.2%		1.7336
	2002	8,819.3	13,026,449	1,123,692	8.6%	21,610,429	1,864,166	8.6%		1.6590
	2003	9,823.8	13,971,748	3,908,325	28.0%	22,180,523	6,204,570	28.0%		1.5875
	2004	9,576.3	13,994,040	3,149,536	22.5%	21,259,246	4,784,663	22.5%		1.5192
	2005	9,370.7	13,856,659	6,612,827	47.7%	20,144,060	9,613,370	47.7%		1.4537
	2006	9,193.3	13,831,281	4,310,327	31.2%	19,241,308	5,996,286	31.2%		1.3911
	2007	8,998.3	14,161,015	4,090,638	28.9%	18,851,689	5,445,615	28.9%		1.3312
	2008	8,832.6	14,149,485	7,646,131	54.0%	18,025,206	9,740,501	54.0%		1.2739
	2009	8,655.5	13,767,603	9,797,628	71.2%	16,783,466	11,943,848	71.2%		1.2191
	2010	8,477.8	14,551,070	9,708,420	66.7%	16,974,693	11,325,453	66.7%		1.1666
	2011	8,312.9	15,111,006	15,908,173	105.3%	16,868,796	17,758,695	105.3%		1.1163
	2012	8,169.9	15,237,710	15,703,604	103.1%	16,277,741	16,775,435	103.1%		1.0683
	2013	8,015.8	15,329,900	15,687,837	102.3%	15,671,028	16,036,929	102.3%		1.0223
	2014	7,808.4	14,433,500	22,026,233	152.6%	14,119,311	21,546,766	152.6%	1.00	0.9782
Projected	2015	7,584.1	20,060,477	24,644,768	122.9%	18,778,756	23,070,144	122.9%	1.45	0.9361
Future	2016	7,317.9	25,069,886	27,266,704	108.8%	22,457,512	24,425,413	108.8%	1.90	0.8958
Experience	2017	7,036.8	23,756,036	30,363,885	127.8%	20,364,181	26,028,571	127.8%	1.90	0.8572
(50 years)	2018	6,743.0	22,413,363	33,864,084	151.1%	18,385,850	27,778,962	151.1%	1.90	0.8203
	2019	6,438.6	21,043,132	37,571,773	178.5%	16,518,507	29,493,214	178.5%	1.90	0.7850
	2020	6,123.9	19,653,288	41,568,286	211.5%	14,763,160	31,225,272	211.5%	1.90	0.7512
	2021	5,800.5	18,251,870	45,528,804	249.4%	13,120,041	32,727,593	249.4%	1.90	0.7188
	2022	5,469.3	16,853,508	49,302,351	292.5%	11,593,161	33,914,011	292.5%	1.90	0.6879
	2023	5,132.4	15,469,181	52,883,765	341.9%	10,182,691	34,811,089	341.9%	1.90	0.6583
	2024	4,791.8	14,107,139	56,156,202	398.1%	8,886,237	35,373,390	398.1%	1.90	0.6299
	2025	4,448.9	12,778,405	59,273,253	463.9%	7,702,635	35,729,046	463.9%	1.90	0.6028
	2026	4,106.3	11,490,798	62,160,491	541.0%	6,628,215	35,855,915	541.0%	1.90	0.5768
	2027	3,766.7	10,256,303	64,397,572	627.9%	5,661,362	35,546,723	627.9%	1.90	0.5520
	2028	3,433.3	9,087,416	65,682,053	722.8%	4,800,143	34,694,490	722.8%	1.90	0.5282
	2029	3,108.7	7,992,245	65,971,649	825.4%	4,039,860	33,346,852	825.4%	1.90	0.5055
	2030	2,794.7	6,973,638	65,532,640	939.7%	3,373,188	31,698,512	939.7%	1.90	0.4837
	2031	2,493.5	6,033,360	65,145,373	1079.8%	2,792,699	30,154,247	1079.8%	1.90	0.4629
	2032	2,207.4	5,175,275	64,265,851	1241.8%	2,292,356	28,466,160	1241.8%	1.90	0.4429
	2033	1,939.3	4,401,485	62,138,373	1411.8%	1,865,656	26,338,571	1411.8%	1.90	0.4239
	2034	1,690.6	3,713,454	58,828,252	1584.2%	1,506,240	23,861,733	1584.2%	1.90	0.4056
	2035	1,461.5	3,106,813	54,547,131	1755.7%	1,205,910	21,172,477	1755.7%	1.90	0.3882
	2036	1,252.2	2,576,251	50,873,892	1974.7%	956,911	18,896,372	1974.7%	1.90	0.3714
	2037	1,063.6	2,116,730	47,394,670	2239.1%	752,372	16,845,995	2239.1%	1.90	0.3554
	2038	896.1	1,724,565	43,045,760	2496.0%	586,584	14,641,355	2496.0%	1.90	0.3401
	2039	749.2	1,394,970	38,123,651	2732.9%	454,045	12,408,780	2732.9%	1.90	0.3255
	2040	621.3	1,120,456	32,890,476	2935.5%	348,990	10,244,446	2935.5%	1.90	0.3115
	2041	510.8	893,408	28,579,869	3199.0%	266,288	8,518,483	3199.0%	1.90	0.2981
	2042	416.7	707,018	25,162,181	3558.9%	201,658	7,176,852	3558.9%	1.90	0.2852
	2043	337.8	555,946	21,696,620	3902.6%	151,741	5,921,906	3902.6%	1.90	0.2729
	2044	272.5	435,164	18,259,235	4195.9%	113,660	4,769,092	4195.9%	1.90	0.2612
	2045	218.8	339,251	15,076,121	4443.9%	84,793	3,768,135	4443.9%	1.90	0.2499
	2046	174.6	263,324	12,544,011	4763.7%	62,981	3,000,247	4763.7%	1.90	0.2392
	2047	138.7	203,372	10,735,708	5278.8%	46,547	2,457,169	5278.8%	1.90	0.2289
	2048	109.8	156,382	9,127,575	5836.7%	34,251	1,999,141	5836.7%	1.90	0.2190
	2049	86.8	119,845	7,590,455	6333.6%	25,118	1,590,888	6333.6%	1.90	0.2096
	2050	68.4	91,471	6,261,717	6845.5%	18,346	1,255,882	6845.5%	1.90	0.2006
	2051	53.6	69,412	5,220,187	7520.6%	13,322	1,001,902	7520.6%	1.90	0.1919
	2052	41.7	52,262	4,451,807	8518.2%	9,599	817,634	8518.2%	1.90	0.1837
	2053	32.3	39,018	3,750,024	9611.1%	6,858	659,084	9611.1%	1.90	0.1758
	2054	24.8	28,882	3,016,136	10443.0%	4,858	507,272	10443.0%	1.90	0.1682
	2055	18.9	21,164	2,372,142	11208.1%	3,406	381,781	11208.1%	1.90	0.1609
	2056	14.2	15,314	1,871,715	12222.0%	2,359	288,269	12222.0%	1.90	0.1540
	2057	10.5	10,910	1,493,205	13686.2%	1,608	220,070	13686.2%	1.90	0.1474
	2058	7.7	7,650	1,154,212	15087.6%	1,079	162,784	15087.6%	1.90	0.1410
	2059	5.5	5,287	837,873	15849.1%	713	113,080	15849.1%	1.90	0.1350
	2060	3.9	3,595	587,460	16339.8%	464	75,870	16339.8%	1.90	0.1291
	2061	2.7	2,404	409,981	17051.6%	297	50,669	17051.6%	1.90	0.1236
	2062	1.8	1,580	287,350	18190.6%	187	33,984	18190.6%	1.90	0.1183
	2063	1.2	1,020	197,236	19337.7%	115	22,322	19337.7%	1.90	0.1132
	Past		188,640,219	99,660,241	52.8%	255,604,641	121,019,825	47.3%		
	Future		305,077,225	1,502,130,758	492.4%	215,186,822	775,088,611	360.2%		
	Lifetime		493,717,444	1,601,790,999	324.4%	470,791,463	896,108,436	190.3%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	280.1	142,647	1,381	1.0%	435,608	4,218	1.0%		3.0537
	1998	2,057.8	3,982,092	188,075	4.7%	11,364,749	536,759	4.7%		2.8540
	1999	5,303.1	8,817,346	1,622,402	18.4%	23,518,123	4,327,363	18.4%		2.6673
	2000	9,269.1	14,539,765	5,117,969	35.2%	36,244,189	12,757,885	35.2%		2.4928
	2001	14,502.9	22,499,198	7,083,339	31.5%	52,416,047	16,501,950	31.5%		2.3297
	2002	19,564.9	29,550,128	10,247,195	34.7%	64,338,778	22,310,970	34.7%		2.1773
	2003	20,646.8	30,266,663	15,845,696	52.4%	61,587,732	32,243,411	52.4%		2.0348
	2004	19,968.7	30,365,201	10,481,964	34.5%	57,746,020	19,933,729	34.5%		1.9017
	2005	19,396.3	30,173,003	21,273,851	70.5%	53,626,648	37,810,135	70.5%		1.7773
	2006	18,893.3	29,868,730	16,362,210	54.8%	49,612,955	27,178,175	54.8%		1.6610
	2007	18,380.0	30,370,194	18,547,444	61.1%	47,145,703	28,792,449	61.1%		1.5524
	2008	17,908.5	29,905,910	25,541,555	85.4%	43,387,817	37,055,963	85.4%		1.4508
	2009	17,444.5	28,912,427	27,843,834	96.3%	39,202,300	37,753,397	96.3%		1.3559
	2010	16,968.5	29,654,232	28,056,318	94.6%	37,577,675	35,552,808	94.6%		1.2672
	2011	16,513.3	30,085,654	30,666,849	101.9%	35,630,252	36,318,558	101.9%		1.1843
	2012	16,101.3	29,425,335	36,911,898	125.4%	32,568,449	40,854,701	125.4%		1.1068
	2013	15,651.9	29,727,186	37,151,020	125.0%	30,750,040	38,429,314	125.0%		1.0344
	2014	15,057.8	26,553,507	42,211,533	159.0%	25,670,244	40,807,429	159.0%	1.00	0.9667
Projected	2015	14,429.3	25,002,052	44,943,873	179.8%	22,589,155	40,606,431	179.8%	1.00	0.9035
Future	2016	13,692.4	23,381,281	47,314,639	202.4%	19,742,805	39,951,775	202.4%	1.00	0.8444
Experience	2017	12,946.9	21,692,069	50,278,130	231.8%	17,118,187	39,676,732	231.8%	1.00	0.7891
(50 years)	2018	12,193.5	20,027,125	53,639,597	267.8%	14,770,378	39,560,202	267.8%	1.00	0.7375
	2019	11,438.6	18,390,763	57,091,112	310.4%	12,676,196	39,351,177	310.4%	1.00	0.6893
	2020	10,686.4	16,796,652	60,716,202	361.5%	10,820,023	39,112,002	361.5%	1.00	0.6442
	2021	9,937.9	15,253,624	64,082,162	420.1%	9,183,214	38,579,698	420.1%	1.00	0.6020
	2022	9,198.5	13,775,748	67,051,241	486.7%	7,750,917	37,726,343	486.7%	1.00	0.5626
	2023	8,472.6	12,369,671	69,659,358	563.1%	6,504,475	36,629,719	563.1%	1.00	0.5258
	2024	7,764.1	11,040,285	71,888,112	651.1%	5,425,635	35,328,680	651.1%	1.00	0.4914
	2025	7,075.1	9,792,402	73,934,154	755.0%	4,497,548	33,957,184	755.0%	1.00	0.4593
	2026	6,410.8	8,627,603	75,718,775	877.6%	3,703,334	32,501,721	877.6%	1.00	0.4292
	2027	5,775.0	7,551,073	76,730,951	1016.2%	3,029,198	30,781,486	1016.2%	1.00	0.4012
	2028	5,171.0	6,565,844	76,722,593	1168.5%	2,461,647	28,764,610	1168.5%	1.00	0.3749
	2029	4,601.6	5,672,299	75,726,791	1335.0%	1,987,516	26,533,894	1335.0%	1.00	0.3504
	2030	4,067.9	4,866,290	74,113,384	1523.0%	1,593,550	24,269,695	1523.0%	1.00	0.3275
	2031	3,571.3	4,143,614	72,689,252	1754.2%	1,268,128	22,246,110	1754.2%	1.00	0.3060
	2032	3,113.4	3,501,900	70,819,555	2022.3%	1,001,622	20,255,982	2022.3%	1.00	0.2860
	2033	2,695.6	2,937,705	67,728,962	2305.5%	785,280	18,104,676	2305.5%	1.00	0.2673
	2034	2,317.5	2,447,207	63,530,858	2596.1%	611,369	15,871,474	2596.1%	1.00	0.2498
	2035	1,977.3	2,023,495	58,471,204	2889.6%	472,445	13,651,828	2889.6%	1.00	0.2335
	2036	1,673.4	1,659,868	54,176,724	3263.9%	362,192	11,821,640	3263.9%	1.00	0.2182
	2037	1,405.3	1,350,438	50,143,628	3713.1%	275,395	10,225,793	3713.1%	1.00	0.2039
	2038	1,171.5	1,090,501	45,286,082	4152.8%	207,837	8,631,021	4152.8%	1.00	0.1906
	2039	969.8	874,968	39,916,153	4562.0%	155,850	7,109,881	4562.0%	1.00	0.1781
	2040	796.8	697,579	34,307,657	4918.1%	116,124	5,711,116	4918.1%	1.00	0.1665
	2041	649.5	552,440	29,720,681	5379.9%	85,947	4,623,862	5379.9%	1.00	0.1556
	2042	525.7	434,500	26,072,487	6000.6%	63,176	3,790,921	6000.6%	1.00	0.1454
	2043	423.0	339,779	22,409,727	6595.4%	46,172	3,045,195	6595.4%	1.00	0.1359
	2044	338.8	264,596	18,808,641	7108.4%	33,603	2,388,648	7108.4%	1.00	0.1270
	2045	270.0	205,251	15,498,011	7550.8%	24,361	1,839,446	7550.8%	1.00	0.1187
	2046	214.0	158,524	12,875,628	8122.2%	17,584	1,428,222	8122.2%	1.00	0.1109
	2047	168.8	121,828	10,996,412	9026.2%	12,630	1,139,973	9026.2%	1.00	0.1037
	2048	132.8	93,215	9,329,674	10008.8%	9,031	903,912	10008.8%	1.00	0.0969
	2049	104.2	71,069	7,742,852	10894.9%	6,435	701,095	10894.9%	1.00	0.0905
	2050	81.5	53,950	6,375,826	11818.0%	4,565	539,546	11818.0%	1.00	0.0846
	2051	63.4	40,708	5,308,139	13039.5%	3,220	419,808	13039.5%	1.00	0.0791
	2052	49.0	30,475	4,519,047	14828.8%	2,252	334,019	14828.8%	1.00	0.0739
	2053	37.6	22,622	3,800,154	16798.8%	1,563	262,508	16798.8%	1.00	0.0691
	2054	28.7	16,650	3,051,256	18326.0%	1,075	196,986	18326.0%	1.00	0.0646
	2055	21.7	12,132	2,396,417	19752.6%	732	144,589	19752.6%	1.00	0.0603
	2056	16.2	8,730	1,889,066	21639.6%	492	106,521	21639.6%	1.00	0.0564
	2057	11.9	6,186	1,505,333	24334.8%	326	79,330	24334.8%	1.00	0.0527
	2058	8.6	4,316	1,162,411	26935.4%	213	57,251	26935.4%	1.00	0.0493
	2059	6.1	2,967	843,054	28410.1%	137	38,806	28410.1%	1.00	0.0460
	2060	4.3	2,009	590,680	29406.1%	86	25,410	29406.1%	1.00	0.0430
	2061	2.9	1,337	412,007	30806.3%	54	16,564	30806.3%	1.00	0.0402
	2062	2.0	875	288,598	32978.4%	33	10,844	32978.4%	1.00	0.0376
	2063	1.3	563	197,986	35174.3%	20	6,952	35174.3%	1.00	0.0351
	Past		408,320,570	292,943,001	71.7%	677,268,072	428,361,787	63.2%		
	Future		270,530,280	1,824,686,769	674.5%	175,093,969	759,868,710	434.0%		
	Lifetime		678,850,849	2,117,629,770	311.9%	852,362,042	1,188,230,497	139.4%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	280.1	142,647	1,381	1.0%	435,608	4,218	1.0%		3.0537
	1998	2,057.8	3,982,092	188,075	4.7%	11,364,749	536,759	4.7%		2.8540
	1999	5,303.1	8,817,346	1,622,402	18.4%	23,518,123	4,327,363	18.4%		2.6673
	2000	9,269.1	14,539,765	5,117,969	35.2%	36,244,189	12,757,885	35.2%		2.4928
	2001	14,502.9	22,499,198	7,083,339	31.5%	52,416,047	16,501,950	31.5%		2.3297
	2002	19,564.9	29,550,128	10,247,195	34.7%	64,338,778	22,310,970	34.7%		2.1773
	2003	20,646.8	30,266,663	15,845,696	52.4%	61,587,732	32,243,411	52.4%		2.0348
	2004	19,968.7	30,365,201	10,481,964	34.5%	57,746,020	19,933,729	34.5%		1.9017
	2005	19,396.3	30,173,003	21,273,851	70.5%	53,626,648	37,810,135	70.5%		1.7773
	2006	18,893.3	29,868,730	16,362,210	54.8%	49,612,955	27,178,175	54.8%		1.6610
	2007	18,380.0	30,370,194	18,547,444	61.1%	47,145,703	28,792,449	61.1%		1.5524
	2008	17,908.5	29,905,910	25,541,555	85.4%	43,387,817	37,055,963	85.4%		1.4508
	2009	17,444.5	28,912,427	27,843,834	96.3%	39,202,300	37,753,397	96.3%		1.3559
	2010	16,968.5	29,654,232	28,056,318	94.6%	37,577,675	35,552,808	94.6%		1.2672
	2011	16,513.3	30,085,654	30,666,849	101.9%	35,630,252	36,318,558	101.9%		1.1843
	2012	16,101.3	29,425,335	36,911,898	125.4%	32,568,449	40,854,701	125.4%		1.1068
	2013	15,651.9	29,727,186	37,151,020	125.0%	30,750,040	38,429,314	125.0%		1.0344
	2014	15,057.8	26,553,507	42,211,533	159.0%	25,670,244	40,807,429	159.0%	1.00	0.9667
Projected	2015	14,429.3	32,623,622	44,943,873	137.8%	29,475,183	40,606,431	137.8%	1.30	0.9035
Future	2016	13,692.4	37,803,141	47,314,639	125.2%	31,920,409	39,951,775	125.2%	1.62	0.8444
Experience	2017	12,946.9	35,242,152	50,278,130	142.7%	27,811,166	39,676,732	142.7%	1.62	0.7891
(50 years)	2018	12,193.5	32,701,636	53,639,597	164.0%	24,118,066	39,560,202	164.0%	1.63	0.7375
	2019	11,438.6	30,187,419	57,091,112	189.1%	20,807,275	39,351,177	189.1%	1.64	0.6893
	2020	10,686.4	27,719,308	60,716,202	219.0%	17,856,150	39,112,002	219.0%	1.65	0.6442
	2021	9,937.9	25,311,091	64,082,162	253.2%	15,238,160	38,579,698	253.2%	1.66	0.6020
	2022	9,198.5	22,985,359	67,051,241	291.7%	12,932,699	37,726,343	291.7%	1.67	0.5626
	2023	8,472.6	20,754,177	69,659,358	335.6%	10,913,389	36,629,719	335.6%	1.68	0.5258
	2024	7,764.1	18,626,482	71,888,112	385.9%	9,153,795	35,328,680	385.9%	1.69	0.4914
	2025	7,075.1	16,612,062	73,934,154	445.1%	7,629,746	33,957,184	445.1%	1.70	0.4593
	2026	6,410.8	14,715,566	75,718,775	514.5%	6,316,547	32,501,721	514.5%	1.71	0.4292
	2027	5,775.0	12,947,577	76,730,951	592.6%	5,194,066	30,781,486	592.6%	1.71	0.4012
	2028	5,171.0	11,316,157	76,722,593	678.0%	4,242,621	28,764,610	678.0%	1.72	0.3749
	2029	4,601.6	9,824,562	75,726,791	770.8%	3,442,426	26,533,894	770.8%	1.73	0.3504
	2030	4,067.9	8,468,580	74,113,384	875.2%	2,773,181	24,269,695	875.2%	1.74	0.3275
	2031	3,571.3	7,243,562	72,689,252	1003.5%	2,216,849	22,246,110	1003.5%	1.75	0.3060
	2032	3,113.4	6,147,864	70,819,555	1151.9%	1,758,427	20,255,982	1151.9%	1.76	0.2860
	2033	2,695.6	5,177,903	67,728,962	1308.0%	1,384,109	18,104,676	1308.0%	1.76	0.2673
	2034	2,317.5	4,329,401	63,530,858	1467.4%	1,081,584	15,871,474	1467.4%	1.77	0.2498
	2035	1,977.3	3,592,226	58,471,204	1627.7%	838,711	13,651,828	1627.7%	1.78	0.2335
	2036	1,673.4	2,956,183	54,176,724	1832.7%	645,054	11,821,640	1832.7%	1.78	0.2182
	2037	1,405.3	2,412,191	50,143,628	2078.8%	491,918	10,225,793	2078.8%	1.79	0.2039
	2038	1,171.5	1,953,108	45,286,082	2318.7%	372,241	8,631,021	2318.7%	1.79	0.1906
	2039	969.8	1,570,936	39,916,153	2540.9%	279,816	7,109,881	2540.9%	1.80	0.1781
	2040	796.8	1,255,288	34,307,657	2733.1%	208,965	5,711,116	2733.1%	1.80	0.1665
	2041	649.5	996,190	29,720,681	2983.4%	154,984	4,623,862	2983.4%	1.80	0.1556
	2042	525.7	784,999	26,072,487	3321.3%	114,138	3,790,921	3321.3%	1.81	0.1454
	2043	423.0	614,916	22,409,727	3644.4%	83,559	3,045,195	3644.4%	1.81	0.1359
	2044	338.8	479,617	18,808,641	3921.6%	60,910	2,388,648	3921.6%	1.81	0.1270
	2045	270.0	372,623	15,498,011	4159.2%	44,226	1,839,446	4159.2%	1.82	0.1187
	2046	214.0	288,239	12,875,628	4467.0%	31,973	1,428,222	4467.0%	1.82	0.1109
	2047	168.8	221,859	10,996,412	4956.5%	23,000	1,139,973	4956.5%	1.82	0.1037
	2048	132.8	170,018	9,329,674	5487.5%	16,472	903,912	5487.5%	1.82	0.0969
	2049	104.2	129,835	7,742,852	5963.6%	11,756	701,095	5963.6%	1.83	0.0905
	2050	81.5	98,730	6,375,826	6457.8%	8,355	539,546	6457.8%	1.83	0.0846
	2051	63.4	74,632	5,308,139	7112.5%	5,902	419,808	7112.5%	1.83	0.0791
	2052	49.0	55,973	4,519,047	8073.7%	4,137	334,019	8073.7%	1.84	0.0739
	2053	37.6	41,625	3,800,154	9129.5%	2,875	262,508	9129.5%	1.84	0.0691
	2054	28.7	30,693	3,051,256	9941.2%	1,982	196,986	9941.2%	1.84	0.0646
	2055	21.7	22,406	2,396,417	10695.6%	1,352	144,589	10695.6%	1.85	0.0603
	2056	16.2	16,151	1,889,066	11696.1%	911	106,521	11696.1%	1.85	0.0564
	2057	11.9	11,465	1,505,333	13130.0%	604	79,330	13130.0%	1.85	0.0527
	2058	8.6	8,012	1,162,411	14509.2%	395	57,251	14509.2%	1.86	0.0493
	2059	6.1	5,518	843,054	15278.6%	254	38,806	15278.6%	1.86	0.0460
	2060	4.3	3,741	590,680	15790.1%	161	25,410	15790.1%	1.86	0.0430
	2061	2.9	2,494	412,007	16517.9%	100	16,564	16517.9%	1.87	0.0402
	2062	2.0	1,634	288,598	17658.8%	61	10,844	17658.8%	1.87	0.0376
	2063	1.3	1,053	197,986	18810.6%	37	6,952	18810.6%	1.87	0.0351
	Past		408,320,570	292,943,001	71.7%	677,268,072	428,361,787	63.2%		
	Future		425,463,483	1,824,686,769	428.9%	265,340,944	759,868,710	286.4%		
	Lifetime		833,784,053	2,117,629,770	254.0%	942,609,017	1,188,230,497	126.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Experience	1997	215.5	100,283	1,381	1.4%	306,238	4,218	1.4%		3.0537
	1998	1,426.1	2,843,010	188,075	6.6%	8,113,849	536,759	6.6%		2.8540
	1999	3,569.8	6,144,202	1,607,522	26.2%	16,388,164	4,287,674	26.2%		2.6673
	2000	5,933.9	9,531,155	4,631,283	48.6%	23,758,910	11,544,692	48.6%		2.4928
	2001	8,672.5	13,719,685	5,571,803	40.6%	31,962,547	12,980,546	40.6%		2.3297
	2002	10,745.6	16,523,679	9,123,503	55.2%	35,976,606	19,864,383	55.2%		2.1773
	2003	10,822.9	16,294,916	11,937,371	73.3%	33,157,500	24,290,607	73.3%		2.0348
	2004	10,392.3	16,371,162	7,332,428	44.8%	31,133,316	13,944,203	44.8%		1.9017
	2005	10,025.6	16,316,344	14,661,024	89.9%	28,999,129	26,057,119	89.9%		1.7773
	2006	9,700.0	16,037,449	12,051,883	75.1%	26,638,737	20,018,579	75.1%		1.6610
	2007	9,381.8	16,209,179	14,456,805	89.2%	25,162,603	22,442,275	89.2%		1.5524
	2008	9,075.9	15,756,425	17,895,424	113.6%	22,859,591	25,962,874	113.6%		1.4508
	2009	8,789.0	15,144,824	18,046,206	119.2%	20,534,835	24,468,813	119.2%		1.3559
	2010	8,490.8	15,103,162	18,347,899	121.5%	19,138,642	23,250,353	121.5%		1.2672
	2011	8,200.4	14,974,648	14,758,675	98.6%	17,734,382	17,478,607	98.6%		1.1843
	2012	7,931.3	14,187,625	21,208,293	149.5%	15,703,099	23,473,691	149.5%		1.1068
	2013	7,636.1	14,397,286	21,463,183	149.1%	14,892,668	22,201,689	149.1%		1.0344
	2014	7,249.3	12,120,007	20,185,299	166.5%	11,716,853	19,513,866	166.5%	1.00	0.9667
Projected	2015	6,845.2	11,167,241	20,299,104	181.8%	10,089,513	18,340,079	181.8%	1.00	0.9035
Future	2016	6,374.5	10,186,604	20,047,935	196.8%	8,601,416	16,928,177	196.8%	1.00	0.8444
Experience	2017	5,910.1	9,188,893	19,914,245	216.7%	7,251,368	15,715,226	216.7%	1.00	0.7891
(50 years)	2018	5,450.5	8,230,618	19,775,513	240.3%	6,070,234	14,584,809	240.3%	1.00	0.7375
	2019	5,000.0	7,315,430	19,519,339	266.8%	5,042,305	13,454,090	266.8%	1.00	0.6893
	2020	4,562.5	6,452,816	19,147,916	296.7%	4,156,758	12,334,654	296.7%	1.00	0.6442
	2021	4,137.3	5,647,376	18,553,358	328.5%	3,399,918	11,169,769	328.5%	1.00	0.6020
	2022	3,729.2	4,905,481	17,748,890	361.8%	2,760,066	9,986,403	361.8%	1.00	0.5626
	2023	3,340.2	4,227,997	16,775,594	396.8%	2,223,253	8,821,288	396.8%	1.00	0.5258
	2024	2,972.3	3,615,475	15,731,911	435.1%	1,776,788	7,731,287	435.1%	1.00	0.4914
	2025	2,626.2	3,066,925	14,660,901	478.0%	1,408,607	6,733,599	478.0%	1.00	0.4593
	2026	2,304.5	2,579,814	13,558,284	525.6%	1,107,366	5,819,793	525.6%	1.00	0.4292
	2027	2,008.3	2,153,019	12,333,380	572.8%	863,708	4,947,674	572.8%	1.00	0.4012
	2028	1,737.7	1,782,993	11,040,540	619.2%	668,475	4,139,287	619.2%	1.00	0.3749
	2029	1,492.9	1,465,854	9,755,142	665.5%	513,620	3,418,102	665.5%	1.00	0.3504
	2030	1,273.2	1,195,954	8,580,744	717.5%	391,636	2,809,911	717.5%	1.00	0.3275
	2031	1,077.9	968,161	7,543,879	779.2%	296,300	2,308,759	779.2%	1.00	0.3060
	2032	906.0	778,071	6,553,704	842.3%	222,546	1,874,506	842.3%	1.00	0.2860
	2033	756.3	621,134	5,590,589	900.1%	166,036	1,494,424	900.1%	1.00	0.2673
	2034	626.9	492,758	4,702,606	954.3%	123,102	1,174,819	954.3%	1.00	0.2498
	2035	515.8	388,330	3,924,073	1010.5%	90,667	916,191	1010.5%	1.00	0.2335
	2036	421.2	303,946	3,302,833	1086.7%	66,323	720,695	1086.7%	1.00	0.2182
	2037	341.6	236,369	2,748,958	1163.0%	48,203	560,595	1163.0%	1.00	0.2039
	2038	275.4	182,835	2,240,322	1225.3%	34,846	426,980	1225.3%	1.00	0.1906
	2039	220.6	140,773	1,792,502	1273.3%	25,075	319,281	1273.3%	1.00	0.1781
	2040	175.5	107,866	1,417,181	1313.8%	17,956	235,915	1313.8%	1.00	0.1665
	2041	138.7	82,225	1,140,812	1387.4%	12,792	177,484	1387.4%	1.00	0.1556
	2042	108.9	62,385	910,306	1459.2%	9,071	132,358	1459.2%	1.00	0.1454
	2043	85.2	47,176	713,107	1511.6%	6,411	96,902	1511.6%	1.00	0.1359
	2044	66.3	35,562	549,406	1544.9%	4,516	69,773	1544.9%	1.00	0.1270
	2045	51.2	26,697	421,891	1580.3%	3,169	50,074	1580.3%	1.00	0.1187
	2046	39.4	19,932	331,617	1663.8%	2,211	36,784	1663.8%	1.00	0.1109
	2047	30.2	14,789	260,705	1762.8%	1,533	27,027	1762.8%	1.00	0.1037
	2048	23.0	10,909	202,099	1852.6%	1,057	19,581	1852.6%	1.00	0.0969
	2049	17.4	7,992	152,397	1906.8%	724	13,799	1906.8%	1.00	0.0905
	2050	13.1	5,807	114,109	1965.0%	491	9,656	1965.0%	1.00	0.0846
	2051	9.8	4,175	87,952	2106.4%	330	6,956	2106.4%	1.00	0.0791
	2052	7.3	2,968	67,240	2265.2%	219	4,970	2265.2%	1.00	0.0739
	2053	5.3	2,086	50,130	2403.3%	144	3,463	2403.3%	1.00	0.0691
	2054	3.9	1,449	35,120	2424.0%	94	2,267	2424.0%	1.00	0.0646
	2055	2.8	993	24,275	2444.8%	60	1,465	2444.8%	1.00	0.0603
	2056	2.0	670	17,351	2591.5%	38	978	2591.5%	1.00	0.0564
	2057	1.4	444	12,128	2733.6%	23	639	2733.6%	1.00	0.0527
	2058	0.9	289	8,199	2835.1%	14	404	2835.1%	1.00	0.0493
	2059	0.6	185	5,182	2800.3%	9	239	2800.3%	1.00	0.0460
	2060	0.4	116	3,220	2765.0%	5	139	2765.0%	1.00	0.0430
	2061	0.3	72	2,025	2814.5%	3	81	2814.5%	1.00	0.0402
	2062	0.2	44	1,247	2853.5%	2	47	2853.5%	1.00	0.0376
	2063	0.1	26	750	2877.6%	1	26	2877.6%	1.00	0.0351
	Past		219,680,350	193,282,760	88.0%	372,544,633	292,807,085	78.6%		
	Future		99,849,732	322,556,010	323.0%	69,175,852	187,135,293	270.5%		
	Lifetime		319,530,083	515,838,770	161.4%	441,720,485	479,942,378	108.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Experience	1997	215.5	100,283	1,381	1.4%	306,238	4,218	1.4%		3.0537
	1998	1,426.1	2,843,010	188,075	6.6%	8,113,849	536,759	6.6%		2.8540
	1999	3,569.8	6,144,202	1,607,522	26.2%	16,388,164	4,287,674	26.2%		2.6673
	2000	5,933.9	9,531,155	4,631,283	48.6%	23,758,910	11,544,692	48.6%		2.4928
	2001	8,672.5	13,719,685	5,571,803	40.6%	31,962,547	12,980,546	40.6%		2.3297
	2002	10,745.6	16,523,679	9,123,503	55.2%	35,976,606	19,864,383	55.2%		2.1773
	2003	10,822.9	16,294,916	11,937,371	73.3%	33,157,500	24,290,607	73.3%		2.0348
	2004	10,392.3	16,371,162	7,332,428	44.8%	31,133,316	13,944,203	44.8%		1.9017
	2005	10,025.6	16,316,344	14,661,024	89.9%	28,999,129	26,057,119	89.9%		1.7773
	2006	9,700.0	16,037,449	12,051,883	75.1%	26,638,737	20,018,579	75.1%		1.6610
	2007	9,381.8	16,209,179	14,456,805	89.2%	25,162,603	22,442,275	89.2%		1.5524
	2008	9,075.9	15,756,425	17,895,424	113.6%	22,859,591	25,962,874	113.6%		1.4508
	2009	8,789.0	15,144,824	18,046,206	119.2%	20,534,835	24,468,813	119.2%		1.3559
	2010	8,490.8	15,103,162	18,347,899	121.5%	19,138,642	23,250,353	121.5%		1.2672
	2011	8,200.4	14,974,648	14,758,675	98.6%	17,734,382	17,478,607	98.6%		1.1843
	2012	7,931.3	14,187,625	21,208,293	149.5%	15,703,099	23,473,691	149.5%		1.1068
	2013	7,636.1	14,397,286	21,463,183	149.1%	14,892,668	22,201,689	149.1%		1.0344
	2014	7,249.3	12,120,007	20,185,299	166.5%	11,716,853	19,513,866	166.5%	1.00	0.9667
Projected	2015	6,845.2	12,563,146	20,299,104	161.6%	11,350,702	18,340,079	161.6%	1.13	0.9035
Future	2016	6,374.5	12,733,255	20,047,935	157.4%	10,751,771	16,928,177	157.4%	1.25	0.8444
Experience	2017	5,910.1	11,486,116	19,914,245	173.4%	9,064,210	15,715,226	173.4%	1.25	0.7891
(50 years)	2018	5,450.5	10,288,273	19,775,513	192.2%	7,587,793	14,584,809	192.2%	1.25	0.7375
	2019	5,000.0	9,144,287	19,519,339	213.5%	6,302,881	13,454,090	213.5%	1.25	0.6893
	2020	4,562.5	8,066,020	19,147,916	237.4%	5,195,947	12,334,654	237.4%	1.25	0.6442
	2021	4,137.3	7,059,220	18,553,358	262.8%	4,249,897	11,169,769	262.8%	1.25	0.6020
	2022	3,729.2	6,131,851	17,748,890	289.5%	3,450,082	9,986,403	289.5%	1.25	0.5626
	2023	3,340.2	5,284,997	16,775,594	317.4%	2,779,066	8,821,288	317.4%	1.25	0.5258
	2024	2,972.3	4,519,344	15,731,911	348.1%	2,220,985	7,731,287	348.1%	1.25	0.4914
	2025	2,626.2	3,833,657	14,660,901	382.4%	1,760,758	6,733,599	382.4%	1.25	0.4593
	2026	2,304.5	3,224,768	13,558,284	420.4%	1,384,208	5,819,793	420.4%	1.25	0.4292
	2027	2,008.3	2,691,274	12,333,380	458.3%	1,079,635	4,947,674	458.3%	1.25	0.4012
	2028	1,737.7	2,228,742	11,040,540	495.4%	835,593	4,139,287	495.4%	1.25	0.3749
	2029	1,492.9	1,832,318	9,755,142	532.4%	642,025	3,418,102	532.4%	1.25	0.3504
	2030	1,273.2	1,494,943	8,580,744	574.0%	489,545	2,809,911	574.0%	1.25	0.3275
	2031	1,077.9	1,210,201	7,543,879	623.4%	370,375	2,308,759	623.4%	1.25	0.3060
	2032	906.0	972,589	6,553,704	673.8%	278,182	1,874,506	673.8%	1.25	0.2860
	2033	756.3	776,417	5,590,589	720.0%	207,545	1,494,424	720.0%	1.25	0.2673
	2034	626.9	615,947	4,702,606	763.5%	153,878	1,174,819	763.5%	1.25	0.2498
	2035	515.8	485,413	3,924,073	808.4%	113,334	916,191	808.4%	1.25	0.2335
	2036	421.2	379,933	3,302,833	869.3%	82,903	720,695	869.3%	1.25	0.2182
	2037	341.6	295,461	2,748,958	930.4%	60,253	560,595	930.4%	1.25	0.2039
	2038	275.4	228,544	2,240,322	980.3%	43,558	426,980	980.3%	1.25	0.1906
	2039	220.6	175,966	1,792,502	1018.7%	31,343	319,281	1018.7%	1.25	0.1781
	2040	175.5	134,832	1,417,181	1051.1%	22,445	235,915	1051.1%	1.25	0.1665
	2041	138.7	102,782	1,140,812	1109.9%	15,990	177,484	1109.9%	1.25	0.1556
	2042	108.9	77,982	910,306	1167.3%	11,338	132,358	1167.3%	1.25	0.1454
	2043	85.2	58,970	713,107	1209.3%	8,013	96,902	1209.3%	1.25	0.1359
	2044	66.3	44,453	549,406	1235.9%	5,645	69,773	1235.9%	1.25	0.1270
	2045	51.2	33,372	421,891	1264.2%	3,961	50,074	1264.2%	1.25	0.1187
	2046	39.4	24,915	331,617	1331.0%	2,764	36,784	1331.0%	1.25	0.1109
	2047	30.2	18,487	260,705	1410.2%	1,916	27,027	1410.2%	1.25	0.1037
	2048	23.0	13,636	202,099	1482.1%	1,321	19,581	1482.1%	1.25	0.0969
	2049	17.4	9,990	152,397	1525.4%	905	13,799	1525.4%	1.25	0.0905
	2050	13.1	7,259	114,109	1572.0%	614	9,656	1572.0%	1.25	0.0846
	2051	9.8	5,219	87,952	1685.1%	413	6,956	1685.1%	1.25	0.0791
	2052	7.3	3,710	67,240	1812.2%	274	4,970	1812.2%	1.25	0.0739
	2053	5.3	2,607	50,130	1922.7%	180	3,463	1922.7%	1.25	0.0691
	2054	3.9	1,811	35,120	1939.2%	117	2,267	1939.2%	1.25	0.0646
	2055	2.8	1,241	24,275	1955.8%	75	1,465	1955.8%	1.25	0.0603
	2056	2.0	837	17,351	2073.2%	47	978	2073.2%	1.25	0.0564
	2057	1.4	555	12,128	2186.9%	29	639	2186.9%	1.25	0.0527
	2058	0.9	362	8,199	2268.1%	18	404	2268.1%	1.25	0.0493
	2059	0.6	231	5,182	2240.2%	11	239	2240.2%	1.25	0.0460
	2060	0.4	146	3,220	2212.0%	6	139	2212.0%	1.25	0.0430
	2061	0.3	90	2,025	2251.6%	4	81	2251.6%	1.25	0.0402
	2062	0.2	55	1,247	2282.8%	2	47	2282.8%	1.25	0.0376
	2063	0.1	33	750	2302.1%	1	26	2302.1%	1.25	0.0351
	Past		219,680,350	193,282,760	88.0%	372,544,633	292,807,085	78.6%		
	Future		120,386,259	322,556,010	267.9%	82,279,413	187,135,293	227.4%		
	Lifetime		340,066,609	515,838,770	151.7%	454,824,046	479,942,378	105.5%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
Historical	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Experience	1997	64.6	42,364	0	0.0%	129,370	0	0.0%		3.0537
	1998	631.7	1,139,082	0	0.0%	3,250,900	0	0.0%		2.8540
	1999	1,733.3	2,673,143	14,880	0.6%	7,129,959	39,689	0.6%		2.6673
	2000	3,335.2	5,008,610	486,686	9.7%	12,485,279	1,213,193	9.7%		2.4928
	2001	5,830.4	8,779,513	1,511,536	17.2%	20,453,500	3,521,404	17.2%		2.3297
	2002	8,819.3	13,026,449	1,123,692	8.6%	28,362,172	2,446,587	8.6%		2.1773
	2003	9,823.8	13,971,748	3,908,325	28.0%	28,430,232	7,952,804	28.0%		2.0348
	2004	9,576.3	13,994,040	3,149,536	22.5%	26,612,703	5,989,526	22.5%		1.9017
	2005	9,370.7	13,856,659	6,612,827	47.7%	24,627,519	11,753,015	47.7%		1.7773
	2006	9,193.3	13,831,281	4,310,327	31.2%	22,974,218	7,159,596	31.2%		1.6610
	2007	8,998.3	14,161,015	4,090,638	28.9%	21,983,100	6,350,174	28.9%		1.5524
	2008	8,832.6	14,149,485	7,646,131	54.0%	20,528,226	11,093,089	54.0%		1.4508
	2009	8,655.5	13,767,603	9,797,628	71.2%	18,667,465	13,284,584	71.2%		1.3559
	2010	8,477.8	14,551,070	9,708,420	66.7%	18,439,033	12,302,455	66.7%		1.2672
	2011	8,312.9	15,111,006	15,908,173	105.3%	17,895,870	18,839,951	105.3%		1.1843
	2012	8,169.9	15,237,710	15,703,604	103.1%	16,865,350	17,381,010	103.1%		1.1068
	2013	8,015.8	15,329,900	15,687,837	102.3%	15,857,372	16,227,625	102.3%		1.0344
	2014	7,808.4	14,433,500	22,026,233	152.6%	13,953,391	21,293,563	152.6%	1.00	0.9667
Projected	2015	7,584.1	13,834,811	24,644,768	178.1%	12,499,642	22,266,352	178.1%	1.00	0.9035
Future	2016	7,317.9	13,194,677	27,266,704	206.6%	11,141,388	23,023,598	206.6%	1.00	0.8444
Experience	2017	7,036.8	12,503,177	30,363,885	242.8%	9,866,819	23,961,506	242.8%	1.00	0.7891
(50 years)	2018	6,743.0	11,796,507	33,864,084	287.1%	8,700,144	24,975,393	287.1%	1.00	0.7375
	2019	6,438.6	11,075,333	37,571,773	339.2%	7,633,892	25,897,087	339.2%	1.00	0.6893
	2020	6,123.9	10,343,836	41,568,286	401.9%	6,663,265	26,777,348	401.9%	1.00	0.6442
	2021	5,800.5	9,606,248	45,528,804	473.9%	5,783,296	27,409,929	473.9%	1.00	0.6020
	2022	5,469.3	8,870,268	49,302,351	555.8%	4,990,851	27,739,940	555.8%	1.00	0.5626
	2023	5,132.4	8,141,674	52,883,765	649.5%	4,281,223	27,808,430	649.5%	1.00	0.5258
	2024	4,791.8	7,424,810	56,156,202	756.3%	3,648,847	27,597,393	756.3%	1.00	0.4914
	2025	4,448.9	6,725,476	59,273,253	881.3%	3,088,941	27,223,585	881.3%	1.00	0.4593
	2026	4,106.3	6,047,789	62,160,491	1027.8%	2,595,968	26,681,928	1027.8%	1.00	0.4292
	2027	3,766.7	5,398,054	64,397,572	1193.0%	2,165,490	25,833,812	1193.0%	1.00	0.4012
	2028	3,433.3	4,782,850	65,682,053	1373.3%	1,793,172	24,625,323	1373.3%	1.00	0.3749
	2029	3,108.7	4,206,445	65,971,649	1568.3%	1,473,895	23,115,792	1568.3%	1.00	0.3504
	2030	2,794.7	3,670,336	65,532,640	1785.5%	1,201,914	21,459,783	1785.5%	1.00	0.3275
	2031	2,493.5	3,175,453	65,145,373	2051.5%	971,828	19,937,351	2051.5%	1.00	0.3060
	2032	2,207.4	2,723,829	64,265,851	2359.4%	779,076	18,381,476	2359.4%	1.00	0.2860
	2033	1,939.3	2,316,571	62,138,373	2682.3%	619,244	16,610,252	2682.3%	1.00	0.2673
	2034	1,690.6	1,954,449	58,828,252	3010.0%	488,267	14,696,655	3010.0%	1.00	0.2498
	2035	1,461.5	1,635,165	54,547,131	3335.9%	381,777	12,735,638	3335.9%	1.00	0.2335
	2036	1,252.2	1,355,921	50,873,892	3752.0%	295,869	11,100,945	3752.0%	1.00	0.2182
	2037	1,063.6	1,114,068	47,394,670	4254.2%	227,192	9,665,197	4254.2%	1.00	0.2039
	2038	896.1	907,666	43,045,760	4742.5%	172,991	8,204,041	4742.5%	1.00	0.1906
	2039	749.2	734,195	38,123,651	5192.6%	130,775	6,790,600	5192.6%	1.00	0.1781
	2040	621.3	589,714	32,890,476	5577.4%	98,168	5,475,201	5577.4%	1.00	0.1665
	2041	510.8	470,215	28,579,869	6078.0%	73,155	4,446,378	6078.0%	1.00	0.1556
	2042	416.7	372,115	25,162,181	6761.9%	54,105	3,658,564	6761.9%	1.00	0.1454
	2043	337.8	292,603	21,696,620	7415.0%	39,761	2,948,293	7415.0%	1.00	0.1359
	2044	272.5	229,034	18,259,235	7972.3%	29,087	2,318,875	7972.3%	1.00	0.1270
	2045	218.8	178,553	15,076,121	8443.5%	21,192	1,789,372	8443.5%	1.00	0.1187
	2046	174.6	138,592	12,544,011	9051.1%	15,373	1,391,437	9051.1%	1.00	0.1109
	2047	138.7	107,038	10,735,708	10029.8%	11,096	1,112,946	10029.8%	1.00	0.1037
	2048	109.8	82,306	9,127,575	11089.7%	7,974	884,331	11089.7%	1.00	0.0969
	2049	86.8	63,076	7,590,455	12033.8%	5,711	687,296	12033.8%	1.00	0.0905
	2050	68.4	48,143	6,261,717	13006.5%	4,074	529,890	13006.5%	1.00	0.0846
	2051	53.6	36,533	5,220,187	14289.1%	2,889	412,852	14289.1%	1.00	0.0791
	2052	41.7	27,506	4,451,807	16184.7%	2,033	329,049	16184.7%	1.00	0.0739
	2053	32.3	20,536	3,750,024	18261.0%	1,419	259,045	18261.0%	1.00	0.0691
	2054	24.8	15,201	3,016,136	19841.6%	981	194,719	19841.6%	1.00	0.0646
	2055	18.9	11,139	2,372,142	21295.4%	672	143,124	21295.4%	1.00	0.0603
	2056	14.2	8,060	1,871,715	23221.8%	454	105,543	23221.8%	1.00	0.0564
	2057	10.5	5,742	1,493,205	26003.8%	303	78,691	26003.8%	1.00	0.0527
	2058	7.7	4,026	1,154,212	28666.5%	198	56,847	28666.5%	1.00	0.0493
	2059	5.5	2,782	837,873	30113.2%	128	38,567	30113.2%	1.00	0.0460
	2060	3.9	1,892	587,460	31045.6%	81	25,272	31045.6%	1.00	0.0430
	2061	2.7	1,265	409,981	32398.1%	51	16,483	32398.1%	1.00	0.0402
	2062	1.8	831	287,350	34562.2%	31	10,797	34562.2%	1.00	0.0376
	2063	1.2	537	197,236	36741.6%	19	6,926	36741.6%	1.00	0.0351
	Past		188,640,219	99,660,241	52.8%	304,723,440	135,554,702	44.5%		
	Future		170,680,547	1,502,130,758	880.1%	105,918,117	572,733,417	540.7%		
	Lifetime		359,320,766	1,601,790,999	445.8%	410,641,557	708,288,119	172.5%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
Historical	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Experience	1997	64.6	42,364	0	0.0%	129,370	0	0.0%		3.0537
	1998	631.7	1,139,082	0	0.0%	3,250,900	0	0.0%		2.8540
	1999	1,733.3	2,673,143	14,880	0.6%	7,129,959	39,689	0.6%		2.6673
	2000	3,335.2	5,008,610	486,686	9.7%	12,485,279	1,213,193	9.7%		2.4928
	2001	5,830.4	8,779,513	1,511,536	17.2%	20,453,500	3,521,404	17.2%		2.3297
	2002	8,819.3	13,026,449	1,123,692	8.6%	28,362,172	2,446,587	8.6%		2.1773
	2003	9,823.8	13,971,748	3,908,325	28.0%	28,430,232	7,952,804	28.0%		2.0348
	2004	9,576.3	13,994,040	3,149,536	22.5%	26,612,703	5,989,526	22.5%		1.9017
	2005	9,370.7	13,856,659	6,612,827	47.7%	24,627,519	11,753,015	47.7%		1.7773
	2006	9,193.3	13,831,281	4,310,327	31.2%	22,974,218	7,159,596	31.2%		1.6610
	2007	8,998.3	14,161,015	4,090,638	28.9%	21,983,100	6,350,174	28.9%		1.5524
	2008	8,832.6	14,149,485	7,646,131	54.0%	20,528,226	11,093,089	54.0%		1.4508
	2009	8,655.5	13,767,603	9,797,628	71.2%	18,667,465	13,284,584	71.2%		1.3559
	2010	8,477.8	14,551,070	9,708,420	66.7%	18,439,033	12,302,455	66.7%		1.2672
	2011	8,312.9	15,111,006	15,908,173	105.3%	17,895,870	18,839,951	105.3%		1.1843
	2012	8,169.9	15,237,710	15,703,604	103.1%	16,865,350	17,381,010	103.1%		1.1068
	2013	8,015.8	15,329,900	15,687,837	102.3%	15,857,372	16,227,625	102.3%		1.0344
	2014	7,808.4	14,433,500	22,026,233	152.6%	13,953,391	21,293,563	152.6%	1.00	0.9667
Projected	2015	7,584.1	20,060,477	24,644,768	122.9%	18,124,481	22,266,352	122.9%	1.45	0.9035
Future	2016	7,317.9	25,069,886	27,266,704	108.8%	21,168,638	23,023,598	108.8%	1.90	0.8444
Experience	2017	7,036.8	23,756,036	30,363,885	127.8%	18,746,956	23,961,506	127.8%	1.90	0.7891
(50 years)	2018	6,743.0	22,413,363	33,864,084	151.1%	16,530,273	24,975,393	151.1%	1.90	0.7375
	2019	6,438.6	21,043,132	37,571,773	178.5%	14,504,395	25,897,087	178.5%	1.90	0.6893
	2020	6,123.9	19,653,288	41,568,286	211.5%	12,660,203	26,777,348	211.5%	1.90	0.6442
	2021	5,800.5	18,251,870	45,528,804	249.4%	10,988,263	27,409,929	249.4%	1.90	0.6020
	2022	5,469.3	16,853,508	49,302,351	292.5%	9,482,617	27,739,940	292.5%	1.90	0.5626
	2023	5,132.4	15,469,181	52,883,765	341.9%	8,134,323	27,808,430	341.9%	1.90	0.5258
	2024	4,791.8	14,107,139	56,156,202	398.1%	6,932,810	27,597,393	398.1%	1.90	0.4914
	2025	4,448.9	12,778,405	59,273,253	463.9%	5,868,988	27,223,585	463.9%	1.90	0.4593
	2026	4,106.3	11,490,798	62,160,491	541.0%	4,932,340	26,681,928	541.0%	1.90	0.4292
	2027	3,766.7	10,256,303	64,397,572	627.9%	4,114,432	25,833,812	627.9%	1.90	0.4012
	2028	3,433.3	9,087,416	65,682,053	722.8%	3,407,027	24,625,323	722.8%	1.90	0.3749
	2029	3,108.7	7,992,245	65,971,649	825.4%	2,800,401	23,115,792	825.4%	1.90	0.3504
	2030	2,794.7	6,973,638	65,532,640	939.7%	2,283,637	21,459,783	939.7%	1.90	0.3275
	2031	2,493.5	6,033,360	65,145,373	1079.8%	1,846,474	19,937,351	1079.8%	1.90	0.3060
	2032	2,207.4	5,175,275	64,265,851	1241.8%	1,480,245	18,381,476	1241.8%	1.90	0.2860
	2033	1,939.3	4,401,485	62,138,373	1411.8%	1,176,564	16,610,252	1411.8%	1.90	0.2673
	2034	1,690.6	3,713,454	58,828,252	1584.2%	927,706	14,696,655	1584.2%	1.90	0.2498
	2035	1,461.5	3,106,813	54,547,131	1755.7%	725,377	12,735,638	1755.7%	1.90	0.2335
	2036	1,252.2	2,576,251	50,873,892	1974.7%	562,151	11,100,945	1974.7%	1.90	0.2182
	2037	1,063.6	2,116,730	47,394,670	2239.1%	431,665	9,665,197	2239.1%	1.90	0.2039
	2038	896.1	1,724,565	43,045,760	2496.0%	328,683	8,204,041	2496.0%	1.90	0.1906
	2039	749.2	1,394,970	38,123,651	2732.9%	248,473	6,790,600	2732.9%	1.90	0.1781
	2040	621.3	1,120,456	32,890,476	2935.5%	186,520	5,475,201	2935.5%	1.90	0.1665
	2041	510.8	893,408	28,579,869	3199.0%	138,994	4,446,378	3199.0%	1.90	0.1556
	2042	416.7	707,018	25,162,181	3558.9%	102,800	3,658,564	3558.9%	1.90	0.1454
	2043	337.8	555,946	21,696,620	3902.6%	75,546	2,948,293	3902.6%	1.90	0.1359
	2044	272.5	435,164	18,259,235	4195.9%	55,265	2,318,875	4195.9%	1.90	0.1270
	2045	218.8	339,251	15,076,121	4443.9%	40,265	1,789,372	4443.9%	1.90	0.1187
	2046	174.6	263,324	12,544,011	4763.7%	29,209	1,391,437	4763.7%	1.90	0.1109
	2047	138.7	203,372	10,735,708	5278.8%	21,083	1,112,946	5278.8%	1.90	0.1037
	2048	109.8	156,382	9,127,575	5836.7%	15,151	884,331	5836.7%	1.90	0.0969
	2049	86.8	119,845	7,590,455	6333.6%	10,852	687,296	6333.6%	1.90	0.0905
	2050	68.4	91,471	6,261,717	6845.5%	7,741	529,890	6845.5%	1.90	0.0846
	2051	53.6	69,412	5,220,187	7520.6%	5,490	412,852	7520.6%	1.90	0.0791
	2052	41.7	52,262	4,451,807	8518.2%	3,863	329,049	8518.2%	1.90	0.0739
	2053	32.3	39,018	3,750,024	9611.1%	2,695	259,045	9611.1%	1.90	0.0691
	2054	24.8	28,882	3,016,136	10443.0%	1,865	194,719	10443.0%	1.90	0.0646
	2055	18.9	21,164	2,372,142	11208.1%	1,277	143,124	11208.1%	1.90	0.0603
	2056	14.2	15,314	1,871,715	12222.0%	864	105,543	12222.0%	1.90	0.0564
	2057	10.5	10,910	1,493,205	13686.2%	575	78,691	13686.2%	1.90	0.0527
	2058	7.7	7,650	1,154,212	15087.6%	377	56,847	15087.6%	1.90	0.0493
	2059	5.5	5,287	837,873	15849.1%	243	38,567	15849.1%	1.90	0.0460
	2060	3.9	3,595	587,460	16339.8%	155	25,272	16339.8%	1.90	0.0430
	2061	2.7	2,404	409,981	17051.6%	97	16,483	17051.6%	1.90	0.0402
	2062	1.8	1,580	287,350	18190.6%	59	10,797	18190.6%	1.90	0.0376
	2063	1.2	1,020	197,236	19337.7%	36	6,926	19337.7%	1.90	0.0351
	Past		188,640,219	99,660,241	52.8%	304,723,440	135,554,702	44.5%		
	Future		305,077,225	1,502,130,758	492.4%	183,061,531	572,733,417	312.9%		
	Lifetime		493,717,444	1,601,790,999	324.4%	487,784,971	708,288,119	145.2%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	4,770	721	15.1%	16,676	2,522	15.1%		3.4962
Actual Sold	1996	34,263	2,273	6.6%	111,954	7,427	6.6%		3.2675
Mix of	1997	169,026	19,544	11.6%	516,163	59,683	11.6%		3.0537
Business	1998	3,212,116	472,262	14.7%	9,167,264	1,347,819	14.7%		2.8540
	1999	6,837,654	1,089,194	15.9%	18,237,777	2,905,161	15.9%		2.6673
	2000	10,787,973	1,814,060	16.8%	26,891,859	4,522,022	16.8%		2.4928
	2001	15,895,230	2,757,950	17.4%	37,030,880	6,425,156	17.4%		2.3297
	2002	19,347,083	3,613,229	18.7%	42,123,936	7,866,996	18.7%		2.1773
	2003	17,535,809	4,098,701	23.4%	35,682,516	8,340,189	23.4%		2.0348
	2004	15,930,708	4,644,648	29.2%	30,295,698	8,832,806	29.2%		1.9017
	2005	14,660,040	5,261,941	35.9%	26,055,372	9,352,077	35.9%		1.7773
	2006	13,525,633	5,961,131	44.1%	22,466,526	9,901,637	44.1%		1.6610
	2007	12,469,712	6,744,089	54.1%	19,357,577	10,469,305	54.1%		1.5524
	2008	11,469,691	7,561,806	65.9%	16,640,352	10,970,750	65.9%		1.4508
	2009	10,521,428	8,333,518	79.2%	14,265,983	11,299,400	79.2%		1.3559
	2010	9,624,613	9,029,008	93.8%	12,196,255	11,441,508	93.8%		1.2672
	2011	8,778,380	9,606,443	109.4%	10,396,181	11,376,851	109.4%		1.1843
	2012	7,979,271	10,026,360	125.7%	8,831,589	11,097,341	125.7%		1.1068
	2013	7,226,169	10,319,751	142.8%	7,474,807	10,674,833	142.8%		1.0344
	2014	6,512,205	10,455,512	160.6%	6,295,586	10,107,725	160.6%	1.00	0.9667
	2015	5,834,920	10,435,331	178.8%	5,271,803	9,428,239	178.8%	1.00	0.9035
	2016	5,192,957	10,278,085	197.9%	4,384,855	8,678,662	197.9%	1.00	0.8444
	2017	4,583,924	9,947,436	217.0%	3,617,381	7,849,969	217.0%	1.00	0.7891
	2018	4,012,780	9,494,614	236.6%	2,959,500	7,002,455	236.6%	1.00	0.7375
	2019	3,491,466	9,068,534	259.7%	2,406,562	6,250,666	259.7%	1.00	0.6893
	2020	3,019,444	8,671,651	287.2%	1,945,058	5,586,081	287.2%	1.00	0.6442
	2021	2,594,758	8,292,219	319.6%	1,562,135	4,992,205	319.6%	1.00	0.6020
	2022	2,215,146	7,871,336	355.3%	1,246,351	4,428,803	355.3%	1.00	0.5626
	2023	1,875,572	7,357,990	392.3%	986,252	3,869,130	392.3%	1.00	0.5258
	2024	1,576,698	6,817,733	432.4%	774,852	3,350,505	432.4%	1.00	0.4914
	2025	1,316,193	6,301,281	478.8%	604,513	2,894,113	478.8%	1.00	0.4593
	2026	1,090,376	5,882,644	539.5%	468,036	2,525,081	539.5%	1.00	0.4292
	2027	897,417	5,501,256	613.0%	360,009	2,206,891	613.0%	1.00	0.4012
	2028	732,645	4,990,962	681.2%	274,681	1,871,197	681.2%	1.00	0.3749
	2029	592,900	4,444,607	749.6%	207,746	1,557,345	749.6%	1.00	0.3504
	2030	475,649	3,922,425	824.6%	155,759	1,284,465	824.6%	1.00	0.3275
	2031	377,696	3,520,103	932.0%	115,592	1,077,306	932.0%	1.00	0.3060
	2032	297,783	3,231,630	1085.2%	85,173	924,319	1085.2%	1.00	0.2860
	2033	232,804	2,872,705	1234.0%	62,231	767,905	1234.0%	1.00	0.2673
	2034	179,669	2,467,578	1373.4%	44,885	616,458	1373.4%	1.00	0.2498
	2035	136,585	2,044,347	1496.8%	31,890	477,313	1496.8%	1.00	0.2335
	2036	101,917	1,721,049	1688.7%	22,239	375,542	1688.7%	1.00	0.2182
	2037	75,777	1,570,605	2072.7%	15,453	320,293	2072.7%	1.00	0.2039
	2038	57,187	1,478,901	2586.1%	10,899	281,862	2586.1%	1.00	0.1906
	2039	42,537	1,376,796	3236.7%	7,577	245,235	3236.7%	1.00	0.1781
	2040	30,954	1,244,039	4019.0%	5,153	207,092	4019.0%	1.00	0.1665
	2041	21,654	1,074,086	4960.3%	3,369	167,103	4960.3%	1.00	0.1556
	2042	14,895	916,252	6151.5%	2,166	133,222	6151.5%	1.00	0.1454
	2043	10,821	844,766	7806.7%	1,470	114,793	7806.7%	1.00	0.1359
	2044	7,745	765,139	9878.8%	984	97,171	9878.8%	1.00	0.1270
	2045	5,375	667,871	12426.2%	638	79,269	12426.2%	1.00	0.1187
	2046	3,499	534,572	15278.0%	388	59,297	15278.0%	1.00	0.1109
	2047	2,112	391,013	18512.3%	219	40,535	18512.3%	1.00	0.1037
	2048	1,411	332,469	23562.1%	137	32,211	23562.1%	1.00	0.0969
	2049	921	274,325	29795.5%	83	24,839	29795.5%	1.00	0.0905
	2050	548	204,152	37269.1%	46	17,276	37269.1%	1.00	0.0846
	2051	252	117,990	46811.0%	20	9,332	46811.0%	1.00	0.0791
	2052	30	16,689	54738.3%	2	1,234	54738.3%	1.00	0.0739
	2053	0	0	N/A	0	0	N/A	1.00	0.0691
	2054	0	0	N/A	0	0	N/A	1.00	0.0646
	2055	0	0	N/A	0	0	N/A	1.00	0.0603
	2056	0	0	N/A	0	0	N/A	1.00	0.0564
	2057	0	0	N/A	0	0	N/A	1.00	0.0527
	2058	0	0	N/A	0	0	N/A	1.00	0.0493
	2059	0	0	N/A	0	0	N/A	1.00	0.0460
	2060	0	0	N/A	0	0	N/A	1.00	0.0430
	2061	0	0	N/A	0	0	N/A	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	186,009,569	91,356,630	49.1%	337,759,364	136,893,483	40.5%		
	Future	47,617,219	157,400,694	330.6%	33,931,692	89,953,141	265.1%		
	Lifetime	233,626,788	248,757,324	106.5%	371,691,057	226,846,624	61.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	4,770	721	15.1%	16,676	2,522	15.1%		3.4962
Actual Sold	1996	24,723	1,969	8.0%	80,782	6,435	8.0%		3.2675
Mix of	1997	119,520	14,732	12.3%	364,982	44,986	12.3%		3.0537
Business	1998	2,273,438	400,128	17.6%	6,488,310	1,141,950	17.6%		2.8540
	1999	4,856,303	918,844	18.9%	12,953,004	2,450,792	18.9%		2.6673
	2000	7,166,658	1,479,859	20.6%	17,864,779	3,688,939	20.6%		2.4928
	2001	9,758,534	2,180,824	22.3%	22,734,310	5,080,633	22.3%		2.3297
	2002	10,936,099	2,765,725	25.3%	23,810,904	6,021,745	25.3%		2.1773
	2003	9,906,433	3,111,502	31.4%	20,157,978	6,331,401	31.4%		2.0348
	2004	9,086,550	3,496,672	38.5%	17,280,047	6,649,681	38.5%		1.9017
	2005	8,373,549	3,908,696	46.7%	14,882,355	6,946,947	46.7%		1.7773
	2006	7,708,262	4,346,775	56.4%	12,803,680	7,220,138	56.4%		1.6610
	2007	7,077,214	4,796,892	67.8%	10,986,438	7,446,539	67.8%		1.5524
	2008	6,477,325	5,219,880	80.6%	9,397,373	7,573,058	80.6%		1.4508
	2009	5,907,981	5,582,059	94.5%	8,010,619	7,568,702	94.5%		1.3559
	2010	5,369,213	5,855,960	109.1%	6,803,836	7,420,639	109.1%		1.2672
	2011	4,860,871	6,010,570	123.7%	5,756,699	7,118,281	123.7%		1.1843
	2012	4,382,264	6,034,033	137.7%	4,850,362	6,678,568	137.7%		1.1068
	2013	3,933,098	5,944,958	151.2%	4,068,428	6,149,512	151.2%		1.0344
	2014	3,509,074	5,756,766	164.1%	3,392,350	5,565,276	164.1%	1.00	0.9667
	2015	3,108,337	5,473,093	176.1%	2,808,358	4,944,896	176.1%	1.00	0.9035
	2016	2,731,121	5,123,279	187.6%	2,306,117	4,326,021	187.6%	1.00	0.8444
	2017	2,377,953	4,714,499	198.3%	1,876,549	3,720,423	198.3%	1.00	0.7891
	2018	2,051,915	4,284,030	208.8%	1,513,326	3,159,552	208.8%	1.00	0.7375
	2019	1,758,123	3,887,562	221.1%	1,211,821	2,679,579	221.1%	1.00	0.6893
	2020	1,495,483	3,521,619	235.5%	963,356	2,268,547	235.5%	1.00	0.6442
	2021	1,262,506	3,179,738	251.9%	760,073	1,914,313	251.9%	1.00	0.6020
	2022	1,057,485	2,838,651	268.4%	594,994	1,597,165	268.4%	1.00	0.5626
	2023	876,036	2,495,852	284.9%	460,655	1,312,420	284.9%	1.00	0.5258
	2024	719,466	2,176,448	302.5%	353,574	1,069,593	302.5%	1.00	0.4914
	2025	586,103	1,891,868	322.8%	269,191	868,915	322.8%	1.00	0.4593
	2026	472,836	1,645,745	348.1%	202,961	706,424	348.1%	1.00	0.4292
	2027	378,894	1,421,940	375.3%	151,997	570,427	375.3%	1.00	0.4012
	2028	300,602	1,199,892	399.2%	112,701	449,860	399.2%	1.00	0.3749
	2029	235,672	997,544	423.3%	82,577	349,529	423.3%	1.00	0.3504
	2030	182,885	826,769	452.1%	59,889	270,740	452.1%	1.00	0.3275
	2031	139,809	689,272	493.0%	42,788	210,948	493.0%	1.00	0.3060
	2032	106,065	575,377	542.5%	30,337	164,571	542.5%	1.00	0.2860
	2033	79,796	463,405	580.7%	21,330	123,873	580.7%	1.00	0.2673
	2034	58,651	354,293	604.1%	14,652	88,511	604.1%	1.00	0.2498
	2035	42,155	260,018	616.8%	9,842	60,709	616.8%	1.00	0.2335
	2036	29,648	193,206	651.7%	6,469	42,159	651.7%	1.00	0.2182
	2037	20,802	151,488	728.2%	4,242	30,893	728.2%	1.00	0.2039
	2038	15,145	124,030	819.0%	2,886	23,639	819.0%	1.00	0.1906
	2039	10,727	97,274	906.8%	1,911	17,326	906.8%	1.00	0.1781
	2040	7,413	74,077	999.2%	1,234	12,331	999.2%	1.00	0.1665
	2041	4,802	51,348	1069.3%	747	7,989	1069.3%	1.00	0.1556
	2042	3,128	36,564	1168.9%	455	5,316	1168.9%	1.00	0.1454
	2043	2,242	30,081	1341.5%	305	4,088	1341.5%	1.00	0.1359
	2044	1,563	23,806	1523.2%	198	3,023	1523.2%	1.00	0.1270
	2045	1,047	17,937	1713.0%	124	2,129	1713.0%	1.00	0.1187
	2046	655	12,350	1885.9%	73	1,370	1885.9%	1.00	0.1109
	2047	401	8,489	2117.8%	42	880	2117.8%	1.00	0.1037
	2048	266	6,515	2450.1%	26	631	2450.1%	1.00	0.0969
	2049	166	4,665	2807.2%	15	422	2807.2%	1.00	0.0905
	2050	90	2,837	3160.7%	8	240	3160.7%	1.00	0.0846
	2051	29	975	3419.1%	2	77	3419.1%	1.00	0.0791
	2052	0	6	3424.0%	0	0	3424.0%	1.00	0.0739
	2053	0	0	N/A	0	0	N/A	1.00	0.0691
	2054	0	0	N/A	0	0	N/A	1.00	0.0646
	2055	0	0	N/A	0	0	N/A	1.00	0.0603
	2056	0	0	N/A	0	0	N/A	1.00	0.0564
	2057	0	0	N/A	0	0	N/A	1.00	0.0527
	2058	0	0	N/A	0	0	N/A	1.00	0.0493
	2059	0	0	N/A	0	0	N/A	1.00	0.0460
	2060	0	0	N/A	0	0	N/A	1.00	0.0430
	2061	0	0	N/A	0	0	N/A	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	108,222,803	62,070,799	57.4%	199,311,565	95,541,469	47.9%		
	Future	23,629,091	54,613,306	231.1%	17,258,177	36,574,805	211.9%		
	Lifetime	131,851,894	116,684,105	88.5%	216,569,741	132,116,273	61.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0	0	N/A	0	0	N/A		3.4962
Actual Sold	1996	9,540	304	3.2%	31,172	992	3.2%		3.2675
Mix of	1997	49,507	4,813	9.7%	151,181	14,696	9.7%		3.0537
Business	1998	938,678	72,134	7.7%	2,678,953	205,869	7.7%		2.8540
	1999	1,981,351	170,351	8.6%	5,284,772	454,369	8.6%		2.6673
	2000	3,621,315	334,201	9.2%	9,027,080	833,083	9.2%		2.4928
	2001	6,136,696	577,126	9.4%	14,296,570	1,344,523	9.4%		2.3297
	2002	8,410,984	847,504	10.1%	18,313,032	1,845,251	10.1%		2.1773
	2003	7,629,376	987,198	12.9%	15,524,538	2,008,788	12.9%		2.0348
	2004	6,844,158	1,147,976	16.8%	13,015,651	2,183,125	16.8%		1.9017
	2005	6,286,492	1,353,245	21.5%	11,173,017	2,405,130	21.5%		1.7773
	2006	5,817,370	1,614,356	27.8%	9,662,846	2,681,499	27.8%		1.6610
	2007	5,392,498	1,947,197	36.1%	8,371,139	3,022,765	36.1%		1.5524
	2008	4,992,366	2,341,927	46.9%	7,242,979	3,397,693	46.9%		1.4508
	2009	4,613,448	2,751,459	59.6%	6,255,364	3,730,698	59.6%		1.3559
	2010	4,255,400	3,173,048	74.6%	5,392,419	4,020,869	74.6%		1.2672
	2011	3,917,509	3,595,873	91.8%	4,639,482	4,258,570	91.8%		1.1843
	2012	3,597,007	3,992,327	111.0%	3,981,227	4,418,774	111.0%		1.1068
	2013	3,293,071	4,374,793	132.8%	3,406,379	4,525,321	132.8%		1.0344
	2014	3,003,130	4,698,746	156.5%	2,903,236	4,542,449	156.5%	1.00	0.9667
	2015	2,726,583	4,962,239	182.0%	2,463,446	4,483,343	182.0%	1.00	0.9035
	2016	2,461,837	5,154,806	209.4%	2,078,738	4,352,641	209.4%	1.00	0.8444
	2017	2,205,972	5,232,938	237.2%	1,740,831	4,129,546	237.2%	1.00	0.7891
	2018	1,960,865	5,210,585	265.7%	1,446,174	3,842,903	265.7%	1.00	0.7375
	2019	1,733,344	5,180,972	298.9%	1,194,741	3,571,087	298.9%	1.00	0.6893
	2020	1,523,962	5,150,033	337.9%	981,702	3,317,534	337.9%	1.00	0.6442
	2021	1,332,252	5,112,481	383.7%	802,062	3,077,892	383.7%	1.00	0.6020
	2022	1,157,660	5,032,685	434.7%	651,357	2,831,638	434.7%	1.00	0.5626
	2023	999,536	4,862,138	486.4%	525,597	2,556,710	486.4%	1.00	0.5258
	2024	857,232	4,641,285	541.4%	421,278	2,280,912	541.4%	1.00	0.4914
	2025	730,089	4,409,413	604.0%	335,322	2,025,197	604.0%	1.00	0.4593
	2026	617,540	4,236,899	686.1%	265,074	1,818,657	686.1%	1.00	0.4292
	2027	518,523	4,079,317	786.7%	208,011	1,636,464	786.7%	1.00	0.4012
	2028	432,043	3,791,069	877.5%	161,980	1,421,337	877.5%	1.00	0.3749
	2029	357,228	3,447,063	964.9%	125,169	1,207,816	964.9%	1.00	0.3504
	2030	292,764	3,095,656	1057.4%	95,871	1,013,725	1057.4%	1.00	0.3275
	2031	237,887	2,830,831	1190.0%	72,804	866,359	1190.0%	1.00	0.3060
	2032	191,718	2,656,253	1385.5%	54,836	759,748	1385.5%	1.00	0.2860
	2033	153,008	2,409,301	1574.6%	40,901	644,032	1574.6%	1.00	0.2673
	2034	121,018	2,113,285	1746.3%	30,233	527,947	1746.3%	1.00	0.2498
	2035	94,429	1,784,329	1889.6%	22,047	416,604	1889.6%	1.00	0.2335
	2036	72,269	1,527,843	2114.1%	15,769	333,383	2114.1%	1.00	0.2182
	2037	54,974	1,419,117	2581.4%	11,211	289,401	2581.4%	1.00	0.2039
	2038	42,042	1,354,871	3222.6%	8,013	258,223	3222.6%	1.00	0.1906
	2039	31,810	1,279,522	4022.3%	5,666	227,909	4022.3%	1.00	0.1781
	2040	23,541	1,169,962	4970.0%	3,919	194,761	4970.0%	1.00	0.1665
	2041	16,851	1,022,738	6069.1%	2,622	159,115	6069.1%	1.00	0.1556
	2042	11,767	879,688	7476.0%	1,711	127,906	7476.0%	1.00	0.1454
	2043	8,579	814,685	9496.6%	1,166	110,705	9496.6%	1.00	0.1359
	2044	6,182	741,333	11991.1%	785	94,147	11991.1%	1.00	0.1270
	2045	4,328	649,934	15018.4%	514	77,140	15018.4%	1.00	0.1187
	2046	2,844	522,222	18361.6%	315	57,927	18361.6%	1.00	0.1109
	2047	1,711	382,524	22352.0%	177	39,655	22352.0%	1.00	0.1037
	2048	1,145	325,954	28464.5%	111	31,580	28464.5%	1.00	0.0969
	2049	755	269,661	35738.9%	68	24,417	35738.9%	1.00	0.0905
	2050	458	201,314	43954.1%	39	17,036	43954.1%	1.00	0.0846
	2051	224	117,016	52344.3%	18	9,254	52344.3%	1.00	0.0791
	2052	30	16,683	55022.4%	2	1,233	55022.4%	1.00	0.0739
	2053	0	0	N/A	0	0	N/A	1.00	0.0691
	2054	0	0	N/A	0	0	N/A	1.00	0.0646
	2055	0	0	N/A	0	0	N/A	1.00	0.0603
	2056	0	0	N/A	0	0	N/A	1.00	0.0564
	2057	0	0	N/A	0	0	N/A	1.00	0.0527
	2058	0	0	N/A	0	0	N/A	1.00	0.0493
	2059	0	0	N/A	0	0	N/A	1.00	0.0460
	2060	0	0	N/A	0	0	N/A	1.00	0.0430
	2061	0	0	N/A	0	0	N/A	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	77,786,765	29,285,831	37.6%	138,447,800	41,352,014	29.9%		
	Future	23,988,128	102,787,388	428.5%	16,673,516	53,378,337	320.1%		
	Lifetime	101,774,894	132,073,219	129.8%	155,121,316	94,730,350	61.1%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	9,539	0	0.0%	33,351	0	0.0%	2.00	3.4962
Historical	1996	8.2	70,097	0	0.0%	229,042	0	0.0%	2.33	3.2675
Experience	1997	280.1	329,354	1,381	0.4%	1,005,761	4,218	0.4%	2.31	3.0537
	1998	2,057.8	9,148,830	188,075	2.1%	26,110,434	536,759	2.1%	2.30	2.8540
	1999	5,303.1	20,414,761	1,622,402	7.9%	54,451,402	4,327,363	7.9%	2.32	2.6673
	2000	9,269.1	34,288,485	5,117,969	14.9%	85,473,068	12,757,885	14.9%	2.36	2.4928
	2001	14,502.9	54,129,090	7,083,339	13.1%	126,103,733	16,501,950	13.1%	2.41	2.3297
	2002	19,564.9	72,647,762	10,247,195	14.1%	158,174,214	22,310,970	14.1%	2.46	2.1773
	2003	20,646.8	74,064,967	15,845,696	21.4%	150,710,149	32,243,411	21.4%	2.48	2.0348
	2004	19,968.7	71,262,329	10,481,964	14.7%	135,520,783	19,933,729	14.7%	2.49	1.9017
	2005	19,396.3	69,387,587	21,273,851	30.7%	123,322,947	37,810,135	30.7%	2.49	1.7773
	2006	18,893.3	67,188,256	16,362,210	24.4%	111,601,930	27,178,175	24.4%	2.50	1.6610
	2007	18,380.0	65,704,754	18,547,444	28.2%	101,997,927	28,792,449	28.2%	2.50	1.5524
	2008	17,908.5	64,432,877	25,541,555	39.6%	93,479,913	37,055,963	39.6%	2.51	1.4508
	2009	17,444.5	62,175,103	27,843,834	44.8%	84,303,094	37,753,397	44.8%	2.51	1.3559
	2010	16,968.5	57,822,815	28,056,318	48.5%	73,272,744	35,552,808	48.5%	2.52	1.2672
	2011	16,513.3	53,946,613	30,666,849	56.8%	63,888,638	36,318,558	56.8%	2.53	1.1843
	2012	16,101.3	51,005,070	36,911,898	72.4%	56,453,258	40,854,701	72.4%	2.55	1.1068
	2013	15,651.9	50,616,282	37,151,020	73.4%	52,357,889	38,429,314	73.4%	2.54	1.0344
	2014	15,057.8	68,117,855	42,211,533	62.0%	65,852,016	40,807,429	62.0%	2.57	0.9667
Projected	2015	14,429.3	64,392,308	44,943,873	69.8%	58,177,938	40,606,431	69.8%	2.58	0.9035
Future	2016	13,692.4	60,485,026	47,314,639	78.2%	51,072,654	39,951,775	78.2%	2.59	0.8444
Experience	2017	12,946.9	56,387,443	50,278,130	89.2%	44,497,865	39,676,732	89.2%	2.60	0.7891
(50 years)	2018	12,193.5	52,322,617	53,639,597	102.5%	38,588,905	39,560,202	102.5%	2.61	0.7375
	2019	11,438.6	48,299,871	57,091,112	118.2%	33,291,640	39,351,177	118.2%	2.63	0.6893
	2020	10,686.4	44,350,893	60,716,202	136.9%	28,569,840	39,112,002	136.9%	2.64	0.6442
	2021	9,937.9	40,497,745	64,082,162	158.2%	24,381,056	38,579,698	158.2%	2.65	0.6020
	2022	9,198.5	36,776,575	67,051,241	182.3%	20,692,319	37,726,343	182.3%	2.67	0.5626
	2023	8,472.6	33,206,683	69,659,358	209.8%	17,461,422	36,629,719	209.8%	2.68	0.5258
	2024	7,764.1	29,802,371	71,888,112	241.2%	14,646,072	35,328,680	241.2%	2.70	0.4914
	2025	7,075.1	26,579,299	73,934,154	278.2%	12,207,594	33,957,184	278.2%	2.71	0.4593
	2026	6,410.8	23,544,906	75,718,775	321.6%	10,106,476	32,501,721	321.6%	2.73	0.4292
	2027	5,775.0	20,716,123	76,730,951	370.4%	8,310,506	30,781,486	370.4%	2.74	0.4012
	2028	5,171.0	18,105,852	76,722,593	423.7%	6,788,193	28,764,610	423.7%	2.76	0.3749
	2029	4,601.6	15,719,300	75,726,791	481.7%	5,507,882	26,533,894	481.7%	2.77	0.3504
	2030	4,067.9	13,549,729	74,113,384	547.0%	4,437,090	24,269,695	547.0%	2.78	0.3275
	2031	3,571.3	11,589,699	72,689,252	627.2%	3,546,958	22,246,110	627.2%	2.80	0.3060
	2032	3,113.4	9,836,582	70,819,555	720.0%	2,813,483	20,255,982	720.0%	2.81	0.2860
	2033	2,695.6	8,284,645	67,728,962	817.5%	2,214,574	18,104,676	817.5%	2.82	0.2673
	2034	2,317.5	6,927,041	63,530,858	917.1%	1,730,535	15,871,474	917.1%	2.83	0.2498
	2035	1,977.3	5,747,561	58,471,204	1017.3%	1,341,938	13,651,828	1017.3%	2.84	0.2335
	2036	1,673.4	4,729,893	54,176,724	1145.4%	1,032,087	11,821,640	1145.4%	2.85	0.2182
	2037	1,405.3	3,859,506	50,143,628	1299.2%	787,069	10,225,793	1299.2%	2.86	0.2039
	2038	1,171.5	3,124,973	45,286,082	1449.2%	595,585	8,631,021	1449.2%	2.87	0.1906
	2039	969.8	2,513,497	39,916,153	1588.1%	447,705	7,109,881	1588.1%	2.87	0.1781
	2040	796.8	2,008,461	34,307,657	1708.2%	334,344	5,711,116	1708.2%	2.88	0.1665
	2041	649.5	1,593,903	29,720,681	1864.6%	247,975	4,623,862	1864.6%	2.89	0.1556
	2042	525.7	1,255,999	26,072,487	2075.8%	182,621	3,790,921	2075.8%	2.89	0.1454
	2043	423.0	983,866	22,409,727	2277.7%	133,695	3,045,195	2277.7%	2.90	0.1359
	2044	338.8	767,387	18,808,641	2451.0%	97,456	2,388,648	2451.0%	2.90	0.1270
	2045	270.0	596,196	15,498,011	2599.5%	70,762	1,839,446	2599.5%	2.90	0.1187
	2046	214.0	461,183	12,875,628	2791.9%	51,156	1,428,222	2791.9%	2.91	0.1109
	2047	168.8	354,975	10,996,412	3097.8%	36,799	1,139,973	3097.8%	2.91	0.1037
	2048	132.8	272,029	9,329,674	3429.7%	26,356	903,912	3429.7%	2.92	0.0969
	2049	104.2	207,736	7,742,852	3727.2%	18,810	701,095	3727.2%	2.92	0.0905
	2050	81.5	157,969	6,375,826	4036.1%	13,368	539,546	4036.1%	2.93	0.0846
	2051	63.4	119,410	5,308,139	4445.3%	9,444	419,808	4445.3%	2.93	0.0791
	2052	49.0	89,556	4,519,047	5046.1%	6,619	334,019	5046.1%	2.94	0.0739
	2053	37.6	66,600	3,800,154	5705.9%	4,601	262,508	5705.9%	2.94	0.0691
	2054	28.7	49,109	3,051,256	6213.3%	3,170	196,986	6213.3%	2.95	0.0646
	2055	21.7	35,849	2,396,417	6684.7%	2,163	144,589	6684.7%	2.95	0.0603
	2056	16.2	25,842	1,889,066	7310.1%	1,457	106,521	7310.1%	2.96	0.0564
	2057	11.9	18,344	1,505,333	8206.2%	967	79,330	8206.2%	2.97	0.0527
	2058	8.6	12,818	1,162,411	9068.2%	631	57,251	9068.2%	2.97	0.0493
	2059	6.1	8,829	843,054	9549.1%	406	38,806	9549.1%	2.98	0.0460
	2060	4.3	5,985	590,680	9868.8%	257	25,410	9868.8%	2.98	0.0430
	2061	2.9	3,991	412,007	10323.7%	160	16,564	10323.7%	2.98	0.0402
	2062	2.0	2,615	288,598	11036.8%	98	10,844	11036.8%	2.99	0.0376
	2063	1.3	1,684	197,986	11756.6%	59	6,952	11756.6%	2.99	0.0351
	Past		878,644,570	292,943,001	33.3%	1,498,490,278	428,361,787	28.6%		
	Future		718,568,329	1,824,686,769	253.9%	460,342,780	759,868,710	165.1%		
	Lifetime		1,597,212,899	2,117,629,770	132.6%	1,958,833,058	1,188,230,497	60.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	9,539	0	0.0%	33,351	0	0.0%	2.00	3.4962
Historical	1996	5.6	41,095	0	0.0%	134,279	0	0.0%	2.00	3.2675
Experience	1997	215.5	200,566	1,381	0.7%	612,477	4,218	0.7%	2.00	3.0537
	1998	1,426.1	5,686,020	188,075	3.3%	16,227,698	536,759	3.3%	2.00	2.8540
	1999	3,569.8	12,288,405	1,607,522	13.1%	32,776,328	4,287,674	13.1%	2.00	2.6673
	2000	5,933.9	19,062,309	4,631,283	24.3%	47,517,821	11,544,692	24.3%	2.00	2.4928
	2001	8,672.5	27,439,371	5,571,803	20.3%	63,925,094	12,980,546	20.3%	2.00	2.3297
	2002	10,745.6	33,047,358	9,123,503	27.6%	71,953,212	19,864,383	27.6%	2.00	2.1773
	2003	10,822.9	31,965,006	11,937,371	37.3%	65,043,583	24,290,607	37.3%	2.00	2.0348
	2004	10,392.3	30,447,922	7,332,428	24.1%	57,903,332	13,944,203	24.1%	2.00	1.9017
	2005	10,025.6	29,504,733	14,661,024	49.7%	52,438,927	26,057,119	49.7%	2.00	1.7773
	2006	9,700.0	28,181,012	12,051,883	42.8%	46,809,598	20,018,579	42.8%	2.00	1.6610
	2007	9,381.8	27,220,344	14,456,805	53.1%	42,255,978	22,442,275	53.1%	2.00	1.5524
	2008	9,075.9	26,293,798	17,895,424	68.1%	38,147,326	25,962,874	68.1%	2.00	1.4508
	2009	8,789.0	25,259,999	18,046,206	71.4%	34,249,980	24,468,813	71.4%	2.00	1.3559
	2010	8,490.8	23,109,601	18,347,899	79.4%	29,284,355	23,250,353	79.4%	2.00	1.2672
	2011	8,200.4	20,886,057	14,758,675	70.7%	24,735,228	17,478,607	70.7%	2.00	1.1843
	2012	7,931.3	19,007,472	21,208,293	111.6%	21,037,785	23,473,691	111.6%	2.00	1.1068
	2013	7,636.1	19,037,505	21,463,183	112.7%	19,692,549	22,201,689	112.7%	2.00	1.0344
	2014	7,249.3	24,240,014	20,185,299	83.3%	23,433,706	19,513,866	83.3%	2.00	0.9667
Projected	2015	6,845.2	22,334,481	20,299,104	90.9%	20,179,026	18,340,079	90.9%	2.00	0.9035
Future	2016	6,374.5	20,373,208	20,047,935	98.4%	17,202,833	16,928,177	98.4%	2.00	0.8444
Experience	2017	5,910.1	18,377,785	19,914,245	108.4%	14,502,736	15,715,226	108.4%	2.00	0.7891
(50 years)	2018	5,450.5	16,461,237	19,775,513	120.1%	12,140,469	14,584,809	120.1%	2.00	0.7375
	2019	5,000.0	14,630,860	19,519,339	133.4%	10,084,609	13,454,090	133.4%	2.00	0.6893
	2020	4,562.5	12,905,632	19,147,916	148.4%	8,313,516	12,334,654	148.4%	2.00	0.6442
	2021	4,137.3	11,294,752	18,553,358	164.3%	6,799,835	11,169,769	164.3%	2.00	0.6020
	2022	3,729.2	9,810,961	17,748,890	180.9%	5,520,132	9,986,403	180.9%	2.00	0.5626
	2023	3,340.2	8,455,995	16,775,594	198.4%	4,446,505	8,821,288	198.4%	2.00	0.5258
	2024	2,972.3	7,230,950	15,731,911	217.6%	3,553,576	7,731,287	217.6%	2.00	0.4914
	2025	2,626.2	6,133,851	14,660,901	239.0%	2,817,214	6,733,599	239.0%	2.00	0.4593
	2026	2,304.5	5,159,628	13,558,284	262.8%	2,214,732	5,819,793	262.8%	2.00	0.4292
	2027	2,008.3	4,306,038	12,333,380	286.4%	1,727,416	4,947,674	286.4%	2.00	0.4012
	2028	1,737.7	3,565,986	11,040,540	309.6%	1,336,949	4,139,287	309.6%	2.00	0.3749
	2029	1,492.9	2,931,708	9,755,142	332.7%	1,027,241	3,418,102	332.7%	2.00	0.3504
	2030	1,273.2	2,391,908	8,580,744	358.7%	783,271	2,809,911	358.7%	2.00	0.3275
	2031	1,077.9	1,936,322	7,543,879	389.6%	592,600	2,308,759	389.6%	2.00	0.3060
	2032	906.0	1,556,142	6,553,704	421.2%	445,091	1,874,506	421.2%	2.00	0.2860
	2033	756.3	1,242,268	5,590,589	450.0%	332,071	1,494,424	450.0%	2.00	0.2673
	2034	626.9	985,515	4,702,606	477.2%	246,204	1,174,819	477.2%	2.00	0.2498
	2035	515.8	776,660	3,924,073	505.2%	181,334	916,191	505.2%	2.00	0.2335
	2036	421.2	607,892	3,302,833	543.3%	132,645	720,695	543.3%	2.00	0.2182
	2037	341.6	472,738	2,748,958	581.5%	96,406	560,595	581.5%	2.00	0.2039
	2038	275.4	365,670	2,240,322	612.7%	69,693	426,980	612.7%	2.00	0.1906
	2039	220.6	281,546	1,792,502	636.7%	50,149	319,281	636.7%	2.00	0.1781
	2040	175.5	215,731	1,417,181	656.9%	35,912	235,915	656.9%	2.00	0.1665
	2041	138.7	164,451	1,140,812	693.7%	25,585	177,484	693.7%	2.00	0.1556
	2042	108.9	124,770	910,306	729.6%	18,142	132,358	729.6%	2.00	0.1454
	2043	85.2	94,352	713,107	755.8%	12,821	96,902	755.8%	2.00	0.1359
	2044	66.3	71,125	549,406	772.5%	9,033	69,773	772.5%	2.00	0.1270
	2045	51.2	53,395	421,891	790.1%	6,337	50,074	790.1%	2.00	0.1187
	2046	39.4	39,864	331,617	831.9%	4,422	36,784	831.9%	2.00	0.1109
	2047	30.2	29,579	260,705	881.4%	3,066	27,027	881.4%	2.00	0.1037
	2048	23.0	21,817	202,099	926.3%	2,114	19,581	926.3%	2.00	0.0969
	2049	17.4	15,985	152,397	953.4%	1,447	13,799	953.4%	2.00	0.0905
	2050	13.1	11,614	114,109	982.5%	983	9,656	982.5%	2.00	0.0846
	2051	9.8	8,351	87,952	1053.2%	660	6,956	1053.2%	2.00	0.0791
	2052	7.3	5,937	67,240	1132.6%	439	4,970	1132.6%	2.00	0.0739
	2053	5.3	4,172	50,130	1201.7%	288	3,463	1201.7%	2.00	0.0691
	2054	3.9	2,898	35,120	1212.0%	187	2,267	1212.0%	2.00	0.0646
	2055	2.8	1,986	24,275	1222.4%	120	1,465	1222.4%	2.00	0.0603
	2056	2.0	1,339	17,351	1295.8%	76	978	1295.8%	2.00	0.0564
	2057	1.4	887	12,128	1366.8%	47	639	1366.8%	2.00	0.0527
	2058	0.9	578	8,199	1417.5%	28	404	1417.5%	2.00	0.0493
	2059	0.6	370	5,182	1400.1%	17	239	1400.1%	2.00	0.0460
	2060	0.4	233	3,220	1382.5%	10	139	1382.5%	2.00	0.0430
	2061	0.3	144	2,025	1407.3%	6	81	1407.3%	2.00	0.0402
	2062	0.2	87	1,247	1426.8%	3	47	1426.8%	2.00	0.0376
	2063	0.1	52	750	1438.8%	2	26	1438.8%	2.00	0.0351
	Past		378,688,112	193,282,760	51.0%	664,778,900	292,807,085	44.0%		
	Future		199,699,465	322,556,010	161.5%	138,351,705	187,135,293	135.3%		
	Lifetime		578,387,577	515,838,770	89.2%	803,130,605	479,942,378	59.8%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	3.04	3.4962
Historical	1996	2.6	29,002	0	0.0%	94,763	0	0.0%	3.04	3.2675
Experience	1997	64.6	128,788	0	0.0%	393,285	0	0.0%	3.04	3.0537
	1998	631.7	3,462,810	0	0.0%	9,882,736	0	0.0%	3.04	2.8540
	1999	1,733.3	8,126,356	14,880	0.2%	21,675,075	39,689	0.2%	3.04	2.6673
	2000	3,335.2	15,226,175	486,686	3.2%	37,955,248	1,213,193	3.2%	3.04	2.4928
	2001	5,830.4	26,689,719	1,511,536	5.7%	62,178,640	3,521,404	5.7%	3.04	2.3297
	2002	8,819.3	39,600,405	1,123,692	2.8%	86,221,002	2,446,587	2.8%	3.04	2.1773
	2003	9,823.8	42,099,961	3,908,325	9.3%	85,666,566	7,952,804	9.3%	3.04	2.0348
	2004	9,576.3	40,814,407	3,149,536	7.7%	77,617,451	5,989,526	7.7%	3.04	1.9017
	2005	9,370.7	39,882,854	6,612,827	16.6%	70,884,020	11,753,015	16.6%	3.04	1.7773
	2006	9,193.3	39,007,245	4,310,327	11.1%	64,792,331	7,159,596	11.1%	3.04	1.6610
	2007	8,998.3	38,484,410	4,090,638	10.6%	59,741,949	6,350,174	10.6%	3.04	1.5524
	2008	8,832.6	38,139,078	7,646,131	20.0%	55,332,586	11,093,089	20.0%	3.04	1.4508
	2009	8,655.5	36,915,104	9,797,628	26.5%	50,053,114	13,284,584	26.5%	3.04	1.3559
	2010	8,477.8	34,713,214	9,708,420	28.0%	43,988,388	12,302,455	28.0%	3.04	1.2672
	2011	8,312.9	33,060,556	15,908,173	48.1%	39,153,411	18,839,951	48.1%	3.04	1.1843
	2012	8,169.9	31,997,598	15,703,604	49.1%	35,415,473	17,381,010	49.1%	3.04	1.1068
	2013	8,015.8	31,578,777	15,687,837	49.7%	32,665,341	16,227,625	49.7%	3.04	1.0344
	2014	7,808.4	43,877,840	22,026,233	50.2%	42,418,309	21,293,563	50.2%	3.04	0.9667
Projected	2015	7,584.1	42,057,827	24,644,768	58.6%	37,998,912	22,266,352	58.6%	3.04	0.9035
Future	2016	7,317.9	40,111,818	27,266,704	68.0%	33,869,821	23,023,598	68.0%	3.04	0.8444
Experience	2017	7,036.8	38,009,657	30,363,885	79.9%	29,995,129	23,961,506	79.9%	3.04	0.7891
(50 years)	2018	6,743.0	35,861,381	33,864,084	94.4%	26,448,437	24,975,393	94.4%	3.04	0.7375
	2019	6,438.6	33,669,011	37,571,773	111.6%	23,207,031	25,897,087	111.6%	3.04	0.6893
	2020	6,123.9	31,445,261	41,568,286	132.2%	20,256,325	26,777,348	132.2%	3.04	0.6442
	2021	5,800.5	29,202,992	45,528,804	155.9%	17,581,221	27,409,929	155.9%	3.04	0.6020
	2022	5,469.3	26,965,614	49,302,351	182.8%	15,172,187	27,739,940	182.8%	3.04	0.5626
	2023	5,132.4	24,750,689	52,883,765	213.7%	13,014,917	27,808,430	213.7%	3.04	0.5258
	2024	4,791.8	22,571,422	56,156,202	248.8%	11,092,495	27,597,393	248.8%	3.04	0.4914
	2025	4,448.9	20,445,448	59,273,253	289.9%	9,390,381	27,223,585	289.9%	3.04	0.4593
	2026	4,106.3	18,385,277	62,160,491	338.1%	7,891,744	26,681,928	338.1%	3.04	0.4292
	2027	3,766.7	16,410,085	64,397,572	392.4%	6,583,091	25,833,812	392.4%	3.04	0.4012
	2028	3,433.3	14,539,865	65,682,053	451.7%	5,451,244	24,625,323	451.7%	3.04	0.3749
	2029	3,108.7	12,787,592	65,971,649	515.9%	4,480,642	23,115,792	515.9%	3.04	0.3504
	2030	2,794.7	11,157,820	65,532,640	587.3%	3,653,819	21,459,783	587.3%	3.04	0.3275
	2031	2,493.5	9,653,376	65,145,373	674.8%	2,954,358	19,937,351	674.8%	3.04	0.3060
	2032	2,207.4	8,280,440	64,265,851	776.1%	2,368,392	18,381,476	776.1%	3.04	0.2860
	2033	1,939.3	7,042,377	62,138,373	882.3%	1,882,503	16,610,252	882.3%	3.04	0.2673
	2034	1,690.6	5,941,526	58,828,252	990.1%	1,484,330	14,696,655	990.1%	3.04	0.2498
	2035	1,461.5	4,970,901	54,547,131	1097.3%	1,160,604	12,735,638	1097.3%	3.04	0.2335
	2036	1,252.2	4,122,001	50,873,892	1234.2%	899,442	11,100,945	1234.2%	3.04	0.2182
	2037	1,063.6	3,386,768	47,394,670	1399.4%	690,664	9,665,197	1399.4%	3.04	0.2039
	2038	896.1	2,759,303	43,045,760	1560.0%	525,892	8,204,041	1560.0%	3.04	0.1906
	2039	749.2	2,231,951	38,123,651	1708.1%	397,556	6,790,600	1708.1%	3.04	0.1781
	2040	621.3	1,792,730	32,890,476	1834.7%	298,432	5,475,201	1834.7%	3.04	0.1665
	2041	510.8	1,429,453	28,579,869	1999.4%	222,390	4,446,378	1999.4%	3.04	0.1556
	2042	416.7	1,131,228	25,162,181	2224.3%	164,480	3,658,564	2224.3%	3.04	0.1454
	2043	337.8	889,514	21,696,620	2439.2%	120,874	2,948,293	2439.2%	3.04	0.1359
	2044	272.5	696,262	18,259,235	2622.5%	88,423	2,318,875	2622.5%	3.04	0.1270
	2045	218.8	542,802	15,076,121	2777.5%	64,425	1,789,372	2777.5%	3.04	0.1187
	2046	174.6	421,319	12,544,011	2977.3%	46,735	1,391,437	2977.3%	3.04	0.1109
	2047	138.7	325,396	10,735,708	3299.3%	33,733	1,112,946	3299.3%	3.04	0.1037
	2048	109.8	250,212	9,127,575	3647.9%	24,242	884,331	3647.9%	3.04	0.0969
	2049	86.8	191,752	7,590,455	3958.5%	17,363	687,296	3958.5%	3.04	0.0905
	2050	68.4	146,354	6,261,717	4278.5%	12,385	529,890	4278.5%	3.04	0.0846
	2051	53.6	111,060	5,220,187	4700.4%	8,783	412,852	4700.4%	3.04	0.0791
	2052	41.7	83,619	4,451,807	5323.9%	6,181	329,049	5323.9%	3.04	0.0739
	2053	32.3	62,428	3,750,024	6006.9%	4,312	259,045	6006.9%	3.04	0.0691
	2054	24.8	46,211	3,016,136	6526.9%	2,983	194,719	6526.9%	3.04	0.0646
	2055	18.9	33,863	2,372,142	7005.1%	2,043	143,124	7005.1%	3.04	0.0603
	2056	14.2	24,503	1,871,715	7638.8%	1,382	105,543	7638.8%	3.04	0.0564
	2057	10.5	17,456	1,493,205	8553.9%	920	78,691	8553.9%	3.04	0.0527
	2058	7.7	12,240	1,154,212	9429.8%	603	56,847	9429.8%	3.04	0.0493
	2059	5.5	8,459	837,873	9905.7%	389	38,567	9905.7%	3.04	0.0460
	2060	3.9	5,752	587,460	10212.4%	247	25,272	10212.4%	3.04	0.0430
	2061	2.7	3,847	409,981	10657.3%	155	16,483	10657.3%	3.04	0.0402
	2062	1.8	2,527	287,350	11369.2%	95	10,797	11369.2%	3.04	0.0376
	2063	1.2	1,632	197,236	12086.0%	57	6,926	12086.0%	3.04	0.0351
	Past		499,956,458	99,660,241	19.9%	833,711,378	135,554,702	16.3%		
	Future		518,868,864	1,502,130,758	289.5%	321,991,075	572,733,417	177.9%		
	Lifetime		1,018,825,322	1,601,790,999	157.2%	1,155,702,454	708,288,119	61.3%		

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

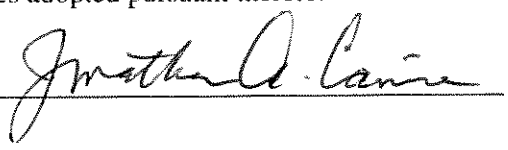
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter and Endorsement**
Policy Form Number: **17452N**

I hereby certify that the Flesch reading ease score of the above policy form is **40.0**. It contains **62** sentences and **1,398** words. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
September 3, 2015

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

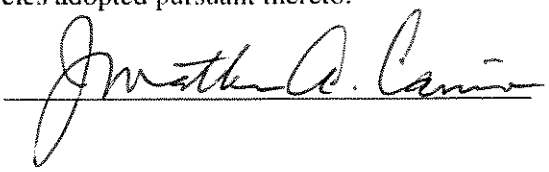
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter and Endorsement**
Policy Form Number: **17452C 1 yr**

I hereby certify that the Flesch reading ease score of the above policy form is **40.1**. It contains **66** sentences and **1,460** words. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

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Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

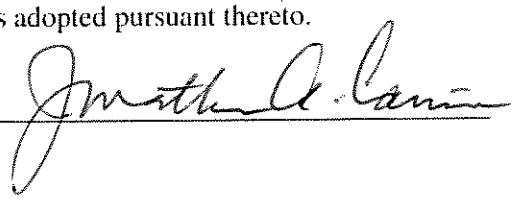
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter and Endorsement**
Policy Form Number: **17452C 3 yr**

I hereby certify that the Flesch reading ease score of the above policy form is **41.4**. It contains **70** sentences and **1,555** words. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

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September 3, 2015

LTC 2 05/28/2015 Questions from the state of VA: Please see our responses in blue.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

1. It does not appear that a complete set of demonstrations was provided for all scenarios as required. Please provide the following projections:
For all scenarios listed in the attached pdf file, please observe the following:
a. Projections should be provided on both Virginia-only and nationwide basis.
b. Projections should not include any paid-up policies.
c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

Response: Please see the following listings of nationwide and Virginia only exhibits included in the response to this question.

Nationwide Exhibits:

Number	Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate	Policy Reserves	Filename:
1	Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_7.0%
2	Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_7.0%
3	Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_7.0%
4	Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_7.0%
5	Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%
6	Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%
7	Pre-Stability	Lifetime	No inflation	Original	Original	7.0%	87,683,721	ExhibitI_LTC2_NW_OriginalPrem_7.0%
8	Pre-Stability	Lifetime	5% Compound	Original	Origianl	7.0%	242,845,076	ExhibitI_LTC2_NW_OriginalPrem_7.0%
9	Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate	87,683,721	ExhibitI_LTC2_NW
10	Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate	242,845,076	ExhibitI_LTC2_NW
11	Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate	87,683,721	ExhibitI_LTC2_NW
12	Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate	242,845,076	ExhibitI_LTC2_NW

Virginia Only Exhibits:

Number	Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate	Policy Reserves	Filename:
1	Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_7.0%
2	Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_7.0%
3	Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_7.0%
4	Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_7.0%
5	Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%
6	Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%
7	Pre-Stability	Lifetime	No inflation	Original	Original	7.0%	2,578,184	ExhibitI_LTC2_VA_OriginalPrem_7.0%
8	Pre-Stability	Lifetime	5% Compound	Original	Origianl	7.0%	13,783,349	ExhibitI_LTC2_VA_OriginalPrem_7.0%
9	Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate	2,578,184	ExhibitI_LTC2_VA
10	Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate	13,783,349	ExhibitI_LTC2_VA
11	Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate	2,578,184	ExhibitI_LTC2_VA
12	Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate	13,783,349	ExhibitI_LTC2_VA

2. For each projection above, please provide the policy reserve at the projection date applicable to that subset of policies.

Response: Please see the tables in response to question #1 for the policy reserve balances applicable to the subset of policies shown in each exhibit.

3. In the previous response, it was stated that the number of claims over the past five years was 2,485. Is the company only using the claims from the last five years to validate its morbidity assumptions? If not, please provide the total claim count for the data used to validate the morbidity.

Response: The original claim incidence study in 2013 included 4,860 claims from 1995-2012. During the 2013 review, it was decided to concentrate on the claim incidence experience from 2007-2011 (A/E ~ 100%). The recent experience was deemed more relevant in projecting future claims than the product's early years 1995-2006 (A/E ~ 168%). Years 2012 and 2013 also emerged with A/E's close to 100% which has helped to validate the assumptions chosen. We continue to monitor the morbidity assumptions against Milliman's LTC Guidelines to arrive at A/E adjustments appropriate to the Kanawha block. With additional claims experience added and reviewed, the total claims are close to 5,600 in the most recent study.

4. The Virginia State Corporation Commission recently adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commission's website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases. A summary of the new requirements are:

• The notice is required to be filed with the commission at the time the premium rate increase is filed;
• The insurer is required to provide the notice at least 75 days prior to the implementation of the premium rate schedule increase;
• The notice is required to include at least the following information:

1. All applicable information identified in 14VAC5-200-75 A;

Response: 14VAC5-200-75 A is attached below and is highlighted in light blue. We believe the policyholder letter and administrative processes comply.

2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:

a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;

Response: 14VAC5-200-183 is attached below this objection highlighted in light green. We believe the policyholder letter and administrative processes comply.

b. A disclosure stating that all options available to the policyholder may not be of equal value;

Response: Please see the bottom of page 2 of the letters.

c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections; and

Response: N/A – Kanawha does not have any partnership policies.

d. Contact information that will allow the policyholder to contact the insurer for additional options available;

Response: This is provided multiple times.

3. A clear identification of the driving factors of the premium rate increase; and

Response: We believe the policyholder letter and administrative processes comply. While every attempt was made to clearly explain the reasons for the rate increase, the intricate actuarial details could also cause more customer confusion and decrease the documents readability.

4. A statement substantially similar to the following:

The rate increase request was reviewed by the Virginia State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI.

Because this rate filing remains under review, it is questionable the proposed rate increase would be approved prior to the revised regulations taking effect on policies renewing on or after September 1, 2015. As a result, the company will need to submit for review policyholder notification letters in compliance with the requirements of 14VAC5-200-75, as revised. Because the letters must be "filed", please attach the amended letters to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance and a Readability Certification.

Please ensure the policyholder letters satisfies all the requirements as noted above. In addition, please expand the reason for the increase as explained in the second paragraph. Please be more specific as to what assumptions have proven to be different. The company may also want to explain what it meant by "class".

The company stated it is willing to not seek a rate increase for three years if the full increase is approved or may be willing the spread the increase over three years. In either case, the letter should clearly indicate the company's intention. Please amend the letters accordingly to reflect both variations for review.

Response: We believe that our revised Policyholder letter meets the requirements in question 4 above. While every attempt was made to clearly explain the reasons for the rate increase, the intricate actuarial details could also cause more customer confusion and decrease the documents readability.

We have included two versions of the policyholder letters for those policies with inflation riders - One version showing a single “one year” rate increase and one version showing a “three year” rate increase. Given the size of the increase requested, we have included only a “one year” sample letter for the policies without inflation riders.

5. Only those rates subject to approval should be included in the Rate Attachment on the Rate/Rule Schedule in SERFF. Please move the current rates to Supporting Documentation.

Response: We removed the current rates from the Rate/Rule schedule in SERFF.

6. Please amend the Rate/Rule Schedule to include the form numbers exactly as approved of all riders for which this rate increase will apply.

Response: We’ll add the list of riders along with the applicable base policies in the Rate/Rule Schedule.

7. The Bureau of Insurance has recently directed long term care policies must be updated via an endorsement for any changes the policyholder has requested. Because this would be a part of the entire contract, such a form would require review and approval; the company can no longer simply send a revised policy schedule page. If the company already has such forms previously approved, please attach a copy of the form and provide the SERFF tracking number and date of approval. If a new form is needed, please attach the form to this filing for review and approval. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional non-forfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

Response: Please find the Illustrative Policyholder Letters submitted in the Forms filing section of SERFF. Any changes in the rate approvals will create the need to update these to final versions once approved. Please also find certifications of compliance with 14VAC5-100-40 3 and 14VAC5-110-60 in the supporting document section of SERFF.

For clarification purposes, the company may include a revised Schedule of Benefits page in addition to the endorsement if the company so chooses.

Conclusion: We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Regards,

Drew Besendorf FSA, MAAA
Actuarial Director - Humana
500 West Main Street – 27th Floor
Louisville, KY 40202
T 502.580.2262
dbesendorf@humana.com

14VAC5-200-75. Required disclosure of rating practices to consumer.

A. Other than policies for which no applicable premium rate or rate schedule increases can be made, insurers shall provide all of the information listed in this subsection to the applicant at the time of application or enrollment, unless the method of application does not allow for delivery at that time. In such a case, an insurer shall provide all of the information listed in this section to the applicant no later than at the time of delivery of the policy or certificate.

1. A statement that the policy may be subject to rate increases in the future;
2. An explanation of potential future premium rate revisions, and the policyholder's or certificate holder's option in the event of a premium rate revision;
3. The premium rate or rate schedules applicable to the applicant that will be in effect until a request is made for an increase;
4. A general explanation for applying premium rate or rate schedule adjustments that shall include:

a. A description of when premium rate or rate schedule adjustments will be effective (e.g., next anniversary date, next billing date, etc.); and

b. The right to a revised premium rate or rate schedule as provided in subdivision 2 of this subsection if the premium rate or rate schedule is changed;

5. a. Information regarding each premium rate increase on this policy form or similar policy forms over the past 10 years for this Commonwealth or any other state that, at a minimum, identifies:

(1) The policy forms for which premium rates have been increased;
(2) The calendar years when the form was available for purchase; and
(3) The amount or percentage of each increase. The percentage may be expressed as a percentage of the premium rate prior to the increase, and may also be expressed as minimum and maximum percentages if the rate increase is variable by rating characteristics.

b. The insurer may, in a fair manner, provide additional explanatory information related to the rate increases.

c. An insurer shall have the right to exclude from the disclosure premium rate increases that only apply to blocks of business acquired from other nonaffiliated insurers or the long-term care policies acquired from other nonaffiliated insurers when those increases occurred prior to the acquisition.

d. If an acquiring insurer files for a rate increase on a long-term care policy form or a block of policy forms acquired from nonaffiliated insurers 24 months or more following the acquisition of the policy form or the block of policies, the acquiring insurer may exclude that rate increase from the disclosure. However, the nonaffiliated selling company shall include the disclosure of that rate increase in accordance with subdivision 5 a of this subsection.

e. If the acquiring insurer in subdivision 5 d of this subsection files for a subsequent rate increase, even within the 24-month period, on the same policy form acquired from nonaffiliated insurers or block of policy forms acquired from nonaffiliated insurers referenced in subdivision 5 d of this subsection, the acquiring insurer shall make all disclosures required by subdivision 5 of this subsection, including disclosure of the earlier rate increase referenced in subdivision 5 d of this subsection.

14VAC5-200-183. Right to reduce coverage and lower premiums.

A. 1. Every long-term care insurance policy and certificate shall include a provision that allows the policyholder or certificateholder to reduce coverage and lower the policy or certificate premium in *at least one* of the following ways:

a. Reducing the maximum benefit; or

b. Reducing the daily, weekly or monthly benefit amount.

2. The insurer *may* also offer other reduction options that are consistent with the policy or certificate design or the carrier's administrative processes.

B. The provision shall include a description of the ways in which coverage may be reduced and the process for requesting and implementing a reduction in coverage.

C. The age to determine the premium for the reduced coverage shall be based on the age used to determine the premiums for the coverage currently in force.

D. The insurer may limit any reduction in coverage to plans or options available for that policy form and to those for which benefits will be available after consideration of claims paid or payable.

E. If a policy or certificate is about to lapse, the insurer shall provide a written reminder to the policyholder or certificate holder of his right to reduce coverage and premiums in the notice required by 14VAC5-200-65 A 3.

F. This section does not apply to life insurance policies or riders containing accelerated long-term care benefits.

14VAC5-200-65. Unintentional lapse.

A. Each insurer offering long-term care insurance shall, as a protection against unintentional lapse, comply with the following:

1. Notice before lapse or termination. No individual long-term care policy or certificate shall be issued until the insurer has received from the applicant either a written designation of at least one person, in addition to the applicant, who is to receive notice of lapse or termination of the policy or certificate for nonpayment of premium, or a written waiver dated and signed by the applicant electing not to designate additional persons to receive notice. The applicant has the right to designate at least one person who is to receive the notice of termination, in addition to the insured. Designation shall not constitute acceptance of any liability on the third party for services provided to the insured. The form used for the written designation must provide space clearly designated for listing at least one person. The designation shall include each person's full name and home address. In the case of an applicant who elects not to designate an additional person, the waiver shall state: "Protection against unintended lapse. I understand that I have the right to designate at least one person other than myself to receive notice of lapse or termination of this long-term care insurance policy for nonpayment of premium. I understand that notice will not be given until 30 days after a premium is due and unpaid. I elect NOT to designate a person to receive this notice."

The insurer shall notify the insured in writing of the right to change this written designation, no less often than once every two years.

2. When the policyholder or certificate holder pays premium for a long-term care insurance policy or certificate through a payroll or pension deduction plan, the requirements contained in subdivision 1 of this subsection need not be met until 60 days after the policyholder or certificate holder is no longer on such a payment plan. The application or enrollment form for such policies or certificates shall clearly indicate the payment plan selected by the applicant.

3. Lapse or termination for nonpayment of premium. No individual long-term care policy or certificate shall lapse or be terminated for nonpayment of premium unless the insurer, at least 30 days before the effective date of the lapse or termination, has given notice to the insured and to those persons designated pursuant to subdivision 1 of this subsection, at the address provided by the insured for purposes of receiving notice of lapse or termination. No notice shall be effective unless it has been mailed in accordance with one of the following:

a. The notice is sent by certified mail, or the insurer obtains a certificate of mailing by the United States Postal Service;

b. The notice is sent by a commercial delivery service, and the insurer obtains at the time of mailing a written receipt from the service showing the date of mailing, the number of items mailed, and the name and address of the insured and those persons designated pursuant to subdivision 1 of this subsection to whom the notice was mailed; or

c. The notice is sent by first-class United States mail, and the insurer obtains at the time of mailing a written receipt from the United States Postal Service showing the date of mailing, the number of items mailed, and the name and address of the insured and those persons designated pursuant to subdivision 1 of this subsection to whom the notice was mailed.

Notification shall also be provided to the agent of record of the insured, if any, within 72 hours after the notice has been mailed to the insured and those persons designated pursuant to subdivision 1 of this subsection.

There is a presumption that notice is delivered five days after the date of mailing, as evidenced in the written receipt obtained by the insurer pursuant to subdivision 3 a, b, or c of this subsection. The insurer shall retain any and all evidence of mailing the notice, including the list of recipients, as applicable, and a copy of the notice, for at least three years following the date of notice. Notice may not be given until 30 days after a premium is due and unpaid.

B. Reinstatement. In addition to the requirement in subsection A of this section, a long-term care insurance policy or certificate shall include a provision that provides for reinstatement of coverage in the event of lapse if the insurer is provided proof that the policyholder or certificate holder was cognitively impaired or had a loss of functional capacity before the grace period contained in the policy expired. This option shall be available to the insured if requested within five months after termination and shall allow for the collection of past due premium, where appropriate. The standard of proof of cognitive impairment or loss of functional capacity shall not be more stringent than the benefit eligibility criteria on cognitive impairment or the loss of functional capacity contained in the policy and certificate.

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective [Date], your premium will increase by [Z1%] from [$X1] to [$X2]. We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options, discussed below, may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Premium rates for this policy may be increased in the future.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits	Future Inflation Protection Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged.	5% Annually
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.	0%
3	Reduce your Inflation Protection Benefit Rider annual rate to 0%.	$X1	Yes	All Daily Benefit Amounts would remain at your current level. To determine your current Daily Benefit Amount, please call Customer Service. The Daily Benefit Amounts will not increase for the remaining life of the policy.	0%
4	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.	5% Annually
5	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.	5% Annually

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

ENDORSEMENT

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is Z1%. While this premium increase is substantial, Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase Y1% from $X1 to $X2 which will be effective on MM/DD/YYYY. The second phase of the premium rate increase will be effective ONE year from MM/DD/YYYY. Your premium rate will increase an additional Y2%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from MM/DD/YYYY. Your premium rate will then increase an additional Y3%, which will be applied to the premium as of the date before the new premium effective date.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits	Future Inflation Protection Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged.	5% Annually
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.	0%
3	Reduce your Inflation Protection Benefit Rider annual rate to 0%.	$X1	Yes	All Daily Benefit Amounts would remain at your current level. To determine your current Daily Benefit Amount, please call Customer Service. The Daily Benefit Amounts will not increase for the remaining life of the policy.	0%
4	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.	5% Annually
5	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.	5% Annually

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

ENDORSEMENT

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

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Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective [Date], your premium will increase by [Z1%] from [$X1] to [$X2]. We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Premium rates for this policy may be increased in the future.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.
3	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.
4	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

ENDORSEMENT

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	7.7	16,183	0	0.0%	32,016	0	0.0%		1.9783
Experience	1999	24.3	36,056	0	0.0%	68,259	0	0.0%		1.8932
	2000	74.5	118,492	0	0.0%	214,664	0	0.0%		1.8116
	2001	337.3	560,574	575	0.1%	971,821	997	0.1%		1.7336
	2002	773.6	1,152,197	1,200	0.1%	1,911,455	1,991	0.1%		1.6590
	2003	947.4	1,311,292	302,199	23.0%	2,081,711	479,749	23.0%		1.5875
	2004	925.9	1,271,871	344,340	27.1%	1,932,180	523,109	27.1%		1.5192
	2005	901.6	1,241,664	257,328	20.7%	1,805,064	374,089	20.7%		1.4537
	2006	887.8	1,247,794	294,652	23.6%	1,735,861	409,903	23.6%		1.3911
	2007	876.9	1,224,603	120,750	9.9%	1,630,239	160,747	9.9%		1.3312
	2008	866.9	1,217,148	183,250	15.1%	1,550,540	233,444	15.1%		1.2739
	2009	854.8	1,077,392	421,309	39.1%	1,313,400	513,599	39.1%		1.2191
	2010	837.1	1,208,011	146,259	12.1%	1,409,217	170,620	12.1%		1.1666
	2011	808.6	1,400,148	1,805,208	128.9%	1,563,021	2,015,200	128.9%		1.1163
	2012	786.8	1,350,635	521,796	38.6%	1,442,821	557,411	38.6%		1.0683
	2013	774.5	1,322,538	858,763	64.9%	1,351,968	877,873	64.9%		1.0223
	2014	753.1	1,392,902	1,647,475	118.3%	1,362,581	1,611,613	118.3%	1.00	0.9782
Projected	2015	729.7	1,328,927	1,826,051	137.4%	1,244,018	1,709,380	137.4%	1.00	0.9361
Future	2016	700.2	1,260,613	1,980,852	157.1%	1,129,253	1,774,440	157.1%	1.00	0.8958
Experience	2017	669.8	1,187,721	2,162,299	182.1%	1,018,140	1,853,569	182.1%	1.00	0.8572
(50 years)	2018	638.5	1,114,728	2,353,548	211.1%	914,420	1,930,633	211.1%	1.00	0.8203
	2019	606.2	1,041,735	2,550,210	244.8%	817,744	2,001,873	244.8%	1.00	0.7850
	2020	573.3	968,938	2,787,919	287.7%	727,847	2,094,230	287.7%	1.00	0.7512
	2021	539.8	896,361	3,031,454	338.2%	644,334	2,179,108	338.2%	1.00	0.7188
	2022	505.8	824,552	3,266,124	396.1%	567,191	2,246,695	396.1%	1.00	0.6879
	2023	471.7	754,334	3,485,200	462.0%	496,545	2,294,156	462.0%	1.00	0.6583
	2024	437.6	686,227	3,670,660	534.9%	432,262	2,312,188	534.9%	1.00	0.6299
	2025	403.6	620,258	3,881,142	625.7%	373,882	2,339,496	625.7%	1.00	0.6028
	2026	370.0	556,402	4,115,856	739.7%	320,948	2,374,141	739.7%	1.00	0.5768
	2027	337.0	495,313	4,313,664	870.9%	273,407	2,381,093	870.9%	1.00	0.5520
	2028	305.0	437,626	4,439,734	1014.5%	231,162	2,345,151	1014.5%	1.00	0.5282
	2029	274.3	383,962	4,457,825	1161.0%	194,082	2,253,308	1161.0%	1.00	0.5055
	2030	244.8	334,279	4,445,084	1329.8%	161,693	2,150,112	1329.8%	1.00	0.4837
	2031	216.8	288,324	4,474,944	1552.1%	133,458	2,071,346	1552.1%	1.00	0.4629
	2032	190.4	246,386	4,478,160	1817.5%	109,135	1,983,573	1817.5%	1.00	0.4429
	2033	166.0	208,616	4,396,246	2107.3%	88,426	1,863,436	2107.3%	1.00	0.4239
	2034	143.7	175,280	4,185,912	2388.1%	71,097	1,697,877	2388.1%	1.00	0.4056
	2035	123.2	146,042	3,852,259	2637.8%	56,686	1,495,255	2637.8%	1.00	0.3882
	2036	104.7	120,472	3,610,073	2996.6%	44,747	1,340,909	2996.6%	1.00	0.3714
	2037	88.1	98,335	3,409,156	3466.9%	34,952	1,211,753	3466.9%	1.00	0.3554
	2038	73.5	79,470	3,140,639	3952.0%	27,030	1,068,240	3952.0%	1.00	0.3401
	2039	60.9	63,717	2,799,950	4394.3%	20,739	911,349	4394.3%	1.00	0.3255
	2040	49.9	50,682	2,368,385	4673.1%	15,786	737,684	4673.1%	1.00	0.3115
	2041	40.5	39,928	2,037,492	5103.0%	11,901	607,293	5103.0%	1.00	0.2981
	2042	32.5	31,110	1,801,303	5790.1%	8,873	513,775	5790.1%	1.00	0.2852
	2043	25.8	23,999	1,553,578	6473.6%	6,550	424,036	6473.6%	1.00	0.2729
	2044	20.3	18,378	1,301,039	7079.2%	4,800	339,816	7079.2%	1.00	0.2612
	2045	15.9	13,978	1,032,520	7386.5%	3,494	258,069	7386.5%	1.00	0.2499
	2046	12.3	10,545	821,464	7790.0%	2,522	196,476	7790.0%	1.00	0.2392
	2047	9.4	7,876	685,742	8707.0%	1,803	156,951	8707.0%	1.00	0.2289
	2048	7.1	5,825	561,463	9638.8%	1,276	122,973	9638.8%	1.00	0.2190
	2049	5.3	4,277	450,337	10530.5%	896	94,386	10530.5%	1.00	0.2096
	2050	4.0	3,114	341,576	10967.4%	625	68,508	10967.4%	1.00	0.2006
	2051	2.9	2,247	255,634	11376.1%	431	49,063	11376.1%	1.00	0.1919
	2052	2.1	1,603	200,935	12538.7%	294	36,904	12538.7%	1.00	0.1837
	2053	1.5	1,129	154,501	13687.8%	198	27,154	13687.8%	1.00	0.1758
	2054	1.1	787	115,950	14735.4%	132	19,501	14735.4%	1.00	0.1682
	2055	0.8	542	82,133	15154.9%	87	13,219	15154.9%	1.00	0.1609
	2056	0.5	368	56,556	15350.7%	57	8,710	15350.7%	1.00	0.1540
	2057	0.3	246	40,196	16316.8%	36	5,924	16316.8%	1.00	0.1474
	2058	0.2	162	28,036	17309.1%	23	3,954	17309.1%	1.00	0.1410
	2059	0.2	105	19,229	18389.1%	14	2,595	18389.1%	1.00	0.1350
	2060	0.1	66	13,020	19673.0%	9	1,681	19673.0%	1.00	0.1291
	2061	0.1	42	8,658	20857.1%	5	1,070	20857.1%	1.00	0.1236
	2062	0.0	25	5,637	22237.9%	3	667	22237.9%	1.00	0.1183
	2063	0.0	15	3,602	23574.9%	2	408	23574.9%	1.00	0.1132
	Past		15,757,909	5,257,629	33.4%	21,016,949	6,318,731	30.1%		
	Future		15,928,570	102,701,425	644.8%	11,555,600	53,185,741	460.3%		
	Lifetime		31,686,479	107,959,054	340.7%	32,572,549	59,504,472	182.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	7.7	16,183	0	0.0%	32,016	0	0.0%		1.9783
Experience	1999	24.3	36,056	0	0.0%	68,259	0	0.0%		1.8932
	2000	74.5	118,492	0	0.0%	214,664	0	0.0%		1.8116
	2001	337.3	560,574	575	0.1%	971,821	997	0.1%		1.7336
	2002	773.6	1,152,197	1,200	0.1%	1,911,455	1,991	0.1%		1.6590
	2003	947.4	1,311,292	302,199	23.0%	2,081,711	479,749	23.0%		1.5875
	2004	925.9	1,271,871	344,340	27.1%	1,932,180	523,109	27.1%		1.5192
	2005	901.6	1,241,664	257,328	20.7%	1,805,064	374,089	20.7%		1.4537
	2006	887.8	1,247,794	294,652	23.6%	1,735,861	409,903	23.6%		1.3911
	2007	876.9	1,224,603	120,750	9.9%	1,630,239	160,747	9.9%		1.3312
	2008	866.9	1,217,148	183,250	15.1%	1,550,540	233,444	15.1%		1.2739
	2009	854.8	1,077,392	421,309	39.1%	1,313,400	513,599	39.1%		1.2191
	2010	837.1	1,208,011	146,259	12.1%	1,409,217	170,620	12.1%		1.1666
	2011	808.6	1,400,148	1,805,208	128.9%	1,563,021	2,015,200	128.9%		1.1163
	2012	786.8	1,350,635	521,796	38.6%	1,442,821	557,411	38.6%		1.0683
	2013	774.5	1,322,538	858,763	64.9%	1,351,968	877,873	64.9%		1.0223
	2014	753.1	1,392,902	1,647,475	118.3%	1,362,581	1,611,613	118.3%	1.00	0.9782
Projected	2015	729.7	1,792,338	1,826,051	101.9%	1,677,820	1,709,380	101.9%	1.35	0.9361
Future	2016	700.2	2,145,282	1,980,852	92.3%	1,921,736	1,774,440	92.3%	1.70	0.8958
Experience	2017	669.8	2,027,270	2,162,299	106.7%	1,737,819	1,853,569	106.7%	1.71	0.8572
(50 years)	2018	638.5	1,908,635	2,353,548	123.3%	1,565,668	1,930,633	123.3%	1.71	0.8203
	2019	606.2	1,789,467	2,550,210	142.5%	1,404,701	2,001,873	142.5%	1.72	0.7850
	2020	573.3	1,670,106	2,787,919	166.9%	1,254,551	2,094,230	166.9%	1.72	0.7512
	2021	539.8	1,550,534	3,031,454	195.5%	1,114,574	2,179,108	195.5%	1.73	0.7188
	2022	505.8	1,431,574	3,266,124	228.1%	984,748	2,246,695	228.1%	1.74	0.6879
	2023	471.7	1,314,590	3,485,200	265.1%	865,338	2,294,156	265.1%	1.74	0.6583
	2024	437.6	1,200,433	3,670,660	305.8%	756,165	2,312,188	305.8%	1.75	0.6299
	2025	403.6	1,089,206	3,881,142	356.3%	656,558	2,339,496	356.3%	1.76	0.6028
	2026	370.0	980,870	4,115,856	419.6%	565,793	2,374,141	419.6%	1.76	0.5768
	2027	337.0	876,592	4,313,664	492.1%	483,869	2,381,093	492.1%	1.77	0.5520
	2028	305.0	777,494	4,439,734	571.0%	410,687	2,345,151	571.0%	1.78	0.5282
	2029	274.3	684,739	4,457,825	651.0%	346,117	2,253,308	651.0%	1.78	0.5055
	2030	244.8	598,345	4,445,084	742.9%	289,423	2,150,112	742.9%	1.79	0.4837
	2031	216.8	517,946	4,474,944	864.0%	239,745	2,071,346	864.0%	1.80	0.4629
	2032	190.4	444,168	4,478,160	1008.2%	196,741	1,983,573	1008.2%	1.80	0.4429
	2033	166.0	377,331	4,396,246	1165.1%	159,939	1,863,436	1165.1%	1.81	0.4239
	2034	143.7	318,036	4,185,912	1316.2%	129,001	1,697,877	1316.2%	1.81	0.4056
	2035	123.2	265,783	3,852,259	1449.4%	103,164	1,495,255	1449.4%	1.82	0.3882
	2036	104.7	219,870	3,610,073	1641.9%	81,667	1,340,909	1641.9%	1.83	0.3714
	2037	88.1	179,947	3,409,156	1894.5%	63,960	1,211,753	1894.5%	1.83	0.3554
	2038	73.5	145,786	3,140,639	2154.3%	49,587	1,068,240	2154.3%	1.83	0.3401
	2039	60.9	117,158	2,799,950	2389.9%	38,134	911,349	2389.9%	1.84	0.3255
	2040	49.9	93,391	2,368,385	2536.0%	29,089	737,684	2536.0%	1.84	0.3115
	2041	40.5	73,726	2,037,492	2763.6%	21,975	607,293	2763.6%	1.85	0.2981
	2042	32.5	57,555	1,801,303	3129.7%	16,416	513,775	3129.7%	1.85	0.2852
	2043	25.8	44,478	1,553,578	3492.9%	12,140	424,036	3492.9%	1.85	0.2729
	2044	20.3	34,119	1,301,039	3813.2%	8,912	339,816	3813.2%	1.86	0.2612
	2045	15.9	25,994	1,032,520	3972.1%	6,497	258,069	3972.1%	1.86	0.2499
	2046	12.3	19,641	821,464	4182.3%	4,698	196,476	4182.3%	1.86	0.2392
	2047	9.4	14,692	685,742	4667.4%	3,363	156,951	4667.4%	1.87	0.2289
	2048	7.1	10,883	561,463	5159.0%	2,384	122,973	5159.0%	1.87	0.2190
	2049	5.3	8,002	450,337	5627.8%	1,677	94,386	5627.8%	1.87	0.2096
	2050	4.0	5,836	341,576	5852.8%	1,171	68,508	5852.8%	1.87	0.2006
	2051	2.9	4,217	255,634	6062.3%	809	49,063	6062.3%	1.88	0.1919
	2052	2.1	3,011	200,935	6672.9%	553	36,904	6672.9%	1.88	0.1837
	2053	1.5	2,124	154,501	7275.3%	373	27,154	7275.3%	1.88	0.1758
	2054	1.1	1,482	115,950	7823.2%	249	19,501	7823.2%	1.88	0.1682
	2055	0.8	1,022	82,133	8037.3%	164	13,219	8037.3%	1.89	0.1609
	2056	0.5	695	56,556	8133.4%	107	8,710	8133.4%	1.89	0.1540
	2057	0.3	465	40,196	8637.9%	69	5,924	8637.9%	1.89	0.1474
	2058	0.2	306	28,036	9157.4%	43	3,954	9157.4%	1.89	0.1410
	2059	0.2	198	19,229	9722.7%	27	2,595	9722.7%	1.89	0.1350
	2060	0.1	125	13,020	10394.5%	16	1,681	10394.5%	1.89	0.1291
	2061	0.1	79	8,658	11016.5%	10	1,070	11016.5%	1.89	0.1236
	2062	0.0	48	5,637	11739.0%	6	667	11739.0%	1.89	0.1183
	2063	0.0	29	3,602	12446.9%	3	408	12446.9%	1.89	0.1132
	Past		15,757,909	5,257,629	33.4%	21,016,949	6,318,731	30.1%		
	Future		26,218,521	102,701,425	391.7%	18,570,836	53,185,741	286.4%		
	Lifetime		41,976,430	107,959,054	257.2%	39,587,785	59,504,472	150.3%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Experience	1999	11.0	19,610	0	0.0%	37,125	0	0.0%		1.8932
	2000	39.4	54,129	0	0.0%	98,062	0	0.0%		1.8116
	2001	166.8	256,411	575	0.2%	444,519	997	0.2%		1.7336
	2002	324.5	479,736	0	0.0%	795,866	0	0.0%		1.6590
	2003	361.8	509,072	270,600	53.2%	808,165	429,585	53.2%		1.5875
	2004	352.7	500,735	0	0.0%	760,699	0	0.0%		1.5192
	2005	340.5	474,188	129,850	27.4%	689,348	188,769	27.4%		1.4537
	2006	331.6	475,860	19,460	4.1%	661,990	27,072	4.1%		1.3911
	2007	323.6	462,291	120,750	26.1%	615,420	160,747	26.1%		1.3312
	2008	320.1	457,347	183,250	40.1%	582,620	233,444	40.1%		1.2739
	2009	316.0	414,084	336,460	81.3%	504,791	410,163	81.3%		1.2191
	2010	308.4	439,510	143,522	32.7%	512,715	167,427	32.7%		1.1666
	2011	295.1	492,840	551,236	111.8%	550,169	615,358	111.8%		1.1163
	2012	281.0	457,206	38,644	8.5%	488,412	41,282	8.5%		1.0683
	2013	273.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	263.4	441,950	483,647	109.4%	432,330	473,119	109.4%	1.00	0.9782
Projected	2015	252.4	414,173	509,887	123.1%	387,711	477,309	123.1%	1.00	0.9361
Future	2016	238.1	384,436	524,223	136.4%	344,376	469,597	136.4%	1.00	0.8958
Experience	2017	223.8	352,924	542,572	153.7%	302,534	465,104	153.7%	1.00	0.8572
(50 years)	2018	209.6	322,075	556,550	172.8%	264,200	456,542	172.8%	1.00	0.8203
	2019	194.9	292,046	564,490	193.3%	229,251	443,115	193.3%	1.00	0.7850
	2020	180.4	262,886	571,576	217.4%	197,475	429,357	217.4%	1.00	0.7512
	2021	166.0	234,697	575,085	245.0%	168,708	413,390	245.0%	1.00	0.7188
	2022	151.7	207,808	573,841	276.1%	142,947	394,733	276.1%	1.00	0.6879
	2023	137.7	182,530	561,750	307.8%	120,151	369,775	307.8%	1.00	0.6583
	2024	124.1	159,074	538,404	338.5%	100,202	339,146	338.5%	1.00	0.6299
	2025	111.0	137,360	513,224	373.6%	82,798	309,364	373.6%	1.00	0.6028
	2026	98.4	117,376	491,973	419.1%	67,706	283,784	419.1%	1.00	0.5768
	2027	86.5	99,234	464,649	468.2%	54,776	256,481	468.2%	1.00	0.5520
	2028	75.5	83,070	427,096	514.1%	43,879	225,600	514.1%	1.00	0.5282
	2029	65.3	68,907	379,282	550.4%	34,831	191,717	550.4%	1.00	0.5055
	2030	55.9	56,593	333,122	588.6%	27,374	161,133	588.6%	1.00	0.4837
	2031	47.4	45,952	297,342	647.1%	21,270	137,633	647.1%	1.00	0.4629
	2032	39.9	36,871	263,753	715.3%	16,332	116,828	715.3%	1.00	0.4429
	2033	33.2	29,293	228,117	778.8%	12,416	96,692	778.8%	1.00	0.4239
	2034	27.4	23,072	190,870	827.3%	9,358	77,420	827.3%	1.00	0.4056
	2035	22.4	17,995	155,356	863.3%	6,985	60,301	863.3%	1.00	0.3882
	2036	18.1	13,887	130,699	941.2%	5,158	48,546	941.2%	1.00	0.3714
	2037	14.5	10,598	110,449	1042.1%	3,767	39,258	1042.1%	1.00	0.3554
	2038	11.5	8,009	90,897	1134.9%	2,724	30,917	1134.9%	1.00	0.3401
	2039	9.1	6,007	71,609	1192.1%	1,955	23,308	1192.1%	1.00	0.3255
	2040	7.1	4,468	54,051	1209.8%	1,392	16,835	1209.8%	1.00	0.3115
	2041	5.4	3,287	42,664	1297.8%	980	12,716	1297.8%	1.00	0.2981
	2042	4.1	2,391	33,403	1396.8%	682	9,527	1396.8%	1.00	0.2852
	2043	3.1	1,723	25,307	1468.9%	470	6,907	1468.9%	1.00	0.2729
	2044	2.3	1,230	18,316	1489.5%	321	4,784	1489.5%	1.00	0.2612
	2045	1.7	869	12,510	1439.9%	217	3,127	1439.9%	1.00	0.2499
	2046	1.2	607	8,864	1460.9%	145	2,120	1460.9%	1.00	0.2392
	2047	0.8	418	6,308	1509.0%	96	1,444	1509.0%	1.00	0.2289
	2048	0.6	284	4,366	1539.8%	62	956	1539.8%	1.00	0.2190
	2049	0.4	190	2,969	1564.4%	40	622	1564.4%	1.00	0.2096
	2050	0.3	125	1,911	1526.2%	25	383	1526.2%	1.00	0.2006
	2051	0.2	81	1,231	1518.3%	16	236	1518.3%	1.00	0.1919
	2052	0.1	52	790	1529.4%	9	145	1529.4%	1.00	0.1837
	2053	0.1	32	499	1543.7%	6	88	1543.7%	1.00	0.1758
	2054	0.0	20	310	1556.4%	3	52	1556.4%	1.00	0.1682
	2055	0.0	12	190	1576.9%	2	31	1576.9%	1.00	0.1609
	2056	0.0	7	114	1596.2%	1	18	1596.2%	1.00	0.1540
	2057	0.0	4	68	1618.9%	1	10	1618.9%	1.00	0.1474
	2058	0.0	2	39	1604.5%	0	6	1604.5%	1.00	0.1410
	2059	0.0	1	23	1618.7%	0	3	1618.7%	1.00	0.1350
	2060	0.0	1	13	1708.0%	0	2	1708.0%	1.00	0.1291
	2061	0.0	0	7	1665.1%	0	1	1665.1%	1.00	0.1236
	2062	0.0	0	4	1790.9%	0	0	1790.9%	1.00	0.1183
	2063	0.0	0	2	1578.6%	0	0	1578.6%	1.00	0.1132
	Past		5,947,570	2,223,328	37.4%	8,023,200	2,713,371	33.8%		
	Future		4,024,626	10,364,421	257.5%	3,085,683	6,850,183	222.0%		
	Lifetime		9,972,197	12,587,749	126.2%	11,108,883	9,563,554	86.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Experience	1999	11.0	19,610	0	0.0%	37,125	0	0.0%		1.8932
	2000	39.4	54,129	0	0.0%	98,062	0	0.0%		1.8116
	2001	166.8	256,411	575	0.2%	444,519	997	0.2%		1.7336
	2002	324.5	479,736	0	0.0%	795,866	0	0.0%		1.6590
	2003	361.8	509,072	270,600	53.2%	808,165	429,585	53.2%		1.5875
	2004	352.7	500,735	0	0.0%	760,699	0	0.0%		1.5192
	2005	340.5	474,188	129,850	27.4%	689,348	188,769	27.4%		1.4537
	2006	331.6	475,860	19,460	4.1%	661,990	27,072	4.1%		1.3911
	2007	323.6	462,291	120,750	26.1%	615,420	160,747	26.1%		1.3312
	2008	320.1	457,347	183,250	40.1%	582,620	233,444	40.1%		1.2739
	2009	316.0	414,084	336,460	81.3%	504,791	410,163	81.3%		1.2191
	2010	308.4	439,510	143,522	32.7%	512,715	167,427	32.7%		1.1666
	2011	295.1	492,840	551,236	111.8%	550,169	615,358	111.8%		1.1163
	2012	281.0	457,206	38,644	8.5%	488,412	41,282	8.5%		1.0683
	2013	273.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	263.4	441,950	483,647	109.4%	432,330	473,119	109.4%	1.00	0.9782
Projected	2015	252.4	465,945	509,887	109.4%	436,174	477,309	109.4%	1.13	0.9361
Future	2016	238.1	480,544	524,223	109.1%	430,470	469,597	109.1%	1.25	0.8958
Experience	2017	223.8	441,154	542,572	123.0%	378,167	465,104	123.0%	1.25	0.8572
(50 years)	2018	209.6	402,593	556,550	138.2%	330,250	456,542	138.2%	1.25	0.8203
	2019	194.9	365,057	564,490	154.6%	286,564	443,115	154.6%	1.25	0.7850
	2020	180.4	328,608	571,576	173.9%	246,844	429,357	173.9%	1.25	0.7512
	2021	166.0	293,371	575,085	196.0%	210,885	413,390	196.0%	1.25	0.7188
	2022	151.7	259,760	573,841	220.9%	178,683	394,733	220.9%	1.25	0.6879
	2023	137.7	228,162	561,750	246.2%	150,189	369,775	246.2%	1.25	0.6583
	2024	124.1	198,843	538,404	270.8%	125,253	339,146	270.8%	1.25	0.6299
	2025	111.0	171,700	513,224	298.9%	103,498	309,364	298.9%	1.25	0.6028
	2026	98.4	146,720	491,973	335.3%	84,632	283,784	335.3%	1.25	0.5768
	2027	86.5	124,043	464,649	374.6%	68,470	256,481	374.6%	1.25	0.5520
	2028	75.5	103,837	427,096	411.3%	54,849	225,600	411.3%	1.25	0.5282
	2029	65.3	86,134	379,282	440.3%	43,538	191,717	440.3%	1.25	0.5055
	2030	55.9	70,741	333,122	470.9%	34,218	161,133	470.9%	1.25	0.4837
	2031	47.4	57,441	297,342	517.7%	26,588	137,633	517.7%	1.25	0.4629
	2032	39.9	46,089	263,753	572.3%	20,415	116,828	572.3%	1.25	0.4429
	2033	33.2	36,616	228,117	623.0%	15,520	96,692	623.0%	1.25	0.4239
	2034	27.4	28,839	190,870	661.8%	11,698	77,420	661.8%	1.25	0.4056
	2035	22.4	22,494	155,356	690.7%	8,731	60,301	690.7%	1.25	0.3882
	2036	18.1	17,358	130,699	752.9%	6,448	48,546	752.9%	1.25	0.3714
	2037	14.5	13,248	110,449	833.7%	4,709	39,258	833.7%	1.25	0.3554
	2038	11.5	10,012	90,897	907.9%	3,405	30,917	907.9%	1.25	0.3401
	2039	9.1	7,509	71,609	953.7%	2,444	23,308	953.7%	1.25	0.3255
	2040	7.1	5,585	54,051	967.9%	1,739	16,835	967.9%	1.25	0.3115
	2041	5.4	4,109	42,664	1038.3%	1,225	12,716	1038.3%	1.25	0.2981
	2042	4.1	2,989	33,403	1117.4%	853	9,527	1117.4%	1.25	0.2852
	2043	3.1	2,154	25,307	1175.1%	588	6,907	1175.1%	1.25	0.2729
	2044	2.3	1,537	18,316	1191.6%	401	4,784	1191.6%	1.25	0.2612
	2045	1.7	1,086	12,510	1151.9%	271	3,127	1151.9%	1.25	0.2499
	2046	1.2	758	8,864	1168.7%	181	2,120	1168.7%	1.25	0.2392
	2047	0.8	523	6,308	1207.2%	120	1,444	1207.2%	1.25	0.2289
	2048	0.6	354	4,366	1231.8%	78	956	1231.8%	1.25	0.2190
	2049	0.4	237	2,969	1251.5%	50	622	1251.5%	1.25	0.2096
	2050	0.3	157	1,911	1221.0%	31	383	1221.0%	1.25	0.2006
	2051	0.2	101	1,231	1214.6%	19	236	1214.6%	1.25	0.1919
	2052	0.1	65	790	1223.6%	12	145	1223.6%	1.25	0.1837
	2053	0.1	40	499	1235.0%	7	88	1235.0%	1.25	0.1758
	2054	0.0	25	310	1245.1%	4	52	1245.1%	1.25	0.1682
	2055	0.0	15	190	1261.5%	2	31	1261.5%	1.25	0.1609
	2056	0.0	9	114	1277.0%	1	18	1277.0%	1.25	0.1540
	2057	0.0	5	68	1295.1%	1	10	1295.1%	1.25	0.1474
	2058	0.0	3	39	1283.6%	0	6	1283.6%	1.25	0.1410
	2059	0.0	2	23	1295.0%	0	3	1295.0%	1.25	0.1350
	2060	0.0	1	13	1366.4%	0	2	1366.4%	1.25	0.1291
	2061	0.0	1	7	1332.1%	0	1	1332.1%	1.25	0.1236
	2062	0.0	0	4	1432.7%	0	0	1432.7%	1.25	0.1183
	2063	0.0	0	2	1262.9%	0	0	1262.9%	1.25	0.1132
	Past		5,947,570	2,223,328	37.4%	8,023,200	2,713,371	33.8%		
	Future		4,868,524	10,364,421	212.9%	3,700,557	6,850,183	185.1%		
	Lifetime		10,816,094	12,587,749	116.4%	11,723,757	9,563,554	81.6%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
Historical	1998	4.3	8,587	0	0.0%	16,988	0	0.0%		1.9783
Experience	1999	13.3	16,446	0	0.0%	31,135	0	0.0%		1.8932
	2000	35.1	64,363	0	0.0%	116,602	0	0.0%		1.8116
	2001	170.5	304,163	0	0.0%	527,303	0	0.0%		1.7336
	2002	449.1	672,461	1,200	0.2%	1,115,589	1,991	0.2%		1.6590
	2003	585.7	802,220	31,599	3.9%	1,273,546	50,164	3.9%		1.5875
	2004	573.3	771,136	344,340	44.7%	1,171,482	523,109	44.7%		1.5192
	2005	561.1	767,477	127,478	16.6%	1,115,716	185,321	16.6%		1.4537
	2006	556.2	771,934	275,192	35.6%	1,073,872	382,832	35.6%		1.3911
	2007	553.3	762,312	0	0.0%	1,014,820	0	0.0%		1.3312
	2008	546.8	759,801	0	0.0%	967,920	0	0.0%		1.2739
	2009	538.8	663,308	84,849	12.8%	808,609	103,436	12.8%		1.2191
	2010	528.7	768,501	2,737	0.4%	896,502	3,193	0.4%		1.1666
	2011	513.5	907,309	1,253,973	138.2%	1,012,852	1,399,841	138.2%		1.1163
	2012	505.8	893,429	483,152	54.1%	954,408	516,129	54.1%		1.0683
	2013	500.8	876,893	429,781	49.0%	896,406	439,345	49.0%		1.0223
	2014	489.6	950,951	1,163,829	122.4%	930,251	1,138,494	122.4%	1.00	0.9782
Projected	2015	477.3	914,754	1,316,164	143.9%	856,308	1,232,071	143.9%	1.00	0.9361
Future	2016	462.1	876,178	1,456,629	166.2%	784,877	1,304,843	166.2%	1.00	0.8958
Experience	2017	446.0	834,798	1,619,728	194.0%	715,606	1,388,465	194.0%	1.00	0.8572
(50 years)	2018	429.0	792,654	1,796,998	226.7%	650,220	1,474,091	226.7%	1.00	0.8203
	2019	411.3	749,689	1,985,720	264.9%	588,494	1,558,757	264.9%	1.00	0.7850
	2020	392.9	706,052	2,216,343	313.9%	530,372	1,664,873	313.9%	1.00	0.7512
	2021	373.8	661,664	2,456,369	371.2%	475,626	1,765,719	371.2%	1.00	0.7188
	2022	354.1	616,744	2,692,282	436.5%	424,245	1,851,962	436.5%	1.00	0.6879
	2023	334.0	571,804	2,923,451	511.3%	376,394	1,924,381	511.3%	1.00	0.6583
	2024	313.5	527,153	3,132,256	594.2%	332,059	1,973,041	594.2%	1.00	0.6299
	2025	292.7	482,898	3,367,918	697.4%	291,084	2,030,132	697.4%	1.00	0.6028
	2026	271.6	439,027	3,623,883	825.4%	253,243	2,090,357	825.4%	1.00	0.5768
	2027	250.5	396,079	3,849,015	971.8%	218,631	2,124,612	971.8%	1.00	0.5520
	2028	229.5	354,556	4,012,638	1131.7%	187,283	2,119,551	1131.7%	1.00	0.5282
	2029	209.0	315,056	4,078,542	1294.5%	159,252	2,061,591	1294.5%	1.00	0.5055
	2030	188.9	277,686	4,111,962	1480.8%	134,318	1,988,979	1480.8%	1.00	0.4837
	2031	169.4	242,371	4,177,602	1723.6%	112,188	1,933,713	1723.6%	1.00	0.4629
	2032	150.5	209,515	4,214,407	2011.5%	92,803	1,866,745	2011.5%	1.00	0.4429
	2033	132.8	179,324	4,168,129	2324.4%	76,010	1,766,743	2324.4%	1.00	0.4239
	2034	116.2	152,209	3,995,042	2624.7%	61,738	1,620,457	2624.7%	1.00	0.4056
	2035	100.8	128,047	3,696,903	2887.2%	49,701	1,434,953	2887.2%	1.00	0.3882
	2036	86.6	106,585	3,479,374	3264.4%	39,589	1,292,363	3264.4%	1.00	0.3714
	2037	73.6	87,736	3,298,708	3759.8%	31,185	1,172,495	3759.8%	1.00	0.3554
	2038	62.0	71,460	3,049,742	4267.7%	24,306	1,037,323	4267.7%	1.00	0.3401
	2039	51.8	57,710	2,728,341	4727.6%	18,784	888,041	4727.6%	1.00	0.3255
	2040	42.8	46,214	2,314,333	5007.9%	14,394	720,849	5007.9%	1.00	0.3115
	2041	35.0	36,640	1,994,828	5444.3%	10,921	594,576	5444.3%	1.00	0.2981
	2042	28.3	28,719	1,767,900	6155.9%	8,191	504,247	6155.9%	1.00	0.2852
	2043	22.7	22,276	1,528,272	6860.6%	6,080	417,129	6860.6%	1.00	0.2729
	2044	18.0	17,149	1,282,723	7480.1%	4,479	335,032	7480.1%	1.00	0.2612
	2045	14.2	13,110	1,020,010	7780.6%	3,277	254,942	7780.6%	1.00	0.2499
	2046	11.1	9,938	812,600	8176.4%	2,377	194,356	8176.4%	1.00	0.2392
	2047	8.5	7,458	679,435	9110.4%	1,707	155,508	9110.4%	1.00	0.2289
	2048	6.5	5,541	557,097	10053.2%	1,214	122,017	10053.2%	1.00	0.2190
	2049	4.9	4,087	447,368	10946.9%	857	93,764	10946.9%	1.00	0.2096
	2050	3.7	2,989	339,664	11363.0%	600	68,125	11363.0%	1.00	0.2006
	2051	2.7	2,166	254,403	11745.1%	416	48,827	11745.1%	1.00	0.1919
	2052	2.0	1,551	200,146	12905.1%	285	36,759	12905.1%	1.00	0.1837
	2053	1.4	1,096	154,002	14045.5%	193	27,067	14045.5%	1.00	0.1758
	2054	1.0	767	115,640	15077.5%	129	19,449	15077.5%	1.00	0.1682
	2055	0.7	530	81,943	15463.4%	85	13,188	15463.4%	1.00	0.1609
	2056	0.5	361	56,442	15623.7%	56	8,693	15623.7%	1.00	0.1540
	2057	0.3	242	40,129	16570.5%	36	5,914	16570.5%	1.00	0.1474
	2058	0.2	160	27,996	17550.3%	22	3,948	17550.3%	1.00	0.1410
	2059	0.1	103	19,207	18615.0%	14	2,592	18615.0%	1.00	0.1350
	2060	0.1	65	13,007	19878.9%	8	1,680	19878.9%	1.00	0.1291
	2061	0.1	41	8,651	21058.0%	5	1,069	21058.0%	1.00	0.1236
	2062	0.0	25	5,633	22417.0%	3	666	22417.0%	1.00	0.1183
	2063	0.0	15	3,600	23778.3%	2	407	23778.3%	1.00	0.1132
	Past		9,810,338	3,034,301	30.9%	12,993,748	3,605,360	27.7%		
	Future		11,903,944	92,337,004	775.7%	8,469,917	46,335,558	547.1%		
	Lifetime		21,714,282	95,371,305	439.2%	21,463,666	49,940,918	232.7%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
Historical	1998	4.3	8,587	0	0.0%	16,988	0	0.0%		1.9783
Experience	1999	13.3	16,446	0	0.0%	31,135	0	0.0%		1.8932
	2000	35.1	64,363	0	0.0%	116,602	0	0.0%		1.8116
	2001	170.5	304,163	0	0.0%	527,303	0	0.0%		1.7336
	2002	449.1	672,461	1,200	0.2%	1,115,589	1,991	0.2%		1.6590
	2003	585.7	802,220	31,599	3.9%	1,273,546	50,164	3.9%		1.5875
	2004	573.3	771,136	344,340	44.7%	1,171,482	523,109	44.7%		1.5192
	2005	561.1	767,477	127,478	16.6%	1,115,716	185,321	16.6%		1.4537
	2006	556.2	771,934	275,192	35.6%	1,073,872	382,832	35.6%		1.3911
	2007	553.3	762,312	0	0.0%	1,014,820	0	0.0%		1.3312
	2008	546.8	759,801	0	0.0%	967,920	0	0.0%		1.2739
	2009	538.8	663,308	84,849	12.8%	808,609	103,436	12.8%		1.2191
	2010	528.7	768,501	2,737	0.4%	896,502	3,193	0.4%		1.1666
	2011	513.5	907,309	1,253,973	138.2%	1,012,852	1,399,841	138.2%		1.1163
	2012	505.8	893,429	483,152	54.1%	954,408	516,129	54.1%		1.0683
	2013	500.8	876,893	429,781	49.0%	896,406	439,345	49.0%		1.0223
	2014	489.6	950,951	1,163,829	122.4%	930,251	1,138,494	122.4%	1.00	0.9782
Projected	2015	477.3	1,326,393	1,316,164	99.2%	1,241,646	1,232,071	99.2%	1.45	0.9361
Future	2016	462.1	1,664,738	1,456,629	87.5%	1,491,266	1,304,843	87.5%	1.90	0.8958
Experience	2017	446.0	1,586,116	1,619,728	102.1%	1,359,652	1,388,465	102.1%	1.90	0.8572
(50 years)	2018	429.0	1,506,042	1,796,998	119.3%	1,235,417	1,474,091	119.3%	1.90	0.8203
	2019	411.3	1,424,410	1,985,720	139.4%	1,118,138	1,558,757	139.4%	1.90	0.7850
	2020	392.9	1,341,498	2,216,343	165.2%	1,007,707	1,664,873	165.2%	1.90	0.7512
	2021	373.8	1,257,162	2,456,369	195.4%	903,689	1,765,719	195.4%	1.90	0.7188
	2022	354.1	1,171,813	2,692,282	229.8%	806,065	1,851,962	229.8%	1.90	0.6879
	2023	334.0	1,086,428	2,923,451	269.1%	715,149	1,924,381	269.1%	1.90	0.6583
	2024	313.5	1,001,590	3,132,256	312.7%	630,912	1,973,041	312.7%	1.90	0.6299
	2025	292.7	917,507	3,367,918	367.1%	553,060	2,030,132	367.1%	1.90	0.6028
	2026	271.6	834,150	3,623,883	434.4%	481,161	2,090,357	434.4%	1.90	0.5768
	2027	250.5	752,550	3,849,015	511.5%	415,399	2,124,612	511.5%	1.90	0.5520
	2028	229.5	673,657	4,012,638	595.7%	355,838	2,119,551	595.7%	1.90	0.5282
	2029	209.0	598,605	4,078,542	681.3%	302,579	2,061,591	681.3%	1.90	0.5055
	2030	188.9	527,604	4,111,962	779.4%	255,205	1,988,979	779.4%	1.90	0.4837
	2031	169.4	460,506	4,177,602	907.2%	213,157	1,933,713	907.2%	1.90	0.4629
	2032	150.5	398,079	4,214,407	1058.7%	176,327	1,866,745	1058.7%	1.90	0.4429
	2033	132.8	340,715	4,168,129	1223.3%	144,419	1,766,743	1223.3%	1.90	0.4239
	2034	116.2	289,196	3,995,042	1381.4%	117,303	1,620,457	1381.4%	1.90	0.4056
	2035	100.8	243,289	3,696,903	1519.6%	94,433	1,434,953	1519.6%	1.90	0.3882
	2036	86.6	202,512	3,479,374	1718.1%	75,220	1,292,363	1718.1%	1.90	0.3714
	2037	73.6	166,699	3,298,708	1978.8%	59,252	1,172,495	1978.8%	1.90	0.3554
	2038	62.0	135,774	3,049,742	2246.2%	46,182	1,037,323	2246.2%	1.90	0.3401
	2039	51.8	109,650	2,728,341	2488.2%	35,690	888,041	2488.2%	1.90	0.3255
	2040	42.8	87,807	2,314,333	2635.7%	27,349	720,849	2635.7%	1.90	0.3115
	2041	35.0	69,617	1,994,828	2865.4%	20,750	594,576	2865.4%	1.90	0.2981
	2042	28.3	54,565	1,767,900	3240.0%	15,563	504,247	3240.0%	1.90	0.2852
	2043	22.7	42,324	1,528,272	3610.8%	11,552	417,129	3610.8%	1.90	0.2729
	2044	18.0	32,582	1,282,723	3936.9%	8,510	335,032	3936.9%	1.90	0.2612
	2045	14.2	24,908	1,020,010	4095.1%	6,226	254,942	4095.1%	1.90	0.2499
	2046	11.1	18,883	812,600	4303.4%	4,516	194,356	4303.4%	1.90	0.2392
	2047	8.5	14,170	679,435	4795.0%	3,243	155,508	4795.0%	1.90	0.2289
	2048	6.5	10,529	557,097	5291.2%	2,306	122,017	5291.2%	1.90	0.2190
	2049	4.9	7,765	447,368	5761.5%	1,627	93,764	5761.5%	1.90	0.2096
	2050	3.7	5,680	339,664	5980.5%	1,139	68,125	5980.5%	1.90	0.2006
	2051	2.7	4,115	254,403	6181.7%	790	48,827	6181.7%	1.90	0.1919
	2052	2.0	2,947	200,146	6792.2%	541	36,759	6792.2%	1.90	0.1837
	2053	1.4	2,083	154,002	7392.4%	366	27,067	7392.4%	1.90	0.1758
	2054	1.0	1,457	115,640	7935.5%	245	19,449	7935.5%	1.90	0.1682
	2055	0.7	1,007	81,943	8138.6%	162	13,188	8138.6%	1.90	0.1609
	2056	0.5	686	56,442	8223.0%	106	8,693	8223.0%	1.90	0.1540
	2057	0.3	460	40,129	8721.3%	68	5,914	8721.3%	1.90	0.1474
	2058	0.2	303	27,996	9237.0%	43	3,948	9237.0%	1.90	0.1410
	2059	0.1	196	19,207	9797.4%	26	2,592	9797.4%	1.90	0.1350
	2060	0.1	124	13,007	10462.6%	16	1,680	10462.6%	1.90	0.1291
	2061	0.1	78	8,651	11083.2%	10	1,069	11083.2%	1.90	0.1236
	2062	0.0	48	5,633	11798.4%	6	666	11798.4%	1.90	0.1183
	2063	0.0	29	3,600	12514.9%	3	407	12514.9%	1.90	0.1132
	Past		9,810,338	3,034,301	30.9%	12,993,748	3,605,360	27.7%		
	Future		21,349,997	92,337,004	432.5%	14,870,279	46,335,558	311.6%		
	Lifetime		31,160,336	95,371,305	306.1%	27,864,027	49,940,918	179.2%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	7.7	16,183	0	0.0%	46,187	0	0.0%		2.8540
Experience	1999	24.3	36,056	0	0.0%	96,170	0	0.0%		2.6673
	2000	74.5	118,492	0	0.0%	295,373	0	0.0%		2.4928
	2001	337.3	560,574	575	0.1%	1,305,960	1,340	0.1%		2.3297
	2002	773.6	1,152,197	1,200	0.1%	2,508,651	2,613	0.1%		2.1773
	2003	947.4	1,311,292	302,199	23.0%	2,668,266	614,926	23.0%		2.0348
	2004	925.9	1,271,871	344,340	27.1%	2,418,738	654,837	27.1%		1.9017
	2005	901.6	1,241,664	257,328	20.7%	2,206,817	457,350	20.7%		1.7773
	2006	887.8	1,247,794	294,652	23.6%	2,072,627	489,427	23.6%		1.6610
	2007	876.9	1,224,603	120,750	9.9%	1,901,035	187,448	9.9%		1.5524
	2008	866.9	1,217,148	183,250	15.1%	1,765,851	265,861	15.1%		1.4508
	2009	854.8	1,077,392	421,309	39.1%	1,460,834	571,252	39.1%		1.3559
	2010	837.1	1,208,011	146,259	12.1%	1,530,784	185,338	12.1%		1.2672
	2011	808.6	1,400,148	1,805,208	128.9%	1,658,187	2,137,897	128.9%		1.1843
	2012	786.8	1,350,635	521,796	38.6%	1,494,905	577,532	38.6%		1.1068
	2013	774.5	1,322,538	858,763	64.9%	1,368,044	888,312	64.9%		1.0344
	2014	753.1	1,392,902	1,647,475	118.3%	1,346,569	1,592,675	118.3%	1.00	0.9667
Projected	2015	729.7	1,328,927	1,826,051	137.4%	1,200,675	1,649,823	137.4%	1.00	0.9035
Future	2016	700.2	1,260,613	1,980,852	157.1%	1,064,443	1,672,602	157.1%	1.00	0.8444
Experience	2017	669.8	1,187,721	2,162,299	182.1%	937,284	1,706,368	182.1%	1.00	0.7891
(50 years)	2018	638.5	1,114,728	2,353,548	211.1%	822,133	1,735,786	211.1%	1.00	0.7375
	2019	606.2	1,041,735	2,550,210	244.8%	718,036	1,757,783	244.8%	1.00	0.6893
	2020	573.3	968,938	2,787,919	287.7%	624,168	1,795,914	287.7%	1.00	0.6442
	2021	539.8	896,361	3,031,454	338.2%	539,641	1,825,041	338.2%	1.00	0.6020
	2022	505.8	824,552	3,266,124	396.1%	463,934	1,837,683	396.1%	1.00	0.5626
	2023	471.7	754,334	3,485,200	462.0%	396,659	1,832,660	462.0%	1.00	0.5258
	2024	437.6	686,227	3,670,660	534.9%	337,239	1,803,908	534.9%	1.00	0.4914
	2025	403.6	620,258	3,881,142	625.7%	284,878	1,782,568	625.7%	1.00	0.4593
	2026	370.0	556,402	4,115,856	739.7%	238,832	1,766,701	739.7%	1.00	0.4292
	2027	337.0	495,313	4,313,664	870.9%	198,700	1,730,475	870.9%	1.00	0.4012
	2028	305.0	437,626	4,439,734	1014.5%	164,074	1,664,532	1014.5%	1.00	0.3749
	2029	274.3	383,962	4,457,825	1161.0%	134,536	1,561,976	1161.0%	1.00	0.3504
	2030	244.8	334,279	4,445,084	1329.8%	109,465	1,455,619	1329.8%	1.00	0.3275
	2031	216.8	288,324	4,474,944	1552.1%	88,240	1,369,530	1552.1%	1.00	0.3060
	2032	190.4	246,386	4,478,160	1817.5%	70,472	1,280,854	1817.5%	1.00	0.2860
	2033	166.0	208,616	4,396,246	2107.3%	55,765	1,175,164	2107.3%	1.00	0.2673
	2034	143.7	175,280	4,185,912	2388.1%	43,789	1,045,738	2388.1%	1.00	0.2498
	2035	123.2	146,042	3,852,259	2637.8%	34,098	899,423	2637.8%	1.00	0.2335
	2036	104.7	120,472	3,610,073	2996.6%	26,288	787,737	2996.6%	1.00	0.2182
	2037	88.1	98,335	3,409,156	3466.9%	20,053	695,229	3466.9%	1.00	0.2039
	2038	73.5	79,470	3,140,639	3952.0%	15,146	598,571	3952.0%	1.00	0.1906
	2039	60.9	63,717	2,799,950	4394.3%	11,349	498,728	4394.3%	1.00	0.1781
	2040	49.9	50,682	2,368,385	4673.1%	8,437	394,259	4673.1%	1.00	0.1665
	2041	40.5	39,928	2,037,492	5103.0%	6,212	316,987	5103.0%	1.00	0.1556
	2042	32.5	31,110	1,801,303	5790.1%	4,523	261,908	5790.1%	1.00	0.1454
	2043	25.8	23,999	1,553,578	6473.6%	3,261	211,111	6473.6%	1.00	0.1359
	2044	20.3	18,378	1,301,039	7079.2%	2,334	165,228	7079.2%	1.00	0.1270
	2045	15.9	13,978	1,032,520	7386.5%	1,659	122,549	7386.5%	1.00	0.1187
	2046	12.3	10,545	821,464	7790.0%	1,170	91,120	7790.0%	1.00	0.1109
	2047	9.4	7,876	685,742	8707.0%	816	71,089	8707.0%	1.00	0.1037
	2048	7.1	5,825	561,463	9638.8%	564	54,398	9638.8%	1.00	0.0969
	2049	5.3	4,277	450,337	10530.5%	387	40,777	10530.5%	1.00	0.0905
	2050	4.0	3,114	341,576	10967.4%	264	28,905	10967.4%	1.00	0.0846
	2051	2.9	2,247	255,634	11376.1%	178	20,217	11376.1%	1.00	0.0791
	2052	2.1	1,603	200,935	12538.7%	118	14,852	12538.7%	1.00	0.0739
	2053	1.5	1,129	154,501	13687.8%	78	10,673	13687.8%	1.00	0.0691
	2054	1.1	787	115,950	14735.4%	51	7,486	14735.4%	1.00	0.0646
	2055	0.8	542	82,133	15154.9%	33	4,956	15154.9%	1.00	0.0603
	2056	0.5	368	56,556	15350.7%	21	3,189	15350.7%	1.00	0.0564
	2057	0.3	246	40,196	16316.8%	13	2,118	16316.8%	1.00	0.0527
	2058	0.2	162	28,036	17309.1%	8	1,381	17309.1%	1.00	0.0493
	2059	0.2	105	19,229	18389.1%	5	885	18389.1%	1.00	0.0460
	2060	0.1	66	13,020	19673.0%	3	560	19673.0%	1.00	0.0430
	2061	0.1	42	8,658	20857.1%	2	348	20857.1%	1.00	0.0402
	2062	0.0	25	5,637	22237.9%	1	212	22237.9%	1.00	0.0376
	2063	0.0	15	3,602	23574.9%	1	126	23574.9%	1.00	0.0351
	Past		15,757,909	5,257,629	33.4%	24,802,432	7,034,133	28.4%		
	Future		15,928,570	102,701,425	644.8%	9,976,605	39,348,423	394.4%		
	Lifetime		31,686,479	107,959,054	340.7%	34,779,037	46,382,556	133.4%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	7.7	16,183	0	0.0%	46,187	0	0.0%		2.8540
Experience	1999	24.3	36,056	0	0.0%	96,170	0	0.0%		2.6673
	2000	74.5	118,492	0	0.0%	295,373	0	0.0%		2.4928
	2001	337.3	560,574	575	0.1%	1,305,960	1,340	0.1%		2.3297
	2002	773.6	1,152,197	1,200	0.1%	2,508,651	2,613	0.1%		2.1773
	2003	947.4	1,311,292	302,199	23.0%	2,668,266	614,926	23.0%		2.0348
	2004	925.9	1,271,871	344,340	27.1%	2,418,738	654,837	27.1%		1.9017
	2005	901.6	1,241,664	257,328	20.7%	2,206,817	457,350	20.7%		1.7773
	2006	887.8	1,247,794	294,652	23.6%	2,072,627	489,427	23.6%		1.6610
	2007	876.9	1,224,603	120,750	9.9%	1,901,035	187,448	9.9%		1.5524
	2008	866.9	1,217,148	183,250	15.1%	1,765,851	265,861	15.1%		1.4508
	2009	854.8	1,077,392	421,309	39.1%	1,460,834	571,252	39.1%		1.3559
	2010	837.1	1,208,011	146,259	12.1%	1,530,784	185,338	12.1%		1.2672
	2011	808.6	1,400,148	1,805,208	128.9%	1,658,187	2,137,897	128.9%		1.1843
	2012	786.8	1,350,635	521,796	38.6%	1,494,905	577,532	38.6%		1.1068
	2013	774.5	1,322,538	858,763	64.9%	1,368,044	888,312	64.9%		1.0344
	2014	753.1	1,392,902	1,647,475	118.3%	1,346,569	1,592,675	118.3%	1.00	0.9667
Projected	2015	729.7	1,792,338	1,826,051	101.9%	1,619,363	1,649,823	101.9%	1.35	0.9035
Future	2016	700.2	2,145,282	1,980,852	92.3%	1,811,444	1,672,602	92.3%	1.70	0.8444
Experience	2017	669.8	2,027,270	2,162,299	106.7%	1,599,810	1,706,368	106.7%	1.71	0.7891
(50 years)	2018	638.5	1,908,635	2,353,548	123.3%	1,407,654	1,735,786	123.3%	1.71	0.7375
	2019	606.2	1,789,467	2,550,210	142.5%	1,233,425	1,757,783	142.5%	1.72	0.6893
	2020	573.3	1,670,106	2,787,919	166.9%	1,075,845	1,795,914	166.9%	1.72	0.6442
	2021	539.8	1,550,534	3,031,454	195.5%	933,475	1,825,041	195.5%	1.73	0.6020
	2022	505.8	1,431,574	3,266,124	228.1%	805,474	1,837,683	228.1%	1.74	0.5626
	2023	471.7	1,314,590	3,485,200	265.1%	691,265	1,832,660	265.1%	1.74	0.5258
	2024	437.6	1,200,433	3,670,660	305.8%	589,940	1,803,908	305.8%	1.75	0.4914
	2025	403.6	1,089,206	3,881,142	356.3%	500,261	1,782,568	356.3%	1.76	0.4593
	2026	370.0	980,870	4,115,856	419.6%	421,031	1,766,701	419.6%	1.76	0.4292
	2027	337.0	876,592	4,313,664	492.1%	351,655	1,730,475	492.1%	1.77	0.4012
	2028	305.0	777,494	4,439,734	571.0%	291,496	1,664,532	571.0%	1.78	0.3749
	2029	274.3	684,739	4,457,825	651.0%	239,926	1,561,976	651.0%	1.78	0.3504
	2030	244.8	598,345	4,445,084	742.9%	195,938	1,455,619	742.9%	1.79	0.3275
	2031	216.8	517,946	4,474,944	864.0%	158,514	1,369,530	864.0%	1.80	0.3060
	2032	190.4	444,168	4,478,160	1008.2%	127,042	1,280,854	1008.2%	1.80	0.2860
	2033	166.0	377,331	4,396,246	1165.1%	100,865	1,175,164	1165.1%	1.81	0.2673
	2034	143.7	318,036	4,185,912	1316.2%	79,453	1,045,738	1316.2%	1.81	0.2498
	2035	123.2	265,783	3,852,259	1449.4%	62,055	899,423	1449.4%	1.82	0.2335
	2036	104.7	219,870	3,610,073	1641.9%	47,977	787,737	1641.9%	1.83	0.2182
	2037	88.1	179,947	3,409,156	1894.5%	36,697	695,229	1894.5%	1.83	0.2039
	2038	73.5	145,786	3,140,639	2154.3%	27,785	598,571	2154.3%	1.83	0.1906
	2039	60.9	117,158	2,799,950	2389.9%	20,868	498,728	2389.9%	1.84	0.1781
	2040	49.9	93,391	2,368,385	2536.0%	15,547	394,259	2536.0%	1.84	0.1665
	2041	40.5	73,726	2,037,492	2763.6%	11,470	316,987	2763.6%	1.85	0.1556
	2042	32.5	57,555	1,801,303	3129.7%	8,368	261,908	3129.7%	1.85	0.1454
	2043	25.8	44,478	1,553,578	3492.9%	6,044	211,111	3492.9%	1.85	0.1359
	2044	20.3	34,119	1,301,039	3813.2%	4,333	165,228	3813.2%	1.86	0.1270
	2045	15.9	25,994	1,032,520	3972.1%	3,085	122,549	3972.1%	1.86	0.1187
	2046	12.3	19,641	821,464	4182.3%	2,179	91,120	4182.3%	1.86	0.1109
	2047	9.4	14,692	685,742	4667.4%	1,523	71,089	4667.4%	1.87	0.1037
	2048	7.1	10,883	561,463	5159.0%	1,054	54,398	5159.0%	1.87	0.0969
	2049	5.3	8,002	450,337	5627.8%	725	40,777	5627.8%	1.87	0.0905
	2050	4.0	5,836	341,576	5852.8%	494	28,905	5852.8%	1.87	0.0846
	2051	2.9	4,217	255,634	6062.3%	333	20,217	6062.3%	1.88	0.0791
	2052	2.1	3,011	200,935	6672.9%	223	14,852	6672.9%	1.88	0.0739
	2053	1.5	2,124	154,501	7275.3%	147	10,673	7275.3%	1.88	0.0691
	2054	1.1	1,482	115,950	7823.2%	96	7,486	7823.2%	1.88	0.0646
	2055	0.8	1,022	82,133	8037.3%	62	4,956	8037.3%	1.89	0.0603
	2056	0.5	695	56,556	8133.4%	39	3,189	8133.4%	1.89	0.0564
	2057	0.3	465	40,196	8637.9%	25	2,118	8637.9%	1.89	0.0527
	2058	0.2	306	28,036	9157.4%	15	1,381	9157.4%	1.89	0.0493
	2059	0.2	198	19,229	9722.7%	9	885	9722.7%	1.89	0.0460
	2060	0.1	125	13,020	10394.5%	5	560	10394.5%	1.89	0.0430
	2061	0.1	79	8,658	11016.5%	3	348	11016.5%	1.89	0.0402
	2062	0.0	48	5,637	11739.0%	2	212	11739.0%	1.89	0.0376
	2063	0.0	29	3,602	12446.9%	1	126	12446.9%	1.89	0.0351
	Past		15,757,909	5,257,629	33.4%	24,802,432	7,034,133	28.4%		
	Future		26,218,521	102,701,425	391.7%	15,831,608	39,348,423	248.5%		
	Lifetime		41,976,430	107,959,054	257.2%	40,634,040	46,382,556	114.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	3.4	7,596	0	0.0%	21,680	0	0.0%		2.8540
Experience	1999	11.0	19,610	0	0.0%	52,305	0	0.0%		2.6673
	2000	39.4	54,129	0	0.0%	134,931	0	0.0%		2.4928
	2001	166.8	256,411	575	0.2%	597,356	1,340	0.2%		2.3297
	2002	324.5	479,736	0	0.0%	1,044,519	0	0.0%		2.1773
	2003	361.8	509,072	270,600	53.2%	1,035,878	550,627	53.2%		2.0348
	2004	352.7	500,735	0	0.0%	952,256	0	0.0%		1.9017
	2005	340.5	474,188	129,850	27.4%	842,776	230,783	27.4%		1.7773
	2006	331.6	475,860	19,460	4.1%	790,419	32,324	4.1%		1.6610
	2007	323.6	462,291	120,750	26.1%	717,646	187,448	26.1%		1.5524
	2008	320.1	457,347	183,250	40.1%	663,524	265,861	40.1%		1.4508
	2009	316.0	414,084	336,460	81.3%	561,455	456,205	81.3%		1.3559
	2010	308.4	439,510	143,522	32.7%	556,945	181,870	32.7%		1.2672
	2011	295.1	492,840	551,236	111.8%	583,667	652,825	111.8%		1.1843
	2012	281.0	457,206	38,644	8.5%	506,043	42,772	8.5%		1.1068
	2013	273.8	445,645	428,982	96.3%	460,979	443,743	96.3%		1.0344
	2014	263.4	441,950	483,647	109.4%	427,249	467,559	109.4%	1.00	0.9667
Projected	2015	252.4	414,173	509,887	123.1%	374,202	460,679	123.1%	1.00	0.9035
Future	2016	238.1	384,436	524,223	136.4%	324,612	442,646	136.4%	1.00	0.8444
Experience	2017	223.8	352,924	542,572	153.7%	278,508	428,168	153.7%	1.00	0.7891
(50 years)	2018	209.6	322,075	556,550	172.8%	237,536	410,466	172.8%	1.00	0.7375
	2019	194.9	292,046	564,490	193.3%	201,298	389,086	193.3%	1.00	0.6893
	2020	180.4	262,886	571,576	217.4%	169,346	368,196	217.4%	1.00	0.6442
	2021	166.0	234,697	575,085	245.0%	141,296	346,221	245.0%	1.00	0.6020
	2022	151.7	207,808	573,841	276.1%	116,923	322,872	276.1%	1.00	0.5626
	2023	137.7	182,530	561,750	307.8%	95,981	295,391	307.8%	1.00	0.5258
	2024	124.1	159,074	538,404	338.5%	78,175	264,593	338.5%	1.00	0.4914
	2025	111.0	137,360	513,224	373.6%	63,088	235,718	373.6%	1.00	0.4593
	2026	98.4	117,376	491,973	419.1%	50,383	211,176	419.1%	1.00	0.4292
	2027	86.5	99,234	464,649	468.2%	39,809	186,399	468.2%	1.00	0.4012
	2028	75.5	83,070	427,096	514.1%	31,144	160,126	514.1%	1.00	0.3749
	2029	65.3	68,907	379,282	550.4%	24,144	132,897	550.4%	1.00	0.3504
	2030	55.9	56,593	333,122	588.6%	18,532	109,087	588.6%	1.00	0.3275
	2031	47.4	45,952	297,342	647.1%	14,063	91,000	647.1%	1.00	0.3060
	2032	39.9	36,871	263,753	715.3%	10,546	75,439	715.3%	1.00	0.2860
	2033	33.2	29,293	228,117	778.8%	7,830	60,978	778.8%	1.00	0.2673
	2034	27.4	23,072	190,870	827.3%	5,764	47,684	827.3%	1.00	0.2498
	2035	22.4	17,995	155,356	863.3%	4,202	36,272	863.3%	1.00	0.2335
	2036	18.1	13,887	130,699	941.2%	3,030	28,519	941.2%	1.00	0.2182
	2037	14.5	10,598	110,449	1042.1%	2,161	22,524	1042.1%	1.00	0.2039
	2038	11.5	8,009	90,897	1134.9%	1,526	17,324	1134.9%	1.00	0.1906
	2039	9.1	6,007	71,609	1192.1%	1,070	12,755	1192.1%	1.00	0.1781
	2040	7.1	4,468	54,051	1209.8%	744	8,998	1209.8%	1.00	0.1665
	2041	5.4	3,287	42,664	1297.8%	511	6,638	1297.8%	1.00	0.1556
	2042	4.1	2,391	33,403	1396.8%	348	4,857	1396.8%	1.00	0.1454
	2043	3.1	1,723	25,307	1468.9%	234	3,439	1468.9%	1.00	0.1359
	2044	2.3	1,230	18,316	1489.5%	156	2,326	1489.5%	1.00	0.1270
	2045	1.7	869	12,510	1439.9%	103	1,485	1439.9%	1.00	0.1187
	2046	1.2	607	8,864	1460.9%	67	983	1460.9%	1.00	0.1109
	2047	0.8	418	6,308	1509.0%	43	654	1509.0%	1.00	0.1037
	2048	0.6	284	4,366	1539.8%	27	423	1539.8%	1.00	0.0969
	2049	0.4	190	2,969	1564.4%	17	269	1564.4%	1.00	0.0905
	2050	0.3	125	1,911	1526.2%	11	162	1526.2%	1.00	0.0846
	2051	0.2	81	1,231	1518.3%	6	97	1518.3%	1.00	0.0791
	2052	0.1	52	790	1529.4%	4	58	1529.4%	1.00	0.0739
	2053	0.1	32	499	1543.7%	2	34	1543.7%	1.00	0.0691
	2054	0.0	20	310	1556.4%	1	20	1556.4%	1.00	0.0646
	2055	0.0	12	190	1576.9%	1	11	1576.9%	1.00	0.0603
	2056	0.0	7	114	1596.2%	0	6	1596.2%	1.00	0.0564
	2057	0.0	4	68	1618.9%	0	4	1618.9%	1.00	0.0527
	2058	0.0	2	39	1604.5%	0	2	1604.5%	1.00	0.0493
	2059	0.0	1	23	1618.7%	0	1	1618.7%	1.00	0.0460
	2060	0.0	1	13	1708.0%	0	1	1708.0%	1.00	0.0430
	2061	0.0	0	7	1665.1%	0	0	1665.1%	1.00	0.0402
	2062	0.0	0	4	1790.9%	0	0	1790.9%	1.00	0.0376
	2063	0.0	0	2	1578.6%	0	0	1578.6%	1.00	0.0351
	Past		5,947,570	2,223,328	37.4%	9,526,382	3,045,797	32.0%		
	Future		4,024,626	10,364,421	257.5%	2,724,697	5,654,242	207.5%		
	Lifetime		9,972,197	12,587,749	126.2%	12,251,080	8,700,040	71.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	3.4	7,596	0	0.0%	21,680	0	0.0%		2.8540
Experience	1999	11.0	19,610	0	0.0%	52,305	0	0.0%		2.6673
	2000	39.4	54,129	0	0.0%	134,931	0	0.0%		2.4928
	2001	166.8	256,411	575	0.2%	597,356	1,340	0.2%		2.3297
	2002	324.5	479,736	0	0.0%	1,044,519	0	0.0%		2.1773
	2003	361.8	509,072	270,600	53.2%	1,035,878	550,627	53.2%		2.0348
	2004	352.7	500,735	0	0.0%	952,256	0	0.0%		1.9017
	2005	340.5	474,188	129,850	27.4%	842,776	230,783	27.4%		1.7773
	2006	331.6	475,860	19,460	4.1%	790,419	32,324	4.1%		1.6610
	2007	323.6	462,291	120,750	26.1%	717,646	187,448	26.1%		1.5524
	2008	320.1	457,347	183,250	40.1%	663,524	265,861	40.1%		1.4508
	2009	316.0	414,084	336,460	81.3%	561,455	456,205	81.3%		1.3559
	2010	308.4	439,510	143,522	32.7%	556,945	181,870	32.7%		1.2672
	2011	295.1	492,840	551,236	111.8%	583,667	652,825	111.8%		1.1843
	2012	281.0	457,206	38,644	8.5%	506,043	42,772	8.5%		1.1068
	2013	273.8	445,645	428,982	96.3%	460,979	443,743	96.3%		1.0344
	2014	263.4	441,950	483,647	109.4%	427,249	467,559	109.4%	1.00	0.9667
Projected	2015	252.4	465,945	509,887	109.4%	420,978	460,679	109.4%	1.13	0.9035
Future	2016	238.1	480,544	524,223	109.1%	405,765	442,646	109.1%	1.25	0.8444
Experience	2017	223.8	441,154	542,572	123.0%	348,135	428,168	123.0%	1.25	0.7891
(50 years)	2018	209.6	402,593	556,550	138.2%	296,920	410,466	138.2%	1.25	0.7375
	2019	194.9	365,057	564,490	154.6%	251,623	389,086	154.6%	1.25	0.6893
	2020	180.4	328,608	571,576	173.9%	211,682	368,196	173.9%	1.25	0.6442
	2021	166.0	293,371	575,085	196.0%	176,620	346,221	196.0%	1.25	0.6020
	2022	151.7	259,760	573,841	220.9%	146,154	322,872	220.9%	1.25	0.5626
	2023	137.7	228,162	561,750	246.2%	119,977	295,391	246.2%	1.25	0.5258
	2024	124.1	198,843	538,404	270.8%	97,719	264,593	270.8%	1.25	0.4914
	2025	111.0	171,700	513,224	298.9%	78,860	235,718	298.9%	1.25	0.4593
	2026	98.4	146,720	491,973	335.3%	62,978	211,176	335.3%	1.25	0.4292
	2027	86.5	124,043	464,649	374.6%	49,761	186,399	374.6%	1.25	0.4012
	2028	75.5	103,837	427,096	411.3%	38,930	160,126	411.3%	1.25	0.3749
	2029	65.3	86,134	379,282	440.3%	30,180	132,897	440.3%	1.25	0.3504
	2030	55.9	70,741	333,122	470.9%	23,165	109,087	470.9%	1.25	0.3275
	2031	47.4	57,441	297,342	517.7%	17,579	91,000	517.7%	1.25	0.3060
	2032	39.9	46,089	263,753	572.3%	13,182	75,439	572.3%	1.25	0.2860
	2033	33.2	36,616	228,117	623.0%	9,788	60,978	623.0%	1.25	0.2673
	2034	27.4	28,839	190,870	661.8%	7,205	47,684	661.8%	1.25	0.2498
	2035	22.4	22,494	155,356	690.7%	5,252	36,272	690.7%	1.25	0.2335
	2036	18.1	17,358	130,699	752.9%	3,788	28,519	752.9%	1.25	0.2182
	2037	14.5	13,248	110,449	833.7%	2,702	22,524	833.7%	1.25	0.2039
	2038	11.5	10,012	90,897	907.9%	1,908	17,324	907.9%	1.25	0.1906
	2039	9.1	7,509	71,609	953.7%	1,337	12,755	953.7%	1.25	0.1781
	2040	7.1	5,585	54,051	967.9%	930	8,998	967.9%	1.25	0.1665
	2041	5.4	4,109	42,664	1038.3%	639	6,638	1038.3%	1.25	0.1556
	2042	4.1	2,989	33,403	1117.4%	435	4,857	1117.4%	1.25	0.1454
	2043	3.1	2,154	25,307	1175.1%	293	3,439	1175.1%	1.25	0.1359
	2044	2.3	1,537	18,316	1191.6%	195	2,326	1191.6%	1.25	0.1270
	2045	1.7	1,086	12,510	1151.9%	129	1,485	1151.9%	1.25	0.1187
	2046	1.2	758	8,864	1168.7%	84	983	1168.7%	1.25	0.1109
	2047	0.8	523	6,308	1207.2%	54	654	1207.2%	1.25	0.1037
	2048	0.6	354	4,366	1231.8%	34	423	1231.8%	1.25	0.0969
	2049	0.4	237	2,969	1251.5%	21	269	1251.5%	1.25	0.0905
	2050	0.3	157	1,911	1221.0%	13	162	1221.0%	1.25	0.0846
	2051	0.2	101	1,231	1214.6%	8	97	1214.6%	1.25	0.0791
	2052	0.1	65	790	1223.6%	5	58	1223.6%	1.25	0.0739
	2053	0.1	40	499	1235.0%	3	34	1235.0%	1.25	0.0691
	2054	0.0	25	310	1245.1%	2	20	1245.1%	1.25	0.0646
	2055	0.0	15	190	1261.5%	1	11	1261.5%	1.25	0.0603
	2056	0.0	9	114	1277.0%	1	6	1277.0%	1.25	0.0564
	2057	0.0	5	68	1295.1%	0	4	1295.1%	1.25	0.0527
	2058	0.0	3	39	1283.6%	0	2	1283.6%	1.25	0.0493
	2059	0.0	2	23	1295.0%	0	1	1295.0%	1.25	0.0460
	2060	0.0	1	13	1366.4%	0	1	1366.4%	1.25	0.0430
	2061	0.0	1	7	1332.1%	0	0	1332.1%	1.25	0.0402
	2062	0.0	0	4	1432.7%	0	0	1432.7%	1.25	0.0376
	2063	0.0	0	2	1262.9%	0	0	1262.9%	1.25	0.0351
	Past		5,947,570	2,223,328	37.4%	9,526,382	3,045,797	32.0%		
	Future		4,868,524	10,364,421	212.9%	3,252,284	5,654,242	173.9%		
	Lifetime		10,816,094	12,587,749	116.4%	12,778,666	8,700,040	68.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		3.0537
Historical	1998	4.3	8,587	0	0.0%	24,507	0	0.0%		2.8540
Experience	1999	13.3	16,446	0	0.0%	43,865	0	0.0%		2.6673
	2000	35.1	64,363	0	0.0%	160,442	0	0.0%		2.4928
	2001	170.5	304,163	0	0.0%	708,604	0	0.0%		2.3297
	2002	449.1	672,461	1,200	0.2%	1,464,132	2,613	0.2%		2.1773
	2003	585.7	802,220	31,599	3.9%	1,632,388	64,299	3.9%		2.0348
	2004	573.3	771,136	344,340	44.7%	1,466,482	654,837	44.7%		1.9017
	2005	561.1	767,477	127,478	16.6%	1,364,040	226,567	16.6%		1.7773
	2006	556.2	771,934	275,192	35.6%	1,282,208	457,103	35.6%		1.6610
	2007	553.3	762,312	0	0.0%	1,183,389	0	0.0%		1.5524
	2008	546.8	759,801	0	0.0%	1,102,327	0	0.0%		1.4508
	2009	538.8	663,308	84,849	12.8%	899,378	115,047	12.8%		1.3559
	2010	528.7	768,501	2,737	0.4%	973,840	3,468	0.4%		1.2672
	2011	513.5	907,309	1,253,973	138.2%	1,074,520	1,485,072	138.2%		1.1843
	2012	505.8	893,429	483,152	54.1%	988,862	534,761	54.1%		1.1068
	2013	500.8	876,893	429,781	49.0%	907,065	444,569	49.0%		1.0344
	2014	489.6	950,951	1,163,829	122.4%	919,319	1,125,116	122.4%	1.00	0.9667
Projected	2015	477.3	914,754	1,316,164	143.9%	826,473	1,189,144	143.9%	1.00	0.9035
Future	2016	462.1	876,178	1,456,629	166.2%	739,832	1,229,956	166.2%	1.00	0.8444
Experience	2017	446.0	834,798	1,619,728	194.0%	658,776	1,278,200	194.0%	1.00	0.7891
(50 years)	2018	429.0	792,654	1,796,998	226.7%	584,597	1,325,320	226.7%	1.00	0.7375
	2019	411.3	749,689	1,985,720	264.9%	516,738	1,368,697	264.9%	1.00	0.6893
	2020	392.9	706,052	2,216,343	313.9%	454,823	1,427,718	313.9%	1.00	0.6442
	2021	373.8	661,664	2,456,369	371.2%	398,345	1,478,820	371.2%	1.00	0.6020
	2022	354.1	616,744	2,692,282	436.5%	347,011	1,514,811	436.5%	1.00	0.5626
	2023	334.0	571,804	2,923,451	511.3%	300,678	1,537,269	511.3%	1.00	0.5258
	2024	313.5	527,153	3,132,256	594.2%	259,064	1,539,315	594.2%	1.00	0.4914
	2025	292.7	482,898	3,367,918	697.4%	221,790	1,546,850	697.4%	1.00	0.4593
	2026	271.6	439,027	3,623,883	825.4%	188,449	1,555,525	825.4%	1.00	0.4292
	2027	250.5	396,079	3,849,015	971.8%	158,891	1,544,076	971.8%	1.00	0.4012
	2028	229.5	354,556	4,012,638	1131.7%	132,929	1,504,407	1131.7%	1.00	0.3749
	2029	209.0	315,056	4,078,542	1294.5%	110,392	1,429,080	1294.5%	1.00	0.3504
	2030	188.9	277,686	4,111,962	1480.8%	90,933	1,346,532	1480.8%	1.00	0.3275
	2031	169.4	242,371	4,177,602	1723.6%	74,176	1,278,530	1723.6%	1.00	0.3060
	2032	150.5	209,515	4,214,407	2011.5%	59,926	1,205,415	2011.5%	1.00	0.2860
	2033	132.8	179,324	4,168,129	2324.4%	47,935	1,114,185	2324.4%	1.00	0.2673
	2034	116.2	152,209	3,995,042	2624.7%	38,025	998,054	2624.7%	1.00	0.2498
	2035	100.8	128,047	3,696,903	2887.2%	29,896	863,151	2887.2%	1.00	0.2335
	2036	86.6	106,585	3,479,374	3264.4%	23,257	759,217	3264.4%	1.00	0.2182
	2037	73.6	87,736	3,298,708	3759.8%	17,892	672,706	3759.8%	1.00	0.2039
	2038	62.0	71,460	3,049,742	4267.7%	13,620	581,247	4267.7%	1.00	0.1906
	2039	51.8	57,710	2,728,341	4727.6%	10,279	485,973	4727.6%	1.00	0.1781
	2040	42.8	46,214	2,314,333	5007.9%	7,693	385,262	5007.9%	1.00	0.1665
	2041	35.0	36,640	1,994,828	5444.3%	5,700	310,350	5444.3%	1.00	0.1556
	2042	28.3	28,719	1,767,900	6155.9%	4,176	257,051	6155.9%	1.00	0.1454
	2043	22.7	22,276	1,528,272	6860.6%	3,027	207,673	6860.6%	1.00	0.1359
	2044	18.0	17,149	1,282,723	7480.1%	2,178	162,902	7480.1%	1.00	0.1270
	2045	14.2	13,110	1,020,010	7780.6%	1,556	121,064	7780.6%	1.00	0.1187
	2046	11.1	9,938	812,600	8176.4%	1,102	90,137	8176.4%	1.00	0.1109
	2047	8.5	7,458	679,435	9110.4%	773	70,435	9110.4%	1.00	0.1037
	2048	6.5	5,541	557,097	10053.2%	537	53,975	10053.2%	1.00	0.0969
	2049	4.9	4,087	447,368	10946.9%	370	40,508	10946.9%	1.00	0.0905
	2050	3.7	2,989	339,664	11363.0%	253	28,744	11363.0%	1.00	0.0846
	2051	2.7	2,166	254,403	11745.1%	171	20,120	11745.1%	1.00	0.0791
	2052	2.0	1,551	200,146	12905.1%	115	14,793	12905.1%	1.00	0.0739
	2053	1.4	1,096	154,002	14045.5%	76	10,638	14045.5%	1.00	0.0691
	2054	1.0	767	115,640	15077.5%	50	7,466	15077.5%	1.00	0.0646
	2055	0.7	530	81,943	15463.4%	32	4,944	15463.4%	1.00	0.0603
	2056	0.5	361	56,442	15623.7%	20	3,183	15623.7%	1.00	0.0564
	2057	0.3	242	40,129	16570.5%	13	2,115	16570.5%	1.00	0.0527
	2058	0.2	160	27,996	17550.3%	8	1,379	17550.3%	1.00	0.0493
	2059	0.1	103	19,207	18615.0%	5	884	18615.0%	1.00	0.0460
	2060	0.1	65	13,007	19878.9%	3	560	19878.9%	1.00	0.0430
	2061	0.1	41	8,651	21058.0%	2	348	21058.0%	1.00	0.0402
	2062	0.0	25	5,633	22417.0%	1	212	22417.0%	1.00	0.0376
	2063	0.0	15	3,600	23778.3%	1	126	23778.3%	1.00	0.0351
	Past		9,810,338	3,034,301	30.9%	15,276,049	3,988,336	26.1%		
	Future		11,903,944	92,337,004	775.7%	7,251,908	33,694,181	464.6%		
	Lifetime		21,714,282	95,371,305	439.2%	22,527,957	37,682,516	167.3%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		3.0537
Historical	1998	4.3	8,587	0	0.0%	24,507	0	0.0%		2.8540
Experience	1999	13.3	16,446	0	0.0%	43,865	0	0.0%		2.6673
	2000	35.1	64,363	0	0.0%	160,442	0	0.0%		2.4928
	2001	170.5	304,163	0	0.0%	708,604	0	0.0%		2.3297
	2002	449.1	672,461	1,200	0.2%	1,464,132	2,613	0.2%		2.1773
	2003	585.7	802,220	31,599	3.9%	1,632,388	64,299	3.9%		2.0348
	2004	573.3	771,136	344,340	44.7%	1,466,482	654,837	44.7%		1.9017
	2005	561.1	767,477	127,478	16.6%	1,364,040	226,567	16.6%		1.7773
	2006	556.2	771,934	275,192	35.6%	1,282,208	457,103	35.6%		1.6610
	2007	553.3	762,312	0	0.0%	1,183,389	0	0.0%		1.5524
	2008	546.8	759,801	0	0.0%	1,102,327	0	0.0%		1.4508
	2009	538.8	663,308	84,849	12.8%	899,378	115,047	12.8%		1.3559
	2010	528.7	768,501	2,737	0.4%	973,840	3,468	0.4%		1.2672
	2011	513.5	907,309	1,253,973	138.2%	1,074,520	1,485,072	138.2%		1.1843
	2012	505.8	893,429	483,152	54.1%	988,862	534,761	54.1%		1.1068
	2013	500.8	876,893	429,781	49.0%	907,065	444,569	49.0%		1.0344
	2014	489.6	950,951	1,163,829	122.4%	919,319	1,125,116	122.4%	1.00	0.9667
Projected	2015	477.3	1,326,393	1,316,164	99.2%	1,198,386	1,189,144	99.2%	1.45	0.9035
Future	2016	462.1	1,664,738	1,456,629	87.5%	1,405,680	1,229,956	87.5%	1.90	0.8444
Experience	2017	446.0	1,586,116	1,619,728	102.1%	1,251,675	1,278,200	102.1%	1.90	0.7891
(50 years)	2018	429.0	1,506,042	1,796,998	119.3%	1,110,734	1,325,320	119.3%	1.90	0.7375
	2019	411.3	1,424,410	1,985,720	139.4%	981,803	1,368,697	139.4%	1.90	0.6893
	2020	392.9	1,341,498	2,216,343	165.2%	864,163	1,427,718	165.2%	1.90	0.6442
	2021	373.8	1,257,162	2,456,369	195.4%	756,856	1,478,820	195.4%	1.90	0.6020
	2022	354.1	1,171,813	2,692,282	229.8%	659,320	1,514,811	229.8%	1.90	0.5626
	2023	334.0	1,086,428	2,923,451	269.1%	571,288	1,537,269	269.1%	1.90	0.5258
	2024	313.5	1,001,590	3,132,256	312.7%	492,221	1,539,315	312.7%	1.90	0.4914
	2025	292.7	917,507	3,367,918	367.1%	421,401	1,546,850	367.1%	1.90	0.4593
	2026	271.6	834,150	3,623,883	434.4%	358,053	1,555,525	434.4%	1.90	0.4292
	2027	250.5	752,550	3,849,015	511.5%	301,894	1,544,076	511.5%	1.90	0.4012
	2028	229.5	673,657	4,012,638	595.7%	252,566	1,504,407	595.7%	1.90	0.3749
	2029	209.0	598,605	4,078,542	681.3%	209,745	1,429,080	681.3%	1.90	0.3504
	2030	188.9	527,604	4,111,962	779.4%	172,773	1,346,532	779.4%	1.90	0.3275
	2031	169.4	460,506	4,177,602	907.2%	140,935	1,278,530	907.2%	1.90	0.3060
	2032	150.5	398,079	4,214,407	1058.7%	113,859	1,205,415	1058.7%	1.90	0.2860
	2033	132.8	340,715	4,168,129	1223.3%	91,077	1,114,185	1223.3%	1.90	0.2673
	2034	116.2	289,196	3,995,042	1381.4%	72,248	998,054	1381.4%	1.90	0.2498
	2035	100.8	243,289	3,696,903	1519.6%	56,803	863,151	1519.6%	1.90	0.2335
	2036	86.6	202,512	3,479,374	1718.1%	44,189	759,217	1718.1%	1.90	0.2182
	2037	73.6	166,699	3,298,708	1978.8%	33,995	672,706	1978.8%	1.90	0.2039
	2038	62.0	135,774	3,049,742	2246.2%	25,877	581,247	2246.2%	1.90	0.1906
	2039	51.8	109,650	2,728,341	2488.2%	19,531	485,973	2488.2%	1.90	0.1781
	2040	42.8	87,807	2,314,333	2635.7%	14,617	385,262	2635.7%	1.90	0.1665
	2041	35.0	69,617	1,994,828	2865.4%	10,831	310,350	2865.4%	1.90	0.1556
	2042	28.3	54,565	1,767,900	3240.0%	7,934	257,051	3240.0%	1.90	0.1454
	2043	22.7	42,324	1,528,272	3610.8%	5,751	207,673	3610.8%	1.90	0.1359
	2044	18.0	32,582	1,282,723	3936.9%	4,138	162,902	3936.9%	1.90	0.1270
	2045	14.2	24,908	1,020,010	4095.1%	2,956	121,064	4095.1%	1.90	0.1187
	2046	11.1	18,883	812,600	4303.4%	2,095	90,137	4303.4%	1.90	0.1109
	2047	8.5	14,170	679,435	4795.0%	1,469	70,435	4795.0%	1.90	0.1037
	2048	6.5	10,529	557,097	5291.2%	1,020	53,975	5291.2%	1.90	0.0969
	2049	4.9	7,765	447,368	5761.5%	703	40,508	5761.5%	1.90	0.0905
	2050	3.7	5,680	339,664	5980.5%	481	28,744	5980.5%	1.90	0.0846
	2051	2.7	4,115	254,403	6181.7%	325	20,120	6181.7%	1.90	0.0791
	2052	2.0	2,947	200,146	6792.2%	218	14,793	6792.2%	1.90	0.0739
	2053	1.4	2,083	154,002	7392.4%	144	10,638	7392.4%	1.90	0.0691
	2054	1.0	1,457	115,640	7935.5%	94	7,466	7935.5%	1.90	0.0646
	2055	0.7	1,007	81,943	8138.6%	61	4,944	8138.6%	1.90	0.0603
	2056	0.5	686	56,442	8223.0%	39	3,183	8223.0%	1.90	0.0564
	2057	0.3	460	40,129	8721.3%	24	2,115	8721.3%	1.90	0.0527
	2058	0.2	303	27,996	9237.0%	15	1,379	9237.0%	1.90	0.0493
	2059	0.1	196	19,207	9797.4%	9	884	9797.4%	1.90	0.0460
	2060	0.1	124	13,007	10462.6%	5	560	10462.6%	1.90	0.0430
	2061	0.1	78	8,651	11083.2%	3	348	11083.2%	1.90	0.0402
	2062	0.0	48	5,633	11798.4%	2	212	11798.4%	1.90	0.0376
	2063	0.0	29	3,600	12514.9%	1	126	12514.9%	1.90	0.0351
	Past		9,810,338	3,034,301	30.9%	15,276,049	3,988,336	26.1%		
	Future		21,349,997	92,337,004	432.5%	12,579,324	33,694,181	267.9%		
	Lifetime		31,160,336	95,371,305	306.1%	27,855,374	37,682,516	135.3%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	149	18	11.8%	520	61	11.8%		3.4962
Actual Sold	1996	1,347	66	4.9%	4,401	216	4.9%		3.2675
Mix of	1997	6,716	646	9.6%	20,509	1,971	9.6%		3.0537
Business	1998	127,565	14,045	11.0%	364,067	40,084	11.0%		2.8540
	1999	271,058	32,532	12.0%	722,980	86,772	12.0%		2.6673
	2000	442,145	55,958	12.7%	1,102,163	139,491	12.7%		2.4928
	2001	674,899	87,503	13.0%	1,572,301	203,854	13.0%		2.3297
	2002	849,009	117,854	13.9%	1,848,526	256,600	13.9%		2.1773
	2003	778,205	135,109	17.4%	1,583,520	274,925	17.4%		2.0348
	2004	703,487	154,100	21.9%	1,337,834	293,055	21.9%		1.9017
	2005	646,683	176,427	27.3%	1,149,354	313,564	27.3%		1.7773
	2006	598,678	202,871	33.9%	994,424	336,975	33.9%		1.6610
	2007	552,648	233,752	42.3%	857,912	362,869	42.3%		1.5524
	2008	509,276	267,724	52.6%	738,864	388,418	52.6%		1.4508
	2009	468,214	301,188	64.3%	634,850	408,381	64.3%		1.3559
	2010	429,399	333,241	77.6%	544,132	422,282	77.6%		1.2672
	2011	392,773	362,478	92.3%	465,159	429,280	92.3%		1.1843
	2012	358,513	387,022	108.0%	396,808	428,363	108.0%		1.1068
	2013	325,750	407,992	125.2%	336,958	422,030	125.2%		1.0344
	2014	294,667	423,025	143.6%	284,865	408,954	143.6%	1.00	0.9667
	2015	265,151	432,136	163.0%	239,561	390,431	163.0%	1.00	0.9035
	2016	237,102	435,377	183.6%	200,206	367,626	183.6%	1.00	0.8444
	2017	210,358	430,331	204.6%	166,003	339,594	204.6%	1.00	0.7891
	2018	185,125	418,845	226.2%	136,533	308,906	226.2%	1.00	0.7375
	2019	161,955	407,473	251.6%	111,631	280,859	251.6%	1.00	0.6893
	2020	140,870	396,770	281.7%	90,745	255,590	281.7%	1.00	0.6442
	2021	121,794	386,269	317.2%	73,324	232,548	317.2%	1.00	0.6020
	2022	104,635	373,200	356.7%	58,873	209,981	356.7%	1.00	0.5626
	2023	89,223	354,824	397.7%	46,917	186,581	397.7%	1.00	0.5258
	2024	75,559	333,854	441.8%	37,133	164,069	441.8%	1.00	0.4914
	2025	63,551	313,041	492.6%	29,188	143,777	492.6%	1.00	0.4593
	2026	53,066	296,598	558.9%	22,778	127,313	558.9%	1.00	0.4292
	2027	44,016	281,553	639.7%	17,658	112,948	639.7%	1.00	0.4012
	2028	36,225	259,142	715.4%	13,581	97,157	715.4%	1.00	0.3749
	2029	29,569	233,521	789.7%	10,361	81,823	789.7%	1.00	0.3504
	2030	23,931	208,182	869.9%	7,837	68,173	869.9%	1.00	0.3275
	2031	19,185	188,696	983.5%	5,872	57,749	983.5%	1.00	0.3060
	2032	15,269	175,121	1146.9%	4,367	50,089	1146.9%	1.00	0.2860
	2033	12,045	157,673	1309.1%	3,220	42,148	1309.1%	1.00	0.2673
	2034	9,397	137,229	1460.3%	2,348	34,283	1460.3%	1.00	0.2498
	2035	7,229	115,151	1592.8%	1,688	26,885	1592.8%	1.00	0.2335
	2036	5,460	97,888	1792.7%	1,191	21,360	1792.7%	1.00	0.2182
	2037	4,106	90,035	2192.7%	837	18,361	2192.7%	1.00	0.2039
	2038	3,117	85,336	2737.4%	594	16,264	2737.4%	1.00	0.1906
	2039	2,340	80,164	3425.8%	417	14,279	3425.8%	1.00	0.1781
	2040	1,719	73,020	4247.0%	286	12,156	4247.0%	1.00	0.1665
	2041	1,218	63,647	5223.5%	190	9,902	5223.5%	1.00	0.1556
	2042	848	54,737	6456.8%	123	7,959	6456.8%	1.00	0.1454
	2043	617	50,438	8180.1%	84	6,854	8180.1%	1.00	0.1359
	2044	444	45,878	10331.2%	56	5,826	10331.2%	1.00	0.1270
	2045	311	40,230	12947.6%	37	4,775	12947.6%	1.00	0.1187
	2046	204	32,354	15842.7%	23	3,589	15842.7%	1.00	0.1109
	2047	125	23,877	19127.7%	13	2,475	19127.7%	1.00	0.1037
	2048	83	20,178	24185.2%	8	1,955	24185.2%	1.00	0.0969
	2049	55	16,740	30324.6%	5	1,516	30324.6%	1.00	0.0905
	2050	34	12,577	37285.0%	3	1,064	37285.0%	1.00	0.0846
	2051	17	7,446	44549.2%	1	589	44549.2%	1.00	0.0791
	2052	3	1,379	40782.6%	0	102	40782.6%	1.00	0.0739
	2053	1	54	7501.3%	0	4	7501.3%	1.00	0.0691
	2054	1	52	9656.8%	0	3	9656.8%	1.00	0.0646
	2055	0	50	12439.9%	0	3	12439.9%	1.00	0.0603
	2056	0	39	14028.1%	0	2	14028.1%	1.00	0.0564
	2057	0	37	18383.7%	0	2	18383.7%	1.00	0.0527
	2058	0	34	24091.8%	0	2	24091.8%	1.00	0.0493
	2059	0	31	31572.1%	0	1	31572.1%	1.00	0.0460
	2060	0	28	41375.0%	0	1	41375.0%	1.00	0.0430
	2061	0	24	54221.6%	0	1	54221.6%	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	8,136,514	3,270,527	40.2%	14,675,283	4,809,191	32.8%		
	Future	2,220,627	7,554,285	340.2%	1,568,557	4,116,526	262.4%		
	Lifetime	10,357,141	10,824,811	104.5%	16,243,840	8,925,717	54.9%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	149	18	11.8%	520	61	11.8%		3.4962
Actual Sold	1996	770	48	6.2%	2,518	157	6.2%		3.2675
Mix of	1997	3,725	359	9.6%	11,375	1,096	9.6%		3.0537
Business	1998	70,851	9,750	13.8%	202,206	27,826	13.8%		2.8540
	1999	151,345	22,390	14.8%	403,675	59,719	14.8%		2.6673
	2000	223,346	36,060	16.1%	556,749	89,889	16.1%		2.4928
	2001	304,121	53,140	17.5%	708,506	123,801	17.5%		2.3297
	2002	340,819	67,393	19.8%	742,058	146,733	19.8%		2.1773
	2003	309,346	75,898	24.5%	629,469	154,440	24.5%		2.0348
	2004	283,715	85,292	30.1%	539,545	162,202	30.1%		1.9017
	2005	261,442	95,344	36.5%	464,662	169,455	36.5%		1.7773
	2006	241,252	106,103	44.0%	400,728	176,240	44.0%		1.6610
	2007	221,470	117,088	52.9%	343,803	181,763	52.9%		1.5524
	2008	202,696	127,419	62.9%	294,074	184,861	62.9%		1.4508
	2009	184,890	136,271	73.7%	250,692	184,770	73.7%		1.3559
	2010	168,041	142,970	85.1%	212,941	181,171	85.1%		1.2672
	2011	152,143	146,766	96.5%	180,182	173,814	96.5%		1.1843
	2012	137,242	147,391	107.4%	151,902	163,134	107.4%		1.1068
	2013	123,186	145,257	117.9%	127,424	150,255	117.9%		1.0344
	2014	109,918	140,699	128.0%	106,262	136,019	128.0%	1.00	0.9667
	2015	97,379	133,812	137.4%	87,981	120,898	137.4%	1.00	0.9035
	2016	85,576	125,309	146.4%	72,259	105,809	146.4%	1.00	0.8444
	2017	74,525	115,349	154.8%	58,811	91,027	154.8%	1.00	0.7891
	2018	64,322	104,859	163.0%	47,439	77,336	163.0%	1.00	0.7375
	2019	55,125	95,177	172.7%	37,996	65,603	172.7%	1.00	0.6893
	2020	46,901	86,234	183.9%	30,213	55,550	183.9%	1.00	0.6442
	2021	39,605	77,878	196.6%	23,844	46,885	196.6%	1.00	0.6020
	2022	33,181	69,526	209.5%	18,670	39,119	209.5%	1.00	0.5626
	2023	27,495	61,140	222.4%	14,458	32,150	222.4%	1.00	0.5258
	2024	22,588	53,325	236.1%	11,100	26,206	236.1%	1.00	0.4914
	2025	18,406	46,358	251.9%	8,454	21,292	251.9%	1.00	0.4593
	2026	14,854	40,331	271.5%	6,376	17,312	271.5%	1.00	0.4292
	2027	11,906	34,853	292.7%	4,776	13,982	292.7%	1.00	0.4012
	2028	9,448	29,421	311.4%	3,542	11,030	311.4%	1.00	0.3749
	2029	7,410	24,467	330.2%	2,596	8,573	330.2%	1.00	0.3504
	2030	5,753	20,283	352.6%	1,884	6,642	352.6%	1.00	0.3275
	2031	4,399	16,914	384.5%	1,346	5,176	384.5%	1.00	0.3060
	2032	3,339	14,120	422.9%	955	4,039	422.9%	1.00	0.2860
	2033	2,512	11,378	452.9%	672	3,041	452.9%	1.00	0.2673
	2034	1,848	8,705	471.1%	462	2,175	471.1%	1.00	0.2498
	2035	1,329	6,394	481.1%	310	1,493	481.1%	1.00	0.2335
	2036	935	4,756	508.5%	204	1,038	508.5%	1.00	0.2182
	2037	656	3,730	568.1%	134	761	568.1%	1.00	0.2039
	2038	478	3,051	638.9%	91	582	638.9%	1.00	0.1906
	2039	338	2,393	707.1%	60	426	707.1%	1.00	0.1781
	2040	234	1,822	778.6%	39	303	778.6%	1.00	0.1665
	2041	151	1,260	833.5%	24	196	833.5%	1.00	0.1556
	2042	99	898	911.4%	14	131	911.4%	1.00	0.1454
	2043	71	738	1045.6%	10	100	1045.6%	1.00	0.1359
	2044	49	584	1187.3%	6	74	1187.3%	1.00	0.1270
	2045	33	440	1335.4%	4	52	1335.4%	1.00	0.1187
	2046	21	303	1470.3%	2	34	1470.3%	1.00	0.1109
	2047	13	208	1653.3%	1	22	1653.3%	1.00	0.1037
	2048	8	159	1912.3%	1	15	1912.3%	1.00	0.0969
	2049	5	114	2191.1%	0	10	2191.1%	1.00	0.0905
	2050	3	70	2466.9%	0	6	2466.9%	1.00	0.0846
	2051	1	24	2672.1%	0	2	2672.1%	1.00	0.0791
	2052	0	0	2677.2%	0	0	2677.2%	1.00	0.0739
	2053	0	0	N/A	0	0	N/A	1.00	0.0691
	2054	0	0	N/A	0	0	N/A	1.00	0.0646
	2055	0	0	N/A	0	0	N/A	1.00	0.0603
	2056	0	0	N/A	0	0	N/A	1.00	0.0564
	2057	0	0	N/A	0	0	N/A	1.00	0.0527
	2058	0	0	N/A	0	0	N/A	1.00	0.0493
	2059	0	0	N/A	0	0	N/A	1.00	0.0460
	2060	0	0	N/A	0	0	N/A	1.00	0.0430
	2061	0	0	N/A	0	0	N/A	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	3,380,550	1,514,956	44.8%	6,223,029	2,331,387	37.5%		
	Future	740,914	1,337,083	180.5%	540,996	895,108	165.5%		
	Lifetime	4,121,464	2,852,039	69.2%	6,764,025	3,226,494	47.7%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections, Original Pricing Assumptions with Actual Sold Mix of Business
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

		Without Interest			With Interest				
	Calendar Year	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0	0	N/A	0	0	N/A		3.4962
Actual Sold	1996	576	18	3.1%	1,883	59	3.1%		3.2675
Mix of	1997	2,991	287	9.6%	9,134	875	9.6%		3.0537
Business	1998	56,715	4,295	7.6%	161,862	12,258	7.6%		2.8540
	1999	119,713	10,143	8.5%	319,305	27,053	8.5%		2.6673
	2000	218,799	19,898	9.1%	545,414	49,602	9.1%		2.4928
	2001	370,778	34,362	9.3%	863,795	80,053	9.3%		2.3297
	2002	508,189	50,461	9.9%	1,106,469	109,867	9.9%		2.1773
	2003	468,859	59,211	12.6%	954,051	120,485	12.6%		2.0348
	2004	419,773	68,808	16.4%	798,289	130,853	16.4%		1.9017
	2005	385,241	81,083	21.0%	684,692	144,109	21.0%		1.7773
	2006	357,426	96,768	27.1%	593,696	160,735	27.1%		1.6610
	2007	331,177	116,665	35.2%	514,109	181,106	35.2%		1.5524
	2008	306,580	140,306	45.8%	444,790	203,557	45.8%		1.4508
	2009	283,324	164,917	58.2%	384,158	223,611	58.2%		1.3559
	2010	261,358	190,271	72.8%	331,192	241,111	72.8%		1.2672
	2011	240,630	215,712	89.6%	284,977	255,466	89.6%		1.1843
	2012	221,271	239,632	108.3%	244,906	265,228	108.3%		1.1068
	2013	202,564	262,735	129.7%	209,534	271,775	129.7%		1.0344
	2014	184,749	282,326	152.8%	178,603	272,935	152.8%	1.00	0.9667
	2015	167,772	298,323	177.8%	151,580	269,533	177.8%	1.00	0.9035
	2016	151,526	310,068	204.6%	127,947	261,817	204.6%	1.00	0.8444
	2017	135,833	314,983	231.9%	107,192	248,567	231.9%	1.00	0.7891
	2018	120,803	313,985	259.9%	89,095	231,570	259.9%	1.00	0.7375
	2019	106,831	312,296	292.3%	73,635	215,256	292.3%	1.00	0.6893
	2020	93,968	310,537	330.5%	60,532	200,041	330.5%	1.00	0.6442
	2021	82,188	308,391	375.2%	49,480	185,662	375.2%	1.00	0.6020
	2022	71,454	303,674	425.0%	40,203	170,862	425.0%	1.00	0.5626
	2023	61,728	293,684	475.8%	32,459	154,431	475.8%	1.00	0.5258
	2024	52,972	280,529	529.6%	26,032	137,863	529.6%	1.00	0.4914
	2025	45,145	266,683	590.7%	20,735	122,485	590.7%	1.00	0.4593
	2026	38,213	256,267	670.6%	16,402	110,001	670.6%	1.00	0.4292
	2027	32,110	246,700	768.3%	12,881	98,967	768.3%	1.00	0.4012
	2028	26,776	229,721	857.9%	10,039	86,126	857.9%	1.00	0.3749
	2029	22,159	209,054	943.4%	7,764	73,250	943.4%	1.00	0.3504
	2030	18,178	187,899	1033.7%	5,953	61,531	1033.7%	1.00	0.3275
	2031	14,786	171,782	1161.8%	4,525	52,573	1161.8%	1.00	0.3060
	2032	11,930	161,001	1349.5%	3,412	46,050	1349.5%	1.00	0.2860
	2033	9,532	146,295	1534.8%	2,548	39,106	1534.8%	1.00	0.2673
	2034	7,550	128,524	1702.4%	1,886	32,108	1702.4%	1.00	0.2498
	2035	5,900	108,757	1843.2%	1,378	25,393	1843.2%	1.00	0.2335
	2036	4,525	93,131	2058.2%	987	20,322	2058.2%	1.00	0.2182
	2037	3,450	86,306	2501.9%	703	17,600	2501.9%	1.00	0.2039
	2038	2,640	82,285	3117.1%	503	15,683	3117.1%	1.00	0.1906
	2039	2,002	77,771	3885.5%	357	13,853	3885.5%	1.00	0.1781
	2040	1,485	71,198	4793.4%	247	11,852	4793.4%	1.00	0.1665
	2041	1,067	62,387	5845.2%	166	9,706	5845.2%	1.00	0.1556
	2042	749	53,839	7186.5%	109	7,828	7186.5%	1.00	0.1454
	2043	546	49,700	9102.0%	74	6,754	9102.0%	1.00	0.1359
	2044	395	45,294	11470.3%	50	5,752	11470.3%	1.00	0.1270
	2045	278	39,789	14326.4%	33	4,723	14326.4%	1.00	0.1187
	2046	184	32,052	17454.1%	20	3,555	17454.1%	1.00	0.1109
	2047	112	23,669	21086.7%	12	2,454	21086.7%	1.00	0.1037
	2048	75	20,019	26659.2%	7	1,940	26659.2%	1.00	0.0969
	2049	50	16,625	33259.7%	5	1,505	33259.7%	1.00	0.0905
	2050	31	12,507	40463.6%	3	1,058	40463.6%	1.00	0.0846
	2051	16	7,422	46907.4%	1	587	46907.4%	1.00	0.0791
	2052	3	1,379	40861.4%	0	102	40861.4%	1.00	0.0739
	2053	1	54	7501.3%	0	4	7501.3%	1.00	0.0691
	2054	1	52	9656.8%	0	3	9656.8%	1.00	0.0646
	2055	0	50	12439.9%	0	3	12439.9%	1.00	0.0603
	2056	0	39	14028.1%	0	2	14028.1%	1.00	0.0564
	2057	0	37	18383.7%	0	2	18383.7%	1.00	0.0527
	2058	0	34	24091.8%	0	2	24091.8%	1.00	0.0493
	2059	0	31	31572.1%	0	1	31572.1%	1.00	0.0460
	2060	0	28	41375.0%	0	1	41375.0%	1.00	0.0430
	2061	0	24	54221.6%	0	1	54221.6%	1.00	0.0402
	2062	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0	0	N/A	0	0	N/A	1.00	0.0351
Discounted at 7.0%									
	Past	4,755,964	1,755,571	36.9%	8,452,254	2,477,804	29.3%		
	Future	1,479,713	6,217,202	420.2%	1,027,561	3,221,418	313.5%		
	Lifetime	6,235,677	7,972,773	127.9%	9,479,815	5,699,223	60.1%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	2,622	0	0.0%	8,008	0	0.0%	2.00	3.0537
Historical	1998	7.7	41,297	0	0.0%	117,861	0	0.0%	2.55	2.8540
Experience	1999	24.3	89,215	0	0.0%	237,960	0	0.0%	2.47	2.6673
	2000	74.5	303,922	0	0.0%	757,606	0	0.0%	2.56	2.4928
	2001	337.3	1,437,477	575	0.0%	3,348,868	1,340	0.0%	2.56	2.3297
	2002	773.6	3,003,753	1,200	0.0%	6,540,000	2,613	0.0%	2.61	2.1773
	2003	947.4	3,456,893	302,199	8.7%	7,034,215	614,926	8.7%	2.64	2.0348
	2004	925.9	3,345,722	344,340	10.3%	6,362,617	654,837	10.3%	2.63	1.9017
	2005	901.6	3,281,504	257,328	7.8%	5,832,235	457,350	7.8%	2.64	1.7773
	2006	887.8	3,298,399	294,652	8.9%	5,478,750	489,427	8.9%	2.64	1.6610
	2007	876.9	3,242,012	120,750	3.7%	5,032,794	187,448	3.7%	2.65	1.5524
	2008	866.9	3,224,489	183,250	5.7%	4,678,123	265,861	5.7%	2.65	1.4508
	2009	854.8	2,844,624	421,309	14.8%	3,857,020	571,252	14.8%	2.64	1.3559
	2010	837.1	2,712,877	146,259	5.4%	3,437,742	185,338	5.4%	2.66	1.2672
	2011	808.6	2,339,936	1,805,208	77.1%	2,771,172	2,137,897	77.1%	2.67	1.1843
	2012	786.8	2,269,022	521,796	23.0%	2,511,391	577,532	23.0%	2.69	1.1068
	2013	774.5	2,223,153	858,763	38.6%	2,299,647	888,312	38.6%	2.69	1.0344
	2014	753.1	3,774,792	1,647,475	43.6%	3,649,230	1,592,675	43.6%	2.71	0.9667
Projected	2015	729.7	3,609,198	1,826,051	50.6%	3,260,882	1,649,823	50.6%	2.72	0.9035
Future	2016	700.2	3,432,452	1,980,852	57.7%	2,898,311	1,672,602	57.7%	2.72	0.8444
Experience	2017	669.8	3,243,632	2,162,299	66.7%	2,559,696	1,706,368	66.7%	2.73	0.7891
(50 years)	2018	638.5	3,053,816	2,353,548	77.1%	2,252,246	1,735,786	77.1%	2.74	0.7375
	2019	606.2	2,863,147	2,550,210	89.1%	1,973,480	1,757,783	89.1%	2.75	0.6893
	2020	573.3	2,672,170	2,787,919	104.3%	1,721,352	1,795,914	104.3%	2.76	0.6442
	2021	539.8	2,480,854	3,031,454	122.2%	1,493,560	1,825,041	122.2%	2.77	0.6020
	2022	505.8	2,290,518	3,266,124	142.6%	1,288,759	1,837,683	142.6%	2.78	0.5626
	2023	471.7	2,103,345	3,485,200	165.7%	1,106,024	1,832,660	165.7%	2.79	0.5258
	2024	437.6	1,920,692	3,670,660	191.1%	943,905	1,803,908	191.1%	2.80	0.4914
	2025	403.6	1,742,730	3,881,142	222.7%	800,418	1,782,568	222.7%	2.81	0.4593
	2026	370.0	1,569,392	4,115,856	262.3%	673,650	1,766,701	262.3%	2.82	0.4292
	2027	337.0	1,402,548	4,313,664	307.6%	562,648	1,730,475	307.6%	2.83	0.4012
	2028	305.0	1,243,991	4,439,734	356.9%	466,394	1,664,532	356.9%	2.84	0.3749
	2029	274.3	1,095,582	4,457,825	406.9%	383,881	1,561,976	406.9%	2.85	0.3504
	2030	244.8	957,352	4,445,084	464.3%	313,501	1,455,619	464.3%	2.86	0.3275
	2031	216.8	828,714	4,474,944	540.0%	253,623	1,369,530	540.0%	2.87	0.3060
	2032	190.4	710,668	4,478,160	630.1%	203,267	1,280,854	630.1%	2.88	0.2860
	2033	166.0	603,729	4,396,246	728.2%	161,383	1,175,164	728.2%	2.89	0.2673
	2034	143.7	508,857	4,185,912	822.6%	127,124	1,045,738	822.6%	2.90	0.2498
	2035	123.2	425,252	3,852,259	905.9%	99,288	899,423	905.9%	2.91	0.2335
	2036	104.7	351,792	3,610,073	1026.2%	76,763	787,737	1026.2%	2.92	0.2182
	2037	88.1	287,915	3,409,156	1184.1%	58,715	695,229	1184.1%	2.93	0.2039
	2038	73.5	233,258	3,140,639	1346.4%	44,456	598,571	1346.4%	2.94	0.1906
	2039	60.9	187,453	2,799,950	1493.7%	33,389	498,728	1493.7%	2.94	0.1781
	2040	49.9	149,426	2,368,385	1585.0%	24,875	394,259	1585.0%	2.95	0.1665
	2041	40.5	117,961	2,037,492	1727.3%	18,352	316,987	1727.3%	2.95	0.1556
	2042	32.5	92,087	1,801,303	1956.1%	13,389	261,908	1956.1%	2.96	0.1454
	2043	25.8	71,165	1,553,578	2183.1%	9,670	211,111	2183.1%	2.97	0.1359
	2044	20.3	54,591	1,301,039	2383.3%	6,933	165,228	2383.3%	2.97	0.1270
	2045	15.9	41,591	1,032,520	2482.6%	4,936	122,549	2482.6%	2.98	0.1187
	2046	12.3	31,426	821,464	2614.0%	3,486	91,120	2614.0%	2.98	0.1109
	2047	9.4	23,508	685,742	2917.1%	2,437	71,089	2917.1%	2.98	0.1037
	2048	7.1	17,413	561,463	3224.4%	1,687	54,398	3224.4%	2.99	0.0969
	2049	5.3	12,803	450,337	3517.4%	1,159	40,777	3517.4%	2.99	0.0905
	2050	4.0	9,338	341,576	3658.0%	790	28,905	3658.0%	3.00	0.0846
	2051	2.9	6,747	255,634	3788.9%	534	20,217	3788.9%	3.00	0.0791
	2052	2.1	4,818	200,935	4170.5%	356	14,852	4170.5%	3.01	0.0739
	2053	1.5	3,398	154,501	4547.1%	235	10,673	4547.1%	3.01	0.0691
	2054	1.1	2,371	115,950	4889.5%	153	7,486	4889.5%	3.01	0.0646
	2055	0.8	1,635	82,133	5023.3%	99	4,956	5023.3%	3.02	0.0603
	2056	0.5	1,113	56,556	5083.4%	63	3,189	5083.4%	3.02	0.0564
	2057	0.3	745	40,196	5398.7%	39	2,118	5398.7%	3.02	0.0527
	2058	0.2	490	28,036	5723.4%	24	1,381	5723.4%	3.02	0.0493
	2059	0.2	316	19,229	6076.7%	15	885	6076.7%	3.03	0.0460
	2060	0.1	200	13,020	6496.6%	9	560	6496.6%	3.03	0.0430
	2061	0.1	126	8,658	6885.3%	5	348	6885.3%	3.03	0.0402
	2062	0.0	77	5,637	7336.9%	3	212	7336.9%	3.03	0.0376
	2063	0.0	46	3,602	7779.3%	2	126	7779.3%	3.03	0.0351
	Past		37,116,918	5,257,629	14.2%	60,306,010	7,034,133	11.7%		
	Future		44,237,241	102,701,425	232.2%	27,495,194	39,348,423	143.1%		
	Lifetime		81,354,159	107,959,054	132.7%	87,801,204	46,382,556	52.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	2,622	0	0.0%	8,008	0	0.0%	2.00	3.0537
Historical	1998	3.4	15,193	0	0.0%	43,359	0	0.0%	2.00	2.8540
Experience	1999	11.0	39,220	0	0.0%	104,610	0	0.0%	2.00	2.6673
	2000	39.4	108,258	0	0.0%	269,862	0	0.0%	2.00	2.4928
	2001	166.8	512,821	575	0.1%	1,194,713	1,340	0.1%	2.00	2.3297
	2002	324.5	959,473	0	0.0%	2,089,037	0	0.0%	2.00	2.1773
	2003	361.8	1,018,143	270,600	26.6%	2,071,756	550,627	26.6%	2.00	2.0348
	2004	352.7	1,001,470	0	0.0%	1,904,512	0	0.0%	2.00	1.9017
	2005	340.5	948,375	129,850	13.7%	1,685,553	230,783	13.7%	2.00	1.7773
	2006	331.6	951,720	19,460	2.0%	1,580,838	32,324	2.0%	2.00	1.6610
	2007	323.6	924,582	120,750	13.1%	1,435,291	187,448	13.1%	2.00	1.5524
	2008	320.1	914,694	183,250	20.0%	1,327,048	265,861	20.0%	2.00	1.4508
	2009	316.0	828,168	336,460	40.6%	1,122,911	456,205	40.6%	2.00	1.3559
	2010	308.4	741,673	143,522	19.4%	939,844	181,870	19.4%	2.00	1.2672
	2011	295.1	616,049	551,236	89.5%	729,583	652,825	89.5%	2.00	1.1843
	2012	281.0	571,508	38,644	6.8%	632,554	42,772	6.8%	2.00	1.1068
	2013	273.8	557,056	428,982	77.0%	576,224	443,743	77.0%	2.00	1.0344
	2014	263.4	883,901	483,647	54.7%	854,499	467,559	54.7%	2.00	0.9667
Projected	2015	252.4	828,347	509,887	61.6%	748,405	460,679	61.6%	2.00	0.9035
Future	2016	238.1	768,871	524,223	68.2%	649,223	442,646	68.2%	2.00	0.8444
Experience	2017	223.8	705,847	542,572	76.9%	557,016	428,168	76.9%	2.00	0.7891
(50 years)	2018	209.6	644,149	556,550	86.4%	475,072	410,466	86.4%	2.00	0.7375
	2019	194.9	584,091	564,490	96.6%	402,596	389,086	96.6%	2.00	0.6893
	2020	180.4	525,773	571,576	108.7%	338,691	368,196	108.7%	2.00	0.6442
	2021	166.0	469,394	575,085	122.5%	282,592	346,221	122.5%	2.00	0.6020
	2022	151.7	415,616	573,841	138.1%	233,846	322,872	138.1%	2.00	0.5626
	2023	137.7	365,059	561,750	153.9%	191,963	295,391	153.9%	2.00	0.5258
	2024	124.1	318,148	538,404	169.2%	156,351	264,593	169.2%	2.00	0.4914
	2025	111.0	274,719	513,224	186.8%	126,176	235,718	186.8%	2.00	0.4593
	2026	98.4	234,751	491,973	209.6%	100,765	211,176	209.6%	2.00	0.4292
	2027	86.5	198,468	464,649	234.1%	79,618	186,399	234.1%	2.00	0.4012
	2028	75.5	166,140	427,096	257.1%	62,289	160,126	257.1%	2.00	0.3749
	2029	65.3	137,814	379,282	275.2%	48,289	132,897	275.2%	2.00	0.3504
	2030	55.9	113,186	333,122	294.3%	37,065	109,087	294.3%	2.00	0.3275
	2031	47.4	91,905	297,342	323.5%	28,127	91,000	323.5%	2.00	0.3060
	2032	39.9	73,742	263,753	357.7%	21,092	75,439	357.7%	2.00	0.2860
	2033	33.2	58,585	228,117	389.4%	15,660	60,978	389.4%	2.00	0.2673
	2034	27.4	46,143	190,870	413.6%	11,528	47,684	413.6%	2.00	0.2498
	2035	22.4	35,990	155,356	431.7%	8,403	36,272	431.7%	2.00	0.2335
	2036	18.1	27,773	130,699	470.6%	6,060	28,519	470.6%	2.00	0.2182
	2037	14.5	21,196	110,449	521.1%	4,323	22,524	521.1%	2.00	0.2039
	2038	11.5	16,019	90,897	567.4%	3,053	17,324	567.4%	2.00	0.1906
	2039	9.1	12,014	71,609	596.1%	2,140	12,755	596.1%	2.00	0.1781
	2040	7.1	8,935	54,051	604.9%	1,487	8,998	604.9%	2.00	0.1665
	2041	5.4	6,575	42,664	648.9%	1,023	6,638	648.9%	2.00	0.1556
	2042	4.1	4,783	33,403	698.4%	695	4,857	698.4%	2.00	0.1454
	2043	3.1	3,446	25,307	734.5%	468	3,439	734.5%	2.00	0.1359
	2044	2.3	2,459	18,316	744.8%	312	2,326	744.8%	2.00	0.1270
	2045	1.7	1,738	12,510	720.0%	206	1,485	720.0%	2.00	0.1187
	2046	1.2	1,214	8,864	730.4%	135	983	730.4%	2.00	0.1109
	2047	0.8	836	6,308	754.5%	87	654	754.5%	2.00	0.1037
	2048	0.6	567	4,366	769.9%	55	423	769.9%	2.00	0.0969
	2049	0.4	380	2,969	782.2%	34	269	782.2%	2.00	0.0905
	2050	0.3	250	1,911	763.1%	21	162	763.1%	2.00	0.0846
	2051	0.2	162	1,231	759.1%	13	97	759.1%	2.00	0.0791
	2052	0.1	103	790	764.7%	8	58	764.7%	2.00	0.0739
	2053	0.1	65	499	771.9%	4	34	771.9%	2.00	0.0691
	2054	0.0	40	310	778.2%	3	20	778.2%	2.00	0.0646
	2055	0.0	24	190	788.5%	1	11	788.5%	2.00	0.0603
	2056	0.0	14	114	798.1%	1	6	798.1%	2.00	0.0564
	2057	0.0	8	68	809.4%	0	4	809.4%	2.00	0.0527
	2058	0.0	5	39	802.2%	0	2	802.2%	2.00	0.0493
	2059	0.0	3	23	809.4%	0	1	809.4%	2.00	0.0460
	2060	0.0	2	13	854.0%	0	1	854.0%	2.00	0.0430
	2061	0.0	1	7	832.6%	0	0	832.6%	2.00	0.0402
	2062	0.0	0	4	895.5%	0	0	895.5%	2.00	0.0376
	2063	0.0	0	2	789.3%	0	0	789.3%	2.00	0.0351
	Past		10,711,026	2,223,328	20.8%	17,715,703	3,045,797	17.2%		
	Future		8,049,253	10,364,421	128.8%	5,449,395	5,654,242	103.8%		
	Lifetime		18,760,279	12,587,749	67.1%	23,165,097	8,700,040	37.6%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	3.04	3.0537
Historical	1998	4.3	26,105	0	0.0%	74,502	0	0.0%	3.04	2.8540
Experience	1999	13.3	49,995	0	0.0%	133,351	0	0.0%	3.04	2.6673
	2000	35.1	195,664	0	0.0%	487,744	0	0.0%	3.04	2.4928
	2001	170.5	924,655	0	0.0%	2,154,156	0	0.0%	3.04	2.3297
	2002	449.1	2,044,280	1,200	0.1%	4,450,962	2,613	0.1%	3.04	2.1773
	2003	585.7	2,438,750	31,599	1.3%	4,962,459	64,299	1.3%	3.04	2.0348
	2004	573.3	2,344,252	344,340	14.7%	4,458,104	654,837	14.7%	3.04	1.9017
	2005	561.1	2,333,129	127,478	5.5%	4,146,683	226,567	5.5%	3.04	1.7773
	2006	556.2	2,346,679	275,192	11.7%	3,897,912	457,103	11.7%	3.04	1.6610
	2007	553.3	2,317,430	0	0.0%	3,597,502	0	0.0%	3.04	1.5524
	2008	546.8	2,309,795	0	0.0%	3,351,075	0	0.0%	3.04	1.4508
	2009	538.8	2,016,457	84,849	4.2%	2,734,109	115,047	4.2%	3.04	1.3559
	2010	528.7	1,971,204	2,737	0.1%	2,497,899	3,468	0.1%	3.04	1.2672
	2011	513.5	1,723,887	1,253,973	72.7%	2,041,589	1,485,072	72.7%	3.04	1.1843
	2012	505.8	1,697,514	483,152	28.5%	1,878,837	534,761	28.5%	3.04	1.1068
	2013	500.8	1,666,096	429,781	25.8%	1,723,423	444,569	25.8%	3.04	1.0344
	2014	489.6	2,890,892	1,163,829	40.3%	2,794,731	1,125,116	40.3%	3.04	0.9667
Projected	2015	477.3	2,780,852	1,316,164	47.3%	2,512,477	1,189,144	47.3%	3.04	0.9035
Future	2016	462.1	2,663,581	1,456,629	54.7%	2,249,088	1,229,956	54.7%	3.04	0.8444
Experience	2017	446.0	2,537,785	1,619,728	63.8%	2,002,680	1,278,200	63.8%	3.04	0.7891
(50 years)	2018	429.0	2,409,667	1,796,998	74.6%	1,777,174	1,325,320	74.6%	3.04	0.7375
	2019	411.3	2,279,056	1,985,720	87.1%	1,570,884	1,368,697	87.1%	3.04	0.6893
	2020	392.9	2,146,397	2,216,343	103.3%	1,382,661	1,427,718	103.3%	3.04	0.6442
	2021	373.8	2,011,460	2,456,369	122.1%	1,210,969	1,478,820	122.1%	3.04	0.6020
	2022	354.1	1,874,901	2,692,282	143.6%	1,054,912	1,514,811	143.6%	3.04	0.5626
	2023	334.0	1,738,285	2,923,451	168.2%	914,061	1,537,269	168.2%	3.04	0.5258
	2024	313.5	1,602,544	3,132,256	195.5%	787,554	1,539,315	195.5%	3.04	0.4914
	2025	292.7	1,468,011	3,367,918	229.4%	674,242	1,546,850	229.4%	3.04	0.4593
	2026	271.6	1,334,641	3,623,883	271.5%	572,885	1,555,525	271.5%	3.04	0.4292
	2027	250.5	1,204,079	3,849,015	319.7%	483,030	1,544,076	319.7%	3.04	0.4012
	2028	229.5	1,077,851	4,012,638	372.3%	404,105	1,504,407	372.3%	3.04	0.3749
	2029	209.0	957,769	4,078,542	425.8%	335,592	1,429,080	425.8%	3.04	0.3504
	2030	188.9	844,166	4,111,962	487.1%	276,437	1,346,532	487.1%	3.04	0.3275
	2031	169.4	736,809	4,177,602	567.0%	225,496	1,278,530	567.0%	3.04	0.3060
	2032	150.5	636,926	4,214,407	661.7%	182,175	1,205,415	661.7%	3.04	0.2860
	2033	132.8	545,144	4,168,129	764.6%	145,723	1,114,185	764.6%	3.04	0.2673
	2034	116.2	462,714	3,995,042	863.4%	115,597	998,054	863.4%	3.04	0.2498
	2035	100.8	389,262	3,696,903	949.7%	90,885	863,151	949.7%	3.04	0.2335
	2036	86.6	324,018	3,479,374	1073.8%	70,702	759,217	1073.8%	3.04	0.2182
	2037	73.6	266,719	3,298,708	1236.8%	54,392	672,706	1236.8%	3.04	0.2039
	2038	62.0	217,239	3,049,742	1403.9%	41,403	581,247	1403.9%	3.04	0.1906
	2039	51.8	175,439	2,728,341	1555.1%	31,249	485,973	1555.1%	3.04	0.1781
	2040	42.8	140,491	2,314,333	1647.3%	23,387	385,262	1647.3%	3.04	0.1665
	2041	35.0	111,387	1,994,828	1790.9%	17,329	310,350	1790.9%	3.04	0.1556
	2042	28.3	87,304	1,767,900	2025.0%	12,694	257,051	2025.0%	3.04	0.1454
	2043	22.7	67,719	1,528,272	2256.8%	9,202	207,673	2256.8%	3.04	0.1359
	2044	18.0	52,132	1,282,723	2460.5%	6,621	162,902	2460.5%	3.04	0.1270
	2045	14.2	39,853	1,020,010	2559.4%	4,730	121,064	2559.4%	3.04	0.1187
	2046	11.1	30,212	812,600	2689.6%	3,351	90,137	2689.6%	3.04	0.1109
	2047	8.5	22,672	679,435	2996.9%	2,350	70,435	2996.9%	3.04	0.1037
	2048	6.5	16,846	557,097	3307.0%	1,632	53,975	3307.0%	3.04	0.0969
	2049	4.9	12,424	447,368	3600.9%	1,125	40,508	3600.9%	3.04	0.0905
	2050	3.7	9,087	339,664	3737.8%	769	28,744	3737.8%	3.04	0.0846
	2051	2.7	6,585	254,403	3863.5%	521	20,120	3863.5%	3.04	0.0791
	2052	2.0	4,715	200,146	4245.1%	348	14,793	4245.1%	3.04	0.0739
	2053	1.4	3,333	154,002	4620.2%	230	10,638	4620.2%	3.04	0.0691
	2054	1.0	2,332	115,640	4959.7%	151	7,466	4959.7%	3.04	0.0646
	2055	0.7	1,611	81,943	5086.6%	97	4,944	5086.6%	3.04	0.0603
	2056	0.5	1,098	56,442	5139.4%	62	3,183	5139.4%	3.04	0.0564
	2057	0.3	736	40,129	5450.8%	39	2,115	5450.8%	3.04	0.0527
	2058	0.2	485	27,996	5773.1%	24	1,379	5773.1%	3.04	0.0493
	2059	0.1	314	19,207	6123.3%	14	884	6123.3%	3.04	0.0460
	2060	0.1	199	13,007	6539.1%	9	560	6539.1%	3.04	0.0430
	2061	0.1	125	8,651	6927.0%	5	348	6927.0%	3.04	0.0402
	2062	0.0	76	5,633	7374.0%	3	212	7374.0%	3.04	0.0376
	2063	0.0	46	3,600	7821.8%	2	126	7821.8%	3.04	0.0351
	Past		26,405,892	3,034,301	11.5%	42,590,307	3,988,336	9.4%		
	Future		36,187,988	92,337,004	255.2%	22,045,799	33,694,181	152.8%		
	Lifetime		62,593,881	95,371,305	152.4%	64,636,107	37,682,516	58.3%		

Kanawha Insurance Company

14VAC5-100-40. Transmittal Letter.

A letter of transmittal must be submitted in duplicate to the Bureau of Insurance for each filing. This letter must describe each form, its intended use and the kind of insurance provided. More than one form may be included in a transmittal letter if all forms transmitted in one letter fall into only one of the following categories: (i) life, (ii) accident and sickness, (iii) annuity, (iv) credit life/accident and sickness. A single group policy which combines coverages in one or more of the categories listed may be filed using one transmittal letter.

While it is not mandatory, the Bureau prefers that separate transmittal letters be used to submit forms which are intended to be used separately and have no relationship, other than providing the same general type of insurance.

In addition, each transmittal letter shall include the following information:

1. The form number(s). Each form submitted must have a number which may consist of digits, letters or a combination of both. The number must distinguish the form from all other forms used by the insurer.
    a. Form 17452N – VA LTC 2 Policyholder Letter for policies without inflation riders.
        i. For use with LTC Policy form 80650 1/97 VA and
        ii. LTC Policy form 80880 NTQ 1/98 VA.
    b. Form 17452C – VA LTC 2 Policyholder Letter for policies with a compound inflation rider.
        i. For use with LTC Policy form 80650 1/97 VA and
        ii. LTC Policy form 80880 NTQ 1/98 VA.
    c. Form 17453N – VA LTC 3 Policyholder Letter for policies without inflation riders.
        i. For use with LTC Policy form 82000 1/01 VA and
        ii. LTC Policy form 82120 NTQ 9/01 VA.
    d. Form 17453C – VA LTC 3 Policyholder Letter for policies with a compound inflation rider.
        i. For use with LTC Policy form 82000 1/01 VA and
        ii. LTC Policy form 82120 NTQ 9/01 VA.
    e. Form 17453S – VA LTC 3 Policyholder Letter for policies with a simple inflation rider.
        i. For use with LTC Policy form 82000 1/01 VA and
        ii. LTC Policy form 82120 NTQ 9/01 VA.

2. Where forms are submitted as replacements, revisions or modifications of previously approved forms, such must be clearly indicated in the letter of transmittal which shall set forth the exact changes that are intended.
    a. These forms are policyholder letters sent to customers receiving a rate increase on their LTC policy. These are not replacements, revisions or modifications of previously approved forms.

3. A statement identical to the following which is signed by the General Counsel or an officer of the company or any attorney or actuary representing the company:

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

4. An identification of any change in benefits and premiums which occurs while the form is in force with a reference to the contract provisions which describe the benefit change.

a. The policyholder letters allow the customer to choose to alter their future benefits in some fashion in return for a lower premium. These options were not originally offered with the contract. The options are offered to allow the customer the flexibility to reduce or mitigate the impact of this rate increase filing.

5. A description of the market for which the form is intended. Especially note intentions to concentrate on a specialized market.

a. The policyholder letter is intended only for those customers receiving an increase on their KIC LTC policy.

6. If approval of the form submitted has been withdrawn by any other regulatory body for the reason that the form contains one or more provisions deemed to be misleading, deceptive or contrary to public policy, such fact must be clearly stated.

a. This is not applicable.

Unless a statement to the contrary is contained in the transmittal letter, it will be assumed that a company is seeking formal approval. The Bureau will, on request, give tentative approval to a form submitted as a photocopy, galley-proof or paste-up. This does not constitute formal approval and does not authorize use of the form.

At least one copy of the form to be reviewed must be included in the filing. If the company desires a copy of the form stamped "Approved" or "Filed" for its records, it should submit the form in duplicate and include a stamped, self- addressed return envelope.

The letter of transmittal should be addressed as follows:

Bureau of Insurance State Corporation Commission P. O. Box 1157 Richmond, Virginia 23218

Statutory Authority

§ 38.2-223 of the Code of Virginia.

Historical Notes

Derived from RBI 1-77A, Case No. 19789, § 4, eff. May 1, 1977.

Website addresses provided in the Virginia Administrative Code to documents incorporated by reference are for the reader's convenience only, may not necessarily be active or current, and should not be relied upon. To ensure the information incorporated by reference is accurate, the reader is encouraged to use the source document described in the regulation.

As a service to the public, the Virginia Administrative Code is provided online by the Virginia General Assembly. We are unable to answer legal questions or respond to requests for legal advice, including application of law to specific fact. To understand and protect your legal rights, you should consult an attorney.

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	9,539	0	0.0%	33,351	0	0.0%	2.00	3.4962
Historical	1996	8.2	70,097	0	0.0%	229,042	0	0.0%	2.33	3.2675
Experience	1997	280.1	329,354	1,381	0.4%	1,005,761	4,218	0.4%	2.31	3.0537
	1998	2,057.8	9,148,830	188,075	2.1%	26,110,434	536,759	2.1%	2.30	2.8540
	1999	5,303.1	20,414,761	1,622,402	7.9%	54,451,402	4,327,363	7.9%	2.32	2.6673
	2000	9,269.1	34,288,485	5,117,969	14.9%	85,473,068	12,757,885	14.9%	2.36	2.4928
	2001	14,502.9	54,129,090	7,083,339	13.1%	126,103,733	16,501,950	13.1%	2.41	2.3297
	2002	19,564.9	72,647,762	10,247,195	14.1%	158,174,214	22,310,970	14.1%	2.46	2.1773
	2003	20,646.8	74,064,967	15,845,696	21.4%	150,710,149	32,243,411	21.4%	2.48	2.0348
	2004	19,968.7	71,262,329	10,481,964	14.7%	135,520,783	19,933,729	14.7%	2.49	1.9017
	2005	19,396.3	69,387,587	21,273,851	30.7%	123,322,947	37,810,135	30.7%	2.49	1.7773
	2006	18,893.3	67,188,256	16,362,210	24.4%	111,601,930	27,178,175	24.4%	2.50	1.6610
	2007	18,380.0	65,704,754	18,547,444	28.2%	101,997,927	28,792,449	28.2%	2.50	1.5524
	2008	17,908.5	64,432,877	25,541,555	39.6%	93,479,913	37,055,963	39.6%	2.51	1.4508
	2009	17,444.5	62,211,281	27,843,834	44.8%	84,352,147	37,753,397	44.8%	2.51	1.3559
	2010	16,968.5	57,839,617	28,056,318	48.5%	73,294,034	35,552,808	48.5%	2.52	1.2672
	2011	16,513.3	53,898,297	30,666,849	56.9%	63,831,417	36,318,558	56.9%	2.53	1.1843
	2012	16,101.3	50,980,957	36,911,898	72.4%	56,426,570	40,854,701	72.4%	2.55	1.1068
	2013	15,651.9	50,589,216	37,151,020	73.4%	52,329,892	38,429,314	73.4%	2.54	1.0344
	2014	15,057.7	45,568,944	42,207,416	92.6%	44,053,161	40,803,449	92.6%	1.60	0.9667
Projected	2015	14,429.2	43,076,419	44,939,023	104.3%	38,919,202	40,602,050	104.3%	1.61	0.9035
Future	2016	13,692.3	40,462,219	47,309,081	116.9%	34,165,694	39,947,083	116.9%	1.62	0.8444
Experience	2017	12,946.8	37,721,103	50,271,922	133.3%	29,767,417	39,671,833	133.3%	1.62	0.7891
(50 years)	2018	12,193.3	35,002,086	53,632,341	153.2%	25,814,691	39,554,851	153.2%	1.63	0.7375
	2019	11,438.4	32,311,317	57,082,711	176.7%	22,271,214	39,345,386	176.7%	1.64	0.6893
	2020	10,686.2	29,669,941	60,706,770	204.6%	19,112,704	39,105,926	204.6%	1.65	0.6442
	2021	9,937.6	27,092,760	64,071,566	236.5%	16,310,787	38,573,319	236.5%	1.66	0.6020
	2022	9,198.2	24,603,937	67,039,510	272.5%	13,843,391	37,719,742	272.5%	1.67	0.5626
	2023	8,472.3	22,216,389	69,646,346	313.5%	11,682,279	36,622,876	313.5%	1.68	0.5258
	2024	7,763.7	19,939,615	71,873,791	360.5%	9,799,121	35,321,642	360.5%	1.69	0.4914
	2025	7,074.7	17,783,995	73,918,301	415.6%	8,168,003	33,949,903	415.6%	1.70	0.4593
	2026	6,410.4	15,754,425	75,701,611	480.5%	6,762,470	32,494,353	480.5%	1.70	0.4292
	2027	5,774.7	13,862,244	76,713,095	553.4%	5,560,995	30,774,323	553.4%	1.71	0.4012
	2028	5,170.6	12,116,146	76,703,505	633.1%	4,542,550	28,757,454	633.1%	1.72	0.3749
	2029	4,601.2	10,519,621	75,706,626	719.7%	3,685,968	26,526,829	719.7%	1.73	0.3504
	2030	4,067.5	9,068,100	74,092,861	817.1%	2,969,504	24,262,974	817.1%	1.74	0.3275
	2031	3,571.0	7,756,599	72,668,778	936.9%	2,373,861	22,239,845	936.9%	1.75	0.3060
	2032	3,113.1	6,583,426	70,800,117	1075.4%	1,883,008	20,250,423	1075.4%	1.75	0.2860
	2033	2,695.3	5,544,791	67,709,583	1221.1%	1,482,182	18,099,496	1221.1%	1.76	0.2673
	2034	2,317.3	4,636,155	63,511,714	1369.9%	1,158,219	15,866,692	1369.9%	1.77	0.2498
	2035	1,977.1	3,846,677	58,452,750	1519.6%	898,120	13,647,520	1519.6%	1.77	0.2335
	2036	1,673.2	3,165,451	54,159,239	1710.9%	690,718	11,817,825	1710.9%	1.78	0.2182
	2037	1,405.1	2,582,785	50,127,862	1940.8%	526,708	10,222,577	1940.8%	1.79	0.2039
	2038	1,171.4	2,091,056	45,271,095	2165.0%	398,532	8,628,165	2165.0%	1.79	0.1906
	2039	969.7	1,681,715	39,901,963	2372.7%	299,548	7,107,354	2372.7%	1.79	0.1781
	2040	796.8	1,343,637	34,294,685	2552.4%	223,672	5,708,956	2552.4%	1.80	0.1665
	2041	649.5	1,066,134	29,709,210	2786.6%	165,866	4,622,077	2786.6%	1.80	0.1556
	2042	525.6	839,955	26,063,450	3103.0%	122,129	3,789,607	3103.0%	1.81	0.1454
	2043	423.0	657,821	22,401,811	3405.5%	89,389	3,044,119	3405.5%	1.81	0.1359
	2044	338.8	512,953	18,801,922	3665.4%	65,144	2,387,795	3665.4%	1.81	0.1270
	2045	270.0	398,411	15,492,624	3888.6%	47,287	1,838,806	3888.6%	1.81	0.1187
	2046	214.0	308,089	12,871,476	4177.8%	34,175	1,427,761	4177.8%	1.82	0.1109
	2047	168.9	237,053	10,993,552	4637.6%	24,575	1,139,676	4637.6%	1.82	0.1037
	2048	132.8	181,591	9,327,565	5136.6%	17,594	903,708	5136.6%	1.82	0.0969
	2049	104.2	138,616	7,741,338	5584.7%	12,551	700,958	5584.7%	1.83	0.0905
	2050	81.5	105,364	6,374,775	6050.2%	8,916	539,457	6050.2%	1.83	0.0846
	2051	63.4	79,612	5,307,420	6666.6%	6,296	419,751	6666.6%	1.83	0.0791
	2052	49.0	59,683	4,518,572	7570.9%	4,411	333,984	7570.9%	1.84	0.0739
	2053	37.6	44,368	3,799,847	8564.5%	3,065	262,486	8564.5%	1.84	0.0691
	2054	28.7	32,704	3,051,064	9329.4%	2,111	196,974	9329.4%	1.84	0.0646
	2055	21.7	23,866	2,396,300	10040.7%	1,440	144,582	10040.7%	1.85	0.0603
	2056	16.2	17,200	1,888,996	10982.9%	970	106,517	10982.9%	1.85	0.0564
	2057	11.9	12,207	1,505,293	12331.6%	643	79,328	12331.6%	1.85	0.0527
	2058	8.6	8,529	1,162,388	13628.7%	420	57,250	13628.7%	1.86	0.0493
	2059	6.1	5,874	843,041	14352.4%	270	38,805	14352.4%	1.86	0.0460
	2060	4.3	3,982	590,672	14832.8%	171	25,410	14832.8%	1.86	0.0430
	2061	3.0	2,655	412,002	15515.5%	107	16,564	15515.5%	1.86	0.0402
	2062	2.0	1,740	288,595	16584.3%	65	10,844	16584.3%	1.87	0.0376
	2063	1.3	1,121	197,984	17661.1%	39	6,952	17661.1%	1.87	0.0351
	Past		878,598,055	292,943,001	33.3%	1,498,448,717	428,361,787	28.6%		
	Future		480,741,080	1,824,254,156	379.5%	307,971,354	759,716,258	246.7%		
	Lifetime		1,359,339,135	2,117,197,157	155.8%	1,806,420,070	1,188,078,045	65.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	9,539	0	0.0%	33,351	0	0.0%	2.00	3.4962
Historical	1996	5.6	41,095	0	0.0%	134,279	0	0.0%	2.00	3.2675
Experience	1997	215.5	200,566	1,381	0.7%	612,477	4,218	0.7%	2.00	3.0537
	1998	1,426.1	5,686,020	188,075	3.3%	16,227,698	536,759	3.3%	2.00	2.8540
	1999	3,569.8	12,288,405	1,607,522	13.1%	32,776,328	4,287,674	13.1%	2.00	2.6673
	2000	5,933.9	19,062,309	4,631,283	24.3%	47,517,821	11,544,692	24.3%	2.00	2.4928
	2001	8,672.5	27,439,371	5,571,803	20.3%	63,925,094	12,980,546	20.3%	2.00	2.3297
	2002	10,745.6	33,047,358	9,123,503	27.6%	71,953,212	19,864,383	27.6%	2.00	2.1773
	2003	10,822.9	31,965,006	11,937,371	37.3%	65,043,583	24,290,607	37.3%	2.00	2.0348
	2004	10,392.3	30,447,922	7,332,428	24.1%	57,903,332	13,944,203	24.1%	2.00	1.9017
	2005	10,025.6	29,504,733	14,661,024	49.7%	52,438,927	26,057,119	49.7%	2.00	1.7773
	2006	9,700.0	28,181,012	12,051,883	42.8%	46,809,598	20,018,579	42.8%	2.00	1.6610
	2007	9,381.8	27,220,344	14,456,805	53.1%	42,255,978	22,442,275	53.1%	2.00	1.5524
	2008	9,075.9	26,293,798	17,895,424	68.1%	38,147,326	25,962,874	68.1%	2.00	1.4508
	2009	8,789.0	25,267,000	18,046,206	71.4%	34,259,473	24,468,813	71.4%	2.00	1.3559
	2010	8,490.8	23,112,696	18,347,899	79.4%	29,288,277	23,250,353	79.4%	2.00	1.2672
	2011	8,200.4	20,876,921	14,758,675	70.7%	24,724,408	17,478,607	70.7%	2.00	1.1843
	2012	7,931.3	19,000,126	21,208,293	111.6%	21,029,655	23,473,691	111.6%	2.00	1.1068
	2013	7,636.1	19,030,956	21,463,183	112.8%	19,685,774	22,201,689	112.8%	2.00	1.0344
	2014	7,249.3	16,282,691	20,185,299	124.0%	15,741,072	19,513,866	124.0%	1.25	0.9667
Projected	2015	6,845.2	15,004,100	20,299,104	135.3%	13,556,085	18,340,079	135.3%	1.25	0.9035
Future	2016	6,374.5	13,687,673	20,047,935	146.5%	11,557,667	16,928,177	146.5%	1.25	0.8444
Experience	2017	5,910.1	12,348,327	19,914,245	161.3%	9,744,620	15,715,226	161.3%	1.25	0.7891
(50 years)	2018	5,450.5	11,061,830	19,775,513	178.8%	8,158,306	14,584,809	178.8%	1.25	0.7375
	2019	5,000.0	9,832,967	19,519,339	198.5%	6,777,566	13,454,090	198.5%	1.25	0.6893
	2020	4,562.5	8,674,570	19,147,916	220.7%	5,587,961	12,334,654	220.7%	1.25	0.6442
	2021	4,137.3	7,592,836	18,553,358	244.4%	4,571,152	11,169,769	244.4%	1.25	0.6020
	2022	3,729.2	6,596,331	17,748,890	269.1%	3,711,422	9,986,403	269.1%	1.25	0.5626
	2023	3,340.2	5,686,221	16,775,594	295.0%	2,990,046	8,821,288	295.0%	1.25	0.5258
	2024	2,972.3	4,863,308	15,731,911	323.5%	2,390,023	7,731,287	323.5%	1.25	0.4914
	2025	2,626.2	4,126,205	14,660,901	355.3%	1,895,123	6,733,599	355.3%	1.25	0.4593
	2026	2,304.5	3,471,514	13,558,284	390.6%	1,490,122	5,819,793	390.6%	1.25	0.4292
	2027	2,008.3	2,897,774	12,333,380	425.6%	1,162,475	4,947,674	425.6%	1.25	0.4012
	2028	1,737.7	2,400,248	11,040,540	460.0%	899,894	4,139,287	460.0%	1.25	0.3749
	2029	1,492.9	1,973,745	9,755,142	494.2%	691,580	3,418,102	494.2%	1.25	0.3504
	2030	1,273.2	1,610,676	8,580,744	532.7%	527,443	2,809,911	532.7%	1.25	0.3275
	2031	1,077.9	1,304,165	7,543,879	578.4%	399,132	2,308,759	578.4%	1.25	0.3060
	2032	906.0	1,048,313	6,553,704	625.2%	299,841	1,874,506	625.2%	1.25	0.2860
	2033	756.3	837,028	5,590,589	667.9%	223,747	1,494,424	667.9%	1.25	0.2673
	2034	626.9	664,152	4,702,606	708.1%	165,921	1,174,819	708.1%	1.25	0.2498
	2035	515.8	523,489	3,924,073	749.6%	122,224	916,191	749.6%	1.25	0.2335
	2036	421.2	409,794	3,302,833	806.0%	89,419	720,695	806.0%	1.25	0.2182
	2037	341.6	318,721	2,748,958	862.5%	64,997	560,595	862.5%	1.25	0.2039
	2038	275.4	246,559	2,240,322	908.6%	46,991	426,980	908.6%	1.25	0.1906
	2039	220.6	189,849	1,792,502	944.2%	33,816	319,281	944.2%	1.25	0.1781
	2040	175.5	145,474	1,417,181	974.2%	24,217	235,915	974.2%	1.25	0.1665
	2041	138.7	110,892	1,140,812	1028.8%	17,252	177,484	1028.8%	1.25	0.1556
	2042	108.9	84,130	910,306	1082.0%	12,232	132,358	1082.0%	1.25	0.1454
	2043	85.2	63,612	713,107	1121.0%	8,644	96,902	1121.0%	1.25	0.1359
	2044	66.3	47,944	549,406	1145.9%	6,089	69,773	1145.9%	1.25	0.1270
	2045	51.2	35,985	421,891	1172.4%	4,271	50,074	1172.4%	1.25	0.1187
	2046	39.4	26,858	331,617	1234.7%	2,979	36,784	1234.7%	1.25	0.1109
	2047	30.2	19,922	260,705	1308.6%	2,065	27,027	1308.6%	1.25	0.1037
	2048	23.0	14,689	202,099	1375.9%	1,423	19,581	1375.9%	1.25	0.0969
	2049	17.4	10,757	152,397	1416.7%	974	13,799	1416.7%	1.25	0.0905
	2050	13.1	7,812	114,109	1460.6%	661	9,656	1460.6%	1.25	0.0846
	2051	9.8	5,614	87,952	1566.6%	444	6,956	1566.6%	1.25	0.0791
	2052	7.3	3,989	67,240	1685.6%	295	4,970	1685.6%	1.25	0.0739
	2053	5.3	2,801	50,130	1789.4%	194	3,463	1789.4%	1.25	0.0691
	2054	3.9	1,945	35,120	1805.8%	126	2,267	1805.8%	1.25	0.0646
	2055	2.8	1,332	24,275	1822.4%	80	1,465	1822.4%	1.25	0.0603
	2056	2.0	898	17,351	1932.9%	51	978	1932.9%	1.25	0.0564
	2057	1.4	594	12,128	2040.1%	31	639	2040.1%	1.25	0.0527
	2058	0.9	387	8,199	2117.0%	19	404	2117.0%	1.25	0.0493
	2059	0.6	248	5,182	2092.1%	11	239	2092.1%	1.25	0.0460
	2060	0.4	156	3,220	2066.9%	7	139	2066.9%	1.25	0.0430
	2061	0.3	96	2,025	2105.1%	4	81	2105.1%	1.25	0.0402
	2062	0.2	58	1,247	2135.3%	2	47	2135.3%	1.25	0.0376
	2063	0.1	35	750	2154.2%	1	26	2154.2%	1.25	0.0351
	Past		378,675,178	193,282,760	51.0%	664,766,590	292,807,085	44.0%		
	Future		134,239,317	322,556,010	240.3%	92,980,718	187,135,293	201.3%		
	Lifetime		512,914,495	515,838,770	100.6%	757,747,309	479,942,378	63.3%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections Requested Rates Implemented from Issue (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	3.04	3.4962
Historical	1996	2.6	29,002	0	0.0%	94,763	0	0.0%	3.04	3.2675
Experience	1997	64.6	128,788	0	0.0%	393,285	0	0.0%	3.04	3.0537
	1998	631.7	3,462,810	0	0.0%	9,882,736	0	0.0%	3.04	2.8540
	1999	1,733.3	8,126,356	14,880	0.2%	21,675,075	39,689	0.2%	3.04	2.6673
	2000	3,335.2	15,226,175	486,686	3.2%	37,955,248	1,213,193	3.2%	3.04	2.4928
	2001	5,830.4	26,689,719	1,511,536	5.7%	62,178,640	3,521,404	5.7%	3.04	2.3297
	2002	8,819.3	39,600,405	1,123,692	2.8%	86,221,002	2,446,587	2.8%	3.04	2.1773
	2003	9,823.8	42,099,961	3,908,325	9.3%	85,666,566	7,952,804	9.3%	3.04	2.0348
	2004	9,576.3	40,814,407	3,149,536	7.7%	77,617,451	5,989,526	7.7%	3.04	1.9017
	2005	9,370.7	39,882,854	6,612,827	16.6%	70,884,020	11,753,015	16.6%	3.04	1.7773
	2006	9,193.3	39,007,245	4,310,327	11.1%	64,792,331	7,159,596	11.1%	3.04	1.6610
	2007	8,998.3	38,484,410	4,090,638	10.6%	59,741,949	6,350,174	10.6%	3.04	1.5524
	2008	8,832.6	38,139,078	7,646,131	20.0%	55,332,586	11,093,089	20.0%	3.04	1.4508
	2009	8,655.5	36,944,281	9,797,628	26.5%	50,092,674	13,284,584	26.5%	3.04	1.3559
	2010	8,477.8	34,726,921	9,708,420	28.0%	44,005,757	12,302,455	28.0%	3.04	1.2672
	2011	8,312.9	33,021,376	15,908,173	48.2%	39,107,010	18,839,951	48.2%	3.04	1.1843
	2012	8,169.9	31,980,831	15,703,604	49.1%	35,396,915	17,381,010	49.1%	3.04	1.1068
	2013	8,015.8	31,558,260	15,687,837	49.7%	32,644,118	16,227,625	49.7%	3.04	1.0344
	2014	7,808.4	29,286,253	22,022,116	75.2%	28,312,090	21,289,583	75.2%	1.90	0.9667
Projected	2015	7,584.0	28,072,319	24,639,919	87.8%	25,363,117	22,261,971	87.8%	1.90	0.9035
Future	2016	7,317.8	26,774,546	27,261,146	101.8%	22,608,027	23,018,905	101.8%	1.90	0.8444
Experience	2017	7,036.7	25,372,775	30,357,677	119.6%	20,022,797	23,956,607	119.6%	1.90	0.7891
(50 years)	2018	6,742.8	23,940,256	33,856,828	141.4%	17,656,385	24,970,041	141.4%	1.90	0.7375
	2019	6,438.4	22,478,351	37,563,372	167.1%	15,493,647	25,891,296	167.1%	1.90	0.6893
	2020	6,123.6	20,995,371	41,558,854	197.9%	13,524,742	26,771,272	197.9%	1.90	0.6442
	2021	5,800.3	19,499,924	45,518,208	233.4%	11,739,635	27,403,550	233.4%	1.90	0.6020
	2022	5,469.0	18,007,605	49,290,620	273.7%	10,131,969	27,733,340	273.7%	1.90	0.5626
	2023	5,132.1	16,530,167	52,870,752	319.8%	8,692,233	27,801,588	319.8%	1.90	0.5258
	2024	4,791.4	15,076,307	56,141,880	372.4%	7,409,097	27,590,355	372.4%	1.90	0.4914
	2025	4,448.5	13,657,790	59,257,400	433.9%	6,272,880	27,216,304	433.9%	1.90	0.4593
	2026	4,105.9	12,282,911	62,143,327	505.9%	5,272,348	26,674,561	505.9%	1.90	0.4292
	2027	3,766.4	10,964,470	64,379,715	587.2%	4,398,521	25,826,648	587.2%	1.90	0.4012
	2028	3,432.9	9,715,898	65,662,965	675.8%	3,642,656	24,618,167	675.8%	1.90	0.3749
	2029	3,108.3	8,545,876	65,951,485	771.7%	2,994,388	23,108,727	771.7%	1.90	0.3504
	2030	2,794.4	7,457,424	65,512,117	878.5%	2,442,061	21,453,063	878.5%	1.90	0.3275
	2031	2,493.2	6,452,435	65,124,899	1009.3%	1,974,729	19,931,086	1009.3%	1.90	0.3060
	2032	2,207.1	5,535,113	64,246,414	1160.7%	1,583,167	18,375,916	1160.7%	1.90	0.2860
	2033	1,939.1	4,707,763	62,118,994	1319.5%	1,258,435	16,605,071	1319.5%	1.90	0.2673
	2034	1,690.4	3,972,003	58,809,109	1480.6%	992,298	14,691,873	1480.6%	1.90	0.2498
	2035	1,461.3	3,323,188	54,528,677	1640.9%	775,896	12,731,329	1640.9%	1.90	0.2335
	2036	1,252.1	2,755,657	50,856,407	1845.5%	601,299	11,097,130	1845.5%	1.90	0.2182
	2037	1,063.5	2,264,064	47,378,904	2092.6%	461,711	9,661,982	2092.6%	1.90	0.2039
	2038	896.0	1,844,497	43,030,773	2332.9%	351,540	8,201,185	2332.9%	1.90	0.1906
	2039	749.1	1,491,865	38,109,460	2554.5%	265,732	6,788,072	2554.5%	1.90	0.1781
	2040	621.2	1,198,163	32,877,504	2744.0%	199,455	5,473,041	2744.0%	1.90	0.1665
	2041	510.8	955,242	28,568,398	2990.7%	148,614	4,444,593	2990.7%	1.90	0.1556
	2042	416.7	755,826	25,153,144	3327.9%	109,897	3,657,250	3327.9%	1.90	0.1454
	2043	337.8	594,209	21,688,704	3650.0%	80,745	2,947,217	3650.0%	1.90	0.1359
	2044	272.5	465,009	18,252,516	3925.2%	59,055	2,318,022	3925.2%	1.90	0.1270
	2045	218.8	362,426	15,070,733	4158.3%	43,016	1,788,732	4158.3%	1.90	0.1187
	2046	174.6	281,231	12,539,859	4458.9%	31,195	1,390,977	4458.9%	1.90	0.1109
	2047	138.7	217,131	10,732,847	4943.0%	22,509	1,112,650	4943.0%	1.90	0.1037
	2048	109.8	166,902	9,125,466	5467.5%	16,170	884,127	5467.5%	1.90	0.0969
	2049	86.8	127,859	7,588,940	5935.4%	11,577	687,159	5935.4%	1.90	0.0905
	2050	68.4	97,551	6,260,666	6417.8%	8,255	529,801	6417.8%	1.90	0.0846
	2051	53.6	73,998	5,219,468	7053.5%	5,852	412,795	7053.5%	1.90	0.0791
	2052	41.7	55,694	4,451,331	7992.4%	4,117	329,014	7992.4%	1.90	0.0739
	2053	32.3	41,566	3,749,717	9021.1%	2,871	259,024	9021.1%	1.90	0.0691
	2054	24.8	30,759	3,015,943	9805.1%	1,986	194,706	9805.1%	1.90	0.0646
	2055	18.9	22,534	2,372,024	10526.5%	1,360	143,117	10526.5%	1.90	0.0603
	2056	14.2	16,302	1,871,645	11481.2%	919	105,539	11481.2%	1.90	0.0564
	2057	10.5	11,612	1,493,165	12858.4%	612	78,689	12858.4%	1.90	0.0527
	2058	7.7	8,142	1,154,188	14176.3%	401	56,846	14176.3%	1.90	0.0493
	2059	5.5	5,626	837,859	14892.1%	259	38,566	14892.1%	1.90	0.0460
	2060	3.9	3,826	587,453	15352.6%	165	25,271	15352.6%	1.90	0.0430
	2061	2.7	2,559	409,977	16019.6%	103	16,483	16019.6%	1.90	0.0402
	2062	1.8	1,682	287,348	17086.1%	63	10,797	17086.1%	1.90	0.0376
	2063	1.2	1,086	197,235	18157.8%	38	6,926	18157.8%	1.90	0.0351
	Past		499,922,877	99,660,241	19.9%	833,682,126	135,554,702	16.3%		
	Future		346,501,762	1,501,698,146	433.4%	214,990,635	572,580,965	266.3%		
	Lifetime		846,424,640	1,601,358,387	189.2%	1,048,672,761	708,135,667	67.5%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%		2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%		1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%		1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%		1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%		1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%		1.6590
	2003	20,646.8	29,831,174	15,845,696	53.1%	47,357,787	25,155,466	53.1%		1.5875
	2004	19,968.7	28,649,753	10,481,964	36.6%	43,523,683	15,923,826	36.6%		1.5192
	2005	19,396.3	27,871,726	21,273,851	76.3%	40,518,405	30,926,771	76.3%		1.4537
	2006	18,893.3	26,921,836	16,362,210	60.8%	37,452,159	22,762,195	60.8%		1.3911
	2007	18,380.0	26,269,517	18,547,444	70.6%	34,970,994	24,691,072	70.6%		1.3312
	2008	17,908.5	25,692,649	25,541,555	99.4%	32,730,186	32,537,706	99.4%		1.2739
	2009	17,444.5	24,786,224	27,843,834	112.3%	30,215,771	33,943,166	112.3%		1.2191
	2010	16,968.5	28,536,552	28,056,318	98.3%	33,289,596	32,729,374	98.3%		1.1666
	2011	16,513.3	34,080,246	30,666,849	90.0%	38,044,637	34,234,176	90.0%		1.1163
	2012	16,101.3	32,031,021	36,911,898	115.2%	34,217,259	39,431,274	115.2%		1.0683
	2013	15,651.9	31,833,802	37,151,020	116.7%	32,542,181	37,977,720	116.7%		1.0223
	2014	15,057.7	28,439,970	42,207,416	148.4%	27,820,889	41,288,644	148.4%	1.00	0.9782
Projected	2015	14,429.2	26,778,185	44,939,023	167.8%	25,067,251	42,067,741	167.8%	1.00	0.9361
Future	2016	13,692.3	25,042,005	47,309,081	188.9%	22,432,536	42,379,301	188.9%	1.00	0.8958
Experience	2017	12,946.8	23,232,754	50,271,922	216.4%	19,915,613	43,094,166	216.4%	1.00	0.8572
(50 years)	2018	12,193.3	21,449,599	53,632,341	250.0%	17,595,267	43,995,012	250.0%	1.00	0.8203
	2019	11,438.4	19,697,084	57,082,711	289.8%	15,461,882	44,808,973	289.8%	1.00	0.7850
	2020	10,686.2	17,989,851	60,706,770	337.5%	13,513,620	45,601,722	337.5%	1.00	0.7512
	2021	9,937.6	16,337,387	64,071,566	392.2%	11,743,848	46,056,737	392.2%	1.00	0.7188
	2022	9,198.2	14,754,752	67,039,510	454.4%	10,149,472	46,115,016	454.4%	1.00	0.6879
	2023	8,472.3	13,249,065	69,646,346	525.7%	8,721,285	45,845,169	525.7%	1.00	0.6583
	2024	7,763.7	11,825,545	71,873,791	607.8%	7,449,037	45,274,066	607.8%	1.00	0.6299
	2025	7,074.7	10,489,275	73,918,301	704.7%	6,322,781	44,556,866	704.7%	1.00	0.6028
	2026	6,410.4	9,241,901	75,701,611	819.1%	5,330,988	43,666,812	819.1%	1.00	0.5768
	2027	5,774.7	8,088,993	76,713,095	948.4%	4,465,032	42,344,751	948.4%	1.00	0.5520
	2028	5,170.6	7,033,829	76,703,505	1090.5%	3,715,400	40,516,227	1090.5%	1.00	0.5282
	2029	4,601.2	6,076,825	75,706,626	1245.8%	3,071,668	38,267,615	1245.8%	1.00	0.5055
	2030	4,067.5	5,213,501	74,092,861	1421.2%	2,521,800	35,839,139	1421.2%	1.00	0.4837
	2031	3,571.0	4,439,350	72,668,778	1636.9%	2,054,870	33,636,653	1636.9%	1.00	0.4629
	2032	3,113.1	3,751,868	70,800,117	1887.1%	1,661,866	31,360,473	1887.1%	1.00	0.4429
	2033	2,695.3	3,147,392	67,709,583	2151.3%	1,334,084	28,700,038	2151.3%	1.00	0.4239
	2034	2,317.3	2,621,850	63,511,714	2422.4%	1,063,467	25,761,425	2422.4%	1.00	0.4056
	2035	1,977.1	2,167,838	58,452,750	2696.4%	841,446	22,688,444	2696.4%	1.00	0.3882
	2036	1,673.2	1,778,181	54,159,239	3045.8%	660,480	20,116,667	3045.8%	1.00	0.3714
	2037	1,405.1	1,446,590	50,127,862	3465.2%	514,177	17,817,483	3465.2%	1.00	0.3554
	2038	1,171.4	1,168,035	45,271,095	3875.8%	397,289	15,398,268	3875.8%	1.00	0.3401
	2039	969.7	937,072	39,901,963	4258.2%	305,005	12,987,598	4258.2%	1.00	0.3255
	2040	796.8	746,991	34,294,685	4591.0%	232,666	10,681,817	4591.0%	1.00	0.3115
	2041	649.5	591,473	29,709,210	5022.9%	176,294	8,855,093	5022.9%	1.00	0.2981
	2042	525.6	465,107	26,063,450	5603.8%	132,659	7,433,915	5603.8%	1.00	0.2852
	2043	423.0	363,631	22,401,811	6160.6%	99,250	6,114,382	6160.6%	1.00	0.2729
	2044	338.8	283,097	18,801,922	6641.5%	73,942	4,910,835	6641.5%	1.00	0.2612
	2045	270.0	219,538	15,492,624	7056.9%	54,872	3,872,236	7056.9%	1.00	0.2499
	2046	214.0	169,503	12,871,476	7593.7%	40,541	3,078,569	7593.7%	1.00	0.2392
	2047	168.9	130,217	10,993,552	8442.5%	29,804	2,516,183	8442.5%	1.00	0.2289
	2048	132.8	99,594	9,327,565	9365.6%	21,813	2,042,943	9365.6%	1.00	0.2190
	2049	104.2	75,900	7,741,338	10199.4%	15,908	1,622,511	10199.4%	1.00	0.2096
	2050	81.5	57,593	6,374,775	11068.7%	11,551	1,278,557	11068.7%	1.00	0.2006
	2051	63.4	43,438	5,307,420	12218.5%	8,337	1,018,644	12218.5%	1.00	0.1919
	2052	49.0	32,504	4,518,572	13901.5%	5,970	829,897	13901.5%	1.00	0.1837
	2053	37.6	24,118	3,799,847	15755.1%	4,239	667,840	15755.1%	1.00	0.1758
	2054	28.7	17,745	3,051,064	17194.2%	2,984	513,147	17194.2%	1.00	0.1682
	2055	21.7	12,926	2,396,300	18539.2%	2,080	385,669	18539.2%	1.00	0.1609
	2056	16.2	9,298	1,888,996	20316.0%	1,432	290,930	20316.0%	1.00	0.1540
	2057	11.9	6,587	1,505,293	22851.3%	971	221,852	22851.3%	1.00	0.1474
	2058	8.6	4,595	1,162,388	25297.2%	648	163,937	25297.2%	1.00	0.1410
	2059	6.1	3,159	843,041	26684.5%	426	113,778	26684.5%	1.00	0.1350
	2060	4.3	2,139	590,672	27620.5%	276	76,285	27620.5%	1.00	0.1291
	2061	3.0	1,424	412,002	28934.3%	176	50,919	28934.3%	1.00	0.1236
	2062	2.0	932	288,595	30969.6%	110	34,131	30969.6%	1.00	0.1183
	2063	1.3	600	197,984	33023.0%	68	22,407	33023.0%	1.00	0.1132
	Past		396,070,534	292,943,001	74.0%	544,172,272	372,310,568	68.4%		
	Future		289,760,803	1,824,254,156	629.6%	215,048,067	996,981,482	463.6%		
	Lifetime		685,831,336	2,117,197,157	308.7%	759,220,339	1,369,292,050	180.4%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%	1.00	2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%	1.00	2.1604
Experience	1997	280.1	142,647	1,381	1.0%	294,905	2,856	1.0%	1.00	2.0674
	1998	2,057.8	3,982,092	188,075	4.7%	7,877,961	372,078	4.7%	1.00	1.9783
	1999	5,303.1	8,817,346	1,622,402	18.4%	16,692,604	3,071,459	18.4%	1.00	1.8932
	2000	9,269.1	14,539,765	5,117,969	35.2%	26,340,700	9,271,876	35.2%	1.00	1.8116
	2001	14,502.9	22,499,198	7,083,339	31.5%	39,005,035	12,279,811	31.5%	1.00	1.7336
	2002	19,564.9	29,550,128	10,247,195	34.7%	49,022,641	16,999,743	34.7%	1.00	1.6590
	2003	20,646.8	29,831,174	15,845,696	53.1%	47,357,787	25,155,466	53.1%	1.00	1.5875
	2004	19,968.7	28,649,753	10,481,964	36.6%	43,523,683	15,923,826	36.6%	1.00	1.5192
	2005	19,396.3	27,871,726	21,273,851	76.3%	40,518,405	30,926,771	76.3%	1.00	1.4537
	2006	18,893.3	26,921,836	16,362,210	60.8%	37,452,159	22,762,195	60.8%	1.00	1.3911
	2007	18,380.0	26,269,517	18,547,444	70.6%	34,970,994	24,691,072	70.6%	1.00	1.3312
	2008	17,908.5	25,692,649	25,541,555	99.4%	32,730,186	32,537,706	99.4%	1.00	1.2739
	2009	17,444.5	24,786,224	27,843,834	112.3%	30,215,771	33,943,166	112.3%	1.00	1.2191
	2010	16,968.5	28,536,552	28,056,318	98.3%	33,289,596	32,729,374	98.3%	1.00	1.1666
	2011	16,513.3	34,080,246	30,666,849	90.0%	38,044,637	34,234,176	90.0%	1.00	1.1163
	2012	16,101.3	32,031,021	36,911,898	115.2%	34,217,259	39,431,274	115.2%	1.00	1.0683
	2013	15,651.9	31,833,802	37,151,020	116.7%	32,542,181	37,977,720	116.7%	1.00	1.0223
	2014	15,057.7	28,439,970	42,207,416	148.4%	27,820,889	41,288,644	148.4%	1.00	0.9782
Projected	2015	14,429.2	34,927,302	44,939,023	128.7%	32,695,697	42,067,741	128.7%	1.30	0.9361
Future	2016	13,692.3	40,462,219	47,309,081	116.9%	36,245,907	42,379,301	116.9%	1.62	0.8958
Experience	2017	12,946.8	37,721,103	50,271,922	133.3%	32,335,335	43,094,166	133.3%	1.62	0.8572
(50 years)	2018	12,193.3	35,002,086	53,632,341	153.2%	28,712,474	43,995,012	153.2%	1.63	0.8203
	2019	11,438.4	32,311,317	57,082,711	176.7%	25,363,843	44,808,973	176.7%	1.64	0.7850
	2020	10,686.2	29,669,941	60,706,770	204.6%	22,287,471	45,601,722	204.6%	1.65	0.7512
	2021	9,937.6	27,092,760	64,071,566	236.5%	19,475,162	46,056,737	236.5%	1.66	0.7188
	2022	9,198.2	24,603,937	67,039,510	272.5%	16,924,511	46,115,016	272.5%	1.67	0.6879
	2023	8,472.3	22,216,389	69,646,346	313.5%	14,624,085	45,845,169	313.5%	1.68	0.6583
	2024	7,763.7	19,939,615	71,873,791	360.5%	12,560,176	45,274,066	360.5%	1.69	0.6299
	2025	7,074.7	17,783,995	73,918,301	415.6%	10,719,931	44,556,866	415.6%	1.70	0.6028
	2026	6,410.4	15,754,425	75,701,611	480.5%	9,087,594	43,666,812	480.5%	1.70	0.5768
	2027	5,774.7	13,862,244	76,713,095	553.4%	7,651,800	42,344,751	553.4%	1.71	0.5520
	2028	5,170.6	12,116,146	76,703,505	633.1%	6,399,975	40,516,227	633.1%	1.72	0.5282
	2029	4,601.2	10,519,621	75,706,626	719.7%	5,317,378	38,267,615	719.7%	1.73	0.5055
	2030	4,067.5	9,068,100	74,092,861	817.1%	4,386,292	35,839,139	817.1%	1.74	0.4837
	2031	3,571.0	7,756,599	72,668,778	936.9%	3,590,346	33,636,653	936.9%	1.75	0.4629
	2032	3,113.1	6,583,426	70,800,117	1075.4%	2,916,088	31,360,473	1075.4%	1.75	0.4429
	2033	2,695.3	5,544,791	67,709,583	1221.1%	2,350,269	28,700,038	1221.1%	1.76	0.4239
	2034	2,317.3	4,636,155	63,511,714	1369.9%	1,880,503	25,761,425	1369.9%	1.77	0.4056
	2035	1,977.1	3,846,677	58,452,750	1519.6%	1,493,088	22,688,444	1519.6%	1.77	0.3882
	2036	1,673.2	3,165,451	54,159,239	1710.9%	1,175,761	20,116,667	1710.9%	1.78	0.3714
	2037	1,405.1	2,582,785	50,127,862	1940.8%	918,027	17,817,483	1940.8%	1.79	0.3554
	2038	1,171.4	2,091,056	45,271,095	2165.0%	711,240	15,398,268	2165.0%	1.79	0.3401
	2039	969.7	1,681,715	39,901,963	2372.7%	547,377	12,987,598	2372.7%	1.79	0.3255
	2040	796.8	1,343,637	34,294,685	2552.4%	418,504	10,681,817	2552.4%	1.80	0.3115
	2041	649.5	1,066,134	29,709,210	2786.6%	317,771	8,855,093	2786.6%	1.80	0.2981
	2042	525.6	839,955	26,063,450	3103.0%	239,575	7,433,915	3103.0%	1.81	0.2852
	2043	423.0	657,821	22,401,811	3405.5%	179,546	6,114,382	3405.5%	1.81	0.2729
	2044	338.8	512,953	18,801,922	3665.4%	133,977	4,910,835	3665.4%	1.81	0.2612
	2045	270.0	398,411	15,492,624	3888.6%	99,579	3,872,236	3888.6%	1.81	0.2499
	2046	214.0	308,089	12,871,476	4177.8%	73,688	3,078,569	4177.8%	1.82	0.2392
	2047	168.9	237,053	10,993,552	4637.6%	54,256	2,516,183	4637.6%	1.82	0.2289
	2048	132.8	181,591	9,327,565	5136.6%	39,772	2,042,943	5136.6%	1.82	0.2190
	2049	104.2	138,616	7,741,338	5584.7%	29,053	1,622,511	5584.7%	1.83	0.2096
	2050	81.5	105,364	6,374,775	6050.2%	21,132	1,278,557	6050.2%	1.83	0.2006
	2051	63.4	79,612	5,307,420	6666.6%	15,280	1,018,644	6666.6%	1.83	0.1919
	2052	49.0	59,683	4,518,572	7570.9%	10,962	829,897	7570.9%	1.84	0.1837
	2053	37.6	44,368	3,799,847	8564.5%	7,798	667,840	8564.5%	1.84	0.1758
	2054	28.7	32,704	3,051,064	9329.4%	5,500	513,147	9329.4%	1.84	0.1682
	2055	21.7	23,866	2,396,300	10040.7%	3,841	385,669	10040.7%	1.85	0.1609
	2056	16.2	17,200	1,888,996	10982.9%	2,649	290,930	10982.9%	1.85	0.1540
	2057	11.9	12,207	1,505,293	12331.6%	1,799	221,852	12331.6%	1.85	0.1474
	2058	8.6	8,529	1,162,388	13628.7%	1,203	163,937	13628.7%	1.86	0.1410
	2059	6.1	5,874	843,041	14352.4%	793	113,778	14352.4%	1.86	0.1350
	2060	4.3	3,982	590,672	14832.8%	514	76,285	14832.8%	1.86	0.1291
	2061	3.0	2,655	412,002	15515.5%	328	50,919	15515.5%	1.86	0.1236
	2062	2.0	1,740	288,595	16584.3%	206	34,131	16584.3%	1.87	0.1183
	2063	1.3	1,121	197,984	17661.1%	127	22,407	17661.1%	1.87	0.1132
	Past		396,070,534	292,943,001	74.0%	544,172,272	372,310,568	68.4%		
	Future		455,462,989	1,824,254,156	400.5%	329,849,074	996,981,482	302.3%		
	Lifetime		851,533,522	2,117,197,157	248.6%	874,021,346	1,369,292,050	156.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Experience	1997	215.5	100,283	1,381	1.4%	207,322	2,856	1.4%		2.0674
	1998	1,426.1	2,843,010	188,075	6.6%	5,624,461	372,078	6.6%		1.9783
	1999	3,569.8	6,144,202	1,607,522	26.2%	11,631,929	3,043,289	26.2%		1.8932
	2000	5,933.9	9,531,155	4,631,283	48.6%	17,266,942	8,390,180	48.6%		1.8116
	2001	8,672.5	13,719,685	5,571,803	40.6%	23,784,706	9,659,383	40.6%		1.7336
	2002	10,745.6	16,523,679	9,123,503	55.2%	27,412,212	15,135,577	55.2%		1.6590
	2003	10,822.9	15,982,503	11,937,371	74.7%	25,372,651	18,950,896	74.7%		1.5875
	2004	10,392.3	15,223,961	7,332,428	48.2%	23,127,699	11,139,163	48.2%		1.5192
	2005	10,025.6	14,752,366	14,661,024	99.4%	21,446,191	21,313,401	99.4%		1.4537
	2006	9,700.0	14,090,506	12,051,883	85.5%	19,601,927	16,765,909	85.5%		1.3911
	2007	9,381.8	13,610,172	14,456,805	106.2%	18,118,386	19,245,457	106.2%		1.3312
	2008	9,075.9	13,146,899	17,895,424	136.1%	16,747,999	22,797,204	136.1%		1.2739
	2009	8,789.0	12,633,500	18,046,206	142.8%	15,400,932	21,999,318	142.8%		1.2191
	2010	8,490.8	14,359,890	18,347,899	127.8%	16,751,671	21,403,921	127.8%		1.1666
	2011	8,200.4	16,701,537	14,758,675	88.4%	18,644,347	16,475,481	88.4%		1.1163
	2012	7,931.3	15,200,018	21,208,293	139.5%	16,237,476	22,655,839	139.5%		1.0683
	2013	7,636.1	15,224,630	21,463,183	141.0%	15,563,414	21,940,791	141.0%		1.0223
	2014	7,249.3	13,026,153	20,185,299	155.0%	12,742,599	19,745,905	155.0%	1.00	0.9782
Projected	2015	6,845.2	12,003,280	20,299,104	169.1%	11,236,357	19,002,137	169.1%	1.00	0.9361
Future	2016	6,374.5	10,950,139	20,047,935	183.1%	9,809,094	17,958,866	183.1%	1.00	0.8958
Experience	2017	5,910.1	9,878,662	19,914,245	201.6%	8,468,200	17,070,916	201.6%	1.00	0.8572
(50 years)	2018	5,450.5	8,849,464	19,775,513	223.5%	7,259,282	16,222,002	223.5%	1.00	0.8203
	2019	5,000.0	7,866,373	19,519,339	248.1%	6,174,971	15,322,354	248.1%	1.00	0.7850
	2020	4,562.5	6,939,656	19,147,916	275.9%	5,212,932	14,383,535	275.9%	1.00	0.7512
	2021	4,137.3	6,074,269	18,553,358	305.4%	4,366,383	13,336,760	305.4%	1.00	0.7188
	2022	3,729.2	5,277,065	17,748,890	336.3%	3,629,978	12,209,074	336.3%	1.00	0.6879
	2023	3,340.2	4,548,977	16,775,594	368.8%	2,994,394	11,042,646	368.8%	1.00	0.6583
	2024	2,972.3	3,890,647	15,731,911	404.4%	2,450,760	9,909,698	404.4%	1.00	0.6299
	2025	2,626.2	3,300,964	14,660,901	444.1%	1,989,773	8,837,376	444.1%	1.00	0.6028
	2026	2,304.5	2,777,211	13,558,284	488.2%	1,601,973	7,820,798	488.2%	1.00	0.5768
	2027	2,008.3	2,318,219	12,333,380	532.0%	1,279,631	6,807,885	532.0%	1.00	0.5520
	2028	1,737.7	1,920,198	11,040,540	575.0%	1,014,285	5,831,820	575.0%	1.00	0.5282
	2029	1,492.9	1,578,996	9,755,142	617.8%	798,139	4,930,955	617.8%	1.00	0.5055
	2030	1,273.2	1,288,541	8,580,744	665.9%	623,275	4,150,555	665.9%	1.00	0.4837
	2031	1,077.9	1,043,332	7,543,879	723.1%	482,933	3,491,883	723.1%	1.00	0.4629
	2032	906.0	838,650	6,553,704	781.5%	371,475	2,902,922	781.5%	1.00	0.4429
	2033	756.3	669,622	5,590,589	834.9%	283,833	2,369,681	834.9%	1.00	0.4239
	2034	626.9	531,322	4,702,606	885.1%	215,513	1,907,456	885.1%	1.00	0.4056
	2035	515.8	418,791	3,924,073	937.0%	162,554	1,523,130	937.0%	1.00	0.3882
	2036	421.2	327,835	3,302,833	1007.5%	121,770	1,226,789	1007.5%	1.00	0.3714
	2037	341.6	254,977	2,748,958	1078.1%	90,629	977,092	1078.1%	1.00	0.3554
	2038	275.4	197,247	2,240,322	1135.8%	67,091	762,011	1135.8%	1.00	0.3401
	2039	220.6	151,880	1,792,502	1180.2%	49,435	583,438	1180.2%	1.00	0.3255
	2040	175.5	116,379	1,417,181	1217.7%	36,249	441,412	1217.7%	1.00	0.3115
	2041	138.7	88,714	1,140,812	1285.9%	26,442	340,029	1285.9%	1.00	0.2981
	2042	108.9	67,304	910,306	1352.5%	19,197	259,641	1352.5%	1.00	0.2852
	2043	85.2	50,889	713,107	1401.3%	13,890	194,636	1401.3%	1.00	0.2729
	2044	66.3	38,356	549,406	1432.4%	10,018	143,498	1432.4%	1.00	0.2612
	2045	51.2	28,788	421,891	1465.5%	7,195	105,448	1465.5%	1.00	0.2499
	2046	39.4	21,486	331,617	1543.4%	5,139	79,315	1543.4%	1.00	0.2392
	2047	30.2	15,938	260,705	1635.8%	3,648	59,670	1635.8%	1.00	0.2289
	2048	23.0	11,751	202,099	1719.8%	2,574	44,264	1719.8%	1.00	0.2190
	2049	17.4	8,606	152,397	1770.9%	1,804	31,941	1770.9%	1.00	0.2096
	2050	13.1	6,250	114,109	1825.8%	1,254	22,886	1825.8%	1.00	0.2006
	2051	9.8	4,491	87,952	1958.2%	862	16,880	1958.2%	1.00	0.1919
	2052	7.3	3,191	67,240	2107.0%	586	12,350	2107.0%	1.00	0.1837
	2053	5.3	2,241	50,130	2236.7%	394	8,811	2236.7%	1.00	0.1758
	2054	3.9	1,556	35,120	2257.3%	262	5,907	2257.3%	1.00	0.1682
	2055	2.8	1,066	24,275	2278.0%	172	3,907	2278.0%	1.00	0.1609
	2056	2.0	718	17,351	2416.1%	111	2,672	2416.1%	1.00	0.1540
	2057	1.4	476	12,128	2550.1%	70	1,787	2550.1%	1.00	0.1474
	2058	0.9	310	8,199	2646.2%	44	1,156	2646.2%	1.00	0.1410
	2059	0.6	198	5,182	2615.1%	27	699	2615.1%	1.00	0.1350
	2060	0.4	125	3,220	2583.6%	16	416	2583.6%	1.00	0.1291
	2061	0.3	77	2,025	2631.4%	10	250	2631.4%	1.00	0.1236
	2062	0.2	47	1,247	2669.1%	6	148	2669.1%	1.00	0.1183
	2063	0.1	28	750	2692.8%	3	85	2692.8%	1.00	0.1132
	Past		209,813,314	193,282,760	92.1%	292,995,424	251,290,743	85.8%		
	Future		107,391,454	322,556,010	300.4%	83,627,226	222,105,494	265.6%		
	Lifetime		317,204,768	515,838,770	162.6%	376,622,650	473,396,236	125.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%	1.00	2.2576
Historical	1996	5.6	20,548	0	0.0%	44,391	0	0.0%	1.00	2.1604
Experience	1997	215.5	100,283	1,381	1.4%	207,322	2,856	1.4%	1.00	2.0674
	1998	1,426.1	2,843,010	188,075	6.6%	5,624,461	372,078	6.6%	1.00	1.9783
	1999	3,569.8	6,144,202	1,607,522	26.2%	11,631,929	3,043,289	26.2%	1.00	1.8932
	2000	5,933.9	9,531,155	4,631,283	48.6%	17,266,942	8,390,180	48.6%	1.00	1.8116
	2001	8,672.5	13,719,685	5,571,803	40.6%	23,784,706	9,659,383	40.6%	1.00	1.7336
	2002	10,745.6	16,523,679	9,123,503	55.2%	27,412,212	15,135,577	55.2%	1.00	1.6590
	2003	10,822.9	15,982,503	11,937,371	74.7%	25,372,651	18,950,896	74.7%	1.00	1.5875
	2004	10,392.3	15,223,961	7,332,428	48.2%	23,127,699	11,139,163	48.2%	1.00	1.5192
	2005	10,025.6	14,752,366	14,661,024	99.4%	21,446,191	21,313,401	99.4%	1.00	1.4537
	2006	9,700.0	14,090,506	12,051,883	85.5%	19,601,927	16,765,909	85.5%	1.00	1.3911
	2007	9,381.8	13,610,172	14,456,805	106.2%	18,118,386	19,245,457	106.2%	1.00	1.3312
	2008	9,075.9	13,146,899	17,895,424	136.1%	16,747,999	22,797,204	136.1%	1.00	1.2739
	2009	8,789.0	12,633,500	18,046,206	142.8%	15,400,932	21,999,318	142.8%	1.00	1.2191
	2010	8,490.8	14,359,890	18,347,899	127.8%	16,751,671	21,403,921	127.8%	1.00	1.1666
	2011	8,200.4	16,701,537	14,758,675	88.4%	18,644,347	16,475,481	88.4%	1.00	1.1163
	2012	7,931.3	15,200,018	21,208,293	139.5%	16,237,476	22,655,839	139.5%	1.00	1.0683
	2013	7,636.1	15,224,630	21,463,183	141.0%	15,563,414	21,940,791	141.0%	1.00	1.0223
	2014	7,249.3	13,026,153	20,185,299	155.0%	12,742,599	19,745,905	155.0%	1.00	0.9782
Projected	2015	6,845.2	13,503,690	20,299,104	150.3%	12,640,901	19,002,137	150.3%	1.13	0.9361
Future	2016	6,374.5	13,687,673	20,047,935	146.5%	12,261,367	17,958,866	146.5%	1.25	0.8958
Experience	2017	5,910.1	12,348,327	19,914,245	161.3%	10,585,250	17,070,916	161.3%	1.25	0.8572
(50 years)	2018	5,450.5	11,061,830	19,775,513	178.8%	9,074,102	16,222,002	178.8%	1.25	0.8203
	2019	5,000.0	9,832,967	19,519,339	198.5%	7,718,714	15,322,354	198.5%	1.25	0.7850
	2020	4,562.5	8,674,570	19,147,916	220.7%	6,516,165	14,383,535	220.7%	1.25	0.7512
	2021	4,137.3	7,592,836	18,553,358	244.4%	5,457,979	13,336,760	244.4%	1.25	0.7188
	2022	3,729.2	6,596,331	17,748,890	269.1%	4,537,472	12,209,074	269.1%	1.25	0.6879
	2023	3,340.2	5,686,221	16,775,594	295.0%	3,742,993	11,042,646	295.0%	1.25	0.6583
	2024	2,972.3	4,863,308	15,731,911	323.5%	3,063,450	9,909,698	323.5%	1.25	0.6299
	2025	2,626.2	4,126,205	14,660,901	355.3%	2,487,216	8,837,376	355.3%	1.25	0.6028
	2026	2,304.5	3,471,514	13,558,284	390.6%	2,002,467	7,820,798	390.6%	1.25	0.5768
	2027	2,008.3	2,897,774	12,333,380	425.6%	1,599,538	6,807,885	425.6%	1.25	0.5520
	2028	1,737.7	2,400,248	11,040,540	460.0%	1,267,856	5,831,820	460.0%	1.25	0.5282
	2029	1,492.9	1,973,745	9,755,142	494.2%	997,674	4,930,955	494.2%	1.25	0.5055
	2030	1,273.2	1,610,676	8,580,744	532.7%	779,093	4,150,555	532.7%	1.25	0.4837
	2031	1,077.9	1,304,165	7,543,879	578.4%	603,667	3,491,883	578.4%	1.25	0.4629
	2032	906.0	1,048,313	6,553,704	625.2%	464,344	2,902,922	625.2%	1.25	0.4429
	2033	756.3	837,028	5,590,589	667.9%	354,791	2,369,681	667.9%	1.25	0.4239
	2034	626.9	664,152	4,702,606	708.1%	269,391	1,907,456	708.1%	1.25	0.4056
	2035	515.8	523,489	3,924,073	749.6%	203,192	1,523,130	749.6%	1.25	0.3882
	2036	421.2	409,794	3,302,833	806.0%	152,212	1,226,789	806.0%	1.25	0.3714
	2037	341.6	318,721	2,748,958	862.5%	113,287	977,092	862.5%	1.25	0.3554
	2038	275.4	246,559	2,240,322	908.6%	83,863	762,011	908.6%	1.25	0.3401
	2039	220.6	189,849	1,792,502	944.2%	61,794	583,438	944.2%	1.25	0.3255
	2040	175.5	145,474	1,417,181	974.2%	45,311	441,412	974.2%	1.25	0.3115
	2041	138.7	110,892	1,140,812	1028.8%	33,052	340,029	1028.8%	1.25	0.2981
	2042	108.9	84,130	910,306	1082.0%	23,996	259,641	1082.0%	1.25	0.2852
	2043	85.2	63,612	713,107	1121.0%	17,362	194,636	1121.0%	1.25	0.2729
	2044	66.3	47,944	549,406	1145.9%	12,523	143,498	1145.9%	1.25	0.2612
	2045	51.2	35,985	421,891	1172.4%	8,994	105,448	1172.4%	1.25	0.2499
	2046	39.4	26,858	331,617	1234.7%	6,424	79,315	1234.7%	1.25	0.2392
	2047	30.2	19,922	260,705	1308.6%	4,560	59,670	1308.6%	1.25	0.2289
	2048	23.0	14,689	202,099	1375.9%	3,217	44,264	1375.9%	1.25	0.2190
	2049	17.4	10,757	152,397	1416.7%	2,255	31,941	1416.7%	1.25	0.2096
	2050	13.1	7,812	114,109	1460.6%	1,567	22,886	1460.6%	1.25	0.2006
	2051	9.8	5,614	87,952	1566.6%	1,078	16,880	1566.6%	1.25	0.1919
	2052	7.3	3,989	67,240	1685.6%	733	12,350	1685.6%	1.25	0.1837
	2053	5.3	2,801	50,130	1789.4%	492	8,811	1789.4%	1.25	0.1758
	2054	3.9	1,945	35,120	1805.8%	327	5,907	1805.8%	1.25	0.1682
	2055	2.8	1,332	24,275	1822.4%	214	3,907	1822.4%	1.25	0.1609
	2056	2.0	898	17,351	1932.9%	138	2,672	1932.9%	1.25	0.1540
	2057	1.4	594	12,128	2040.1%	88	1,787	2040.1%	1.25	0.1474
	2058	0.9	387	8,199	2117.0%	55	1,156	2117.0%	1.25	0.1410
	2059	0.6	248	5,182	2092.1%	33	699	2092.1%	1.25	0.1350
	2060	0.4	156	3,220	2066.9%	20	416	2066.9%	1.25	0.1291
	2061	0.3	96	2,025	2105.1%	12	250	2105.1%	1.25	0.1236
	2062	0.2	58	1,247	2135.3%	7	148	2135.3%	1.25	0.1183
	2063	0.1	35	750	2154.2%	4	85	2154.2%	1.25	0.1132
	Past		209,813,314	193,282,760	92.1%	292,995,424	251,290,743	85.8%		
	Future		129,482,369	322,556,010	249.1%	99,943,838	222,105,494	222.2%		
	Lifetime		339,295,683	515,838,770	152.0%	392,939,262	473,396,236	120.5%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Experience	1997	64.6	42,364	0	0.0%	87,583	0	0.0%		2.0674
	1998	631.7	1,139,082	0	0.0%	2,253,500	0	0.0%		1.9783
	1999	1,733.3	2,673,143	14,880	0.6%	5,060,675	28,170	0.6%		1.8932
	2000	3,335.2	5,008,610	486,686	9.7%	9,073,757	881,696	9.7%		1.8116
	2001	5,830.4	8,779,513	1,511,536	17.2%	15,220,329	2,620,428	17.2%		1.7336
	2002	8,819.3	13,026,449	1,123,692	8.6%	21,610,429	1,864,166	8.6%		1.6590
	2003	9,823.8	13,848,671	3,908,325	28.2%	21,985,136	6,204,570	28.2%		1.5875
	2004	9,576.3	13,425,792	3,149,536	23.5%	20,395,984	4,784,663	23.5%		1.5192
	2005	9,370.7	13,119,360	6,612,827	50.4%	19,072,214	9,613,370	50.4%		1.4537
	2006	9,193.3	12,831,330	4,310,327	33.6%	17,850,232	5,996,286	33.6%		1.3911
	2007	8,998.3	12,659,345	4,090,638	32.3%	16,852,609	5,445,615	32.3%		1.3312
	2008	8,832.6	12,545,749	7,646,131	60.9%	15,982,187	9,740,501	60.9%		1.2739
	2009	8,655.5	12,152,724	9,797,628	80.6%	14,814,839	11,943,848	80.6%		1.2191
	2010	8,477.8	14,176,662	9,708,420	68.5%	16,537,924	11,325,453	68.5%		1.1666
	2011	8,312.9	17,378,709	15,908,173	91.5%	19,400,290	17,758,695	91.5%		1.1163
	2012	8,169.9	16,831,003	15,703,604	93.3%	17,979,782	16,775,435	93.3%		1.0683
	2013	8,015.8	16,609,172	15,687,837	94.5%	16,978,766	16,036,929	94.5%		1.0223
	2014	7,808.4	15,413,818	22,022,116	142.9%	15,078,289	21,542,738	142.9%	1.00	0.9782
Projected	2015	7,584.0	14,774,905	24,639,919	166.8%	13,830,894	23,065,604	166.8%	1.00	0.9361
Future	2016	7,317.8	14,091,866	27,261,146	193.5%	12,623,442	24,420,434	193.5%	1.00	0.8958
Experience	2017	7,036.7	13,354,092	30,357,677	227.3%	11,447,413	26,023,249	227.3%	1.00	0.8572
(50 years)	2018	6,742.8	12,600,135	33,856,828	268.7%	10,335,985	27,773,010	268.7%	1.00	0.8203
	2019	6,438.4	11,830,711	37,563,372	317.5%	9,286,910	29,486,619	317.5%	1.00	0.7850
	2020	6,123.6	11,050,195	41,558,854	376.1%	8,300,688	31,218,187	376.1%	1.00	0.7512
	2021	5,800.3	10,263,118	45,518,208	443.5%	7,377,465	32,719,976	443.5%	1.00	0.7188
	2022	5,469.0	9,477,687	49,290,620	520.1%	6,519,494	33,905,942	520.1%	1.00	0.6879
	2023	5,132.1	8,700,088	52,870,752	607.7%	5,726,891	34,802,523	607.7%	1.00	0.6583
	2024	4,791.4	7,934,898	56,141,880	707.5%	4,998,277	35,364,368	707.5%	1.00	0.6299
	2025	4,448.5	7,188,310	59,257,400	824.4%	4,333,008	35,719,490	824.4%	1.00	0.6028
	2026	4,105.9	6,464,690	62,143,327	961.3%	3,729,014	35,846,014	961.3%	1.00	0.5768
	2027	3,766.4	5,770,773	64,379,715	1115.6%	3,185,401	35,536,866	1115.6%	1.00	0.5520
	2028	3,432.9	5,113,631	65,662,965	1284.1%	2,701,115	34,684,407	1284.1%	1.00	0.5282
	2029	3,108.3	4,497,829	65,951,485	1466.3%	2,273,529	33,336,659	1466.3%	1.00	0.5055
	2030	2,794.4	3,924,960	65,512,117	1669.1%	1,898,526	31,688,584	1669.1%	1.00	0.4837
	2031	2,493.2	3,396,018	65,124,899	1917.7%	1,571,936	30,144,770	1917.7%	1.00	0.4629
	2032	2,207.1	2,913,218	64,246,414	2205.3%	1,290,392	28,457,551	2205.3%	1.00	0.4429
	2033	1,939.1	2,477,770	62,118,994	2507.1%	1,050,252	26,330,357	2507.1%	1.00	0.4239
	2034	1,690.4	2,090,528	58,809,109	2813.1%	847,953	23,853,969	2813.1%	1.00	0.4056
	2035	1,461.3	1,749,046	54,528,677	3117.6%	678,893	21,165,314	3117.6%	1.00	0.3882
	2036	1,252.1	1,450,346	50,856,407	3506.5%	538,710	18,889,877	3506.5%	1.00	0.3714
	2037	1,063.5	1,191,613	47,378,904	3976.0%	423,548	16,840,391	3976.0%	1.00	0.3554
	2038	896.0	970,788	43,030,773	4432.6%	330,199	14,636,257	4432.6%	1.00	0.3401
	2039	749.1	785,192	38,109,460	4853.5%	255,570	12,404,161	4853.5%	1.00	0.3255
	2040	621.2	630,612	32,877,504	5213.6%	196,418	10,240,405	5213.6%	1.00	0.3115
	2041	510.8	502,759	28,568,398	5682.3%	149,852	8,515,064	5682.3%	1.00	0.2981
	2042	416.7	397,803	25,153,144	6323.0%	113,463	7,174,275	6323.0%	1.00	0.2852
	2043	337.8	312,742	21,688,704	6935.0%	85,360	5,919,746	6935.0%	1.00	0.2729
	2044	272.5	244,741	18,252,516	7457.9%	63,924	4,767,337	7457.9%	1.00	0.2612
	2045	218.8	190,750	15,070,733	7900.8%	47,676	3,766,788	7900.8%	1.00	0.2499
	2046	174.6	148,016	12,539,859	8472.0%	35,402	2,999,254	8472.0%	1.00	0.2392
	2047	138.7	114,279	10,732,847	9391.8%	26,156	2,456,514	9391.8%	1.00	0.2289
	2048	109.8	87,843	9,125,466	10388.3%	19,240	1,998,679	10388.3%	1.00	0.2190
	2049	86.8	67,294	7,588,940	11277.2%	14,104	1,590,570	11277.2%	1.00	0.2096
	2050	68.4	51,343	6,260,666	12193.8%	10,298	1,255,671	12193.8%	1.00	0.2006
	2051	53.6	38,946	5,219,468	13401.7%	7,475	1,001,764	13401.7%	1.00	0.1919
	2052	41.7	29,313	4,451,331	15185.6%	5,384	817,547	15185.6%	1.00	0.1837
	2053	32.3	21,877	3,749,717	17140.1%	3,845	659,030	17140.1%	1.00	0.1758
	2054	24.8	16,189	3,015,943	18629.7%	2,723	507,240	18629.7%	1.00	0.1682
	2055	18.9	11,860	2,372,024	20000.3%	1,909	381,762	20000.3%	1.00	0.1609
	2056	14.2	8,580	1,871,645	21814.3%	1,321	288,258	21814.3%	1.00	0.1540
	2057	10.5	6,112	1,493,165	24431.0%	901	220,064	24431.0%	1.00	0.1474
	2058	7.7	4,285	1,154,188	26935.0%	604	162,780	26935.0%	1.00	0.1410
	2059	5.5	2,961	837,859	28295.1%	400	113,078	28295.1%	1.00	0.1350
	2060	3.9	2,014	587,453	29169.9%	260	75,869	29169.9%	1.00	0.1291
	2061	2.7	1,347	409,977	30437.2%	166	50,668	30437.2%	1.00	0.1236
	2062	1.8	885	287,348	32463.6%	105	33,983	32463.6%	1.00	0.1183
	2063	1.2	572	197,235	34499.9%	65	22,322	34499.9%	1.00	0.1132
	Past		186,257,220	99,660,241	53.5%	251,176,848	121,019,825	48.2%		
	Future		182,369,349	1,501,698,146	823.4%	131,420,842	774,875,988	589.6%		
	Lifetime		368,626,568	1,601,358,387	434.4%	382,597,690	895,895,814	234.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	1.00	2.2576
Historical	1996	2.6	9,540	0	0.0%	20,610	0	0.0%	1.00	2.1604
Experience	1997	64.6	42,364	0	0.0%	87,583	0	0.0%	1.00	2.0674
	1998	631.7	1,139,082	0	0.0%	2,253,500	0	0.0%	1.00	1.9783
	1999	1,733.3	2,673,143	14,880	0.6%	5,060,675	28,170	0.6%	1.00	1.8932
	2000	3,335.2	5,008,610	486,686	9.7%	9,073,757	881,696	9.7%	1.00	1.8116
	2001	5,830.4	8,779,513	1,511,536	17.2%	15,220,329	2,620,428	17.2%	1.00	1.7336
	2002	8,819.3	13,026,449	1,123,692	8.6%	21,610,429	1,864,166	8.6%	1.00	1.6590
	2003	9,823.8	13,848,671	3,908,325	28.2%	21,985,136	6,204,570	28.2%	1.00	1.5875
	2004	9,576.3	13,425,792	3,149,536	23.5%	20,395,984	4,784,663	23.5%	1.00	1.5192
	2005	9,370.7	13,119,360	6,612,827	50.4%	19,072,214	9,613,370	50.4%	1.00	1.4537
	2006	9,193.3	12,831,330	4,310,327	33.6%	17,850,232	5,996,286	33.6%	1.00	1.3911
	2007	8,998.3	12,659,345	4,090,638	32.3%	16,852,609	5,445,615	32.3%	1.00	1.3312
	2008	8,832.6	12,545,749	7,646,131	60.9%	15,982,187	9,740,501	60.9%	1.00	1.2739
	2009	8,655.5	12,152,724	9,797,628	80.6%	14,814,839	11,943,848	80.6%	1.00	1.2191
	2010	8,477.8	14,176,662	9,708,420	68.5%	16,537,924	11,325,453	68.5%	1.00	1.1666
	2011	8,312.9	17,378,709	15,908,173	91.5%	19,400,290	17,758,695	91.5%	1.00	1.1163
	2012	8,169.9	16,831,003	15,703,604	93.3%	17,979,782	16,775,435	93.3%	1.00	1.0683
	2013	8,015.8	16,609,172	15,687,837	94.5%	16,978,766	16,036,929	94.5%	1.00	1.0223
	2014	7,808.4	15,413,818	22,022,116	142.9%	15,078,289	21,542,738	142.9%	1.00	0.9782
Projected	2015	7,584.0	21,423,612	24,639,919	115.0%	20,054,796	23,065,604	115.0%	1.45	0.9361
Future	2016	7,317.8	26,774,546	27,261,146	101.8%	23,984,540	24,420,434	101.8%	1.90	0.8958
Experience	2017	7,036.7	25,372,775	30,357,677	119.6%	21,750,085	26,023,249	119.6%	1.90	0.8572
(50 years)	2018	6,742.8	23,940,256	33,856,828	141.4%	19,638,372	27,773,010	141.4%	1.90	0.8203
	2019	6,438.4	22,478,351	37,563,372	167.1%	17,645,129	29,486,619	167.1%	1.90	0.7850
	2020	6,123.6	20,995,371	41,558,854	197.9%	15,771,306	31,218,187	197.9%	1.90	0.7512
	2021	5,800.3	19,499,924	45,518,208	233.4%	14,017,183	32,719,976	233.4%	1.90	0.7188
	2022	5,469.0	18,007,605	49,290,620	273.7%	12,387,039	33,905,942	273.7%	1.90	0.6879
	2023	5,132.1	16,530,167	52,870,752	319.8%	10,881,092	34,802,523	319.8%	1.90	0.6583
	2024	4,791.4	15,076,307	56,141,880	372.4%	9,496,726	35,364,368	372.4%	1.90	0.6299
	2025	4,448.5	13,657,790	59,257,400	433.9%	8,232,715	35,719,490	433.9%	1.90	0.6028
	2026	4,105.9	12,282,911	62,143,327	505.9%	7,085,127	35,846,014	505.9%	1.90	0.5768
	2027	3,766.4	10,964,470	64,379,715	587.2%	6,052,262	35,536,866	587.2%	1.90	0.5520
	2028	3,432.9	9,715,898	65,662,965	675.8%	5,132,119	34,684,407	675.8%	1.90	0.5282
	2029	3,108.3	8,545,876	65,951,485	771.7%	4,319,705	33,336,659	771.7%	1.90	0.5055
	2030	2,794.4	7,457,424	65,512,117	878.5%	3,607,199	31,688,584	878.5%	1.90	0.4837
	2031	2,493.2	6,452,435	65,124,899	1009.3%	2,986,679	30,144,770	1009.3%	1.90	0.4629
	2032	2,207.1	5,535,113	64,246,414	1160.7%	2,451,744	28,457,551	1160.7%	1.90	0.4429
	2033	1,939.1	4,707,763	62,118,994	1319.5%	1,995,478	26,330,357	1319.5%	1.90	0.4239
	2034	1,690.4	3,972,003	58,809,109	1480.6%	1,611,112	23,853,969	1480.6%	1.90	0.4056
	2035	1,461.3	3,323,188	54,528,677	1640.9%	1,289,896	21,165,314	1640.9%	1.90	0.3882
	2036	1,252.1	2,755,657	50,856,407	1845.5%	1,023,549	18,889,877	1845.5%	1.90	0.3714
	2037	1,063.5	2,264,064	47,378,904	2092.6%	804,740	16,840,391	2092.6%	1.90	0.3554
	2038	896.0	1,844,497	43,030,773	2332.9%	627,377	14,636,257	2332.9%	1.90	0.3401
	2039	749.1	1,491,865	38,109,460	2554.5%	485,584	12,404,161	2554.5%	1.90	0.3255
	2040	621.2	1,198,163	32,877,504	2744.0%	373,194	10,240,405	2744.0%	1.90	0.3115
	2041	510.8	955,242	28,568,398	2990.7%	284,718	8,515,064	2990.7%	1.90	0.2981
	2042	416.7	755,826	25,153,144	3327.9%	215,579	7,174,275	3327.9%	1.90	0.2852
	2043	337.8	594,209	21,688,704	3650.0%	162,184	5,919,746	3650.0%	1.90	0.2729
	2044	272.5	465,009	18,252,516	3925.2%	121,455	4,767,337	3925.2%	1.90	0.2612
	2045	218.8	362,426	15,070,733	4158.3%	90,585	3,766,788	4158.3%	1.90	0.2499
	2046	174.6	281,231	12,539,859	4458.9%	67,264	2,999,254	4458.9%	1.90	0.2392
	2047	138.7	217,131	10,732,847	4943.0%	49,696	2,456,514	4943.0%	1.90	0.2289
	2048	109.8	166,902	9,125,466	5467.5%	36,555	1,998,679	5467.5%	1.90	0.2190
	2049	86.8	127,859	7,588,940	5935.4%	26,798	1,590,570	5935.4%	1.90	0.2096
	2050	68.4	97,551	6,260,666	6417.8%	19,565	1,255,671	6417.8%	1.90	0.2006
	2051	53.6	73,998	5,219,468	7053.5%	14,202	1,001,764	7053.5%	1.90	0.1919
	2052	41.7	55,694	4,451,331	7992.4%	10,229	817,547	7992.4%	1.90	0.1837
	2053	32.3	41,566	3,749,717	9021.1%	7,305	659,030	9021.1%	1.90	0.1758
	2054	24.8	30,759	3,015,943	9805.1%	5,173	507,240	9805.1%	1.90	0.1682
	2055	18.9	22,534	2,372,024	10526.5%	3,627	381,762	10526.5%	1.90	0.1609
	2056	14.2	16,302	1,871,645	11481.2%	2,511	288,258	11481.2%	1.90	0.1540
	2057	10.5	11,612	1,493,165	12858.4%	1,711	220,064	12858.4%	1.90	0.1474
	2058	7.7	8,142	1,154,188	14176.3%	1,148	162,780	14176.3%	1.90	0.1410
	2059	5.5	5,626	837,859	14892.1%	759	113,078	14892.1%	1.90	0.1350
	2060	3.9	3,826	587,453	15352.6%	494	75,869	15352.6%	1.90	0.1291
	2061	2.7	2,559	409,977	16019.6%	316	50,668	16019.6%	1.90	0.1236
	2062	1.8	1,682	287,348	17086.1%	199	33,983	17086.1%	1.90	0.1183
	2063	1.2	1,086	197,235	18157.8%	123	22,322	18157.8%	1.90	0.1132
	Past		186,257,220	99,660,241	53.5%	251,176,848	121,019,825	48.2%		
	Future		325,980,619	1,501,698,146	460.7%	229,905,236	774,875,988	337.0%		
	Lifetime		512,237,839	1,601,358,387	312.6%	481,082,084	895,895,814	186.2%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	280.1	142,647	1,381	1.0%	435,608	4,218	1.0%		3.0537
	1998	2,057.8	3,982,092	188,075	4.7%	11,364,749	536,759	4.7%		2.8540
	1999	5,303.1	8,817,346	1,622,402	18.4%	23,518,123	4,327,363	18.4%		2.6673
	2000	9,269.1	14,539,765	5,117,969	35.2%	36,244,189	12,757,885	35.2%		2.4928
	2001	14,502.9	22,499,198	7,083,339	31.5%	52,416,047	16,501,950	31.5%		2.3297
	2002	19,564.9	29,550,128	10,247,195	34.7%	64,338,778	22,310,970	34.7%		2.1773
	2003	20,646.8	29,831,174	15,845,696	53.1%	60,701,583	32,243,411	53.1%		2.0348
	2004	19,968.7	28,649,753	10,481,964	36.6%	54,483,722	19,933,729	36.6%		1.9017
	2005	19,396.3	27,871,726	21,273,851	76.3%	49,536,575	37,810,135	76.3%		1.7773
	2006	18,893.3	26,921,836	16,362,210	60.8%	44,718,066	27,178,175	60.8%		1.6610
	2007	18,380.0	26,269,517	18,547,444	70.6%	40,779,946	28,792,449	70.6%		1.5524
	2008	17,908.5	25,692,649	25,541,555	99.4%	37,275,172	37,055,963	99.4%		1.4508
	2009	17,444.5	24,786,224	27,843,834	112.3%	33,607,590	37,753,397	112.3%		1.3559
	2010	16,968.5	28,536,552	28,056,318	98.3%	36,161,357	35,552,808	98.3%		1.2672
	2011	16,513.3	34,080,246	30,666,849	90.0%	40,361,022	36,318,558	90.0%		1.1843
	2012	16,101.3	32,031,021	36,911,898	115.2%	35,452,466	40,854,701	115.2%		1.1068
	2013	15,651.9	31,833,802	37,151,020	116.7%	32,929,141	38,429,314	116.7%		1.0344
	2014	15,057.7	28,439,970	42,207,416	148.4%	27,493,957	40,803,449	148.4%	1.00	0.9667
Projected	2015	14,429.2	26,778,185	44,939,023	167.8%	24,193,877	40,602,050	167.8%	1.00	0.9035
Future	2016	13,692.3	25,042,005	47,309,081	188.9%	21,145,095	39,947,083	188.9%	1.00	0.8444
Experience	2017	12,946.8	23,232,754	50,271,922	216.4%	18,334,010	39,671,833	216.4%	1.00	0.7891
(50 years)	2018	12,193.3	21,449,599	53,632,341	250.0%	15,819,479	39,554,851	250.0%	1.00	0.7375
	2019	11,438.4	19,697,084	57,082,711	289.8%	13,576,604	39,345,386	289.8%	1.00	0.6893
	2020	10,686.2	17,989,851	60,706,770	337.5%	11,588,655	39,105,926	337.5%	1.00	0.6442
	2021	9,937.6	16,337,387	64,071,566	392.2%	9,835,677	38,573,319	392.2%	1.00	0.6020
	2022	9,198.2	14,754,752	67,039,510	454.4%	8,301,753	37,719,742	454.4%	1.00	0.5626
	2023	8,472.3	13,249,065	69,646,346	525.7%	6,966,896	36,622,876	525.7%	1.00	0.5258
	2024	7,763.7	11,825,545	71,873,791	607.8%	5,811,544	35,321,642	607.8%	1.00	0.4914
	2025	7,074.7	10,489,275	73,918,301	704.7%	4,817,614	33,949,903	704.7%	1.00	0.4593
	2026	6,410.4	9,241,901	75,701,611	819.1%	3,967,017	32,494,353	819.1%	1.00	0.4292
	2027	5,774.7	8,088,993	76,713,095	948.4%	3,244,991	30,774,323	948.4%	1.00	0.4012
	2028	5,170.6	7,033,829	76,703,505	1090.5%	2,637,103	28,757,454	1090.5%	1.00	0.3749
	2029	4,601.2	6,076,825	75,706,626	1245.8%	2,129,258	26,526,829	1245.8%	1.00	0.3504
	2030	4,067.5	5,213,501	74,092,861	1421.2%	1,707,250	24,262,974	1421.2%	1.00	0.3275
	2031	3,571.0	4,439,350	72,668,778	1636.9%	1,358,636	22,239,845	1636.9%	1.00	0.3060
	2032	3,113.1	3,751,868	70,800,117	1887.1%	1,073,118	20,250,423	1887.1%	1.00	0.2860
	2033	2,695.3	3,147,392	67,709,583	2151.3%	841,332	18,099,496	2151.3%	1.00	0.2673
	2034	2,317.3	2,621,850	63,511,714	2422.4%	654,999	15,866,692	2422.4%	1.00	0.2498
	2035	1,977.1	2,167,838	58,452,750	2696.4%	506,146	13,647,520	2696.4%	1.00	0.2335
	2036	1,673.2	1,778,181	54,159,239	3045.8%	388,008	11,817,825	3045.8%	1.00	0.2182
	2037	1,405.1	1,446,590	50,127,862	3465.2%	295,003	10,222,577	3465.2%	1.00	0.2039
	2038	1,171.4	1,168,035	45,271,095	3875.8%	222,614	8,628,165	3875.8%	1.00	0.1906
	2039	969.7	937,072	39,901,963	4258.2%	166,912	7,107,354	4258.2%	1.00	0.1781
	2040	796.8	746,991	34,294,685	4591.0%	124,350	5,708,956	4591.0%	1.00	0.1665
	2041	649.5	591,473	29,709,210	5022.9%	92,020	4,622,077	5022.9%	1.00	0.1556
	2042	525.6	465,107	26,063,450	5603.8%	67,626	3,789,607	5603.8%	1.00	0.1454
	2043	423.0	363,631	22,401,811	6160.6%	49,413	3,044,119	6160.6%	1.00	0.1359
	2044	338.8	283,097	18,801,922	6641.5%	35,953	2,387,795	6641.5%	1.00	0.1270
	2045	270.0	219,538	15,492,624	7056.9%	26,057	1,838,806	7056.9%	1.00	0.1187
	2046	214.0	169,503	12,871,476	7593.7%	18,802	1,427,761	7593.7%	1.00	0.1109
	2047	168.9	130,217	10,993,552	8442.5%	13,499	1,139,676	8442.5%	1.00	0.1037
	2048	132.8	99,594	9,327,565	9365.6%	9,649	903,708	9365.6%	1.00	0.0969
	2049	104.2	75,900	7,741,338	10199.4%	6,873	700,958	10199.4%	1.00	0.0905
	2050	81.5	57,593	6,374,775	11068.7%	4,874	539,457	11068.7%	1.00	0.0846
	2051	63.4	43,438	5,307,420	12218.5%	3,435	419,751	12218.5%	1.00	0.0791
	2052	49.0	32,504	4,518,572	13901.5%	2,402	333,984	13901.5%	1.00	0.0739
	2053	37.6	24,118	3,799,847	15755.1%	1,666	262,486	15755.1%	1.00	0.0691
	2054	28.7	17,745	3,051,064	17194.2%	1,146	196,974	17194.2%	1.00	0.0646
	2055	21.7	12,926	2,396,300	18539.2%	780	144,582	18539.2%	1.00	0.0603
	2056	16.2	9,298	1,888,996	20316.0%	524	106,517	20316.0%	1.00	0.0564
	2057	11.9	6,587	1,505,293	22851.3%	347	79,328	22851.3%	1.00	0.0527
	2058	8.6	4,595	1,162,388	25297.2%	226	57,250	25297.2%	1.00	0.0493
	2059	6.1	3,159	843,041	26684.5%	145	38,805	26684.5%	1.00	0.0460
	2060	4.3	2,139	590,672	27620.5%	92	25,410	27620.5%	1.00	0.0430
	2061	3.0	1,424	412,002	28934.3%	57	16,564	28934.3%	1.00	0.0402
	2062	2.0	932	288,595	30969.6%	35	10,844	30969.6%	1.00	0.0376
	2063	1.3	600	197,984	33023.0%	21	6,952	33023.0%	1.00	0.0351
	Past		396,070,534	292,943,001	74.0%	654,439,121	428,361,787	65.5%		
	Future		289,760,803	1,824,254,156	629.6%	187,537,541	759,716,258	405.1%		
	Lifetime		685,831,336	2,117,197,157	308.7%	841,976,662	1,188,078,045	141.1%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%	1.00	3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%	1.00	3.2675
Experience	1997	280.1	142,647	1,381	1.0%	435,608	4,218	1.0%	1.00	3.0537
	1998	2,057.8	3,982,092	188,075	4.7%	11,364,749	536,759	4.7%	1.00	2.8540
	1999	5,303.1	8,817,346	1,622,402	18.4%	23,518,123	4,327,363	18.4%	1.00	2.6673
	2000	9,269.1	14,539,765	5,117,969	35.2%	36,244,189	12,757,885	35.2%	1.00	2.4928
	2001	14,502.9	22,499,198	7,083,339	31.5%	52,416,047	16,501,950	31.5%	1.00	2.3297
	2002	19,564.9	29,550,128	10,247,195	34.7%	64,338,778	22,310,970	34.7%	1.00	2.1773
	2003	20,646.8	29,831,174	15,845,696	53.1%	60,701,583	32,243,411	53.1%	1.00	2.0348
	2004	19,968.7	28,649,753	10,481,964	36.6%	54,483,722	19,933,729	36.6%	1.00	1.9017
	2005	19,396.3	27,871,726	21,273,851	76.3%	49,536,575	37,810,135	76.3%	1.00	1.7773
	2006	18,893.3	26,921,836	16,362,210	60.8%	44,718,066	27,178,175	60.8%	1.00	1.6610
	2007	18,380.0	26,269,517	18,547,444	70.6%	40,779,946	28,792,449	70.6%	1.00	1.5524
	2008	17,908.5	25,692,649	25,541,555	99.4%	37,275,172	37,055,963	99.4%	1.00	1.4508
	2009	17,444.5	24,786,224	27,843,834	112.3%	33,607,590	37,753,397	112.3%	1.00	1.3559
	2010	16,968.5	28,536,552	28,056,318	98.3%	36,161,357	35,552,808	98.3%	1.00	1.2672
	2011	16,513.3	34,080,246	30,666,849	90.0%	40,361,022	36,318,558	90.0%	1.00	1.1843
	2012	16,101.3	32,031,021	36,911,898	115.2%	35,452,466	40,854,701	115.2%	1.00	1.1068
	2013	15,651.9	31,833,802	37,151,020	116.7%	32,929,141	38,429,314	116.7%	1.00	1.0344
	2014	15,057.7	28,439,970	42,207,416	148.4%	27,493,957	40,803,449	148.4%	1.00	0.9667
Projected	2015	14,429.2	34,927,302	44,939,023	128.7%	31,556,540	40,602,050	128.7%	1.30	0.9035
Future	2016	13,692.3	40,462,219	47,309,081	116.9%	34,165,694	39,947,083	116.9%	1.62	0.8444
Experience	2017	12,946.8	37,721,103	50,271,922	133.3%	29,767,417	39,671,833	133.3%	1.62	0.7891
(50 years)	2018	12,193.3	35,002,086	53,632,341	153.2%	25,814,691	39,554,851	153.2%	1.63	0.7375
	2019	11,438.4	32,311,317	57,082,711	176.7%	22,271,214	39,345,386	176.7%	1.64	0.6893
	2020	10,686.2	29,669,941	60,706,770	204.6%	19,112,704	39,105,926	204.6%	1.65	0.6442
	2021	9,937.6	27,092,760	64,071,566	236.5%	16,310,787	38,573,319	236.5%	1.66	0.6020
	2022	9,198.2	24,603,937	67,039,510	272.5%	13,843,391	37,719,742	272.5%	1.67	0.5626
	2023	8,472.3	22,216,389	69,646,346	313.5%	11,682,279	36,622,876	313.5%	1.68	0.5258
	2024	7,763.7	19,939,615	71,873,791	360.5%	9,799,121	35,321,642	360.5%	1.69	0.4914
	2025	7,074.7	17,783,995	73,918,301	415.6%	8,168,003	33,949,903	415.6%	1.70	0.4593
	2026	6,410.4	15,754,425	75,701,611	480.5%	6,762,470	32,494,353	480.5%	1.70	0.4292
	2027	5,774.7	13,862,244	76,713,095	553.4%	5,560,995	30,774,323	553.4%	1.71	0.4012
	2028	5,170.6	12,116,146	76,703,505	633.1%	4,542,550	28,757,454	633.1%	1.72	0.3749
	2029	4,601.2	10,519,621	75,706,626	719.7%	3,685,968	26,526,829	719.7%	1.73	0.3504
	2030	4,067.5	9,068,100	74,092,861	817.1%	2,969,504	24,262,974	817.1%	1.74	0.3275
	2031	3,571.0	7,756,599	72,668,778	936.9%	2,373,861	22,239,845	936.9%	1.75	0.3060
	2032	3,113.1	6,583,426	70,800,117	1075.4%	1,883,008	20,250,423	1075.4%	1.75	0.2860
	2033	2,695.3	5,544,791	67,709,583	1221.1%	1,482,182	18,099,496	1221.1%	1.76	0.2673
	2034	2,317.3	4,636,155	63,511,714	1369.9%	1,158,219	15,866,692	1369.9%	1.77	0.2498
	2035	1,977.1	3,846,677	58,452,750	1519.6%	898,120	13,647,520	1519.6%	1.77	0.2335
	2036	1,673.2	3,165,451	54,159,239	1710.9%	690,718	11,817,825	1710.9%	1.78	0.2182
	2037	1,405.1	2,582,785	50,127,862	1940.8%	526,708	10,222,577	1940.8%	1.79	0.2039
	2038	1,171.4	2,091,056	45,271,095	2165.0%	398,532	8,628,165	2165.0%	1.79	0.1906
	2039	969.7	1,681,715	39,901,963	2372.7%	299,548	7,107,354	2372.7%	1.79	0.1781
	2040	796.8	1,343,637	34,294,685	2552.4%	223,672	5,708,956	2552.4%	1.80	0.1665
	2041	649.5	1,066,134	29,709,210	2786.6%	165,866	4,622,077	2786.6%	1.80	0.1556
	2042	525.6	839,955	26,063,450	3103.0%	122,129	3,789,607	3103.0%	1.81	0.1454
	2043	423.0	657,821	22,401,811	3405.5%	89,389	3,044,119	3405.5%	1.81	0.1359
	2044	338.8	512,953	18,801,922	3665.4%	65,144	2,387,795	3665.4%	1.81	0.1270
	2045	270.0	398,411	15,492,624	3888.6%	47,287	1,838,806	3888.6%	1.81	0.1187
	2046	214.0	308,089	12,871,476	4177.8%	34,175	1,427,761	4177.8%	1.82	0.1109
	2047	168.9	237,053	10,993,552	4637.6%	24,575	1,139,676	4637.6%	1.82	0.1037
	2048	132.8	181,591	9,327,565	5136.6%	17,594	903,708	5136.6%	1.82	0.0969
	2049	104.2	138,616	7,741,338	5584.7%	12,551	700,958	5584.7%	1.83	0.0905
	2050	81.5	105,364	6,374,775	6050.2%	8,916	539,457	6050.2%	1.83	0.0846
	2051	63.4	79,612	5,307,420	6666.6%	6,296	419,751	6666.6%	1.83	0.0791
	2052	49.0	59,683	4,518,572	7570.9%	4,411	333,984	7570.9%	1.84	0.0739
	2053	37.6	44,368	3,799,847	8564.5%	3,065	262,486	8564.5%	1.84	0.0691
	2054	28.7	32,704	3,051,064	9329.4%	2,111	196,974	9329.4%	1.84	0.0646
	2055	21.7	23,866	2,396,300	10040.7%	1,440	144,582	10040.7%	1.85	0.0603
	2056	16.2	17,200	1,888,996	10982.9%	970	106,517	10982.9%	1.85	0.0564
	2057	11.9	12,207	1,505,293	12331.6%	643	79,328	12331.6%	1.85	0.0527
	2058	8.6	8,529	1,162,388	13628.7%	420	57,250	13628.7%	1.86	0.0493
	2059	6.1	5,874	843,041	14352.4%	270	38,805	14352.4%	1.86	0.0460
	2060	4.3	3,982	590,672	14832.8%	171	25,410	14832.8%	1.86	0.0430
	2061	3.0	2,655	412,002	15515.5%	107	16,564	15515.5%	1.86	0.0402
	2062	2.0	1,740	288,595	16584.3%	65	10,844	16584.3%	1.87	0.0376
	2063	1.3	1,121	197,984	17661.1%	39	6,952	17661.1%	1.87	0.0351
	Past		396,070,534	292,943,001	74.0%	654,439,121	428,361,787	65.5%		
	Future		455,462,989	1,824,254,156	400.5%	284,049,487	759,716,258	267.5%		
	Lifetime		851,533,522	2,117,197,157	248.6%	938,488,608	1,188,078,045	126.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Experience	1997	215.5	100,283	1,381	1.4%	306,238	4,218	1.4%		3.0537
	1998	1,426.1	2,843,010	188,075	6.6%	8,113,849	536,759	6.6%		2.8540
	1999	3,569.8	6,144,202	1,607,522	26.2%	16,388,164	4,287,674	26.2%		2.6673
	2000	5,933.9	9,531,155	4,631,283	48.6%	23,758,910	11,544,692	48.6%		2.4928
	2001	8,672.5	13,719,685	5,571,803	40.6%	31,962,547	12,980,546	40.6%		2.3297
	2002	10,745.6	16,523,679	9,123,503	55.2%	35,976,606	19,864,383	55.2%		2.1773
	2003	10,822.9	15,982,503	11,937,371	74.7%	32,521,791	24,290,607	74.7%		2.0348
	2004	10,392.3	15,223,961	7,332,428	48.2%	28,951,666	13,944,203	48.2%		1.9017
	2005	10,025.6	14,752,366	14,661,024	99.4%	26,219,464	26,057,119	99.4%		1.7773
	2006	9,700.0	14,090,506	12,051,883	85.5%	23,404,799	20,018,579	85.5%		1.6610
	2007	9,381.8	13,610,172	14,456,805	106.2%	21,127,989	22,442,275	106.2%		1.5524
	2008	9,075.9	13,146,899	17,895,424	136.1%	19,073,663	25,962,874	136.1%		1.4508
	2009	8,789.0	12,633,500	18,046,206	142.8%	17,129,737	24,468,813	142.8%		1.3559
	2010	8,490.8	14,359,890	18,347,899	127.8%	18,196,772	23,250,353	127.8%		1.2672
	2011	8,200.4	16,701,537	14,758,675	88.4%	19,779,526	17,478,607	88.4%		1.1843
	2012	7,931.3	15,200,018	21,208,293	139.5%	16,823,632	23,473,691	139.5%		1.1068
	2013	7,636.1	15,224,630	21,463,183	141.0%	15,748,479	22,201,689	141.0%		1.0344
	2014	7,249.3	13,026,153	20,185,299	155.0%	12,592,857	19,513,866	155.0%	1.00	0.9667
Projected	2015	6,845.2	12,003,280	20,299,104	169.1%	10,844,868	18,340,079	169.1%	1.00	0.9035
Future	2016	6,374.5	10,950,139	20,047,935	183.1%	9,246,134	16,928,177	183.1%	1.00	0.8444
Experience	2017	5,910.1	9,878,662	19,914,245	201.6%	7,795,696	15,715,226	201.6%	1.00	0.7891
(50 years)	2018	5,450.5	8,849,464	19,775,513	223.5%	6,526,645	14,584,809	223.5%	1.00	0.7375
	2019	5,000.0	7,866,373	19,519,339	248.1%	5,422,053	13,454,090	248.1%	1.00	0.6893
	2020	4,562.5	6,939,656	19,147,916	275.9%	4,470,369	12,334,654	275.9%	1.00	0.6442
	2021	4,137.3	6,074,269	18,553,358	305.4%	3,656,922	11,169,769	305.4%	1.00	0.6020
	2022	3,729.2	5,277,065	17,748,890	336.3%	2,969,138	9,986,403	336.3%	1.00	0.5626
	2023	3,340.2	4,548,977	16,775,594	368.8%	2,392,037	8,821,288	368.8%	1.00	0.5258
	2024	2,972.3	3,890,647	15,731,911	404.4%	1,912,019	7,731,287	404.4%	1.00	0.4914
	2025	2,626.2	3,300,964	14,660,901	444.1%	1,516,098	6,733,599	444.1%	1.00	0.4593
	2026	2,304.5	2,777,211	13,558,284	488.2%	1,192,097	5,819,793	488.2%	1.00	0.4292
	2027	2,008.3	2,318,219	12,333,380	532.0%	929,980	4,947,674	532.0%	1.00	0.4012
	2028	1,737.7	1,920,198	11,040,540	575.0%	719,915	4,139,287	575.0%	1.00	0.3749
	2029	1,492.9	1,578,996	9,755,142	617.8%	553,264	3,418,102	617.8%	1.00	0.3504
	2030	1,273.2	1,288,541	8,580,744	665.9%	421,955	2,809,911	665.9%	1.00	0.3275
	2031	1,077.9	1,043,332	7,543,879	723.1%	319,305	2,308,759	723.1%	1.00	0.3060
	2032	906.0	838,650	6,553,704	781.5%	239,873	1,874,506	781.5%	1.00	0.2860
	2033	756.3	669,622	5,590,589	834.9%	178,997	1,494,424	834.9%	1.00	0.2673
	2034	626.9	531,322	4,702,606	885.1%	132,736	1,174,819	885.1%	1.00	0.2498
	2035	515.8	418,791	3,924,073	937.0%	97,779	916,191	937.0%	1.00	0.2335
	2036	421.2	327,835	3,302,833	1007.5%	71,535	720,695	1007.5%	1.00	0.2182
	2037	341.6	254,977	2,748,958	1078.1%	51,998	560,595	1078.1%	1.00	0.2039
	2038	275.4	197,247	2,240,322	1135.8%	37,593	426,980	1135.8%	1.00	0.1906
	2039	220.6	151,880	1,792,502	1180.2%	27,053	319,281	1180.2%	1.00	0.1781
	2040	175.5	116,379	1,417,181	1217.7%	19,373	235,915	1217.7%	1.00	0.1665
	2041	138.7	88,714	1,140,812	1285.9%	13,802	177,484	1285.9%	1.00	0.1556
	2042	108.9	67,304	910,306	1352.5%	9,786	132,358	1352.5%	1.00	0.1454
	2043	85.2	50,889	713,107	1401.3%	6,915	96,902	1401.3%	1.00	0.1359
	2044	66.3	38,356	549,406	1432.4%	4,871	69,773	1432.4%	1.00	0.1270
	2045	51.2	28,788	421,891	1465.5%	3,417	50,074	1465.5%	1.00	0.1187
	2046	39.4	21,486	331,617	1543.4%	2,383	36,784	1543.4%	1.00	0.1109
	2047	30.2	15,938	260,705	1635.8%	1,652	27,027	1635.8%	1.00	0.1037
	2048	23.0	11,751	202,099	1719.8%	1,139	19,581	1719.8%	1.00	0.0969
	2049	17.4	8,606	152,397	1770.9%	779	13,799	1770.9%	1.00	0.0905
	2050	13.1	6,250	114,109	1825.8%	529	9,656	1825.8%	1.00	0.0846
	2051	9.8	4,491	87,952	1958.2%	355	6,956	1958.2%	1.00	0.0791
	2052	7.3	3,191	67,240	2107.0%	236	4,970	2107.0%	1.00	0.0739
	2053	5.3	2,241	50,130	2236.7%	155	3,463	2236.7%	1.00	0.0691
	2054	3.9	1,556	35,120	2257.3%	100	2,267	2257.3%	1.00	0.0646
	2055	2.8	1,066	24,275	2278.0%	64	1,465	2278.0%	1.00	0.0603
	2056	2.0	718	17,351	2416.1%	40	978	2416.1%	1.00	0.0564
	2057	1.4	476	12,128	2550.1%	25	639	2550.1%	1.00	0.0527
	2058	0.9	310	8,199	2646.2%	15	404	2646.2%	1.00	0.0493
	2059	0.6	198	5,182	2615.1%	9	239	2615.1%	1.00	0.0460
	2060	0.4	125	3,220	2583.6%	5	139	2583.6%	1.00	0.0430
	2061	0.3	77	2,025	2631.4%	3	81	2631.4%	1.00	0.0402
	2062	0.2	47	1,247	2669.1%	2	47	2669.1%	1.00	0.0376
	2063	0.1	28	750	2692.8%	1	26	2692.8%	1.00	0.0351
	Past		209,813,314	193,282,760	92.1%	355,567,648	292,807,085	82.3%		
	Future		107,391,454	322,556,010	300.4%	74,384,575	187,135,293	251.6%		
	Lifetime		317,204,768	515,838,770	162.6%	429,952,223	479,942,378	111.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%	1.00	3.4962
Historical	1996	5.6	20,548	0	0.0%	67,140	0	0.0%	1.00	3.2675
Experience	1997	215.5	100,283	1,381	1.4%	306,238	4,218	1.4%	1.00	3.0537
	1998	1,426.1	2,843,010	188,075	6.6%	8,113,849	536,759	6.6%	1.00	2.8540
	1999	3,569.8	6,144,202	1,607,522	26.2%	16,388,164	4,287,674	26.2%	1.00	2.6673
	2000	5,933.9	9,531,155	4,631,283	48.6%	23,758,910	11,544,692	48.6%	1.00	2.4928
	2001	8,672.5	13,719,685	5,571,803	40.6%	31,962,547	12,980,546	40.6%	1.00	2.3297
	2002	10,745.6	16,523,679	9,123,503	55.2%	35,976,606	19,864,383	55.2%	1.00	2.1773
	2003	10,822.9	15,982,503	11,937,371	74.7%	32,521,791	24,290,607	74.7%	1.00	2.0348
	2004	10,392.3	15,223,961	7,332,428	48.2%	28,951,666	13,944,203	48.2%	1.00	1.9017
	2005	10,025.6	14,752,366	14,661,024	99.4%	26,219,464	26,057,119	99.4%	1.00	1.7773
	2006	9,700.0	14,090,506	12,051,883	85.5%	23,404,799	20,018,579	85.5%	1.00	1.6610
	2007	9,381.8	13,610,172	14,456,805	106.2%	21,127,989	22,442,275	106.2%	1.00	1.5524
	2008	9,075.9	13,146,899	17,895,424	136.1%	19,073,663	25,962,874	136.1%	1.00	1.4508
	2009	8,789.0	12,633,500	18,046,206	142.8%	17,129,737	24,468,813	142.8%	1.00	1.3559
	2010	8,490.8	14,359,890	18,347,899	127.8%	18,196,772	23,250,353	127.8%	1.00	1.2672
	2011	8,200.4	16,701,537	14,758,675	88.4%	19,779,526	17,478,607	88.4%	1.00	1.1843
	2012	7,931.3	15,200,018	21,208,293	139.5%	16,823,632	23,473,691	139.5%	1.00	1.1068
	2013	7,636.1	15,224,630	21,463,183	141.0%	15,748,479	22,201,689	141.0%	1.00	1.0344
	2014	7,249.3	13,026,153	20,185,299	155.0%	12,592,857	19,513,866	155.0%	1.00	0.9667
Projected	2015	6,845.2	13,503,690	20,299,104	150.3%	12,200,477	18,340,079	150.3%	1.13	0.9035
Future	2016	6,374.5	13,687,673	20,047,935	146.5%	11,557,667	16,928,177	146.5%	1.25	0.8444
Experience	2017	5,910.1	12,348,327	19,914,245	161.3%	9,744,620	15,715,226	161.3%	1.25	0.7891
(50 years)	2018	5,450.5	11,061,830	19,775,513	178.8%	8,158,306	14,584,809	178.8%	1.25	0.7375
	2019	5,000.0	9,832,967	19,519,339	198.5%	6,777,566	13,454,090	198.5%	1.25	0.6893
	2020	4,562.5	8,674,570	19,147,916	220.7%	5,587,961	12,334,654	220.7%	1.25	0.6442
	2021	4,137.3	7,592,836	18,553,358	244.4%	4,571,152	11,169,769	244.4%	1.25	0.6020
	2022	3,729.2	6,596,331	17,748,890	269.1%	3,711,422	9,986,403	269.1%	1.25	0.5626
	2023	3,340.2	5,686,221	16,775,594	295.0%	2,990,046	8,821,288	295.0%	1.25	0.5258
	2024	2,972.3	4,863,308	15,731,911	323.5%	2,390,023	7,731,287	323.5%	1.25	0.4914
	2025	2,626.2	4,126,205	14,660,901	355.3%	1,895,123	6,733,599	355.3%	1.25	0.4593
	2026	2,304.5	3,471,514	13,558,284	390.6%	1,490,122	5,819,793	390.6%	1.25	0.4292
	2027	2,008.3	2,897,774	12,333,380	425.6%	1,162,475	4,947,674	425.6%	1.25	0.4012
	2028	1,737.7	2,400,248	11,040,540	460.0%	899,894	4,139,287	460.0%	1.25	0.3749
	2029	1,492.9	1,973,745	9,755,142	494.2%	691,580	3,418,102	494.2%	1.25	0.3504
	2030	1,273.2	1,610,676	8,580,744	532.7%	527,443	2,809,911	532.7%	1.25	0.3275
	2031	1,077.9	1,304,165	7,543,879	578.4%	399,132	2,308,759	578.4%	1.25	0.3060
	2032	906.0	1,048,313	6,553,704	625.2%	299,841	1,874,506	625.2%	1.25	0.2860
	2033	756.3	837,028	5,590,589	667.9%	223,747	1,494,424	667.9%	1.25	0.2673
	2034	626.9	664,152	4,702,606	708.1%	165,921	1,174,819	708.1%	1.25	0.2498
	2035	515.8	523,489	3,924,073	749.6%	122,224	916,191	749.6%	1.25	0.2335
	2036	421.2	409,794	3,302,833	806.0%	89,419	720,695	806.0%	1.25	0.2182
	2037	341.6	318,721	2,748,958	862.5%	64,997	560,595	862.5%	1.25	0.2039
	2038	275.4	246,559	2,240,322	908.6%	46,991	426,980	908.6%	1.25	0.1906
	2039	220.6	189,849	1,792,502	944.2%	33,816	319,281	944.2%	1.25	0.1781
	2040	175.5	145,474	1,417,181	974.2%	24,217	235,915	974.2%	1.25	0.1665
	2041	138.7	110,892	1,140,812	1028.8%	17,252	177,484	1028.8%	1.25	0.1556
	2042	108.9	84,130	910,306	1082.0%	12,232	132,358	1082.0%	1.25	0.1454
	2043	85.2	63,612	713,107	1121.0%	8,644	96,902	1121.0%	1.25	0.1359
	2044	66.3	47,944	549,406	1145.9%	6,089	69,773	1145.9%	1.25	0.1270
	2045	51.2	35,985	421,891	1172.4%	4,271	50,074	1172.4%	1.25	0.1187
	2046	39.4	26,858	331,617	1234.7%	2,979	36,784	1234.7%	1.25	0.1109
	2047	30.2	19,922	260,705	1308.6%	2,065	27,027	1308.6%	1.25	0.1037
	2048	23.0	14,689	202,099	1375.9%	1,423	19,581	1375.9%	1.25	0.0969
	2049	17.4	10,757	152,397	1416.7%	974	13,799	1416.7%	1.25	0.0905
	2050	13.1	7,812	114,109	1460.6%	661	9,656	1460.6%	1.25	0.0846
	2051	9.8	5,614	87,952	1566.6%	444	6,956	1566.6%	1.25	0.0791
	2052	7.3	3,989	67,240	1685.6%	295	4,970	1685.6%	1.25	0.0739
	2053	5.3	2,801	50,130	1789.4%	194	3,463	1789.4%	1.25	0.0691
	2054	3.9	1,945	35,120	1805.8%	126	2,267	1805.8%	1.25	0.0646
	2055	2.8	1,332	24,275	1822.4%	80	1,465	1822.4%	1.25	0.0603
	2056	2.0	898	17,351	1932.9%	51	978	1932.9%	1.25	0.0564
	2057	1.4	594	12,128	2040.1%	31	639	2040.1%	1.25	0.0527
	2058	0.9	387	8,199	2117.0%	19	404	2117.0%	1.25	0.0493
	2059	0.6	248	5,182	2092.1%	11	239	2092.1%	1.25	0.0460
	2060	0.4	156	3,220	2066.9%	7	139	2066.9%	1.25	0.0430
	2061	0.3	96	2,025	2105.1%	4	81	2105.1%	1.25	0.0402
	2062	0.2	58	1,247	2135.3%	2	47	2135.3%	1.25	0.0376
	2063	0.1	35	750	2154.2%	1	26	2154.2%	1.25	0.0351
	Past		209,813,314	193,282,760	92.1%	355,567,648	292,807,085	82.3%		
	Future		129,482,369	322,556,010	249.1%	88,476,896	187,135,293	211.5%		
	Lifetime		339,295,683	515,838,770	152.0%	444,044,543	479,942,378	108.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
Historical	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Experience	1997	64.6	42,364	0	0.0%	129,370	0	0.0%		3.0537
	1998	631.7	1,139,082	0	0.0%	3,250,900	0	0.0%		2.8540
	1999	1,733.3	2,673,143	14,880	0.6%	7,129,959	39,689	0.6%		2.6673
	2000	3,335.2	5,008,610	486,686	9.7%	12,485,279	1,213,193	9.7%		2.4928
	2001	5,830.4	8,779,513	1,511,536	17.2%	20,453,500	3,521,404	17.2%		2.3297
	2002	8,819.3	13,026,449	1,123,692	8.6%	28,362,172	2,446,587	8.6%		2.1773
	2003	9,823.8	13,848,671	3,908,325	28.2%	28,179,791	7,952,804	28.2%		2.0348
	2004	9,576.3	13,425,792	3,149,536	23.5%	25,532,056	5,989,526	23.5%		1.9017
	2005	9,370.7	13,119,360	6,612,827	50.4%	23,317,112	11,753,015	50.4%		1.7773
	2006	9,193.3	12,831,330	4,310,327	33.6%	21,313,267	7,159,596	33.6%		1.6610
	2007	8,998.3	12,659,345	4,090,638	32.3%	19,651,957	6,350,174	32.3%		1.5524
	2008	8,832.6	12,545,749	7,646,131	60.9%	18,201,509	11,093,089	60.9%		1.4508
	2009	8,655.5	12,152,724	9,797,628	80.6%	16,477,853	13,284,584	80.6%		1.3559
	2010	8,477.8	14,176,662	9,708,420	68.5%	17,964,586	12,302,455	68.5%		1.2672
	2011	8,312.9	17,378,709	15,908,173	91.5%	20,581,496	18,839,951	91.5%		1.1843
	2012	8,169.9	16,831,003	15,703,604	93.3%	18,628,834	17,381,010	93.3%		1.1068
	2013	8,015.8	16,609,172	15,687,837	94.5%	17,180,661	16,227,625	94.5%		1.0344
	2014	7,808.4	15,413,818	22,022,116	142.9%	14,901,100	21,289,583	142.9%	1.00	0.9667
Projected	2015	7,584.0	14,774,905	24,639,919	166.8%	13,349,009	22,261,971	166.8%	1.00	0.9035
Future	2016	7,317.8	14,091,866	27,261,146	193.5%	11,898,962	23,018,905	193.5%	1.00	0.8444
Experience	2017	7,036.7	13,354,092	30,357,677	227.3%	10,538,314	23,956,607	227.3%	1.00	0.7891
(50 years)	2018	6,742.8	12,600,135	33,856,828	268.7%	9,292,834	24,970,041	268.7%	1.00	0.7375
	2019	6,438.4	11,830,711	37,563,372	317.5%	8,154,551	25,891,296	317.5%	1.00	0.6893
	2020	6,123.6	11,050,195	41,558,854	376.1%	7,118,285	26,771,272	376.1%	1.00	0.6442
	2021	5,800.3	10,263,118	45,518,208	443.5%	6,178,755	27,403,550	443.5%	1.00	0.6020
	2022	5,469.0	9,477,687	49,290,620	520.1%	5,332,615	27,733,340	520.1%	1.00	0.5626
	2023	5,132.1	8,700,088	52,870,752	607.7%	4,574,860	27,801,588	607.7%	1.00	0.5258
	2024	4,791.4	7,934,898	56,141,880	707.5%	3,899,525	27,590,355	707.5%	1.00	0.4914
	2025	4,448.5	7,188,310	59,257,400	824.4%	3,301,516	27,216,304	824.4%	1.00	0.4593
	2026	4,105.9	6,464,690	62,143,327	961.3%	2,774,920	26,674,561	961.3%	1.00	0.4292
	2027	3,766.4	5,770,773	64,379,715	1115.6%	2,315,011	25,826,648	1115.6%	1.00	0.4012
	2028	3,432.9	5,113,631	65,662,965	1284.1%	1,917,187	24,618,167	1284.1%	1.00	0.3749
	2029	3,108.3	4,497,829	65,951,485	1466.3%	1,575,994	23,108,727	1466.3%	1.00	0.3504
	2030	2,794.4	3,924,960	65,512,117	1669.1%	1,285,295	21,453,063	1669.1%	1.00	0.3275
	2031	2,493.2	3,396,018	65,124,899	1917.7%	1,039,331	19,931,086	1917.7%	1.00	0.3060
	2032	2,207.1	2,913,218	64,246,414	2205.3%	833,246	18,375,916	2205.3%	1.00	0.2860
	2033	1,939.1	2,477,770	62,118,994	2507.1%	662,334	16,605,071	2507.1%	1.00	0.2673
	2034	1,690.4	2,090,528	58,809,109	2813.1%	522,262	14,691,873	2813.1%	1.00	0.2498
	2035	1,461.3	1,749,046	54,528,677	3117.6%	408,367	12,731,329	3117.6%	1.00	0.2335
	2036	1,252.1	1,450,346	50,856,407	3506.5%	316,473	11,097,130	3506.5%	1.00	0.2182
	2037	1,063.5	1,191,613	47,378,904	3976.0%	243,006	9,661,982	3976.0%	1.00	0.2039
	2038	896.0	970,788	43,030,773	4432.6%	185,021	8,201,185	4432.6%	1.00	0.1906
	2039	749.1	785,192	38,109,460	4853.5%	139,859	6,788,072	4853.5%	1.00	0.1781
	2040	621.2	630,612	32,877,504	5213.6%	104,976	5,473,041	5213.6%	1.00	0.1665
	2041	510.8	502,759	28,568,398	5682.3%	78,218	4,444,593	5682.3%	1.00	0.1556
	2042	416.7	397,803	25,153,144	6323.0%	57,840	3,657,250	6323.0%	1.00	0.1454
	2043	337.8	312,742	21,688,704	6935.0%	42,498	2,947,217	6935.0%	1.00	0.1359
	2044	272.5	244,741	18,252,516	7457.9%	31,082	2,318,022	7457.9%	1.00	0.1270
	2045	218.8	190,750	15,070,733	7900.8%	22,640	1,788,732	7900.8%	1.00	0.1187
	2046	174.6	148,016	12,539,859	8472.0%	16,419	1,390,977	8472.0%	1.00	0.1109
	2047	138.7	114,279	10,732,847	9391.8%	11,847	1,112,650	9391.8%	1.00	0.1037
	2048	109.8	87,843	9,125,466	10388.3%	8,511	884,127	10388.3%	1.00	0.0969
	2049	86.8	67,294	7,588,940	11277.2%	6,093	687,159	11277.2%	1.00	0.0905
	2050	68.4	51,343	6,260,666	12193.8%	4,345	529,801	12193.8%	1.00	0.0846
	2051	53.6	38,946	5,219,468	13401.7%	3,080	412,795	13401.7%	1.00	0.0791
	2052	41.7	29,313	4,451,331	15185.6%	2,167	329,014	15185.6%	1.00	0.0739
	2053	32.3	21,877	3,749,717	17140.1%	1,511	259,024	17140.1%	1.00	0.0691
	2054	24.8	16,189	3,015,943	18629.7%	1,045	194,706	18629.7%	1.00	0.0646
	2055	18.9	11,860	2,372,024	20000.3%	716	143,117	20000.3%	1.00	0.0603
	2056	14.2	8,580	1,871,645	21814.3%	484	105,539	21814.3%	1.00	0.0564
	2057	10.5	6,112	1,493,165	24431.0%	322	78,689	24431.0%	1.00	0.0527
	2058	7.7	4,285	1,154,188	26935.0%	211	56,846	26935.0%	1.00	0.0493
	2059	5.5	2,961	837,859	28295.1%	136	38,566	28295.1%	1.00	0.0460
	2060	3.9	2,014	587,453	29169.9%	87	25,271	29169.9%	1.00	0.0430
	2061	2.7	1,347	409,977	30437.2%	54	16,483	30437.2%	1.00	0.0402
	2062	1.8	885	287,348	32463.6%	33	10,797	32463.6%	1.00	0.0376
	2063	1.2	572	197,235	34499.9%	20	6,926	34499.9%	1.00	0.0351
	Past		186,257,220	99,660,241	53.5%	298,871,473	135,554,702	45.4%		
	Future		182,369,349	1,501,698,146	823.4%	113,152,966	572,580,965	506.0%		
	Lifetime		368,626,568	1,601,358,387	434.4%	412,024,439	708,135,667	171.9%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision (Lifetime Only, VA Basis, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A	1.00	3.4962
Historical	1996	2.6	9,540	0	0.0%	31,172	0	0.0%	1.00	3.2675
Experience	1997	64.6	42,364	0	0.0%	129,370	0	0.0%	1.00	3.0537
	1998	631.7	1,139,082	0	0.0%	3,250,900	0	0.0%	1.00	2.8540
	1999	1,733.3	2,673,143	14,880	0.6%	7,129,959	39,689	0.6%	1.00	2.6673
	2000	3,335.2	5,008,610	486,686	9.7%	12,485,279	1,213,193	9.7%	1.00	2.4928
	2001	5,830.4	8,779,513	1,511,536	17.2%	20,453,500	3,521,404	17.2%	1.00	2.3297
	2002	8,819.3	13,026,449	1,123,692	8.6%	28,362,172	2,446,587	8.6%	1.00	2.1773
	2003	9,823.8	13,848,671	3,908,325	28.2%	28,179,791	7,952,804	28.2%	1.00	2.0348
	2004	9,576.3	13,425,792	3,149,536	23.5%	25,532,056	5,989,526	23.5%	1.00	1.9017
	2005	9,370.7	13,119,360	6,612,827	50.4%	23,317,112	11,753,015	50.4%	1.00	1.7773
	2006	9,193.3	12,831,330	4,310,327	33.6%	21,313,267	7,159,596	33.6%	1.00	1.6610
	2007	8,998.3	12,659,345	4,090,638	32.3%	19,651,957	6,350,174	32.3%	1.00	1.5524
	2008	8,832.6	12,545,749	7,646,131	60.9%	18,201,509	11,093,089	60.9%	1.00	1.4508
	2009	8,655.5	12,152,724	9,797,628	80.6%	16,477,853	13,284,584	80.6%	1.00	1.3559
	2010	8,477.8	14,176,662	9,708,420	68.5%	17,964,586	12,302,455	68.5%	1.00	1.2672
	2011	8,312.9	17,378,709	15,908,173	91.5%	20,581,496	18,839,951	91.5%	1.00	1.1843
	2012	8,169.9	16,831,003	15,703,604	93.3%	18,628,834	17,381,010	93.3%	1.00	1.1068
	2013	8,015.8	16,609,172	15,687,837	94.5%	17,180,661	16,227,625	94.5%	1.00	1.0344
	2014	7,808.4	15,413,818	22,022,116	142.9%	14,901,100	21,289,583	142.9%	1.00	0.9667
Projected	2015	7,584.0	21,423,612	24,639,919	115.0%	19,356,063	22,261,971	115.0%	1.45	0.9035
Future	2016	7,317.8	26,774,546	27,261,146	101.8%	22,608,027	23,018,905	101.8%	1.90	0.8444
Experience	2017	7,036.7	25,372,775	30,357,677	119.6%	20,022,797	23,956,607	119.6%	1.90	0.7891
(50 years)	2018	6,742.8	23,940,256	33,856,828	141.4%	17,656,385	24,970,041	141.4%	1.90	0.7375
	2019	6,438.4	22,478,351	37,563,372	167.1%	15,493,647	25,891,296	167.1%	1.90	0.6893
	2020	6,123.6	20,995,371	41,558,854	197.9%	13,524,742	26,771,272	197.9%	1.90	0.6442
	2021	5,800.3	19,499,924	45,518,208	233.4%	11,739,635	27,403,550	233.4%	1.90	0.6020
	2022	5,469.0	18,007,605	49,290,620	273.7%	10,131,969	27,733,340	273.7%	1.90	0.5626
	2023	5,132.1	16,530,167	52,870,752	319.8%	8,692,233	27,801,588	319.8%	1.90	0.5258
	2024	4,791.4	15,076,307	56,141,880	372.4%	7,409,097	27,590,355	372.4%	1.90	0.4914
	2025	4,448.5	13,657,790	59,257,400	433.9%	6,272,880	27,216,304	433.9%	1.90	0.4593
	2026	4,105.9	12,282,911	62,143,327	505.9%	5,272,348	26,674,561	505.9%	1.90	0.4292
	2027	3,766.4	10,964,470	64,379,715	587.2%	4,398,521	25,826,648	587.2%	1.90	0.4012
	2028	3,432.9	9,715,898	65,662,965	675.8%	3,642,656	24,618,167	675.8%	1.90	0.3749
	2029	3,108.3	8,545,876	65,951,485	771.7%	2,994,388	23,108,727	771.7%	1.90	0.3504
	2030	2,794.4	7,457,424	65,512,117	878.5%	2,442,061	21,453,063	878.5%	1.90	0.3275
	2031	2,493.2	6,452,435	65,124,899	1009.3%	1,974,729	19,931,086	1009.3%	1.90	0.3060
	2032	2,207.1	5,535,113	64,246,414	1160.7%	1,583,167	18,375,916	1160.7%	1.90	0.2860
	2033	1,939.1	4,707,763	62,118,994	1319.5%	1,258,435	16,605,071	1319.5%	1.90	0.2673
	2034	1,690.4	3,972,003	58,809,109	1480.6%	992,298	14,691,873	1480.6%	1.90	0.2498
	2035	1,461.3	3,323,188	54,528,677	1640.9%	775,896	12,731,329	1640.9%	1.90	0.2335
	2036	1,252.1	2,755,657	50,856,407	1845.5%	601,299	11,097,130	1845.5%	1.90	0.2182
	2037	1,063.5	2,264,064	47,378,904	2092.6%	461,711	9,661,982	2092.6%	1.90	0.2039
	2038	896.0	1,844,497	43,030,773	2332.9%	351,540	8,201,185	2332.9%	1.90	0.1906
	2039	749.1	1,491,865	38,109,460	2554.5%	265,732	6,788,072	2554.5%	1.90	0.1781
	2040	621.2	1,198,163	32,877,504	2744.0%	199,455	5,473,041	2744.0%	1.90	0.1665
	2041	510.8	955,242	28,568,398	2990.7%	148,614	4,444,593	2990.7%	1.90	0.1556
	2042	416.7	755,826	25,153,144	3327.9%	109,897	3,657,250	3327.9%	1.90	0.1454
	2043	337.8	594,209	21,688,704	3650.0%	80,745	2,947,217	3650.0%	1.90	0.1359
	2044	272.5	465,009	18,252,516	3925.2%	59,055	2,318,022	3925.2%	1.90	0.1270
	2045	218.8	362,426	15,070,733	4158.3%	43,016	1,788,732	4158.3%	1.90	0.1187
	2046	174.6	281,231	12,539,859	4458.9%	31,195	1,390,977	4458.9%	1.90	0.1109
	2047	138.7	217,131	10,732,847	4943.0%	22,509	1,112,650	4943.0%	1.90	0.1037
	2048	109.8	166,902	9,125,466	5467.5%	16,170	884,127	5467.5%	1.90	0.0969
	2049	86.8	127,859	7,588,940	5935.4%	11,577	687,159	5935.4%	1.90	0.0905
	2050	68.4	97,551	6,260,666	6417.8%	8,255	529,801	6417.8%	1.90	0.0846
	2051	53.6	73,998	5,219,468	7053.5%	5,852	412,795	7053.5%	1.90	0.0791
	2052	41.7	55,694	4,451,331	7992.4%	4,117	329,014	7992.4%	1.90	0.0739
	2053	32.3	41,566	3,749,717	9021.1%	2,871	259,024	9021.1%	1.90	0.0691
	2054	24.8	30,759	3,015,943	9805.1%	1,986	194,706	9805.1%	1.90	0.0646
	2055	18.9	22,534	2,372,024	10526.5%	1,360	143,117	10526.5%	1.90	0.0603
	2056	14.2	16,302	1,871,645	11481.2%	919	105,539	11481.2%	1.90	0.0564
	2057	10.5	11,612	1,493,165	12858.4%	612	78,689	12858.4%	1.90	0.0527
	2058	7.7	8,142	1,154,188	14176.3%	401	56,846	14176.3%	1.90	0.0493
	2059	5.5	5,626	837,859	14892.1%	259	38,566	14892.1%	1.90	0.0460
	2060	3.9	3,826	587,453	15352.6%	165	25,271	15352.6%	1.90	0.0430
	2061	2.7	2,559	409,977	16019.6%	103	16,483	16019.6%	1.90	0.0402
	2062	1.8	1,682	287,348	17086.1%	63	10,797	17086.1%	1.90	0.0376
	2063	1.2	1,086	197,235	18157.8%	38	6,926	18157.8%	1.90	0.0351
	Past		186,257,220	99,660,241	53.5%	298,871,473	135,554,702	45.4%		
	Future		325,980,619	1,501,698,146	460.7%	195,572,591	572,580,965	292.8%		
	Lifetime		512,237,839	1,601,358,387	312.6%	494,444,065	708,135,667	143.2%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	8.2	30,088	0	0.0%	98,312	0	0.0%		3.2675
Experience	1997	280.1	142,647	1,381	1.0%	435,608	4,218	1.0%		3.0537
	1998	2,057.8	3,982,092	188,075	4.7%	11,364,749	536,759	4.7%		2.8540
	1999	5,303.1	8,817,346	1,622,402	18.4%	23,518,123	4,327,363	18.4%		2.6673
	2000	9,269.1	14,539,765	5,117,969	35.2%	36,244,189	12,757,885	35.2%		2.4928
	2001	14,502.9	22,499,198	7,083,339	31.5%	52,416,047	16,501,950	31.5%		2.3297
	2002	19,564.9	29,550,128	10,247,195	34.7%	64,338,778	22,310,970	34.7%		2.1773
	2003	20,646.8	29,831,174	15,845,696	53.1%	60,701,583	32,243,411	53.1%		2.0348
	2004	19,968.7	28,649,753	10,481,964	36.6%	54,483,722	19,933,729	36.6%		1.9017
	2005	19,396.3	27,871,726	21,273,851	76.3%	49,536,575	37,810,135	76.3%		1.7773
	2006	18,893.3	26,921,836	16,362,210	60.8%	44,718,066	27,178,175	60.8%		1.6610
	2007	18,380.0	26,269,517	18,547,444	70.6%	40,779,946	28,792,449	70.6%		1.5524
	2008	17,908.5	25,692,649	25,541,555	99.4%	37,275,172	37,055,963	99.4%		1.4508
	2009	17,444.5	24,786,224	27,843,834	112.3%	33,607,590	37,753,397	112.3%		1.3559
	2010	16,968.5	28,536,552	28,056,318	98.3%	36,161,357	35,552,808	98.3%		1.2672
	2011	16,513.3	34,080,246	30,666,849	90.0%	40,361,022	36,318,558	90.0%		1.1843
	2012	16,101.3	32,031,021	36,911,898	115.2%	35,452,466	40,854,701	115.2%		1.1068
	2013	15,651.9	31,833,802	37,151,020	116.7%	32,929,141	38,429,314	116.7%		1.0344
	2014	14,149.6	26,700,152	42,463,180	159.0%	25,812,011	41,050,705	159.0%	1.00	0.9667
Projected	2015	12,712.5	23,547,736	41,992,673	178.3%	21,275,192	37,940,046	178.3%	1.00	0.9035
Future	2016	11,276.7	20,563,973	40,860,904	198.7%	17,363,912	34,502,338	198.7%	1.00	0.8444
Experience	2017	9,931.5	17,746,991	38,924,722	219.3%	14,004,948	30,717,248	219.3%	1.00	0.7891
(50 years)	2018	8,684.0	15,189,000	36,570,933	240.8%	11,202,170	26,971,745	240.8%	1.00	0.7375
	2019	7,551.6	12,910,020	34,347,019	266.0%	8,898,486	23,674,361	266.0%	1.00	0.6893
	2020	6,531.0	10,898,511	32,281,657	296.2%	7,020,574	20,795,112	296.2%	1.00	0.6442
	2021	5,614.6	9,135,640	30,326,649	332.0%	5,499,974	18,257,701	332.0%	1.00	0.6020
	2022	4,797.8	7,605,303	28,276,988	371.8%	4,279,120	15,910,031	371.8%	1.00	0.5626
	2023	4,074.4	6,286,253	25,977,734	413.2%	3,305,567	13,660,147	413.2%	1.00	0.5258
	2024	3,438.1	5,158,647	23,630,697	458.1%	2,535,164	11,613,065	458.1%	1.00	0.4914
	2025	2,881.8	4,202,080	21,423,125	509.8%	1,929,971	9,839,417	509.8%	1.00	0.4593
	2026	2,399.3	3,397,031	19,613,183	577.4%	1,458,150	8,418,813	577.4%	1.00	0.4292
	2027	1,984.2	2,725,772	17,978,723	659.6%	1,093,474	7,212,367	659.6%	1.00	0.4012
	2028	1,629.6	2,171,567	15,999,506	736.8%	814,158	5,998,488	736.8%	1.00	0.3749
	2029	1,329.1	1,717,428	13,955,638	812.6%	601,769	4,889,913	812.6%	1.00	0.3504
	2030	1,076.5	1,348,477	12,060,995	894.4%	441,582	3,949,579	894.4%	1.00	0.3275
	2031	865.4	1,050,359	10,603,630	1009.5%	321,456	3,245,178	1009.5%	1.00	0.3060
	2032	690.8	812,324	9,539,357	1174.3%	232,343	2,728,470	1174.3%	1.00	0.2860
	2033	547.6	623,953	8,340,583	1336.7%	166,789	2,229,527	1336.7%	1.00	0.2673
	2034	431.0	475,720	7,062,397	1484.6%	118,846	1,764,350	1484.6%	1.00	0.2498
	2035	336.5	359,844	5,797,529	1611.1%	84,016	1,353,604	1611.1%	1.00	0.2335
	2036	260.7	269,930	4,868,944	1803.8%	58,900	1,062,429	1803.8%	1.00	0.2182
	2037	200.6	201,146	4,412,284	2193.6%	41,020	899,797	2193.6%	1.00	0.2039
	2038	153.6	149,398	4,078,692	2730.1%	28,474	777,353	2730.1%	1.00	0.1906
	2039	116.7	110,257	3,748,817	3400.1%	19,639	667,741	3400.1%	1.00	0.1781
	2040	88.0	80,727	3,386,866	4195.5%	13,438	563,804	4195.5%	1.00	0.1665
	2041	65.8	58,572	2,998,405	5119.2%	9,112	466,484	5119.2%	1.00	0.1556
	2042	49.0	42,285	2,662,524	6296.6%	6,148	387,129	6296.6%	1.00	0.1454
	2043	36.5	30,655	2,445,941	7978.9%	4,166	332,372	7978.9%	1.00	0.1359
	2044	27.0	22,105	2,225,693	10068.8%	2,807	282,657	10068.8%	1.00	0.1270
	2045	19.9	15,833	1,994,841	12599.0%	1,879	236,766	12599.0%	1.00	0.1187
	2046	14.4	11,195	1,723,506	15395.7%	1,242	191,179	15395.7%	1.00	0.1109
	2047	10.4	7,836	1,460,808	18643.1%	812	151,439	18643.1%	1.00	0.1037
	2048	7.6	5,580	1,318,931	23638.8%	541	127,786	23638.8%	1.00	0.0969
	2049	5.5	3,947	1,169,200	29624.3%	357	105,868	29624.3%	1.00	0.0905
	2050	4.0	2,764	1,001,006	36213.7%	234	84,709	36213.7%	1.00	0.0846
	2051	2.8	1,895	800,873	42273.0%	150	63,339	42273.0%	1.00	0.0791
	2052	2.0	1,273	471,254	37025.3%	94	34,832	37025.3%	1.00	0.0739
	2053	1.4	870	62,556	7191.1%	60	4,321	7191.1%	1.00	0.0691
	2054	1.0	590	54,395	9225.1%	38	3,512	9225.1%	1.00	0.0646
	2055	0.7	392	46,466	11867.3%	24	2,804	11867.3%	1.00	0.0603
	2056	0.5	251	33,789	13447.9%	14	1,905	13447.9%	1.00	0.0564
	2057	0.3	155	27,195	17557.9%	8	1,433	17557.9%	1.00	0.0527
	2058	0.2	98	22,632	23019.3%	5	1,115	23019.3%	1.00	0.0493
	2059	0.1	61	18,543	30165.9%	3	854	30165.9%	1.00	0.0460
	2060	0.1	38	14,904	39709.3%	2	641	39709.3%	1.00	0.0430
	2061	0.0	21	11,110	52568.0%	1	447	52568.0%	1.00	0.0402
	2062	0.0	11	7,805	68905.2%	0	293	68905.2%	1.00	0.0376
	2063	0.0	6	5,853	90239.2%	0	206	90239.2%	1.00	0.0351
	Past		396,070,534	292,943,001	74.0%	654,439,121	428,361,787	65.5%		
	Future		175,644,667	559,101,655	318.3%	128,648,841	333,175,420	259.0%		
	Lifetime		571,715,201	852,044,657	149.0%	783,087,962	761,537,207	97.2%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	1.3	4,770	0	0.0%	16,676	0	0.0%		3.4962
Historical	1996	5.6	20,548	0	0.0%	67,140	0	0.0%		3.2675
Experience	1997	215.5	100,283	1,381	1.4%	306,238	4,218	1.4%		3.0537
	1998	1,426.1	2,843,010	188,075	6.6%	8,113,849	536,759	6.6%		2.8540
	1999	3,569.8	6,144,202	1,607,522	26.2%	16,388,164	4,287,674	26.2%		2.6673
	2000	5,933.9	9,531,155	4,631,283	48.6%	23,758,910	11,544,692	48.6%		2.4928
	2001	8,672.5	13,719,685	5,571,803	40.6%	31,962,547	12,980,546	40.6%		2.3297
	2002	10,745.6	16,523,679	9,123,503	55.2%	35,976,606	19,864,383	55.2%		2.1773
	2003	10,822.9	15,982,503	11,937,371	74.7%	32,521,791	24,290,607	74.7%		2.0348
	2004	10,392.3	15,223,961	7,332,428	48.2%	28,951,666	13,944,203	48.2%		1.9017
	2005	10,025.6	14,752,366	14,661,024	99.4%	26,219,464	26,057,119	99.4%		1.7773
	2006	9,700.0	14,090,506	12,051,883	85.5%	23,404,799	20,018,579	85.5%		1.6610
	2007	9,381.8	13,610,172	14,456,805	106.2%	21,127,989	22,442,275	106.2%		1.5524
	2008	9,075.9	13,146,899	17,895,424	136.1%	19,073,663	25,962,874	136.1%		1.4508
	2009	8,789.0	12,633,500	18,046,206	142.8%	17,129,737	24,468,813	142.8%		1.3559
	2010	8,490.8	14,359,890	18,347,899	127.8%	18,196,772	23,250,353	127.8%		1.2672
	2011	8,200.4	16,701,537	14,758,675	88.4%	19,779,526	17,478,607	88.4%		1.1843
	2012	7,931.3	15,200,018	21,208,293	139.5%	16,823,632	23,473,691	139.5%		1.1068
	2013	7,636.1	15,224,630	21,463,183	141.0%	15,748,479	22,201,689	141.0%		1.0344
	2014	6,830.7	12,251,430	20,057,098	163.7%	11,843,905	19,389,929	163.7%	1.00	0.9667
Projected	2015	6,059.9	10,590,202	18,611,940	175.7%	9,568,164	16,815,740	175.7%	1.00	0.9035
Future	2016	5,284.5	9,033,941	16,918,567	187.3%	7,628,125	14,285,786	187.3%	1.00	0.8444
Experience	2017	4,570.5	7,592,554	15,029,927	198.0%	5,991,625	11,860,791	198.0%	1.00	0.7891
(50 years)	2018	3,920.4	6,317,392	13,171,757	208.5%	4,659,194	9,714,416	208.5%	1.00	0.7375
	2019	3,340.4	5,209,437	11,503,583	220.8%	3,590,707	7,929,072	220.8%	1.00	0.6893
	2020	2,827.3	4,258,038	10,012,840	235.2%	2,742,932	6,450,045	235.2%	1.00	0.6442
	2021	2,375.1	3,449,036	8,673,937	251.5%	2,076,440	5,222,013	251.5%	1.00	0.6020
	2022	1,980.8	2,769,639	7,422,202	268.0%	1,558,336	4,176,098	268.0%	1.00	0.5626
	2023	1,639.5	2,203,686	6,267,198	284.4%	1,158,788	3,295,547	284.4%	1.00	0.5258
	2024	1,346.7	1,737,854	5,247,241	301.9%	854,051	2,578,703	301.9%	1.00	0.4914
	2025	1,097.4	1,358,080	4,374,713	322.1%	623,752	2,009,260	322.1%	1.00	0.4593
	2026	887.4	1,051,689	3,652,168	347.3%	451,430	1,567,666	347.3%	1.00	0.4292
	2027	712.1	807,516	3,023,237	374.4%	323,944	1,212,806	374.4%	1.00	0.4012
	2028	567.1	615,222	2,450,091	398.2%	230,657	918,581	398.2%	1.00	0.3749
	2029	448.0	464,648	1,962,162	422.3%	162,808	687,522	422.3%	1.00	0.3504
	2030	351.5	348,424	1,571,240	451.0%	114,097	514,529	451.0%	1.00	0.3275
	2031	273.5	258,931	1,273,301	491.8%	79,244	389,686	491.8%	1.00	0.3060
	2032	211.5	191,324	1,034,910	540.9%	54,723	296,007	540.9%	1.00	0.2860
	2033	162.5	140,768	815,304	579.2%	37,629	217,939	579.2%	1.00	0.2673
	2034	123.9	102,746	619,085	602.5%	25,668	154,662	602.5%	1.00	0.2498
	2035	93.7	74,345	457,480	615.4%	17,358	106,812	615.4%	1.00	0.2335
	2036	70.4	53,452	347,628	650.4%	11,663	75,854	650.4%	1.00	0.2182
	2037	52.7	38,323	278,465	726.6%	7,815	56,787	726.6%	1.00	0.2039
	2038	39.3	27,574	225,307	817.1%	5,255	42,941	817.1%	1.00	0.1906
	2039	29.1	19,695	178,101	904.3%	3,508	31,723	904.3%	1.00	0.1781
	2040	21.3	13,955	138,960	995.8%	2,323	23,132	995.8%	1.00	0.1665
	2041	15.5	9,778	104,242	1066.1%	1,521	16,218	1066.1%	1.00	0.1556
	2042	11.3	6,874	80,134	1165.7%	1,000	11,651	1165.7%	1.00	0.1454
	2043	8.2	4,880	65,258	1337.2%	663	8,868	1337.2%	1.00	0.1359
	2044	5.9	3,431	52,098	1518.5%	436	6,616	1518.5%	1.00	0.1270
	2045	4.3	2,393	40,867	1707.9%	284	4,850	1707.9%	1.00	0.1187
	2046	3.0	1,638	30,798	1880.5%	182	3,416	1880.5%	1.00	0.1109
	2047	2.1	1,119	23,671	2114.5%	116	2,454	2114.5%	1.00	0.1037
	2048	1.5	774	18,933	2445.7%	75	1,834	2445.7%	1.00	0.0969
	2049	1.1	526	14,747	2802.4%	48	1,335	2802.4%	1.00	0.0905
	2050	0.7	353	11,153	3155.1%	30	944	3155.1%	1.00	0.0846
	2051	0.5	228	7,807	3417.6%	18	617	3417.6%	1.00	0.0791
	2052	0.3	149	5,086	3424.0%	11	376	3424.0%	1.00	0.0739
	2053	0.2	97	3,718	3834.9%	7	257	3834.9%	1.00	0.0691
	2054	0.2	62	2,642	4295.1%	4	171	4295.1%	1.00	0.0646
	2055	0.1	38	1,823	4810.5%	2	110	4810.5%	1.00	0.0603
	2056	0.1	22	1,205	5387.7%	1	68	5387.7%	1.00	0.0564
	2057	0.0	13	813	6034.3%	1	43	6034.3%	1.00	0.0527
	2058	0.0	8	537	6758.4%	0	26	6758.4%	1.00	0.0493
	2059	0.0	5	356	7569.4%	0	16	7569.4%	1.00	0.0460
	2060	0.0	3	216	8477.7%	0	9	8477.7%	1.00	0.0430
	2061	0.0	1	108	9495.0%	0	4	9495.0%	1.00	0.0402
	2062	0.0	1	62	10634.4%	0	2	10634.4%	1.00	0.0376
	2063	0.0	0	39	11910.5%	0	1	11910.5%	1.00	0.0351
	Past		209,813,314	193,282,760	92.1%	355,567,648	292,807,085	82.3%		
	Future		71,012,296	155,784,756	219.4%	53,828,541	110,083,937	204.5%		
	Lifetime		280,825,610	349,067,516	124.3%	409,396,189	402,891,022	98.4%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, VA Basis, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		3.4962
Historical	1996	2.6	9,540	0	0.0%	31,172	0	0.0%		3.2675
Experience	1997	64.6	42,364	0	0.0%	129,370	0	0.0%		3.0537
	1998	631.7	1,139,082	0	0.0%	3,250,900	0	0.0%		2.8540
	1999	1,733.3	2,673,143	14,880	0.6%	7,129,959	39,689	0.6%		2.6673
	2000	3,335.2	5,008,610	486,686	9.7%	12,485,279	1,213,193	9.7%		2.4928
	2001	5,830.4	8,779,513	1,511,536	17.2%	20,453,500	3,521,404	17.2%		2.3297
	2002	8,819.3	13,026,449	1,123,692	8.6%	28,362,172	2,446,587	8.6%		2.1773
	2003	9,823.8	13,848,671	3,908,325	28.2%	28,179,791	7,952,804	28.2%		2.0348
	2004	9,576.3	13,425,792	3,149,536	23.5%	25,532,056	5,989,526	23.5%		1.9017
	2005	9,370.7	13,119,360	6,612,827	50.4%	23,317,112	11,753,015	50.4%		1.7773
	2006	9,193.3	12,831,330	4,310,327	33.6%	21,313,267	7,159,596	33.6%		1.6610
	2007	8,998.3	12,659,345	4,090,638	32.3%	19,651,957	6,350,174	32.3%		1.5524
	2008	8,832.6	12,545,749	7,646,131	60.9%	18,201,509	11,093,089	60.9%		1.4508
	2009	8,655.5	12,152,724	9,797,628	80.6%	16,477,853	13,284,584	80.6%		1.3559
	2010	8,477.8	14,176,662	9,708,420	68.5%	17,964,586	12,302,455	68.5%		1.2672
	2011	8,312.9	17,378,709	15,908,173	91.5%	20,581,496	18,839,951	91.5%		1.1843
	2012	8,169.9	16,831,003	15,703,604	93.3%	18,628,834	17,381,010	93.3%		1.1068
	2013	8,015.8	16,609,172	15,687,837	94.5%	17,180,661	16,227,625	94.5%		1.0344
	2014	7,318.9	14,448,721	22,406,081	155.1%	13,968,106	21,660,777	155.1%	1.00	0.9667
Projected	2015	6,652.6	12,957,533	23,380,733	180.4%	11,707,028	21,124,306	180.4%	1.00	0.9035
Future	2016	5,992.3	11,530,032	23,942,337	207.7%	9,735,787	20,216,552	207.7%	1.00	0.8444
Experience	2017	5,361.0	10,154,438	23,894,795	235.3%	8,013,323	18,856,456	235.3%	1.00	0.7891
(50 years)	2018	4,763.6	8,871,608	23,399,176	263.8%	6,542,976	17,257,329	263.8%	1.00	0.7375
	2019	4,211.2	7,700,583	22,843,436	296.6%	5,307,779	15,745,289	296.6%	1.00	0.6893
	2020	3,703.6	6,640,473	22,268,817	335.3%	4,277,642	14,345,068	335.3%	1.00	0.6442
	2021	3,239.5	5,686,604	21,652,712	380.8%	3,423,534	13,035,688	380.8%	1.00	0.6020
	2022	2,817.0	4,835,664	20,854,786	431.3%	2,720,784	11,733,933	431.3%	1.00	0.5626
	2023	2,434.9	4,082,567	19,710,536	482.8%	2,146,779	10,364,600	482.8%	1.00	0.5258
	2024	2,091.4	3,420,792	18,383,456	537.4%	1,681,114	9,034,362	537.4%	1.00	0.4914
	2025	1,784.4	2,843,999	17,048,412	599.5%	1,306,219	7,830,157	599.5%	1.00	0.4593
	2026	1,512.0	2,345,342	15,961,016	680.5%	1,006,721	6,851,147	680.5%	1.00	0.4292
	2027	1,272.1	1,918,256	14,955,486	779.6%	769,530	5,999,562	779.6%	1.00	0.4012
	2028	1,062.5	1,556,345	13,549,415	870.6%	583,500	5,079,907	870.6%	1.00	0.3749
	2029	881.1	1,252,780	11,993,476	957.3%	438,961	4,202,392	957.3%	1.00	0.3504
	2030	725.0	1,000,053	10,489,755	1048.9%	327,484	3,435,050	1048.9%	1.00	0.3275
	2031	591.9	791,428	9,330,329	1178.9%	242,212	2,855,491	1178.9%	1.00	0.3060
	2032	479.3	621,000	8,504,447	1369.5%	177,620	2,432,463	1369.5%	1.00	0.2860
	2033	385.1	483,185	7,525,279	1557.4%	129,160	2,011,588	1557.4%	1.00	0.2673
	2034	307.0	372,973	6,443,313	1727.6%	93,177	1,609,688	1727.6%	1.00	0.2498
	2035	242.8	285,499	5,340,049	1870.4%	66,658	1,246,792	1870.4%	1.00	0.2335
	2036	190.3	216,478	4,521,315	2088.6%	47,237	986,574	2088.6%	1.00	0.2182
	2037	147.9	162,823	4,133,819	2538.8%	33,204	843,010	2538.8%	1.00	0.2039
	2038	114.3	121,824	3,853,385	3163.1%	23,218	734,412	3163.1%	1.00	0.1906
	2039	87.7	90,562	3,570,715	3942.8%	16,131	636,017	3942.8%	1.00	0.1781
	2040	66.7	66,772	3,247,906	4864.2%	11,115	540,671	4864.2%	1.00	0.1665
	2041	50.3	48,793	2,894,163	5931.5%	7,591	450,266	5931.5%	1.00	0.1556
	2042	37.7	35,411	2,582,390	7292.6%	5,149	375,478	7292.6%	1.00	0.1454
	2043	28.2	25,775	2,380,683	9236.5%	3,502	323,504	9236.5%	1.00	0.1359
	2044	21.1	18,674	2,173,595	11639.7%	2,372	276,041	11639.7%	1.00	0.1270
	2045	15.6	13,440	1,953,974	14538.0%	1,595	231,916	14538.0%	1.00	0.1187
	2046	11.4	9,557	1,692,708	17711.8%	1,060	187,763	17711.8%	1.00	0.1109
	2047	8.3	6,716	1,437,136	21398.2%	696	148,985	21398.2%	1.00	0.1037
	2048	6.1	4,805	1,299,998	27052.9%	466	125,951	27052.9%	1.00	0.0969
	2049	4.5	3,421	1,154,453	33750.9%	310	104,533	33750.9%	1.00	0.0905
	2050	3.3	2,411	989,853	41061.2%	204	83,765	41061.2%	1.00	0.0846
	2051	2.3	1,666	793,066	47600.2%	132	62,722	47600.2%	1.00	0.0791
	2052	1.6	1,124	466,168	41464.8%	83	34,456	41464.8%	1.00	0.0739
	2053	1.2	773	58,838	7612.1%	53	4,064	7612.1%	1.00	0.0691
	2054	0.8	528	51,753	9799.4%	34	3,341	9799.4%	1.00	0.0646
	2055	0.6	354	44,642	12623.7%	21	2,694	12623.7%	1.00	0.0603
	2056	0.4	229	32,584	14235.3%	13	1,837	14235.3%	1.00	0.0564
	2057	0.3	141	26,383	18655.2%	7	1,390	18655.2%	1.00	0.0527
	2058	0.2	90	22,096	24447.6%	4	1,088	24447.6%	1.00	0.0493
	2059	0.1	57	18,187	32038.3%	3	837	32038.3%	1.00	0.0460
	2060	0.1	35	14,688	41986.0%	2	632	41986.0%	1.00	0.0430
	2061	0.0	20	11,001	55022.4%	1	442	55022.4%	1.00	0.0402
	2062	0.0	11	7,743	72079.3%	0	291	72079.3%	1.00	0.0376
	2063	0.0	6	5,813	94423.9%	0	204	94423.9%	1.00	0.0351
	Past		186,257,220	99,660,241	53.5%	298,871,473	135,554,702	45.4%		
	Future		104,632,372	403,316,900	385.5%	74,820,300	223,091,483	298.2%		
	Lifetime		290,889,591	502,977,141	172.9%	373,691,773	358,646,184	96.0%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	7.7	16,183	0	0.0%	32,016	0	0.0%		1.9783
Experience	1999	24.3	36,056	0	0.0%	68,259	0	0.0%		1.8932
	2000	74.5	118,492	0	0.0%	214,664	0	0.0%		1.8116
	2001	337.3	560,574	575	0.1%	971,821	997	0.1%		1.7336
	2002	773.6	1,152,197	1,200	0.1%	1,911,455	1,991	0.1%		1.6590
	2003	947.4	1,311,292	302,199	23.0%	2,081,711	479,749	23.0%		1.5875
	2004	925.9	1,271,871	344,340	27.1%	1,932,180	523,109	27.1%		1.5192
	2005	901.6	1,241,664	257,328	20.7%	1,805,064	374,089	20.7%		1.4537
	2006	887.8	1,247,794	294,652	23.6%	1,735,861	409,903	23.6%		1.3911
	2007	876.9	1,224,603	120,750	9.9%	1,630,239	160,747	9.9%		1.3312
	2008	866.9	1,217,148	183,250	15.1%	1,550,540	233,444	15.1%		1.2739
	2009	854.8	1,173,530	421,309	35.9%	1,430,598	513,599	35.9%		1.2191
	2010	837.1	1,298,994	146,259	11.3%	1,515,354	170,620	11.3%		1.1666
	2011	808.6	1,536,473	1,805,208	117.5%	1,715,204	2,015,200	117.5%		1.1163
	2012	786.8	1,488,586	521,796	35.1%	1,590,188	557,411	35.1%		1.0683
	2013	774.5	1,474,117	858,763	58.3%	1,506,920	877,873	58.3%		1.0223
	2014	753.1	1,392,902	1,647,475	118.3%	1,362,581	1,611,613	118.3%	1.00	0.9782
Projected	2015	729.7	1,328,927	1,826,051	137.4%	1,244,018	1,709,380	137.4%	1.00	0.9361
Future	2016	700.2	1,260,613	1,980,852	157.1%	1,129,253	1,774,440	157.1%	1.00	0.8958
Experience	2017	669.8	1,187,721	2,162,299	182.1%	1,018,140	1,853,569	182.1%	1.00	0.8572
(50 years)	2018	638.5	1,114,728	2,353,548	211.1%	914,420	1,930,633	211.1%	1.00	0.8203
	2019	606.2	1,041,735	2,550,210	244.8%	817,744	2,001,873	244.8%	1.00	0.7850
	2020	573.3	968,938	2,787,919	287.7%	727,847	2,094,230	287.7%	1.00	0.7512
	2021	539.8	896,361	3,031,454	338.2%	644,334	2,179,108	338.2%	1.00	0.7188
	2022	505.8	824,552	3,266,124	396.1%	567,191	2,246,695	396.1%	1.00	0.6879
	2023	471.7	754,334	3,485,200	462.0%	496,545	2,294,156	462.0%	1.00	0.6583
	2024	437.6	686,227	3,670,660	534.9%	432,262	2,312,188	534.9%	1.00	0.6299
	2025	403.6	620,258	3,881,142	625.7%	373,882	2,339,496	625.7%	1.00	0.6028
	2026	370.0	556,402	4,115,856	739.7%	320,948	2,374,141	739.7%	1.00	0.5768
	2027	337.0	495,313	4,313,664	870.9%	273,407	2,381,093	870.9%	1.00	0.5520
	2028	305.0	437,626	4,439,734	1014.5%	231,162	2,345,151	1014.5%	1.00	0.5282
	2029	274.3	383,962	4,457,825	1161.0%	194,082	2,253,308	1161.0%	1.00	0.5055
	2030	244.8	334,279	4,445,084	1329.8%	161,693	2,150,112	1329.8%	1.00	0.4837
	2031	216.8	288,324	4,474,944	1552.1%	133,458	2,071,346	1552.1%	1.00	0.4629
	2032	190.4	246,386	4,478,160	1817.5%	109,135	1,983,573	1817.5%	1.00	0.4429
	2033	166.0	208,616	4,396,246	2107.3%	88,426	1,863,436	2107.3%	1.00	0.4239
	2034	143.7	175,280	4,185,912	2388.1%	71,097	1,697,877	2388.1%	1.00	0.4056
	2035	123.2	146,042	3,852,259	2637.8%	56,686	1,495,255	2637.8%	1.00	0.3882
	2036	104.7	120,472	3,610,073	2996.6%	44,747	1,340,909	2996.6%	1.00	0.3714
	2037	88.1	98,335	3,409,156	3466.9%	34,952	1,211,753	3466.9%	1.00	0.3554
	2038	73.5	79,470	3,140,639	3952.0%	27,030	1,068,240	3952.0%	1.00	0.3401
	2039	60.9	63,717	2,799,950	4394.3%	20,739	911,349	4394.3%	1.00	0.3255
	2040	49.9	50,682	2,368,385	4673.1%	15,786	737,684	4673.1%	1.00	0.3115
	2041	40.5	39,928	2,037,492	5103.0%	11,901	607,293	5103.0%	1.00	0.2981
	2042	32.5	31,110	1,801,303	5790.1%	8,873	513,775	5790.1%	1.00	0.2852
	2043	25.8	23,999	1,553,578	6473.6%	6,550	424,036	6473.6%	1.00	0.2729
	2044	20.3	18,378	1,301,039	7079.2%	4,800	339,816	7079.2%	1.00	0.2612
	2045	15.9	13,978	1,032,520	7386.5%	3,494	258,069	7386.5%	1.00	0.2499
	2046	12.3	10,545	821,464	7790.0%	2,522	196,476	7790.0%	1.00	0.2392
	2047	9.4	7,876	685,742	8707.0%	1,803	156,951	8707.0%	1.00	0.2289
	2048	7.1	5,825	561,463	9638.8%	1,276	122,973	9638.8%	1.00	0.2190
	2049	5.3	4,277	450,337	10530.5%	896	94,386	10530.5%	1.00	0.2096
	2050	4.0	3,114	341,576	10967.4%	625	68,508	10967.4%	1.00	0.2006
	2051	2.9	2,247	255,634	11376.1%	431	49,063	11376.1%	1.00	0.1919
	2052	2.1	1,603	200,935	12538.7%	294	36,904	12538.7%	1.00	0.1837
	2053	1.5	1,129	154,501	13687.8%	198	27,154	13687.8%	1.00	0.1758
	2054	1.1	787	115,950	14735.4%	132	19,501	14735.4%	1.00	0.1682
	2055	0.8	542	82,133	15154.9%	87	13,219	15154.9%	1.00	0.1609
	2056	0.5	368	56,556	15350.7%	57	8,710	15350.7%	1.00	0.1540
	2057	0.3	246	40,196	16316.8%	36	5,924	16316.8%	1.00	0.1474
	2058	0.2	162	28,036	17309.1%	23	3,954	17309.1%	1.00	0.1410
	2059	0.2	105	19,229	18389.1%	14	2,595	18389.1%	1.00	0.1350
	2060	0.1	66	13,020	19673.0%	9	1,681	19673.0%	1.00	0.1291
	2061	0.1	42	8,658	20857.1%	5	1,070	20857.1%	1.00	0.1236
	2062	0.0	25	5,637	22237.9%	3	667	22237.9%	1.00	0.1183
	2063	0.0	15	3,602	23574.9%	2	408	23574.9%	1.00	0.1132
	Past		16,370,887	5,257,629	32.1%	21,694,787	6,318,731	29.1%		
	Future		15,928,570	102,701,425	644.8%	11,555,600	53,185,741	460.3%		
	Lifetime		32,299,456	107,959,054	334.2%	33,250,387	59,504,472	179.0%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	7.7	16,183	0	0.0%	32,016	0	0.0%	1.00	1.9783
Experience	1999	24.3	36,056	0	0.0%	68,259	0	0.0%	1.00	1.8932
	2000	74.5	118,492	0	0.0%	214,664	0	0.0%	1.00	1.8116
	2001	337.3	560,574	575	0.1%	971,821	997	0.1%	1.00	1.7336
	2002	773.6	1,152,197	1,200	0.1%	1,911,455	1,991	0.1%	1.00	1.6590
	2003	947.4	1,311,292	302,199	23.0%	2,081,711	479,749	23.0%	1.00	1.5875
	2004	925.9	1,271,871	344,340	27.1%	1,932,180	523,109	27.1%	1.00	1.5192
	2005	901.6	1,241,664	257,328	20.7%	1,805,064	374,089	20.7%	1.00	1.4537
	2006	887.8	1,247,794	294,652	23.6%	1,735,861	409,903	23.6%	1.00	1.3911
	2007	876.9	1,224,603	120,750	9.9%	1,630,239	160,747	9.9%	1.00	1.3312
	2008	866.9	1,217,148	183,250	15.1%	1,550,540	233,444	15.1%	1.00	1.2739
	2009	854.8	1,173,530	421,309	35.9%	1,430,598	513,599	35.9%	1.00	1.2191
	2010	837.1	1,298,994	146,259	11.3%	1,515,354	170,620	11.3%	1.00	1.1666
	2011	808.6	1,536,473	1,805,208	117.5%	1,715,204	2,015,200	117.5%	1.00	1.1163
	2012	786.8	1,488,586	521,796	35.1%	1,590,188	557,411	35.1%	1.00	1.0683
	2013	774.5	1,474,117	858,763	58.3%	1,506,920	877,873	58.3%	1.00	1.0223
	2014	753.1	1,392,902	1,647,475	118.3%	1,362,581	1,611,613	118.3%	1.00	0.9782
Projected	2015	729.7	1,792,338	1,826,051	101.9%	1,677,820	1,709,380	101.9%	1.35	0.9361
Future	2016	700.2	2,145,282	1,980,852	92.3%	1,921,736	1,774,440	92.3%	1.70	0.8958
Experience	2017	669.8	2,027,270	2,162,299	106.7%	1,737,819	1,853,569	106.7%	1.71	0.8572
(50 years)	2018	638.5	1,908,635	2,353,548	123.3%	1,565,668	1,930,633	123.3%	1.71	0.8203
	2019	606.2	1,789,467	2,550,210	142.5%	1,404,701	2,001,873	142.5%	1.72	0.7850
	2020	573.3	1,670,106	2,787,919	166.9%	1,254,551	2,094,230	166.9%	1.72	0.7512
	2021	539.8	1,550,534	3,031,454	195.5%	1,114,574	2,179,108	195.5%	1.73	0.7188
	2022	505.8	1,431,574	3,266,124	228.1%	984,748	2,246,695	228.1%	1.74	0.6879
	2023	471.7	1,314,590	3,485,200	265.1%	865,338	2,294,156	265.1%	1.74	0.6583
	2024	437.6	1,200,433	3,670,660	305.8%	756,165	2,312,188	305.8%	1.75	0.6299
	2025	403.6	1,089,206	3,881,142	356.3%	656,558	2,339,496	356.3%	1.76	0.6028
	2026	370.0	980,870	4,115,856	419.6%	565,793	2,374,141	419.6%	1.76	0.5768
	2027	337.0	876,592	4,313,664	492.1%	483,869	2,381,093	492.1%	1.77	0.5520
	2028	305.0	777,494	4,439,734	571.0%	410,687	2,345,151	571.0%	1.78	0.5282
	2029	274.3	684,739	4,457,825	651.0%	346,117	2,253,308	651.0%	1.78	0.5055
	2030	244.8	598,345	4,445,084	742.9%	289,423	2,150,112	742.9%	1.79	0.4837
	2031	216.8	517,946	4,474,944	864.0%	239,745	2,071,346	864.0%	1.80	0.4629
	2032	190.4	444,168	4,478,160	1008.2%	196,741	1,983,573	1008.2%	1.80	0.4429
	2033	166.0	377,331	4,396,246	1165.1%	159,939	1,863,436	1165.1%	1.81	0.4239
	2034	143.7	318,036	4,185,912	1316.2%	129,001	1,697,877	1316.2%	1.81	0.4056
	2035	123.2	265,783	3,852,259	1449.4%	103,164	1,495,255	1449.4%	1.82	0.3882
	2036	104.7	219,870	3,610,073	1641.9%	81,667	1,340,909	1641.9%	1.83	0.3714
	2037	88.1	179,947	3,409,156	1894.5%	63,960	1,211,753	1894.5%	1.83	0.3554
	2038	73.5	145,786	3,140,639	2154.3%	49,587	1,068,240	2154.3%	1.83	0.3401
	2039	60.9	117,158	2,799,950	2389.9%	38,134	911,349	2389.9%	1.84	0.3255
	2040	49.9	93,391	2,368,385	2536.0%	29,089	737,684	2536.0%	1.84	0.3115
	2041	40.5	73,726	2,037,492	2763.6%	21,975	607,293	2763.6%	1.85	0.2981
	2042	32.5	57,555	1,801,303	3129.7%	16,416	513,775	3129.7%	1.85	0.2852
	2043	25.8	44,478	1,553,578	3492.9%	12,140	424,036	3492.9%	1.85	0.2729
	2044	20.3	34,119	1,301,039	3813.2%	8,912	339,816	3813.2%	1.86	0.2612
	2045	15.9	25,994	1,032,520	3972.1%	6,497	258,069	3972.1%	1.86	0.2499
	2046	12.3	19,641	821,464	4182.3%	4,698	196,476	4182.3%	1.86	0.2392
	2047	9.4	14,692	685,742	4667.4%	3,363	156,951	4667.4%	1.87	0.2289
	2048	7.1	10,883	561,463	5159.0%	2,384	122,973	5159.0%	1.87	0.2190
	2049	5.3	8,002	450,337	5627.8%	1,677	94,386	5627.8%	1.87	0.2096
	2050	4.0	5,836	341,576	5852.8%	1,171	68,508	5852.8%	1.87	0.2006
	2051	2.9	4,217	255,634	6062.3%	809	49,063	6062.3%	1.88	0.1919
	2052	2.1	3,011	200,935	6672.9%	553	36,904	6672.9%	1.88	0.1837
	2053	1.5	2,124	154,501	7275.3%	373	27,154	7275.3%	1.88	0.1758
	2054	1.1	1,482	115,950	7823.2%	249	19,501	7823.2%	1.88	0.1682
	2055	0.8	1,022	82,133	8037.3%	164	13,219	8037.3%	1.89	0.1609
	2056	0.5	695	56,556	8133.4%	107	8,710	8133.4%	1.89	0.1540
	2057	0.3	465	40,196	8637.9%	69	5,924	8637.9%	1.89	0.1474
	2058	0.2	306	28,036	9157.4%	43	3,954	9157.4%	1.89	0.1410
	2059	0.2	198	19,229	9722.7%	27	2,595	9722.7%	1.89	0.1350
	2060	0.1	125	13,020	10394.5%	16	1,681	10394.5%	1.89	0.1291
	2061	0.1	79	8,658	11016.5%	10	1,070	11016.5%	1.89	0.1236
	2062	0.0	48	5,637	11739.0%	6	667	11739.0%	1.89	0.1183
	2063	0.0	29	3,602	12446.9%	3	408	12446.9%	1.89	0.1132
	Past		16,370,887	5,257,629	32.1%	21,694,787	6,318,731	29.1%		
	Future		26,218,521	102,701,425	391.7%	18,570,836	53,185,741	286.4%		
	Lifetime		42,589,408	107,959,054	253.5%	40,265,623	59,504,472	147.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Experience	1999	11.0	19,610	0	0.0%	37,125	0	0.0%		1.8932
	2000	39.4	54,129	0	0.0%	98,062	0	0.0%		1.8116
	2001	166.8	256,411	575	0.2%	444,519	997	0.2%		1.7336
	2002	324.5	479,736	0	0.0%	795,866	0	0.0%		1.6590
	2003	361.8	509,072	270,600	53.2%	808,165	429,585	53.2%		1.5875
	2004	352.7	500,735	0	0.0%	760,699	0	0.0%		1.5192
	2005	340.5	474,188	129,850	27.4%	689,348	188,769	27.4%		1.4537
	2006	331.6	475,860	19,460	4.1%	661,990	27,072	4.1%		1.3911
	2007	323.6	462,291	120,750	26.1%	615,420	160,747	26.1%		1.3312
	2008	320.1	457,347	183,250	40.1%	582,620	233,444	40.1%		1.2739
	2009	316.0	443,023	336,460	75.9%	540,069	410,163	75.9%		1.2191
	2010	308.4	466,255	143,522	30.8%	543,915	167,427	30.8%		1.1666
	2011	295.1	537,654	551,236	102.5%	600,197	615,358	102.5%		1.1163
	2012	281.0	495,771	38,644	7.8%	529,609	41,282	7.8%		1.0683
	2013	273.8	488,064	428,982	87.9%	498,925	438,528	87.9%		1.0223
	2014	263.4	441,950	483,647	109.4%	432,330	473,119	109.4%	1.00	0.9782
Projected	2015	252.4	414,173	509,887	123.1%	387,711	477,309	123.1%	1.00	0.9361
Future	2016	238.1	384,436	524,223	136.4%	344,376	469,597	136.4%	1.00	0.8958
Experience	2017	223.8	352,924	542,572	153.7%	302,534	465,104	153.7%	1.00	0.8572
(50 years)	2018	209.6	322,075	556,550	172.8%	264,200	456,542	172.8%	1.00	0.8203
	2019	194.9	292,046	564,490	193.3%	229,251	443,115	193.3%	1.00	0.7850
	2020	180.4	262,886	571,576	217.4%	197,475	429,357	217.4%	1.00	0.7512
	2021	166.0	234,697	575,085	245.0%	168,708	413,390	245.0%	1.00	0.7188
	2022	151.7	207,808	573,841	276.1%	142,947	394,733	276.1%	1.00	0.6879
	2023	137.7	182,530	561,750	307.8%	120,151	369,775	307.8%	1.00	0.6583
	2024	124.1	159,074	538,404	338.5%	100,202	339,146	338.5%	1.00	0.6299
	2025	111.0	137,360	513,224	373.6%	82,798	309,364	373.6%	1.00	0.6028
	2026	98.4	117,376	491,973	419.1%	67,706	283,784	419.1%	1.00	0.5768
	2027	86.5	99,234	464,649	468.2%	54,776	256,481	468.2%	1.00	0.5520
	2028	75.5	83,070	427,096	514.1%	43,879	225,600	514.1%	1.00	0.5282
	2029	65.3	68,907	379,282	550.4%	34,831	191,717	550.4%	1.00	0.5055
	2030	55.9	56,593	333,122	588.6%	27,374	161,133	588.6%	1.00	0.4837
	2031	47.4	45,952	297,342	647.1%	21,270	137,633	647.1%	1.00	0.4629
	2032	39.9	36,871	263,753	715.3%	16,332	116,828	715.3%	1.00	0.4429
	2033	33.2	29,293	228,117	778.8%	12,416	96,692	778.8%	1.00	0.4239
	2034	27.4	23,072	190,870	827.3%	9,358	77,420	827.3%	1.00	0.4056
	2035	22.4	17,995	155,356	863.3%	6,985	60,301	863.3%	1.00	0.3882
	2036	18.1	13,887	130,699	941.2%	5,158	48,546	941.2%	1.00	0.3714
	2037	14.5	10,598	110,449	1042.1%	3,767	39,258	1042.1%	1.00	0.3554
	2038	11.5	8,009	90,897	1134.9%	2,724	30,917	1134.9%	1.00	0.3401
	2039	9.1	6,007	71,609	1192.1%	1,955	23,308	1192.1%	1.00	0.3255
	2040	7.1	4,468	54,051	1209.8%	1,392	16,835	1209.8%	1.00	0.3115
	2041	5.4	3,287	42,664	1297.8%	980	12,716	1297.8%	1.00	0.2981
	2042	4.1	2,391	33,403	1396.8%	682	9,527	1396.8%	1.00	0.2852
	2043	3.1	1,723	25,307	1468.9%	470	6,907	1468.9%	1.00	0.2729
	2044	2.3	1,230	18,316	1489.5%	321	4,784	1489.5%	1.00	0.2612
	2045	1.7	869	12,510	1439.9%	217	3,127	1439.9%	1.00	0.2499
	2046	1.2	607	8,864	1460.9%	145	2,120	1460.9%	1.00	0.2392
	2047	0.8	418	6,308	1509.0%	96	1,444	1509.0%	1.00	0.2289
	2048	0.6	284	4,366	1539.8%	62	956	1539.8%	1.00	0.2190
	2049	0.4	190	2,969	1564.4%	40	622	1564.4%	1.00	0.2096
	2050	0.3	125	1,911	1526.2%	25	383	1526.2%	1.00	0.2006
	2051	0.2	81	1,231	1518.3%	16	236	1518.3%	1.00	0.1919
	2052	0.1	52	790	1529.4%	9	145	1529.4%	1.00	0.1837
	2053	0.1	32	499	1543.7%	6	88	1543.7%	1.00	0.1758
	2054	0.0	20	310	1556.4%	3	52	1556.4%	1.00	0.1682
	2055	0.0	12	190	1576.9%	2	31	1576.9%	1.00	0.1609
	2056	0.0	7	114	1596.2%	1	18	1596.2%	1.00	0.1540
	2057	0.0	4	68	1618.9%	1	10	1618.9%	1.00	0.1474
	2058	0.0	2	39	1604.5%	0	6	1604.5%	1.00	0.1410
	2059	0.0	1	23	1618.7%	0	3	1618.7%	1.00	0.1350
	2060	0.0	1	13	1708.0%	0	2	1708.0%	1.00	0.1291
	2061	0.0	0	7	1665.1%	0	1	1665.1%	1.00	0.1236
	2062	0.0	0	4	1790.9%	0	0	1790.9%	1.00	0.1183
	2063	0.0	0	2	1578.6%	0	0	1578.6%	1.00	0.1132
	Past		6,129,054	2,223,328	36.3%	8,224,267	2,713,371	33.0%		
	Future		4,024,626	10,364,421	257.5%	3,085,683	6,850,183	222.0%		
	Lifetime		10,153,680	12,587,749	124.0%	11,309,950	9,563,554	84.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%	1.00	2.0674
Historical	1998	3.4	7,596	0	0.0%	15,028	0	0.0%	1.00	1.9783
Experience	1999	11.0	19,610	0	0.0%	37,125	0	0.0%	1.00	1.8932
	2000	39.4	54,129	0	0.0%	98,062	0	0.0%	1.00	1.8116
	2001	166.8	256,411	575	0.2%	444,519	997	0.2%	1.00	1.7336
	2002	324.5	479,736	0	0.0%	795,866	0	0.0%	1.00	1.6590
	2003	361.8	509,072	270,600	53.2%	808,165	429,585	53.2%	1.00	1.5875
	2004	352.7	500,735	0	0.0%	760,699	0	0.0%	1.00	1.5192
	2005	340.5	474,188	129,850	27.4%	689,348	188,769	27.4%	1.00	1.4537
	2006	331.6	475,860	19,460	4.1%	661,990	27,072	4.1%	1.00	1.3911
	2007	323.6	462,291	120,750	26.1%	615,420	160,747	26.1%	1.00	1.3312
	2008	320.1	457,347	183,250	40.1%	582,620	233,444	40.1%	1.00	1.2739
	2009	316.0	443,023	336,460	75.9%	540,069	410,163	75.9%	1.00	1.2191
	2010	308.4	466,255	143,522	30.8%	543,915	167,427	30.8%	1.00	1.1666
	2011	295.1	537,654	551,236	102.5%	600,197	615,358	102.5%	1.00	1.1163
	2012	281.0	495,771	38,644	7.8%	529,609	41,282	7.8%	1.00	1.0683
	2013	273.8	488,064	428,982	87.9%	498,925	438,528	87.9%	1.00	1.0223
	2014	263.4	441,950	483,647	109.4%	432,330	473,119	109.4%	1.00	0.9782
Projected	2015	252.4	465,945	509,887	109.4%	436,174	477,309	109.4%	1.13	0.9361
Future	2016	238.1	480,544	524,223	109.1%	430,470	469,597	109.1%	1.25	0.8958
Experience	2017	223.8	441,154	542,572	123.0%	378,167	465,104	123.0%	1.25	0.8572
(50 years)	2018	209.6	402,593	556,550	138.2%	330,250	456,542	138.2%	1.25	0.8203
	2019	194.9	365,057	564,490	154.6%	286,564	443,115	154.6%	1.25	0.7850
	2020	180.4	328,608	571,576	173.9%	246,844	429,357	173.9%	1.25	0.7512
	2021	166.0	293,371	575,085	196.0%	210,885	413,390	196.0%	1.25	0.7188
	2022	151.7	259,760	573,841	220.9%	178,683	394,733	220.9%	1.25	0.6879
	2023	137.7	228,162	561,750	246.2%	150,189	369,775	246.2%	1.25	0.6583
	2024	124.1	198,843	538,404	270.8%	125,253	339,146	270.8%	1.25	0.6299
	2025	111.0	171,700	513,224	298.9%	103,498	309,364	298.9%	1.25	0.6028
	2026	98.4	146,720	491,973	335.3%	84,632	283,784	335.3%	1.25	0.5768
	2027	86.5	124,043	464,649	374.6%	68,470	256,481	374.6%	1.25	0.5520
	2028	75.5	103,837	427,096	411.3%	54,849	225,600	411.3%	1.25	0.5282
	2029	65.3	86,134	379,282	440.3%	43,538	191,717	440.3%	1.25	0.5055
	2030	55.9	70,741	333,122	470.9%	34,218	161,133	470.9%	1.25	0.4837
	2031	47.4	57,441	297,342	517.7%	26,588	137,633	517.7%	1.25	0.4629
	2032	39.9	46,089	263,753	572.3%	20,415	116,828	572.3%	1.25	0.4429
	2033	33.2	36,616	228,117	623.0%	15,520	96,692	623.0%	1.25	0.4239
	2034	27.4	28,839	190,870	661.8%	11,698	77,420	661.8%	1.25	0.4056
	2035	22.4	22,494	155,356	690.7%	8,731	60,301	690.7%	1.25	0.3882
	2036	18.1	17,358	130,699	752.9%	6,448	48,546	752.9%	1.25	0.3714
	2037	14.5	13,248	110,449	833.7%	4,709	39,258	833.7%	1.25	0.3554
	2038	11.5	10,012	90,897	907.9%	3,405	30,917	907.9%	1.25	0.3401
	2039	9.1	7,509	71,609	953.7%	2,444	23,308	953.7%	1.25	0.3255
	2040	7.1	5,585	54,051	967.9%	1,739	16,835	967.9%	1.25	0.3115
	2041	5.4	4,109	42,664	1038.3%	1,225	12,716	1038.3%	1.25	0.2981
	2042	4.1	2,989	33,403	1117.4%	853	9,527	1117.4%	1.25	0.2852
	2043	3.1	2,154	25,307	1175.1%	588	6,907	1175.1%	1.25	0.2729
	2044	2.3	1,537	18,316	1191.6%	401	4,784	1191.6%	1.25	0.2612
	2045	1.7	1,086	12,510	1151.9%	271	3,127	1151.9%	1.25	0.2499
	2046	1.2	758	8,864	1168.7%	181	2,120	1168.7%	1.25	0.2392
	2047	0.8	523	6,308	1207.2%	120	1,444	1207.2%	1.25	0.2289
	2048	0.6	354	4,366	1231.8%	78	956	1231.8%	1.25	0.2190
	2049	0.4	237	2,969	1251.5%	50	622	1251.5%	1.25	0.2096
	2050	0.3	157	1,911	1221.0%	31	383	1221.0%	1.25	0.2006
	2051	0.2	101	1,231	1214.6%	19	236	1214.6%	1.25	0.1919
	2052	0.1	65	790	1223.6%	12	145	1223.6%	1.25	0.1837
	2053	0.1	40	499	1235.0%	7	88	1235.0%	1.25	0.1758
	2054	0.0	25	310	1245.1%	4	52	1245.1%	1.25	0.1682
	2055	0.0	15	190	1261.5%	2	31	1261.5%	1.25	0.1609
	2056	0.0	9	114	1277.0%	1	18	1277.0%	1.25	0.1540
	2057	0.0	5	68	1295.1%	1	10	1295.1%	1.25	0.1474
	2058	0.0	3	39	1283.6%	0	6	1283.6%	1.25	0.1410
	2059	0.0	2	23	1295.0%	0	3	1295.0%	1.25	0.1350
	2060	0.0	1	13	1366.4%	0	2	1366.4%	1.25	0.1291
	2061	0.0	1	7	1332.1%	0	1	1332.1%	1.25	0.1236
	2062	0.0	0	4	1432.7%	0	0	1432.7%	1.25	0.1183
	2063	0.0	0	2	1262.9%	0	0	1262.9%	1.25	0.1132
	Past		6,129,054	2,223,328	36.3%	8,224,267	2,713,371	33.0%		
	Future		4,868,524	10,364,421	212.9%	3,700,557	6,850,183	185.1%		
	Lifetime		10,997,577	12,587,749	114.5%	11,924,824	9,563,554	80.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
Historical	1998	4.3	8,587	0	0.0%	16,988	0	0.0%		1.9783
Experience	1999	13.3	16,446	0	0.0%	31,135	0	0.0%		1.8932
	2000	35.1	64,363	0	0.0%	116,602	0	0.0%		1.8116
	2001	170.5	304,163	0	0.0%	527,303	0	0.0%		1.7336
	2002	449.1	672,461	1,200	0.2%	1,115,589	1,991	0.2%		1.6590
	2003	585.7	802,220	31,599	3.9%	1,273,546	50,164	3.9%		1.5875
	2004	573.3	771,136	344,340	44.7%	1,171,482	523,109	44.7%		1.5192
	2005	561.1	767,477	127,478	16.6%	1,115,716	185,321	16.6%		1.4537
	2006	556.2	771,934	275,192	35.6%	1,073,872	382,832	35.6%		1.3911
	2007	553.3	762,312	0	0.0%	1,014,820	0	0.0%		1.3312
	2008	546.8	759,801	0	0.0%	967,920	0	0.0%		1.2739
	2009	538.8	730,507	84,849	11.6%	890,529	103,436	11.6%		1.2191
	2010	528.7	832,739	2,737	0.3%	971,440	3,193	0.3%		1.1666
	2011	513.5	998,819	1,253,973	125.5%	1,115,006	1,399,841	125.5%		1.1163
	2012	505.8	992,815	483,152	48.7%	1,060,579	516,129	48.7%		1.0683
	2013	500.8	986,053	429,781	43.6%	1,007,995	439,345	43.6%		1.0223
	2014	489.6	950,951	1,163,829	122.4%	930,251	1,138,494	122.4%	1.00	0.9782
Projected	2015	477.3	914,754	1,316,164	143.9%	856,308	1,232,071	143.9%	1.00	0.9361
Future	2016	462.1	876,178	1,456,629	166.2%	784,877	1,304,843	166.2%	1.00	0.8958
Experience	2017	446.0	834,798	1,619,728	194.0%	715,606	1,388,465	194.0%	1.00	0.8572
(50 years)	2018	429.0	792,654	1,796,998	226.7%	650,220	1,474,091	226.7%	1.00	0.8203
	2019	411.3	749,689	1,985,720	264.9%	588,494	1,558,757	264.9%	1.00	0.7850
	2020	392.9	706,052	2,216,343	313.9%	530,372	1,664,873	313.9%	1.00	0.7512
	2021	373.8	661,664	2,456,369	371.2%	475,626	1,765,719	371.2%	1.00	0.7188
	2022	354.1	616,744	2,692,282	436.5%	424,245	1,851,962	436.5%	1.00	0.6879
	2023	334.0	571,804	2,923,451	511.3%	376,394	1,924,381	511.3%	1.00	0.6583
	2024	313.5	527,153	3,132,256	594.2%	332,059	1,973,041	594.2%	1.00	0.6299
	2025	292.7	482,898	3,367,918	697.4%	291,084	2,030,132	697.4%	1.00	0.6028
	2026	271.6	439,027	3,623,883	825.4%	253,243	2,090,357	825.4%	1.00	0.5768
	2027	250.5	396,079	3,849,015	971.8%	218,631	2,124,612	971.8%	1.00	0.5520
	2028	229.5	354,556	4,012,638	1131.7%	187,283	2,119,551	1131.7%	1.00	0.5282
	2029	209.0	315,056	4,078,542	1294.5%	159,252	2,061,591	1294.5%	1.00	0.5055
	2030	188.9	277,686	4,111,962	1480.8%	134,318	1,988,979	1480.8%	1.00	0.4837
	2031	169.4	242,371	4,177,602	1723.6%	112,188	1,933,713	1723.6%	1.00	0.4629
	2032	150.5	209,515	4,214,407	2011.5%	92,803	1,866,745	2011.5%	1.00	0.4429
	2033	132.8	179,324	4,168,129	2324.4%	76,010	1,766,743	2324.4%	1.00	0.4239
	2034	116.2	152,209	3,995,042	2624.7%	61,738	1,620,457	2624.7%	1.00	0.4056
	2035	100.8	128,047	3,696,903	2887.2%	49,701	1,434,953	2887.2%	1.00	0.3882
	2036	86.6	106,585	3,479,374	3264.4%	39,589	1,292,363	3264.4%	1.00	0.3714
	2037	73.6	87,736	3,298,708	3759.8%	31,185	1,172,495	3759.8%	1.00	0.3554
	2038	62.0	71,460	3,049,742	4267.7%	24,306	1,037,323	4267.7%	1.00	0.3401
	2039	51.8	57,710	2,728,341	4727.6%	18,784	888,041	4727.6%	1.00	0.3255
	2040	42.8	46,214	2,314,333	5007.9%	14,394	720,849	5007.9%	1.00	0.3115
	2041	35.0	36,640	1,994,828	5444.3%	10,921	594,576	5444.3%	1.00	0.2981
	2042	28.3	28,719	1,767,900	6155.9%	8,191	504,247	6155.9%	1.00	0.2852
	2043	22.7	22,276	1,528,272	6860.6%	6,080	417,129	6860.6%	1.00	0.2729
	2044	18.0	17,149	1,282,723	7480.1%	4,479	335,032	7480.1%	1.00	0.2612
	2045	14.2	13,110	1,020,010	7780.6%	3,277	254,942	7780.6%	1.00	0.2499
	2046	11.1	9,938	812,600	8176.4%	2,377	194,356	8176.4%	1.00	0.2392
	2047	8.5	7,458	679,435	9110.4%	1,707	155,508	9110.4%	1.00	0.2289
	2048	6.5	5,541	557,097	10053.2%	1,214	122,017	10053.2%	1.00	0.2190
	2049	4.9	4,087	447,368	10946.9%	857	93,764	10946.9%	1.00	0.2096
	2050	3.7	2,989	339,664	11363.0%	600	68,125	11363.0%	1.00	0.2006
	2051	2.7	2,166	254,403	11745.1%	416	48,827	11745.1%	1.00	0.1919
	2052	2.0	1,551	200,146	12905.1%	285	36,759	12905.1%	1.00	0.1837
	2053	1.4	1,096	154,002	14045.5%	193	27,067	14045.5%	1.00	0.1758
	2054	1.0	767	115,640	15077.5%	129	19,449	15077.5%	1.00	0.1682
	2055	0.7	530	81,943	15463.4%	85	13,188	15463.4%	1.00	0.1609
	2056	0.5	361	56,442	15623.7%	56	8,693	15623.7%	1.00	0.1540
	2057	0.3	242	40,129	16570.5%	36	5,914	16570.5%	1.00	0.1474
	2058	0.2	160	27,996	17550.3%	22	3,948	17550.3%	1.00	0.1410
	2059	0.1	103	19,207	18615.0%	14	2,592	18615.0%	1.00	0.1350
	2060	0.1	65	13,007	19878.9%	8	1,680	19878.9%	1.00	0.1291
	2061	0.1	41	8,651	21058.0%	5	1,069	21058.0%	1.00	0.1236
	2062	0.0	25	5,633	22417.0%	3	666	22417.0%	1.00	0.1183
	2063	0.0	15	3,600	23778.3%	2	407	23778.3%	1.00	0.1132
	Past		10,241,833	3,034,301	29.6%	13,470,520	3,605,360	26.8%		
	Future		11,903,944	92,337,004	775.7%	8,469,917	46,335,558	547.1%		
	Lifetime		22,145,776	95,371,305	430.7%	21,940,438	49,940,918	227.6%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
4.5% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	1.00	2.0674
Historical	1998	4.3	8,587	0	0.0%	16,988	0	0.0%	1.00	1.9783
Experience	1999	13.3	16,446	0	0.0%	31,135	0	0.0%	1.00	1.8932
	2000	35.1	64,363	0	0.0%	116,602	0	0.0%	1.00	1.8116
	2001	170.5	304,163	0	0.0%	527,303	0	0.0%	1.00	1.7336
	2002	449.1	672,461	1,200	0.2%	1,115,589	1,991	0.2%	1.00	1.6590
	2003	585.7	802,220	31,599	3.9%	1,273,546	50,164	3.9%	1.00	1.5875
	2004	573.3	771,136	344,340	44.7%	1,171,482	523,109	44.7%	1.00	1.5192
	2005	561.1	767,477	127,478	16.6%	1,115,716	185,321	16.6%	1.00	1.4537
	2006	556.2	771,934	275,192	35.6%	1,073,872	382,832	35.6%	1.00	1.3911
	2007	553.3	762,312	0	0.0%	1,014,820	0	0.0%	1.00	1.3312
	2008	546.8	759,801	0	0.0%	967,920	0	0.0%	1.00	1.2739
	2009	538.8	730,507	84,849	11.6%	890,529	103,436	11.6%	1.00	1.2191
	2010	528.7	832,739	2,737	0.3%	971,440	3,193	0.3%	1.00	1.1666
	2011	513.5	998,819	1,253,973	125.5%	1,115,006	1,399,841	125.5%	1.00	1.1163
	2012	505.8	992,815	483,152	48.7%	1,060,579	516,129	48.7%	1.00	1.0683
	2013	500.8	986,053	429,781	43.6%	1,007,995	439,345	43.6%	1.00	1.0223
	2014	489.6	950,951	1,163,829	122.4%	930,251	1,138,494	122.4%	1.00	0.9782
Projected	2015	477.3	1,326,393	1,316,164	99.2%	1,241,646	1,232,071	99.2%	1.45	0.9361
Future	2016	462.1	1,664,738	1,456,629	87.5%	1,491,266	1,304,843	87.5%	1.90	0.8958
Experience	2017	446.0	1,586,116	1,619,728	102.1%	1,359,652	1,388,465	102.1%	1.90	0.8572
(50 years)	2018	429.0	1,506,042	1,796,998	119.3%	1,235,417	1,474,091	119.3%	1.90	0.8203
	2019	411.3	1,424,410	1,985,720	139.4%	1,118,138	1,558,757	139.4%	1.90	0.7850
	2020	392.9	1,341,498	2,216,343	165.2%	1,007,707	1,664,873	165.2%	1.90	0.7512
	2021	373.8	1,257,162	2,456,369	195.4%	903,689	1,765,719	195.4%	1.90	0.7188
	2022	354.1	1,171,813	2,692,282	229.8%	806,065	1,851,962	229.8%	1.90	0.6879
	2023	334.0	1,086,428	2,923,451	269.1%	715,149	1,924,381	269.1%	1.90	0.6583
	2024	313.5	1,001,590	3,132,256	312.7%	630,912	1,973,041	312.7%	1.90	0.6299
	2025	292.7	917,507	3,367,918	367.1%	553,060	2,030,132	367.1%	1.90	0.6028
	2026	271.6	834,150	3,623,883	434.4%	481,161	2,090,357	434.4%	1.90	0.5768
	2027	250.5	752,550	3,849,015	511.5%	415,399	2,124,612	511.5%	1.90	0.5520
	2028	229.5	673,657	4,012,638	595.7%	355,838	2,119,551	595.7%	1.90	0.5282
	2029	209.0	598,605	4,078,542	681.3%	302,579	2,061,591	681.3%	1.90	0.5055
	2030	188.9	527,604	4,111,962	779.4%	255,205	1,988,979	779.4%	1.90	0.4837
	2031	169.4	460,506	4,177,602	907.2%	213,157	1,933,713	907.2%	1.90	0.4629
	2032	150.5	398,079	4,214,407	1058.7%	176,327	1,866,745	1058.7%	1.90	0.4429
	2033	132.8	340,715	4,168,129	1223.3%	144,419	1,766,743	1223.3%	1.90	0.4239
	2034	116.2	289,196	3,995,042	1381.4%	117,303	1,620,457	1381.4%	1.90	0.4056
	2035	100.8	243,289	3,696,903	1519.6%	94,433	1,434,953	1519.6%	1.90	0.3882
	2036	86.6	202,512	3,479,374	1718.1%	75,220	1,292,363	1718.1%	1.90	0.3714
	2037	73.6	166,699	3,298,708	1978.8%	59,252	1,172,495	1978.8%	1.90	0.3554
	2038	62.0	135,774	3,049,742	2246.2%	46,182	1,037,323	2246.2%	1.90	0.3401
	2039	51.8	109,650	2,728,341	2488.2%	35,690	888,041	2488.2%	1.90	0.3255
	2040	42.8	87,807	2,314,333	2635.7%	27,349	720,849	2635.7%	1.90	0.3115
	2041	35.0	69,617	1,994,828	2865.4%	20,750	594,576	2865.4%	1.90	0.2981
	2042	28.3	54,565	1,767,900	3240.0%	15,563	504,247	3240.0%	1.90	0.2852
	2043	22.7	42,324	1,528,272	3610.8%	11,552	417,129	3610.8%	1.90	0.2729
	2044	18.0	32,582	1,282,723	3936.9%	8,510	335,032	3936.9%	1.90	0.2612
	2045	14.2	24,908	1,020,010	4095.1%	6,226	254,942	4095.1%	1.90	0.2499
	2046	11.1	18,883	812,600	4303.4%	4,516	194,356	4303.4%	1.90	0.2392
	2047	8.5	14,170	679,435	4795.0%	3,243	155,508	4795.0%	1.90	0.2289
	2048	6.5	10,529	557,097	5291.2%	2,306	122,017	5291.2%	1.90	0.2190
	2049	4.9	7,765	447,368	5761.5%	1,627	93,764	5761.5%	1.90	0.2096
	2050	3.7	5,680	339,664	5980.5%	1,139	68,125	5980.5%	1.90	0.2006
	2051	2.7	4,115	254,403	6181.7%	790	48,827	6181.7%	1.90	0.1919
	2052	2.0	2,947	200,146	6792.2%	541	36,759	6792.2%	1.90	0.1837
	2053	1.4	2,083	154,002	7392.4%	366	27,067	7392.4%	1.90	0.1758
	2054	1.0	1,457	115,640	7935.5%	245	19,449	7935.5%	1.90	0.1682
	2055	0.7	1,007	81,943	8138.6%	162	13,188	8138.6%	1.90	0.1609
	2056	0.5	686	56,442	8223.0%	106	8,693	8223.0%	1.90	0.1540
	2057	0.3	460	40,129	8721.3%	68	5,914	8721.3%	1.90	0.1474
	2058	0.2	303	27,996	9237.0%	43	3,948	9237.0%	1.90	0.1410
	2059	0.1	196	19,207	9797.4%	26	2,592	9797.4%	1.90	0.1350
	2060	0.1	124	13,007	10462.6%	16	1,680	10462.6%	1.90	0.1291
	2061	0.1	78	8,651	11083.2%	10	1,069	11083.2%	1.90	0.1236
	2062	0.0	48	5,633	11798.4%	6	666	11798.4%	1.90	0.1183
	2063	0.0	29	3,600	12514.9%	3	407	12514.9%	1.90	0.1132
	Past		10,241,833	3,034,301	29.6%	13,470,520	3,605,360	26.8%		
	Future		21,349,997	92,337,004	432.5%	14,870,279	46,335,558	311.6%		
	Lifetime		31,591,830	95,371,305	301.9%	28,340,799	49,940,918	176.2%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	7.7	16,183	0	0.0%	46,187	0	0.0%		2.8540
Experience	1999	24.3	36,056	0	0.0%	96,170	0	0.0%		2.6673
	2000	74.5	118,492	0	0.0%	295,373	0	0.0%		2.4928
	2001	337.3	560,574	575	0.1%	1,305,960	1,340	0.1%		2.3297
	2002	773.6	1,152,197	1,200	0.1%	2,508,651	2,613	0.1%		2.1773
	2003	947.4	1,311,292	302,199	23.0%	2,668,266	614,926	23.0%		2.0348
	2004	925.9	1,271,871	344,340	27.1%	2,418,738	654,837	27.1%		1.9017
	2005	901.6	1,241,664	257,328	20.7%	2,206,817	457,350	20.7%		1.7773
	2006	887.8	1,247,794	294,652	23.6%	2,072,627	489,427	23.6%		1.6610
	2007	876.9	1,224,603	120,750	9.9%	1,901,035	187,448	9.9%		1.5524
	2008	866.9	1,217,148	183,250	15.1%	1,765,851	265,861	15.1%		1.4508
	2009	854.8	1,173,530	421,309	35.9%	1,591,188	571,252	35.9%		1.3559
	2010	837.1	1,298,994	146,259	11.3%	1,646,078	185,338	11.3%		1.2672
	2011	808.6	1,536,473	1,805,208	117.5%	1,819,636	2,137,897	117.5%		1.1843
	2012	786.8	1,488,586	521,796	35.1%	1,647,592	577,532	35.1%		1.1068
	2013	774.5	1,474,117	858,763	58.3%	1,524,839	888,312	58.3%		1.0344
	2014	753.1	1,392,902	1,647,475	118.3%	1,346,569	1,592,675	118.3%	1.00	0.9667
Projected	2015	729.7	1,328,927	1,826,051	137.4%	1,200,675	1,649,823	137.4%	1.00	0.9035
Future	2016	700.2	1,260,613	1,980,852	157.1%	1,064,443	1,672,602	157.1%	1.00	0.8444
Experience	2017	669.8	1,187,721	2,162,299	182.1%	937,284	1,706,368	182.1%	1.00	0.7891
(50 years)	2018	638.5	1,114,728	2,353,548	211.1%	822,133	1,735,786	211.1%	1.00	0.7375
	2019	606.2	1,041,735	2,550,210	244.8%	718,036	1,757,783	244.8%	1.00	0.6893
	2020	573.3	968,938	2,787,919	287.7%	624,168	1,795,914	287.7%	1.00	0.6442
	2021	539.8	896,361	3,031,454	338.2%	539,641	1,825,041	338.2%	1.00	0.6020
	2022	505.8	824,552	3,266,124	396.1%	463,934	1,837,683	396.1%	1.00	0.5626
	2023	471.7	754,334	3,485,200	462.0%	396,659	1,832,660	462.0%	1.00	0.5258
	2024	437.6	686,227	3,670,660	534.9%	337,239	1,803,908	534.9%	1.00	0.4914
	2025	403.6	620,258	3,881,142	625.7%	284,878	1,782,568	625.7%	1.00	0.4593
	2026	370.0	556,402	4,115,856	739.7%	238,832	1,766,701	739.7%	1.00	0.4292
	2027	337.0	495,313	4,313,664	870.9%	198,700	1,730,475	870.9%	1.00	0.4012
	2028	305.0	437,626	4,439,734	1014.5%	164,074	1,664,532	1014.5%	1.00	0.3749
	2029	274.3	383,962	4,457,825	1161.0%	134,536	1,561,976	1161.0%	1.00	0.3504
	2030	244.8	334,279	4,445,084	1329.8%	109,465	1,455,619	1329.8%	1.00	0.3275
	2031	216.8	288,324	4,474,944	1552.1%	88,240	1,369,530	1552.1%	1.00	0.3060
	2032	190.4	246,386	4,478,160	1817.5%	70,472	1,280,854	1817.5%	1.00	0.2860
	2033	166.0	208,616	4,396,246	2107.3%	55,765	1,175,164	2107.3%	1.00	0.2673
	2034	143.7	175,280	4,185,912	2388.1%	43,789	1,045,738	2388.1%	1.00	0.2498
	2035	123.2	146,042	3,852,259	2637.8%	34,098	899,423	2637.8%	1.00	0.2335
	2036	104.7	120,472	3,610,073	2996.6%	26,288	787,737	2996.6%	1.00	0.2182
	2037	88.1	98,335	3,409,156	3466.9%	20,053	695,229	3466.9%	1.00	0.2039
	2038	73.5	79,470	3,140,639	3952.0%	15,146	598,571	3952.0%	1.00	0.1906
	2039	60.9	63,717	2,799,950	4394.3%	11,349	498,728	4394.3%	1.00	0.1781
	2040	49.9	50,682	2,368,385	4673.1%	8,437	394,259	4673.1%	1.00	0.1665
	2041	40.5	39,928	2,037,492	5103.0%	6,212	316,987	5103.0%	1.00	0.1556
	2042	32.5	31,110	1,801,303	5790.1%	4,523	261,908	5790.1%	1.00	0.1454
	2043	25.8	23,999	1,553,578	6473.6%	3,261	211,111	6473.6%	1.00	0.1359
	2044	20.3	18,378	1,301,039	7079.2%	2,334	165,228	7079.2%	1.00	0.1270
	2045	15.9	13,978	1,032,520	7386.5%	1,659	122,549	7386.5%	1.00	0.1187
	2046	12.3	10,545	821,464	7790.0%	1,170	91,120	7790.0%	1.00	0.1109
	2047	9.4	7,876	685,742	8707.0%	816	71,089	8707.0%	1.00	0.1037
	2048	7.1	5,825	561,463	9638.8%	564	54,398	9638.8%	1.00	0.0969
	2049	5.3	4,277	450,337	10530.5%	387	40,777	10530.5%	1.00	0.0905
	2050	4.0	3,114	341,576	10967.4%	264	28,905	10967.4%	1.00	0.0846
	2051	2.9	2,247	255,634	11376.1%	178	20,217	11376.1%	1.00	0.0791
	2052	2.1	1,603	200,935	12538.7%	118	14,852	12538.7%	1.00	0.0739
	2053	1.5	1,129	154,501	13687.8%	78	10,673	13687.8%	1.00	0.0691
	2054	1.1	787	115,950	14735.4%	51	7,486	14735.4%	1.00	0.0646
	2055	0.8	542	82,133	15154.9%	33	4,956	15154.9%	1.00	0.0603
	2056	0.5	368	56,556	15350.7%	21	3,189	15350.7%	1.00	0.0564
	2057	0.3	246	40,196	16316.8%	13	2,118	16316.8%	1.00	0.0527
	2058	0.2	162	28,036	17309.1%	8	1,381	17309.1%	1.00	0.0493
	2059	0.2	105	19,229	18389.1%	5	885	18389.1%	1.00	0.0460
	2060	0.1	66	13,020	19673.0%	3	560	19673.0%	1.00	0.0430
	2061	0.1	42	8,658	20857.1%	2	348	20857.1%	1.00	0.0402
	2062	0.0	25	5,637	22237.9%	1	212	22237.9%	1.00	0.0376
	2063	0.0	15	3,602	23574.9%	1	126	23574.9%	1.00	0.0351
	Past		16,370,887	5,257,629	32.1%	25,519,010	7,034,133	27.6%		
	Future		15,928,570	102,701,425	644.8%	9,976,605	39,348,423	394.4%		
	Lifetime		32,299,456	107,959,054	334.2%	35,495,615	46,382,556	130.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%	1.00	3.0537
Historical	1998	7.7	16,183	0	0.0%	46,187	0	0.0%	1.00	2.8540
Experience	1999	24.3	36,056	0	0.0%	96,170	0	0.0%	1.00	2.6673
	2000	74.5	118,492	0	0.0%	295,373	0	0.0%	1.00	2.4928
	2001	337.3	560,574	575	0.1%	1,305,960	1,340	0.1%	1.00	2.3297
	2002	773.6	1,152,197	1,200	0.1%	2,508,651	2,613	0.1%	1.00	2.1773
	2003	947.4	1,311,292	302,199	23.0%	2,668,266	614,926	23.0%	1.00	2.0348
	2004	925.9	1,271,871	344,340	27.1%	2,418,738	654,837	27.1%	1.00	1.9017
	2005	901.6	1,241,664	257,328	20.7%	2,206,817	457,350	20.7%	1.00	1.7773
	2006	887.8	1,247,794	294,652	23.6%	2,072,627	489,427	23.6%	1.00	1.6610
	2007	876.9	1,224,603	120,750	9.9%	1,901,035	187,448	9.9%	1.00	1.5524
	2008	866.9	1,217,148	183,250	15.1%	1,765,851	265,861	15.1%	1.00	1.4508
	2009	854.8	1,173,530	421,309	35.9%	1,591,188	571,252	35.9%	1.00	1.3559
	2010	837.1	1,298,994	146,259	11.3%	1,646,078	185,338	11.3%	1.00	1.2672
	2011	808.6	1,536,473	1,805,208	117.5%	1,819,636	2,137,897	117.5%	1.00	1.1843
	2012	786.8	1,488,586	521,796	35.1%	1,647,592	577,532	35.1%	1.00	1.1068
	2013	774.5	1,474,117	858,763	58.3%	1,524,839	888,312	58.3%	1.00	1.0344
	2014	753.1	1,392,902	1,647,475	118.3%	1,346,569	1,592,675	118.3%	1.00	0.9667
Projected	2015	729.7	1,792,338	1,826,051	101.9%	1,619,363	1,649,823	101.9%	1.35	0.9035
Future	2016	700.2	2,145,282	1,980,852	92.3%	1,811,444	1,672,602	92.3%	1.70	0.8444
Experience	2017	669.8	2,027,270	2,162,299	106.7%	1,599,810	1,706,368	106.7%	1.71	0.7891
(50 years)	2018	638.5	1,908,635	2,353,548	123.3%	1,407,654	1,735,786	123.3%	1.71	0.7375
	2019	606.2	1,789,467	2,550,210	142.5%	1,233,425	1,757,783	142.5%	1.72	0.6893
	2020	573.3	1,670,106	2,787,919	166.9%	1,075,845	1,795,914	166.9%	1.72	0.6442
	2021	539.8	1,550,534	3,031,454	195.5%	933,475	1,825,041	195.5%	1.73	0.6020
	2022	505.8	1,431,574	3,266,124	228.1%	805,474	1,837,683	228.1%	1.74	0.5626
	2023	471.7	1,314,590	3,485,200	265.1%	691,265	1,832,660	265.1%	1.74	0.5258
	2024	437.6	1,200,433	3,670,660	305.8%	589,940	1,803,908	305.8%	1.75	0.4914
	2025	403.6	1,089,206	3,881,142	356.3%	500,261	1,782,568	356.3%	1.76	0.4593
	2026	370.0	980,870	4,115,856	419.6%	421,031	1,766,701	419.6%	1.76	0.4292
	2027	337.0	876,592	4,313,664	492.1%	351,655	1,730,475	492.1%	1.77	0.4012
	2028	305.0	777,494	4,439,734	571.0%	291,496	1,664,532	571.0%	1.78	0.3749
	2029	274.3	684,739	4,457,825	651.0%	239,926	1,561,976	651.0%	1.78	0.3504
	2030	244.8	598,345	4,445,084	742.9%	195,938	1,455,619	742.9%	1.79	0.3275
	2031	216.8	517,946	4,474,944	864.0%	158,514	1,369,530	864.0%	1.80	0.3060
	2032	190.4	444,168	4,478,160	1008.2%	127,042	1,280,854	1008.2%	1.80	0.2860
	2033	166.0	377,331	4,396,246	1165.1%	100,865	1,175,164	1165.1%	1.81	0.2673
	2034	143.7	318,036	4,185,912	1316.2%	79,453	1,045,738	1316.2%	1.81	0.2498
	2035	123.2	265,783	3,852,259	1449.4%	62,055	899,423	1449.4%	1.82	0.2335
	2036	104.7	219,870	3,610,073	1641.9%	47,977	787,737	1641.9%	1.83	0.2182
	2037	88.1	179,947	3,409,156	1894.5%	36,697	695,229	1894.5%	1.83	0.2039
	2038	73.5	145,786	3,140,639	2154.3%	27,785	598,571	2154.3%	1.83	0.1906
	2039	60.9	117,158	2,799,950	2389.9%	20,868	498,728	2389.9%	1.84	0.1781
	2040	49.9	93,391	2,368,385	2536.0%	15,547	394,259	2536.0%	1.84	0.1665
	2041	40.5	73,726	2,037,492	2763.6%	11,470	316,987	2763.6%	1.85	0.1556
	2042	32.5	57,555	1,801,303	3129.7%	8,368	261,908	3129.7%	1.85	0.1454
	2043	25.8	44,478	1,553,578	3492.9%	6,044	211,111	3492.9%	1.85	0.1359
	2044	20.3	34,119	1,301,039	3813.2%	4,333	165,228	3813.2%	1.86	0.1270
	2045	15.9	25,994	1,032,520	3972.1%	3,085	122,549	3972.1%	1.86	0.1187
	2046	12.3	19,641	821,464	4182.3%	2,179	91,120	4182.3%	1.86	0.1109
	2047	9.4	14,692	685,742	4667.4%	1,523	71,089	4667.4%	1.87	0.1037
	2048	7.1	10,883	561,463	5159.0%	1,054	54,398	5159.0%	1.87	0.0969
	2049	5.3	8,002	450,337	5627.8%	725	40,777	5627.8%	1.87	0.0905
	2050	4.0	5,836	341,576	5852.8%	494	28,905	5852.8%	1.87	0.0846
	2051	2.9	4,217	255,634	6062.3%	333	20,217	6062.3%	1.88	0.0791
	2052	2.1	3,011	200,935	6672.9%	223	14,852	6672.9%	1.88	0.0739
	2053	1.5	2,124	154,501	7275.3%	147	10,673	7275.3%	1.88	0.0691
	2054	1.1	1,482	115,950	7823.2%	96	7,486	7823.2%	1.88	0.0646
	2055	0.8	1,022	82,133	8037.3%	62	4,956	8037.3%	1.89	0.0603
	2056	0.5	695	56,556	8133.4%	39	3,189	8133.4%	1.89	0.0564
	2057	0.3	465	40,196	8637.9%	25	2,118	8637.9%	1.89	0.0527
	2058	0.2	306	28,036	9157.4%	15	1,381	9157.4%	1.89	0.0493
	2059	0.2	198	19,229	9722.7%	9	885	9722.7%	1.89	0.0460
	2060	0.1	125	13,020	10394.5%	5	560	10394.5%	1.89	0.0430
	2061	0.1	79	8,658	11016.5%	3	348	11016.5%	1.89	0.0402
	2062	0.0	48	5,637	11739.0%	2	212	11739.0%	1.89	0.0376
	2063	0.0	29	3,602	12446.9%	1	126	12446.9%	1.89	0.0351
	Past		16,370,887	5,257,629	32.1%	25,519,010	7,034,133	27.6%		
	Future		26,218,521	102,701,425	391.7%	15,831,608	39,348,423	248.5%		
	Lifetime		42,589,408	107,959,054	253.5%	41,350,619	46,382,556	112.2%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	3.4	7,596	0	0.0%	21,680	0	0.0%		2.8540
Experience	1999	11.0	19,610	0	0.0%	52,305	0	0.0%		2.6673
	2000	39.4	54,129	0	0.0%	134,931	0	0.0%		2.4928
	2001	166.8	256,411	575	0.2%	597,356	1,340	0.2%		2.3297
	2002	324.5	479,736	0	0.0%	1,044,519	0	0.0%		2.1773
	2003	361.8	509,072	270,600	53.2%	1,035,878	550,627	53.2%		2.0348
	2004	352.7	500,735	0	0.0%	952,256	0	0.0%		1.9017
	2005	340.5	474,188	129,850	27.4%	842,776	230,783	27.4%		1.7773
	2006	331.6	475,860	19,460	4.1%	790,419	32,324	4.1%		1.6610
	2007	323.6	462,291	120,750	26.1%	717,646	187,448	26.1%		1.5524
	2008	320.1	457,347	183,250	40.1%	663,524	265,861	40.1%		1.4508
	2009	316.0	443,023	336,460	75.9%	600,694	456,205	75.9%		1.3559
	2010	308.4	466,255	143,522	30.8%	590,836	181,870	30.8%		1.2672
	2011	295.1	537,654	551,236	102.5%	636,741	652,825	102.5%		1.1843
	2012	281.0	495,771	38,644	7.8%	548,728	42,772	7.8%		1.1068
	2013	273.8	488,064	428,982	87.9%	504,857	443,743	87.9%		1.0344
	2014	263.4	441,950	483,647	109.4%	427,249	467,559	109.4%	1.00	0.9667
Projected	2015	252.4	414,173	509,887	123.1%	374,202	460,679	123.1%	1.00	0.9035
Future	2016	238.1	384,436	524,223	136.4%	324,612	442,646	136.4%	1.00	0.8444
Experience	2017	223.8	352,924	542,572	153.7%	278,508	428,168	153.7%	1.00	0.7891
(50 years)	2018	209.6	322,075	556,550	172.8%	237,536	410,466	172.8%	1.00	0.7375
	2019	194.9	292,046	564,490	193.3%	201,298	389,086	193.3%	1.00	0.6893
	2020	180.4	262,886	571,576	217.4%	169,346	368,196	217.4%	1.00	0.6442
	2021	166.0	234,697	575,085	245.0%	141,296	346,221	245.0%	1.00	0.6020
	2022	151.7	207,808	573,841	276.1%	116,923	322,872	276.1%	1.00	0.5626
	2023	137.7	182,530	561,750	307.8%	95,981	295,391	307.8%	1.00	0.5258
	2024	124.1	159,074	538,404	338.5%	78,175	264,593	338.5%	1.00	0.4914
	2025	111.0	137,360	513,224	373.6%	63,088	235,718	373.6%	1.00	0.4593
	2026	98.4	117,376	491,973	419.1%	50,383	211,176	419.1%	1.00	0.4292
	2027	86.5	99,234	464,649	468.2%	39,809	186,399	468.2%	1.00	0.4012
	2028	75.5	83,070	427,096	514.1%	31,144	160,126	514.1%	1.00	0.3749
	2029	65.3	68,907	379,282	550.4%	24,144	132,897	550.4%	1.00	0.3504
	2030	55.9	56,593	333,122	588.6%	18,532	109,087	588.6%	1.00	0.3275
	2031	47.4	45,952	297,342	647.1%	14,063	91,000	647.1%	1.00	0.3060
	2032	39.9	36,871	263,753	715.3%	10,546	75,439	715.3%	1.00	0.2860
	2033	33.2	29,293	228,117	778.8%	7,830	60,978	778.8%	1.00	0.2673
	2034	27.4	23,072	190,870	827.3%	5,764	47,684	827.3%	1.00	0.2498
	2035	22.4	17,995	155,356	863.3%	4,202	36,272	863.3%	1.00	0.2335
	2036	18.1	13,887	130,699	941.2%	3,030	28,519	941.2%	1.00	0.2182
	2037	14.5	10,598	110,449	1042.1%	2,161	22,524	1042.1%	1.00	0.2039
	2038	11.5	8,009	90,897	1134.9%	1,526	17,324	1134.9%	1.00	0.1906
	2039	9.1	6,007	71,609	1192.1%	1,070	12,755	1192.1%	1.00	0.1781
	2040	7.1	4,468	54,051	1209.8%	744	8,998	1209.8%	1.00	0.1665
	2041	5.4	3,287	42,664	1297.8%	511	6,638	1297.8%	1.00	0.1556
	2042	4.1	2,391	33,403	1396.8%	348	4,857	1396.8%	1.00	0.1454
	2043	3.1	1,723	25,307	1468.9%	234	3,439	1468.9%	1.00	0.1359
	2044	2.3	1,230	18,316	1489.5%	156	2,326	1489.5%	1.00	0.1270
	2045	1.7	869	12,510	1439.9%	103	1,485	1439.9%	1.00	0.1187
	2046	1.2	607	8,864	1460.9%	67	983	1460.9%	1.00	0.1109
	2047	0.8	418	6,308	1509.0%	43	654	1509.0%	1.00	0.1037
	2048	0.6	284	4,366	1539.8%	27	423	1539.8%	1.00	0.0969
	2049	0.4	190	2,969	1564.4%	17	269	1564.4%	1.00	0.0905
	2050	0.3	125	1,911	1526.2%	11	162	1526.2%	1.00	0.0846
	2051	0.2	81	1,231	1518.3%	6	97	1518.3%	1.00	0.0791
	2052	0.1	52	790	1529.4%	4	58	1529.4%	1.00	0.0739
	2053	0.1	32	499	1543.7%	2	34	1543.7%	1.00	0.0691
	2054	0.0	20	310	1556.4%	1	20	1556.4%	1.00	0.0646
	2055	0.0	12	190	1576.9%	1	11	1576.9%	1.00	0.0603
	2056	0.0	7	114	1596.2%	0	6	1596.2%	1.00	0.0564
	2057	0.0	4	68	1618.9%	0	4	1618.9%	1.00	0.0527
	2058	0.0	2	39	1604.5%	0	2	1604.5%	1.00	0.0493
	2059	0.0	1	23	1618.7%	0	1	1618.7%	1.00	0.0460
	2060	0.0	1	13	1708.0%	0	1	1708.0%	1.00	0.0430
	2061	0.0	0	7	1665.1%	0	0	1665.1%	1.00	0.0402
	2062	0.0	0	4	1790.9%	0	0	1790.9%	1.00	0.0376
	2063	0.0	0	2	1578.6%	0	0	1578.6%	1.00	0.0351
	Past		6,129,054	2,223,328	36.3%	9,739,149	3,045,797	31.3%		
	Future		4,024,626	10,364,421	257.5%	2,724,697	5,654,242	207.5%		
	Lifetime		10,153,680	12,587,749	124.0%	12,463,846	8,700,040	69.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%	1.00	3.0537
Historical	1998	3.4	7,596	0	0.0%	21,680	0	0.0%	1.00	2.8540
Experience	1999	11.0	19,610	0	0.0%	52,305	0	0.0%	1.00	2.6673
	2000	39.4	54,129	0	0.0%	134,931	0	0.0%	1.00	2.4928
	2001	166.8	256,411	575	0.2%	597,356	1,340	0.2%	1.00	2.3297
	2002	324.5	479,736	0	0.0%	1,044,519	0	0.0%	1.00	2.1773
	2003	361.8	509,072	270,600	53.2%	1,035,878	550,627	53.2%	1.00	2.0348
	2004	352.7	500,735	0	0.0%	952,256	0	0.0%	1.00	1.9017
	2005	340.5	474,188	129,850	27.4%	842,776	230,783	27.4%	1.00	1.7773
	2006	331.6	475,860	19,460	4.1%	790,419	32,324	4.1%	1.00	1.6610
	2007	323.6	462,291	120,750	26.1%	717,646	187,448	26.1%	1.00	1.5524
	2008	320.1	457,347	183,250	40.1%	663,524	265,861	40.1%	1.00	1.4508
	2009	316.0	443,023	336,460	75.9%	600,694	456,205	75.9%	1.00	1.3559
	2010	308.4	466,255	143,522	30.8%	590,836	181,870	30.8%	1.00	1.2672
	2011	295.1	537,654	551,236	102.5%	636,741	652,825	102.5%	1.00	1.1843
	2012	281.0	495,771	38,644	7.8%	548,728	42,772	7.8%	1.00	1.1068
	2013	273.8	488,064	428,982	87.9%	504,857	443,743	87.9%	1.00	1.0344
	2014	263.4	441,950	483,647	109.4%	427,249	467,559	109.4%	1.00	0.9667
Projected	2015	252.4	465,945	509,887	109.4%	420,978	460,679	109.4%	1.13	0.9035
Future	2016	238.1	480,544	524,223	109.1%	405,765	442,646	109.1%	1.25	0.8444
Experience	2017	223.8	441,154	542,572	123.0%	348,135	428,168	123.0%	1.25	0.7891
(50 years)	2018	209.6	402,593	556,550	138.2%	296,920	410,466	138.2%	1.25	0.7375
	2019	194.9	365,057	564,490	154.6%	251,623	389,086	154.6%	1.25	0.6893
	2020	180.4	328,608	571,576	173.9%	211,682	368,196	173.9%	1.25	0.6442
	2021	166.0	293,371	575,085	196.0%	176,620	346,221	196.0%	1.25	0.6020
	2022	151.7	259,760	573,841	220.9%	146,154	322,872	220.9%	1.25	0.5626
	2023	137.7	228,162	561,750	246.2%	119,977	295,391	246.2%	1.25	0.5258
	2024	124.1	198,843	538,404	270.8%	97,719	264,593	270.8%	1.25	0.4914
	2025	111.0	171,700	513,224	298.9%	78,860	235,718	298.9%	1.25	0.4593
	2026	98.4	146,720	491,973	335.3%	62,978	211,176	335.3%	1.25	0.4292
	2027	86.5	124,043	464,649	374.6%	49,761	186,399	374.6%	1.25	0.4012
	2028	75.5	103,837	427,096	411.3%	38,930	160,126	411.3%	1.25	0.3749
	2029	65.3	86,134	379,282	440.3%	30,180	132,897	440.3%	1.25	0.3504
	2030	55.9	70,741	333,122	470.9%	23,165	109,087	470.9%	1.25	0.3275
	2031	47.4	57,441	297,342	517.7%	17,579	91,000	517.7%	1.25	0.3060
	2032	39.9	46,089	263,753	572.3%	13,182	75,439	572.3%	1.25	0.2860
	2033	33.2	36,616	228,117	623.0%	9,788	60,978	623.0%	1.25	0.2673
	2034	27.4	28,839	190,870	661.8%	7,205	47,684	661.8%	1.25	0.2498
	2035	22.4	22,494	155,356	690.7%	5,252	36,272	690.7%	1.25	0.2335
	2036	18.1	17,358	130,699	752.9%	3,788	28,519	752.9%	1.25	0.2182
	2037	14.5	13,248	110,449	833.7%	2,702	22,524	833.7%	1.25	0.2039
	2038	11.5	10,012	90,897	907.9%	1,908	17,324	907.9%	1.25	0.1906
	2039	9.1	7,509	71,609	953.7%	1,337	12,755	953.7%	1.25	0.1781
	2040	7.1	5,585	54,051	967.9%	930	8,998	967.9%	1.25	0.1665
	2041	5.4	4,109	42,664	1038.3%	639	6,638	1038.3%	1.25	0.1556
	2042	4.1	2,989	33,403	1117.4%	435	4,857	1117.4%	1.25	0.1454
	2043	3.1	2,154	25,307	1175.1%	293	3,439	1175.1%	1.25	0.1359
	2044	2.3	1,537	18,316	1191.6%	195	2,326	1191.6%	1.25	0.1270
	2045	1.7	1,086	12,510	1151.9%	129	1,485	1151.9%	1.25	0.1187
	2046	1.2	758	8,864	1168.7%	84	983	1168.7%	1.25	0.1109
	2047	0.8	523	6,308	1207.2%	54	654	1207.2%	1.25	0.1037
	2048	0.6	354	4,366	1231.8%	34	423	1231.8%	1.25	0.0969
	2049	0.4	237	2,969	1251.5%	21	269	1251.5%	1.25	0.0905
	2050	0.3	157	1,911	1221.0%	13	162	1221.0%	1.25	0.0846
	2051	0.2	101	1,231	1214.6%	8	97	1214.6%	1.25	0.0791
	2052	0.1	65	790	1223.6%	5	58	1223.6%	1.25	0.0739
	2053	0.1	40	499	1235.0%	3	34	1235.0%	1.25	0.0691
	2054	0.0	25	310	1245.1%	2	20	1245.1%	1.25	0.0646
	2055	0.0	15	190	1261.5%	1	11	1261.5%	1.25	0.0603
	2056	0.0	9	114	1277.0%	1	6	1277.0%	1.25	0.0564
	2057	0.0	5	68	1295.1%	0	4	1295.1%	1.25	0.0527
	2058	0.0	3	39	1283.6%	0	2	1283.6%	1.25	0.0493
	2059	0.0	2	23	1295.0%	0	1	1295.0%	1.25	0.0460
	2060	0.0	1	13	1366.4%	0	1	1366.4%	1.25	0.0430
	2061	0.0	1	7	1332.1%	0	0	1332.1%	1.25	0.0402
	2062	0.0	0	4	1432.7%	0	0	1432.7%	1.25	0.0376
	2063	0.0	0	2	1262.9%	0	0	1262.9%	1.25	0.0351
	Past		6,129,054	2,223,328	36.3%	9,739,149	3,045,797	31.3%		
	Future		4,868,524	10,364,421	212.9%	3,252,284	5,654,242	173.9%		
	Lifetime		10,997,577	12,587,749	114.5%	12,991,433	8,700,040	67.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		3.0537
Historical	1998	4.3	8,587	0	0.0%	24,507	0	0.0%		2.8540
Experience	1999	13.3	16,446	0	0.0%	43,865	0	0.0%		2.6673
	2000	35.1	64,363	0	0.0%	160,442	0	0.0%		2.4928
	2001	170.5	304,163	0	0.0%	708,604	0	0.0%		2.3297
	2002	449.1	672,461	1,200	0.2%	1,464,132	2,613	0.2%		2.1773
	2003	585.7	802,220	31,599	3.9%	1,632,388	64,299	3.9%		2.0348
	2004	573.3	771,136	344,340	44.7%	1,466,482	654,837	44.7%		1.9017
	2005	561.1	767,477	127,478	16.6%	1,364,040	226,567	16.6%		1.7773
	2006	556.2	771,934	275,192	35.6%	1,282,208	457,103	35.6%		1.6610
	2007	553.3	762,312	0	0.0%	1,183,389	0	0.0%		1.5524
	2008	546.8	759,801	0	0.0%	1,102,327	0	0.0%		1.4508
	2009	538.8	730,507	84,849	11.6%	990,494	115,047	11.6%		1.3559
	2010	528.7	832,739	2,737	0.3%	1,055,242	3,468	0.3%		1.2672
	2011	513.5	998,819	1,253,973	125.5%	1,182,895	1,485,072	125.5%		1.1843
	2012	505.8	992,815	483,152	48.7%	1,098,864	534,761	48.7%		1.1068
	2013	500.8	986,053	429,781	43.6%	1,019,981	444,569	43.6%		1.0344
	2014	489.6	950,951	1,163,829	122.4%	919,319	1,125,116	122.4%	1.00	0.9667
Projected	2015	477.3	914,754	1,316,164	143.9%	826,473	1,189,144	143.9%	1.00	0.9035
Future	2016	462.1	876,178	1,456,629	166.2%	739,832	1,229,956	166.2%	1.00	0.8444
Experience	2017	446.0	834,798	1,619,728	194.0%	658,776	1,278,200	194.0%	1.00	0.7891
(50 years)	2018	429.0	792,654	1,796,998	226.7%	584,597	1,325,320	226.7%	1.00	0.7375
	2019	411.3	749,689	1,985,720	264.9%	516,738	1,368,697	264.9%	1.00	0.6893
	2020	392.9	706,052	2,216,343	313.9%	454,823	1,427,718	313.9%	1.00	0.6442
	2021	373.8	661,664	2,456,369	371.2%	398,345	1,478,820	371.2%	1.00	0.6020
	2022	354.1	616,744	2,692,282	436.5%	347,011	1,514,811	436.5%	1.00	0.5626
	2023	334.0	571,804	2,923,451	511.3%	300,678	1,537,269	511.3%	1.00	0.5258
	2024	313.5	527,153	3,132,256	594.2%	259,064	1,539,315	594.2%	1.00	0.4914
	2025	292.7	482,898	3,367,918	697.4%	221,790	1,546,850	697.4%	1.00	0.4593
	2026	271.6	439,027	3,623,883	825.4%	188,449	1,555,525	825.4%	1.00	0.4292
	2027	250.5	396,079	3,849,015	971.8%	158,891	1,544,076	971.8%	1.00	0.4012
	2028	229.5	354,556	4,012,638	1131.7%	132,929	1,504,407	1131.7%	1.00	0.3749
	2029	209.0	315,056	4,078,542	1294.5%	110,392	1,429,080	1294.5%	1.00	0.3504
	2030	188.9	277,686	4,111,962	1480.8%	90,933	1,346,532	1480.8%	1.00	0.3275
	2031	169.4	242,371	4,177,602	1723.6%	74,176	1,278,530	1723.6%	1.00	0.3060
	2032	150.5	209,515	4,214,407	2011.5%	59,926	1,205,415	2011.5%	1.00	0.2860
	2033	132.8	179,324	4,168,129	2324.4%	47,935	1,114,185	2324.4%	1.00	0.2673
	2034	116.2	152,209	3,995,042	2624.7%	38,025	998,054	2624.7%	1.00	0.2498
	2035	100.8	128,047	3,696,903	2887.2%	29,896	863,151	2887.2%	1.00	0.2335
	2036	86.6	106,585	3,479,374	3264.4%	23,257	759,217	3264.4%	1.00	0.2182
	2037	73.6	87,736	3,298,708	3759.8%	17,892	672,706	3759.8%	1.00	0.2039
	2038	62.0	71,460	3,049,742	4267.7%	13,620	581,247	4267.7%	1.00	0.1906
	2039	51.8	57,710	2,728,341	4727.6%	10,279	485,973	4727.6%	1.00	0.1781
	2040	42.8	46,214	2,314,333	5007.9%	7,693	385,262	5007.9%	1.00	0.1665
	2041	35.0	36,640	1,994,828	5444.3%	5,700	310,350	5444.3%	1.00	0.1556
	2042	28.3	28,719	1,767,900	6155.9%	4,176	257,051	6155.9%	1.00	0.1454
	2043	22.7	22,276	1,528,272	6860.6%	3,027	207,673	6860.6%	1.00	0.1359
	2044	18.0	17,149	1,282,723	7480.1%	2,178	162,902	7480.1%	1.00	0.1270
	2045	14.2	13,110	1,020,010	7780.6%	1,556	121,064	7780.6%	1.00	0.1187
	2046	11.1	9,938	812,600	8176.4%	1,102	90,137	8176.4%	1.00	0.1109
	2047	8.5	7,458	679,435	9110.4%	773	70,435	9110.4%	1.00	0.1037
	2048	6.5	5,541	557,097	10053.2%	537	53,975	10053.2%	1.00	0.0969
	2049	4.9	4,087	447,368	10946.9%	370	40,508	10946.9%	1.00	0.0905
	2050	3.7	2,989	339,664	11363.0%	253	28,744	11363.0%	1.00	0.0846
	2051	2.7	2,166	254,403	11745.1%	171	20,120	11745.1%	1.00	0.0791
	2052	2.0	1,551	200,146	12905.1%	115	14,793	12905.1%	1.00	0.0739
	2053	1.4	1,096	154,002	14045.5%	76	10,638	14045.5%	1.00	0.0691
	2054	1.0	767	115,640	15077.5%	50	7,466	15077.5%	1.00	0.0646
	2055	0.7	530	81,943	15463.4%	32	4,944	15463.4%	1.00	0.0603
	2056	0.5	361	56,442	15623.7%	20	3,183	15623.7%	1.00	0.0564
	2057	0.3	242	40,129	16570.5%	13	2,115	16570.5%	1.00	0.0527
	2058	0.2	160	27,996	17550.3%	8	1,379	17550.3%	1.00	0.0493
	2059	0.1	103	19,207	18615.0%	5	884	18615.0%	1.00	0.0460
	2060	0.1	65	13,007	19878.9%	3	560	19878.9%	1.00	0.0430
	2061	0.1	41	8,651	21058.0%	2	348	21058.0%	1.00	0.0402
	2062	0.0	25	5,633	22417.0%	1	212	22417.0%	1.00	0.0376
	2063	0.0	15	3,600	23778.3%	1	126	23778.3%	1.00	0.0351
	Past		10,241,833	3,034,301	29.6%	15,779,861	3,988,336	25.3%		
	Future		11,903,944	92,337,004	775.7%	7,251,908	33,694,181	464.6%		
	Lifetime		22,145,776	95,371,305	430.7%	23,031,769	37,682,516	163.6%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision (Lifetime Only, Pre-Rate Stability)
7.0% Interest Rate
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	1.00	3.0537
Historical	1998	4.3	8,587	0	0.0%	24,507	0	0.0%	1.00	2.8540
Experience	1999	13.3	16,446	0	0.0%	43,865	0	0.0%	1.00	2.6673
	2000	35.1	64,363	0	0.0%	160,442	0	0.0%	1.00	2.4928
	2001	170.5	304,163	0	0.0%	708,604	0	0.0%	1.00	2.3297
	2002	449.1	672,461	1,200	0.2%	1,464,132	2,613	0.2%	1.00	2.1773
	2003	585.7	802,220	31,599	3.9%	1,632,388	64,299	3.9%	1.00	2.0348
	2004	573.3	771,136	344,340	44.7%	1,466,482	654,837	44.7%	1.00	1.9017
	2005	561.1	767,477	127,478	16.6%	1,364,040	226,567	16.6%	1.00	1.7773
	2006	556.2	771,934	275,192	35.6%	1,282,208	457,103	35.6%	1.00	1.6610
	2007	553.3	762,312	0	0.0%	1,183,389	0	0.0%	1.00	1.5524
	2008	546.8	759,801	0	0.0%	1,102,327	0	0.0%	1.00	1.4508
	2009	538.8	730,507	84,849	11.6%	990,494	115,047	11.6%	1.00	1.3559
	2010	528.7	832,739	2,737	0.3%	1,055,242	3,468	0.3%	1.00	1.2672
	2011	513.5	998,819	1,253,973	125.5%	1,182,895	1,485,072	125.5%	1.00	1.1843
	2012	505.8	992,815	483,152	48.7%	1,098,864	534,761	48.7%	1.00	1.1068
	2013	500.8	986,053	429,781	43.6%	1,019,981	444,569	43.6%	1.00	1.0344
	2014	489.6	950,951	1,163,829	122.4%	919,319	1,125,116	122.4%	1.00	0.9667
Projected	2015	477.3	1,326,393	1,316,164	99.2%	1,198,386	1,189,144	99.2%	1.45	0.9035
Future	2016	462.1	1,664,738	1,456,629	87.5%	1,405,680	1,229,956	87.5%	1.90	0.8444
Experience	2017	446.0	1,586,116	1,619,728	102.1%	1,251,675	1,278,200	102.1%	1.90	0.7891
(50 years)	2018	429.0	1,506,042	1,796,998	119.3%	1,110,734	1,325,320	119.3%	1.90	0.7375
	2019	411.3	1,424,410	1,985,720	139.4%	981,803	1,368,697	139.4%	1.90	0.6893
	2020	392.9	1,341,498	2,216,343	165.2%	864,163	1,427,718	165.2%	1.90	0.6442
	2021	373.8	1,257,162	2,456,369	195.4%	756,856	1,478,820	195.4%	1.90	0.6020
	2022	354.1	1,171,813	2,692,282	229.8%	659,320	1,514,811	229.8%	1.90	0.5626
	2023	334.0	1,086,428	2,923,451	269.1%	571,288	1,537,269	269.1%	1.90	0.5258
	2024	313.5	1,001,590	3,132,256	312.7%	492,221	1,539,315	312.7%	1.90	0.4914
	2025	292.7	917,507	3,367,918	367.1%	421,401	1,546,850	367.1%	1.90	0.4593
	2026	271.6	834,150	3,623,883	434.4%	358,053	1,555,525	434.4%	1.90	0.4292
	2027	250.5	752,550	3,849,015	511.5%	301,894	1,544,076	511.5%	1.90	0.4012
	2028	229.5	673,657	4,012,638	595.7%	252,566	1,504,407	595.7%	1.90	0.3749
	2029	209.0	598,605	4,078,542	681.3%	209,745	1,429,080	681.3%	1.90	0.3504
	2030	188.9	527,604	4,111,962	779.4%	172,773	1,346,532	779.4%	1.90	0.3275
	2031	169.4	460,506	4,177,602	907.2%	140,935	1,278,530	907.2%	1.90	0.3060
	2032	150.5	398,079	4,214,407	1058.7%	113,859	1,205,415	1058.7%	1.90	0.2860
	2033	132.8	340,715	4,168,129	1223.3%	91,077	1,114,185	1223.3%	1.90	0.2673
	2034	116.2	289,196	3,995,042	1381.4%	72,248	998,054	1381.4%	1.90	0.2498
	2035	100.8	243,289	3,696,903	1519.6%	56,803	863,151	1519.6%	1.90	0.2335
	2036	86.6	202,512	3,479,374	1718.1%	44,189	759,217	1718.1%	1.90	0.2182
	2037	73.6	166,699	3,298,708	1978.8%	33,995	672,706	1978.8%	1.90	0.2039
	2038	62.0	135,774	3,049,742	2246.2%	25,877	581,247	2246.2%	1.90	0.1906
	2039	51.8	109,650	2,728,341	2488.2%	19,531	485,973	2488.2%	1.90	0.1781
	2040	42.8	87,807	2,314,333	2635.7%	14,617	385,262	2635.7%	1.90	0.1665
	2041	35.0	69,617	1,994,828	2865.4%	10,831	310,350	2865.4%	1.90	0.1556
	2042	28.3	54,565	1,767,900	3240.0%	7,934	257,051	3240.0%	1.90	0.1454
	2043	22.7	42,324	1,528,272	3610.8%	5,751	207,673	3610.8%	1.90	0.1359
	2044	18.0	32,582	1,282,723	3936.9%	4,138	162,902	3936.9%	1.90	0.1270
	2045	14.2	24,908	1,020,010	4095.1%	2,956	121,064	4095.1%	1.90	0.1187
	2046	11.1	18,883	812,600	4303.4%	2,095	90,137	4303.4%	1.90	0.1109
	2047	8.5	14,170	679,435	4795.0%	1,469	70,435	4795.0%	1.90	0.1037
	2048	6.5	10,529	557,097	5291.2%	1,020	53,975	5291.2%	1.90	0.0969
	2049	4.9	7,765	447,368	5761.5%	703	40,508	5761.5%	1.90	0.0905
	2050	3.7	5,680	339,664	5980.5%	481	28,744	5980.5%	1.90	0.0846
	2051	2.7	4,115	254,403	6181.7%	325	20,120	6181.7%	1.90	0.0791
	2052	2.0	2,947	200,146	6792.2%	218	14,793	6792.2%	1.90	0.0739
	2053	1.4	2,083	154,002	7392.4%	144	10,638	7392.4%	1.90	0.0691
	2054	1.0	1,457	115,640	7935.5%	94	7,466	7935.5%	1.90	0.0646
	2055	0.7	1,007	81,943	8138.6%	61	4,944	8138.6%	1.90	0.0603
	2056	0.5	686	56,442	8223.0%	39	3,183	8223.0%	1.90	0.0564
	2057	0.3	460	40,129	8721.3%	24	2,115	8721.3%	1.90	0.0527
	2058	0.2	303	27,996	9237.0%	15	1,379	9237.0%	1.90	0.0493
	2059	0.1	196	19,207	9797.4%	9	884	9797.4%	1.90	0.0460
	2060	0.1	124	13,007	10462.6%	5	560	10462.6%	1.90	0.0430
	2061	0.1	78	8,651	11083.2%	3	348	11083.2%	1.90	0.0402
	2062	0.0	48	5,633	11798.4%	2	212	11798.4%	1.90	0.0376
	2063	0.0	29	3,600	12514.9%	1	126	12514.9%	1.90	0.0351
	Past		10,241,833	3,034,301	29.6%	15,779,861	3,988,336	25.3%		
	Future		21,349,997	92,337,004	432.5%	12,579,324	33,694,181	267.9%		
	Lifetime		31,591,830	95,371,305	301.9%	28,359,185	37,682,516	132.9%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	7.7	16,183	0	0.0%	46,187	0	0.0%		2.8540
Experience	1999	24.3	36,056	0	0.0%	96,170	0	0.0%		2.6673
	2000	74.5	118,492	0	0.0%	295,373	0	0.0%		2.4928
	2001	337.3	560,574	575	0.1%	1,305,960	1,340	0.1%		2.3297
	2002	773.6	1,152,197	1,200	0.1%	2,508,651	2,613	0.1%		2.1773
	2003	947.4	1,311,292	302,199	23.0%	2,668,266	614,926	23.0%		2.0348
	2004	925.9	1,271,871	344,340	27.1%	2,418,738	654,837	27.1%		1.9017
	2005	901.6	1,241,664	257,328	20.7%	2,206,817	457,350	20.7%		1.7773
	2006	887.8	1,247,794	294,652	23.6%	2,072,627	489,427	23.6%		1.6610
	2007	876.9	1,224,603	120,750	9.9%	1,901,035	187,448	9.9%		1.5524
	2008	866.9	1,217,148	183,250	15.1%	1,765,851	265,861	15.1%		1.4508
	2009	854.8	1,173,530	421,309	35.9%	1,591,188	571,252	35.9%		1.3559
	2010	837.1	1,298,994	146,259	11.3%	1,646,078	185,338	11.3%		1.2672
	2011	808.6	1,536,473	1,805,208	117.5%	1,819,636	2,137,897	117.5%		1.1843
	2012	786.8	1,488,586	521,796	35.1%	1,647,592	577,532	35.1%		1.1068
	2013	774.5	1,474,117	858,763	58.3%	1,524,839	888,312	58.3%		1.0344
	2014	708.3	1,309,474	2,066,667	157.8%	1,265,916	1,997,923	157.8%	1.00	0.9667
Projected	2015	645.1	1,173,523	2,100,228	179.0%	1,060,269	1,897,539	179.0%	1.00	0.9035
Future	2016	580.4	1,043,322	2,100,988	201.4%	880,966	1,774,043	201.4%	1.00	0.8444
Experience	2017	518.3	917,072	2,054,955	224.1%	723,703	1,621,657	224.1%	1.00	0.7891
(50 years)	2018	459.1	798,642	1,977,089	247.6%	589,013	1,458,140	247.6%	1.00	0.7375
	2019	404.3	691,396	1,901,517	275.0%	476,559	1,310,658	275.0%	1.00	0.6893
	2020	354.3	594,897	1,830,112	307.6%	383,219	1,178,917	307.6%	1.00	0.6442
	2021	308.5	508,323	1,759,695	346.2%	306,028	1,059,398	346.2%	1.00	0.6020
	2022	267.1	431,260	1,678,101	389.1%	242,648	944,183	389.1%	1.00	0.5626
	2023	229.7	363,342	1,575,095	433.5%	191,060	828,249	433.5%	1.00	0.5258
	2024	196.3	303,978	1,462,804	481.2%	149,387	718,880	481.2%	1.00	0.4914
	2025	166.6	252,337	1,352,791	536.1%	115,896	621,323	536.1%	1.00	0.4593
	2026	140.3	207,641	1,262,211	607.9%	89,129	541,794	607.9%	1.00	0.4292
	2027	117.3	169,295	1,177,859	695.7%	67,915	472,512	695.7%	1.00	0.4012
	2028	97.3	136,987	1,065,306	777.7%	51,359	399,401	777.7%	1.00	0.3749
	2029	80.2	109,999	943,296	857.5%	38,543	330,521	857.5%	1.00	0.3504
	2030	65.5	87,523	825,787	943.5%	28,661	270,418	943.5%	1.00	0.3275
	2031	53.0	68,919	734,232	1065.4%	21,092	224,707	1065.4%	1.00	0.3060
	2032	42.6	53,783	667,375	1240.9%	15,383	190,884	1240.9%	1.00	0.2860
	2033	33.9	41,658	589,122	1414.2%	11,136	157,478	1414.2%	1.00	0.2673
	2034	26.8	32,009	503,285	1572.3%	7,996	125,732	1572.3%	1.00	0.2498
	2035	21.0	24,359	416,124	1708.3%	5,687	97,156	1708.3%	1.00	0.2335
	2036	16.3	18,287	350,406	1916.1%	3,990	76,460	1916.1%	1.00	0.2182
	2037	12.5	13,596	317,747	2337.0%	2,773	64,798	2337.0%	1.00	0.2039
	2038	9.5	10,078	293,931	2916.6%	1,921	56,020	2916.6%	1.00	0.1906
	2039	7.2	7,410	269,845	3641.8%	1,320	48,065	3641.8%	1.00	0.1781
	2040	5.4	5,379	242,534	4508.6%	895	40,374	4508.6%	1.00	0.1665
	2041	4.0	3,838	212,207	5529.4%	597	33,015	5529.4%	1.00	0.1556
	2042	2.9	2,711	185,006	6824.6%	394	26,900	6824.6%	1.00	0.1454
	2043	2.1	1,928	167,061	8664.5%	262	22,701	8664.5%	1.00	0.1359
	2044	1.5	1,360	148,853	10948.5%	173	18,904	10948.5%	1.00	0.1270
	2045	1.1	948	130,080	13720.8%	113	15,439	13720.8%	1.00	0.1187
	2046	0.8	646	108,385	16786.7%	72	12,023	16786.7%	1.00	0.1109
	2047	0.5	425	86,710	20384.5%	44	8,989	20384.5%	1.00	0.1037
	2048	0.4	291	75,251	25853.3%	28	7,291	25853.3%	1.00	0.0969
	2049	0.2	197	63,734	32361.5%	18	5,771	32361.5%	1.00	0.0905
	2050	0.2	131	52,005	39584.5%	11	4,401	39584.5%	1.00	0.0846
	2051	0.1	85	39,444	46460.9%	7	3,120	46460.9%	1.00	0.0791
	2052	0.1	51	20,698	40662.1%	4	1,530	40662.1%	1.00	0.0739
	2053	0.0	33	2,507	7539.3%	2	173	7539.3%	1.00	0.0691
	2054	0.0	21	2,074	9703.1%	1	134	9703.1%	1.00	0.0646
	2055	0.0	14	1,691	12500.1%	1	102	12500.1%	1.00	0.0603
	2056	0.0	8	1,166	14107.5%	0	66	14107.5%	1.00	0.0564
	2057	0.0	4	702	18655.2%	0	37	18655.2%	1.00	0.0527
	2058	0.0	2	566	24447.6%	0	28	24447.6%	1.00	0.0493
	2059	0.0	1	446	32038.3%	0	21	32038.3%	1.00	0.0460
	2060	0.0	1	344	41986.0%	0	15	41986.0%	1.00	0.0430
	2061	0.0	0	236	55022.4%	0	9	55022.4%	1.00	0.0402
	2062	0.0	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0.0	0	0	N/A	0	0	N/A	1.00	0.0351
	Past		16,370,887	5,257,629	32.1%	25,519,010	7,034,133	27.6%		
	Future		9,387,186	32,818,268	349.6%	6,734,190	18,667,900	277.2%		
	Lifetime		25,758,073	38,075,897	147.8%	32,253,200	25,702,033	79.7%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	1,311	0	0.0%	4,004	0	0.0%		3.0537
Historical	1998	3.4	7,596	0	0.0%	21,680	0	0.0%		2.8540
Experience	1999	11.0	19,610	0	0.0%	52,305	0	0.0%		2.6673
	2000	39.4	54,129	0	0.0%	134,931	0	0.0%		2.4928
	2001	166.8	256,411	575	0.2%	597,356	1,340	0.2%		2.3297
	2002	324.5	479,736	0	0.0%	1,044,519	0	0.0%		2.1773
	2003	361.8	509,072	270,600	53.2%	1,035,878	550,627	53.2%		2.0348
	2004	352.7	500,735	0	0.0%	952,256	0	0.0%		1.9017
	2005	340.5	474,188	129,850	27.4%	842,776	6	0.0%		1.7773
	2006	331.6	475,860	19,460	4.1%	790,419	32,324	4.1%		1.6610
	2007	323.6	462,291	120,750	26.1%	717,646	187,448	26.1%		1.5524
	2008	320.1	457,347	183,250	40.1%	663,524	265,861	40.1%		1.4508
	2009	316.0	443,023	336,460	75.9%	600,694	456,205	75.9%		1.3559
	2010	308.4	466,255	143,522	30.8%	590,836	181,870	30.8%		1.2672
	2011	295.1	537,654	551,236	102.5%	636,741	652,825	102.5%		1.1843
	2012	281.0	495,771	38,644	7.8%	548,728	42,772	7.8%		1.1068
	2013	273.8	488,064	428,982	87.9%	504,857	443,743	87.9%		1.0344
	2014	249.0	416,999	682,678	163.7%	403,128	659,970	163.7%	1.00	0.9667
Projected	2015	225.2	368,356	647,373	175.7%	332,806	584,896	175.7%	1.00	0.9035
Future	2016	200.0	321,443	601,991	187.3%	271,422	508,312	187.3%	1.00	0.8444
Experience	2017	175.9	275,827	546,017	198.0%	217,668	430,887	198.0%	1.00	0.7891
(50 years)	2018	153.4	234,115	488,130	208.5%	172,664	360,005	208.5%	1.00	0.7375
	2019	132.7	197,141	435,330	220.8%	135,883	300,060	220.8%	1.00	0.6893
	2020	114.0	164,546	386,933	235.2%	105,997	249,254	235.2%	1.00	0.6442
	2021	97.2	136,009	342,048	251.5%	81,882	205,925	251.5%	1.00	0.6020
	2022	82.2	111,335	298,359	268.0%	62,642	167,872	268.0%	1.00	0.5626
	2023	69.0	90,277	256,745	284.4%	47,472	135,007	284.4%	1.00	0.5258
	2024	57.4	72,530	218,996	301.9%	35,644	107,623	301.9%	1.00	0.4914
	2025	47.3	57,638	185,667	322.1%	26,473	85,275	322.1%	1.00	0.4593
	2026	38.6	45,270	157,209	347.3%	19,432	67,481	347.3%	1.00	0.4292
	2027	31.2	35,048	131,216	374.4%	14,060	52,639	374.4%	1.00	0.4012
	2028	25.0	26,949	107,322	398.2%	10,104	40,237	398.2%	1.00	0.3749
	2029	19.9	20,517	86,643	422.3%	7,189	30,359	422.3%	1.00	0.3504
	2030	15.6	15,429	69,576	451.0%	5,052	22,784	451.0%	1.00	0.3275
	2031	12.1	11,391	56,014	491.8%	3,486	17,143	491.8%	1.00	0.3060
	2032	9.3	8,349	45,160	540.9%	2,388	12,917	540.9%	1.00	0.2860
	2033	7.1	6,100	35,328	579.2%	1,631	9,444	579.2%	1.00	0.2673
	2034	5.4	4,416	26,607	602.5%	1,103	6,647	602.5%	1.00	0.2498
	2035	4.1	3,147	19,366	615.4%	735	4,521	615.4%	1.00	0.2335
	2036	3.0	2,193	14,264	650.4%	479	3,112	650.4%	1.00	0.2182
	2037	2.2	1,514	11,001	726.6%	309	2,243	726.6%	1.00	0.2039
	2038	1.6	1,059	8,652	817.1%	202	1,649	817.1%	1.00	0.1906
	2039	1.2	734	6,638	904.3%	131	1,182	904.3%	1.00	0.1781
	2040	0.8	495	4,924	995.8%	82	820	995.8%	1.00	0.1665
	2041	0.6	317	3,381	1066.1%	49	526	1066.1%	1.00	0.1556
	2042	0.4	207	2,414	1165.7%	30	351	1165.7%	1.00	0.1454
	2043	0.3	140	1,867	1337.2%	19	254	1337.2%	1.00	0.1359
	2044	0.2	93	1,410	1518.5%	12	179	1518.5%	1.00	0.1270
	2045	0.1	60	1,031	1707.9%	7	122	1707.9%	1.00	0.1187
	2046	0.1	38	710	1880.5%	4	79	1880.5%	1.00	0.1109
	2047	0.0	22	473	2114.5%	2	49	2114.5%	1.00	0.1037
	2048	0.0	14	347	2445.7%	1	34	2445.7%	1.00	0.0969
	2049	0.0	9	248	2802.4%	1	22	2802.4%	1.00	0.0905
	2050	0.0	5	161	3155.1%	0	14	3155.1%	1.00	0.0846
	2051	0.0	2	75	3417.6%	0	6	3417.6%	1.00	0.0791
	2052	0.0	1	37	3424.0%	0	3	3424.0%	1.00	0.0739
	2053	0.0	1	25	3834.9%	0	2	3834.9%	1.00	0.0691
	2054	0.0	0	16	4295.1%	0	1	4295.1%	1.00	0.0646
	2055	0.0	0	10	4810.5%	0	1	4810.5%	1.00	0.0603
	2056	0.0	0	6	5387.7%	0	0	5387.7%	1.00	0.0564
	2057	0.0	0	0	N/A	0	0	N/A	1.00	0.0527
	2058	0.0	0	0	N/A	0	0	N/A	1.00	0.0493
	2059	0.0	0	0	N/A	0	0	N/A	1.00	0.0460
	2060	0.0	0	0	N/A	0	0	N/A	1.00	0.0430
	2061	0.0	0	0	N/A	0	0	N/A	1.00	0.0402
	2062	0.0	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0.0	0	0	N/A	0	0	N/A	1.00	0.0351
	Past		6,129,054	2,223,328	36.3%	9,739,149	2,815,020	28.9%		
	Future		2,629,736	5,882,400	223.7%	1,960,189	4,069,906	207.6%		
	Lifetime		8,758,790	8,105,729	92.5%	11,699,339	6,884,926	58.8%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Original Pricing Assumptions for Projections (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A		3.0537
Historical	1998	4.3	8,587	0	0.0%	24,507	0	0.0%		2.8540
Experience	1999	13.3	16,446	0	0.0%	43,865	0	0.0%		2.6673
	2000	35.1	64,363	0	0.0%	160,442	0	0.0%		2.4928
	2001	170.5	304,163	0	0.0%	708,604	0	0.0%		2.3297
	2002	449.1	672,461	1,200	0.2%	1,464,132	2,613	0.2%		2.1773
	2003	585.7	802,220	31,599	3.9%	1,632,388	64,299	3.9%		2.0348
	2004	573.3	771,136	344,340	44.7%	1,466,482	654,837	44.7%		1.9017
	2005	561.1	767,477	127,478	16.6%	1,364,040	226,567	16.6%		1.7773
	2006	556.2	771,934	275,192	35.6%	1,282,208	457,103	35.6%		1.6610
	2007	553.3	762,312	0	0.0%	1,183,389	0	0.0%		1.5524
	2008	546.8	759,801	0	0.0%	1,102,327	0	0.0%		1.4508
	2009	538.8	730,507	84,849	11.6%	990,494	115,047	11.6%		1.3559
	2010	528.7	832,739	2,737	0.3%	1,055,242	3,468	0.3%		1.2672
	2011	513.5	998,819	1,253,973	125.5%	1,182,895	1,485,072	125.5%		1.1843
	2012	505.8	992,815	483,152	48.7%	1,098,864	534,761	48.7%		1.1068
	2013	500.8	986,053	429,781	43.6%	1,019,981	444,569	43.6%		1.0344
	2014	459.3	892,475	1,383,989	155.1%	862,788	1,337,953	155.1%	1.00	0.9667
Projected	2015	419.8	805,168	1,452,855	180.4%	727,463	1,312,643	180.4%	1.00	0.9035
Future	2016	380.4	721,879	1,498,997	207.7%	609,544	1,265,730	207.7%	1.00	0.8444
Experience	2017	342.4	641,245	1,508,938	235.3%	506,035	1,190,771	235.3%	1.00	0.7891
(50 years)	2018	305.7	564,527	1,488,959	263.8%	416,349	1,098,135	263.8%	1.00	0.7375
	2019	271.6	494,256	1,466,188	296.6%	340,676	1,010,599	296.6%	1.00	0.6893
	2020	240.2	430,350	1,443,179	335.3%	277,222	929,663	335.3%	1.00	0.6442
	2021	211.3	372,313	1,417,647	380.8%	224,146	853,473	380.8%	1.00	0.6020
	2022	184.8	319,925	1,379,742	431.3%	180,006	776,311	431.3%	1.00	0.5626
	2023	160.7	273,065	1,318,349	482.8%	143,588	693,242	482.8%	1.00	0.5258
	2024	138.9	231,448	1,243,808	537.4%	113,743	611,257	537.4%	1.00	0.4914
	2025	119.3	194,698	1,167,124	599.5%	89,423	536,048	599.5%	1.00	0.4593
	2026	101.7	162,371	1,105,001	680.5%	69,697	474,313	680.5%	1.00	0.4292
	2027	86.0	134,247	1,046,644	779.6%	53,855	419,873	779.6%	1.00	0.4012
	2028	72.3	110,038	957,984	870.6%	41,255	359,165	870.6%	1.00	0.3749
	2029	60.3	89,482	856,653	957.3%	31,354	300,163	957.3%	1.00	0.3504
	2030	49.9	72,094	756,210	1048.9%	23,608	247,634	1048.9%	1.00	0.3275
	2031	40.9	57,529	678,218	1178.9%	17,606	207,564	1178.9%	1.00	0.3060
	2032	33.2	45,435	622,215	1369.5%	12,995	177,967	1369.5%	1.00	0.2860
	2033	26.8	35,558	553,793	1557.4%	9,505	148,035	1557.4%	1.00	0.2673
	2034	21.4	27,593	476,678	1727.6%	6,893	119,085	1727.6%	1.00	0.2498
	2035	17.0	21,212	396,758	1870.4%	4,953	92,635	1870.4%	1.00	0.2335
	2036	13.3	16,094	336,142	2088.6%	3,512	73,348	2088.6%	1.00	0.2182
	2037	10.3	12,082	306,746	2538.8%	2,464	62,555	2538.8%	1.00	0.2039
	2038	7.9	9,019	285,279	3163.1%	1,719	54,371	3163.1%	1.00	0.1906
	2039	6.1	6,676	263,207	3942.8%	1,189	46,883	3942.8%	1.00	0.1781
	2040	4.6	4,885	237,610	4864.2%	813	39,554	4864.2%	1.00	0.1665
	2041	3.4	3,521	208,826	5931.5%	548	32,489	5931.5%	1.00	0.1556
	2042	2.5	2,504	182,593	7292.6%	364	26,549	7292.6%	1.00	0.1454
	2043	1.8	1,788	165,194	9236.5%	243	22,448	9236.5%	1.00	0.1359
	2044	1.3	1,267	147,443	11639.7%	161	18,725	11639.7%	1.00	0.1270
	2045	1.0	888	129,048	14538.0%	105	15,317	14538.0%	1.00	0.1187
	2046	0.7	608	107,675	17711.8%	67	11,944	17711.8%	1.00	0.1109
	2047	0.5	403	86,237	21398.2%	42	8,940	21398.2%	1.00	0.1037
	2048	0.3	277	74,904	27052.9%	27	7,257	27052.9%	1.00	0.0969
	2049	0.2	188	63,486	33750.9%	17	5,748	33750.9%	1.00	0.0905
	2050	0.2	126	51,843	41061.2%	11	4,387	41061.2%	1.00	0.0846
	2051	0.1	83	39,369	47600.2%	7	3,114	47600.2%	1.00	0.0791
	2052	0.1	50	20,661	41464.8%	4	1,527	41464.8%	1.00	0.0739
	2053	0.0	33	2,482	7612.1%	2	171	7612.1%	1.00	0.0691
	2054	0.0	21	2,058	9799.4%	1	133	9799.4%	1.00	0.0646
	2055	0.0	13	1,680	12623.7%	1	101	12623.7%	1.00	0.0603
	2056	0.0	8	1,160	14235.3%	0	65	14235.3%	1.00	0.0564
	2057	0.0	4	702	18655.2%	0	37	18655.2%	1.00	0.0527
	2058	0.0	2	566	24447.6%	0	28	24447.6%	1.00	0.0493
	2059	0.0	1	446	32038.3%	0	21	32038.3%	1.00	0.0460
	2060	0.0	1	344	41986.0%	0	15	41986.0%	1.00	0.0430
	2061	0.0	0	236	55022.4%	0	9	55022.4%	1.00	0.0402
	2062	0.0	0	0	N/A	0	0	N/A	1.00	0.0376
	2063	0.0	0	0	N/A	0	0	N/A	1.00	0.0351
	Past		10,241,833	3,034,301	29.6%	15,779,861	3,988,336	25.3%		
	Future		6,757,450	26,935,867	398.6%	4,774,001	14,597,994	305.8%		
	Lifetime		16,999,283	29,970,168	176.3%	20,553,862	18,586,330	90.4%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	2,622	0	0.0%	8,008	0	0.0%	2.00	3.0537
Historical	1998	7.7	41,297	0	0.0%	117,861	0	0.0%	2.55	2.8540
Experience	1999	24.3	89,215	0	0.0%	237,960	0	0.0%	2.47	2.6673
	2000	74.5	303,922	0	0.0%	757,606	0	0.0%	2.56	2.4928
	2001	337.3	1,437,477	575	0.0%	3,348,868	1,340	0.0%	2.56	2.3297
	2002	773.6	3,003,753	1,200	0.0%	6,540,000	2,613	0.0%	2.61	2.1773
	2003	947.4	3,456,893	302,199	8.7%	7,034,215	614,926	8.7%	2.64	2.0348
	2004	925.9	3,345,722	344,340	10.3%	6,362,617	654,837	10.3%	2.63	1.9017
	2005	901.6	3,281,504	257,328	7.8%	5,832,235	457,350	7.8%	2.64	1.7773
	2006	887.8	3,298,399	294,652	8.9%	5,478,750	489,427	8.9%	2.64	1.6610
	2007	876.9	3,242,012	120,750	3.7%	5,032,794	187,448	3.7%	2.65	1.5524
	2008	866.9	3,224,489	183,250	5.7%	4,678,123	265,861	5.7%	2.65	1.4508
	2009	854.8	3,106,789	421,309	13.6%	4,212,488	571,252	13.6%	2.65	1.3559
	2010	837.1	2,922,781	146,259	5.0%	3,703,731	185,338	5.0%	2.67	1.2672
	2011	808.6	2,569,824	1,805,208	70.2%	3,043,426	2,137,897	70.2%	2.68	1.1843
	2012	786.8	2,506,063	521,796	20.8%	2,773,752	577,532	20.8%	2.69	1.1068
	2013	774.5	2,483,581	858,763	34.6%	2,569,036	888,312	34.6%	2.70	1.0344
	2014	753.1	2,359,245	1,647,475	69.8%	2,280,768	1,592,675	69.8%	1.69	0.9667
Projected	2015	729.7	2,255,749	1,826,051	81.0%	2,038,051	1,649,823	81.0%	1.70	0.9035
Future	2016	700.2	2,145,282	1,980,852	92.3%	1,811,444	1,672,602	92.3%	1.70	0.8444
Experience	2017	669.8	2,027,270	2,162,299	106.7%	1,599,810	1,706,368	106.7%	1.71	0.7891
(50 years)	2018	638.5	1,908,635	2,353,548	123.3%	1,407,654	1,735,786	123.3%	1.71	0.7375
	2019	606.2	1,789,467	2,550,210	142.5%	1,233,425	1,757,783	142.5%	1.72	0.6893
	2020	573.3	1,670,106	2,787,919	166.9%	1,075,845	1,795,914	166.9%	1.72	0.6442
	2021	539.8	1,550,534	3,031,454	195.5%	933,475	1,825,041	195.5%	1.73	0.6020
	2022	505.8	1,431,574	3,266,124	228.1%	805,474	1,837,683	228.1%	1.74	0.5626
	2023	471.7	1,314,590	3,485,200	265.1%	691,265	1,832,660	265.1%	1.74	0.5258
	2024	437.6	1,200,433	3,670,660	305.8%	589,940	1,803,908	305.8%	1.75	0.4914
	2025	403.6	1,089,206	3,881,142	356.3%	500,261	1,782,568	356.3%	1.76	0.4593
	2026	370.0	980,870	4,115,856	419.6%	421,031	1,766,701	419.6%	1.76	0.4292
	2027	337.0	876,592	4,313,664	492.1%	351,655	1,730,475	492.1%	1.77	0.4012
	2028	305.0	777,494	4,439,734	571.0%	291,496	1,664,532	571.0%	1.78	0.3749
	2029	274.3	684,739	4,457,825	651.0%	239,926	1,561,976	651.0%	1.78	0.3504
	2030	244.8	598,345	4,445,084	742.9%	195,938	1,455,619	742.9%	1.79	0.3275
	2031	216.8	517,946	4,474,944	864.0%	158,514	1,369,530	864.0%	1.80	0.3060
	2032	190.4	444,168	4,478,160	1008.2%	127,042	1,280,854	1008.2%	1.80	0.2860
	2033	166.0	377,331	4,396,246	1165.1%	100,865	1,175,164	1165.1%	1.81	0.2673
	2034	143.7	318,036	4,185,912	1316.2%	79,453	1,045,738	1316.2%	1.81	0.2498
	2035	123.2	265,783	3,852,259	1449.4%	62,055	899,423	1449.4%	1.82	0.2335
	2036	104.7	219,870	3,610,073	1641.9%	47,977	787,737	1641.9%	1.83	0.2182
	2037	88.1	179,947	3,409,156	1894.5%	36,697	695,229	1894.5%	1.83	0.2039
	2038	73.5	145,786	3,140,639	2154.3%	27,785	598,571	2154.3%	1.83	0.1906
	2039	60.9	117,158	2,799,950	2389.9%	20,868	498,728	2389.9%	1.84	0.1781
	2040	49.9	93,391	2,368,385	2536.0%	15,547	394,259	2536.0%	1.84	0.1665
	2041	40.5	73,726	2,037,492	2763.6%	11,470	316,987	2763.6%	1.85	0.1556
	2042	32.5	57,555	1,801,303	3129.7%	8,368	261,908	3129.7%	1.85	0.1454
	2043	25.8	44,478	1,553,578	3492.9%	6,044	211,111	3492.9%	1.85	0.1359
	2044	20.3	34,119	1,301,039	3813.2%	4,333	165,228	3813.2%	1.86	0.1270
	2045	15.9	25,994	1,032,520	3972.1%	3,085	122,549	3972.1%	1.86	0.1187
	2046	12.3	19,641	821,464	4182.3%	2,179	91,120	4182.3%	1.86	0.1109
	2047	9.4	14,692	685,742	4667.4%	1,523	71,089	4667.4%	1.87	0.1037
	2048	7.1	10,883	561,463	5159.0%	1,054	54,398	5159.0%	1.87	0.0969
	2049	5.3	8,002	450,337	5627.8%	725	40,777	5627.8%	1.87	0.0905
	2050	4.0	5,836	341,576	5852.8%	494	28,905	5852.8%	1.87	0.0846
	2051	2.9	4,217	255,634	6062.3%	333	20,217	6062.3%	1.88	0.0791
	2052	2.1	3,011	200,935	6672.9%	223	14,852	6672.9%	1.88	0.0739
	2053	1.5	2,124	154,501	7275.3%	147	10,673	7275.3%	1.88	0.0691
	2054	1.1	1,482	115,950	7823.2%	96	7,486	7823.2%	1.88	0.0646
	2055	0.8	1,022	82,133	8037.3%	62	4,956	8037.3%	1.89	0.0603
	2056	0.5	695	56,556	8133.4%	39	3,189	8133.4%	1.89	0.0564
	2057	0.3	465	40,196	8637.9%	25	2,118	8637.9%	1.89	0.0527
	2058	0.2	306	28,036	9157.4%	15	1,381	9157.4%	1.89	0.0493
	2059	0.2	198	19,229	9722.7%	9	885	9722.7%	1.89	0.0460
	2060	0.1	125	13,020	10394.5%	5	560	10394.5%	1.89	0.0430
	2061	0.1	79	8,658	11016.5%	3	348	11016.5%	1.89	0.0402
	2062	0.0	48	5,637	11739.0%	2	212	11739.0%	1.89	0.0376
	2063	0.0	29	3,602	12446.9%	1	126	12446.9%	1.89	0.0351
	Past		38,316,343	5,257,629	13.7%	61,731,471	7,034,133	11.4%		
	Future		27,648,276	102,701,425	371.5%	17,184,496	39,348,423	229.0%		
	Lifetime		65,964,619	107,959,054	163.7%	78,915,967	46,382,556	58.8%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.3	2,622	0	0.0%	8,008	0	0.0%	2.00	3.0537
Historical	1998	3.4	15,193	0	0.0%	43,359	0	0.0%	2.00	2.8540
Experience	1999	11.0	39,220	0	0.0%	104,610	0	0.0%	2.00	2.6673
	2000	39.4	108,258	0	0.0%	269,862	0	0.0%	2.00	2.4928
	2001	166.8	512,821	575	0.1%	1,194,713	1,340	0.1%	2.00	2.3297
	2002	324.5	959,473	0	0.0%	2,089,037	0	0.0%	2.00	2.1773
	2003	361.8	1,018,143	270,600	26.6%	2,071,756	550,627	26.6%	2.00	2.0348
	2004	352.7	1,001,470	0	0.0%	1,904,512	0	0.0%	2.00	1.9017
	2005	340.5	948,375	129,850	13.7%	1,685,553	230,783	13.7%	2.00	1.7773
	2006	331.6	951,720	19,460	2.0%	1,580,838	32,324	2.0%	2.00	1.6610
	2007	323.6	924,582	120,750	13.1%	1,435,291	187,448	13.1%	2.00	1.5524
	2008	320.1	914,694	183,250	20.0%	1,327,048	265,861	20.0%	2.00	1.4508
	2009	316.0	886,046	336,460	38.0%	1,201,388	456,205	38.0%	2.00	1.3559
	2010	308.4	786,806	143,522	18.2%	997,036	181,870	18.2%	2.00	1.2672
	2011	295.1	672,068	551,236	82.0%	795,926	652,825	82.0%	2.00	1.1843
	2012	281.0	619,714	38,644	6.2%	685,910	42,772	6.2%	2.00	1.1068
	2013	273.8	610,080	428,982	70.3%	631,072	443,743	70.3%	2.00	1.0344
	2014	263.4	552,438	483,647	87.5%	534,062	467,559	87.5%	1.25	0.9667
Projected	2015	252.4	517,717	509,887	98.5%	467,753	460,679	98.5%	1.25	0.9035
Future	2016	238.1	480,544	524,223	109.1%	405,765	442,646	109.1%	1.25	0.8444
Experience	2017	223.8	441,154	542,572	123.0%	348,135	428,168	123.0%	1.25	0.7891
(50 years)	2018	209.6	402,593	556,550	138.2%	296,920	410,466	138.2%	1.25	0.7375
	2019	194.9	365,057	564,490	154.6%	251,623	389,086	154.6%	1.25	0.6893
	2020	180.4	328,608	571,576	173.9%	211,682	368,196	173.9%	1.25	0.6442
	2021	166.0	293,371	575,085	196.0%	176,620	346,221	196.0%	1.25	0.6020
	2022	151.7	259,760	573,841	220.9%	146,154	322,872	220.9%	1.25	0.5626
	2023	137.7	228,162	561,750	246.2%	119,977	295,391	246.2%	1.25	0.5258
	2024	124.1	198,843	538,404	270.8%	97,719	264,593	270.8%	1.25	0.4914
	2025	111.0	171,700	513,224	298.9%	78,860	235,718	298.9%	1.25	0.4593
	2026	98.4	146,720	491,973	335.3%	62,978	211,176	335.3%	1.25	0.4292
	2027	86.5	124,043	464,649	374.6%	49,761	186,399	374.6%	1.25	0.4012
	2028	75.5	103,837	427,096	411.3%	38,930	160,126	411.3%	1.25	0.3749
	2029	65.3	86,134	379,282	440.3%	30,180	132,897	440.3%	1.25	0.3504
	2030	55.9	70,741	333,122	470.9%	23,165	109,087	470.9%	1.25	0.3275
	2031	47.4	57,441	297,342	517.7%	17,579	91,000	517.7%	1.25	0.3060
	2032	39.9	46,089	263,753	572.3%	13,182	75,439	572.3%	1.25	0.2860
	2033	33.2	36,616	228,117	623.0%	9,788	60,978	623.0%	1.25	0.2673
	2034	27.4	28,839	190,870	661.8%	7,205	47,684	661.8%	1.25	0.2498
	2035	22.4	22,494	155,356	690.7%	5,252	36,272	690.7%	1.25	0.2335
	2036	18.1	17,358	130,699	752.9%	3,788	28,519	752.9%	1.25	0.2182
	2037	14.5	13,248	110,449	833.7%	2,702	22,524	833.7%	1.25	0.2039
	2038	11.5	10,012	90,897	907.9%	1,908	17,324	907.9%	1.25	0.1906
	2039	9.1	7,509	71,609	953.7%	1,337	12,755	953.7%	1.25	0.1781
	2040	7.1	5,585	54,051	967.9%	930	8,998	967.9%	1.25	0.1665
	2041	5.4	4,109	42,664	1038.3%	639	6,638	1038.3%	1.25	0.1556
	2042	4.1	2,989	33,403	1117.4%	435	4,857	1117.4%	1.25	0.1454
	2043	3.1	2,154	25,307	1175.1%	293	3,439	1175.1%	1.25	0.1359
	2044	2.3	1,537	18,316	1191.6%	195	2,326	1191.6%	1.25	0.1270
	2045	1.7	1,086	12,510	1151.9%	129	1,485	1151.9%	1.25	0.1187
	2046	1.2	758	8,864	1168.7%	84	983	1168.7%	1.25	0.1109
	2047	0.8	523	6,308	1207.2%	54	654	1207.2%	1.25	0.1037
	2048	0.6	354	4,366	1231.8%	34	423	1231.8%	1.25	0.0969
	2049	0.4	237	2,969	1251.5%	21	269	1251.5%	1.25	0.0905
	2050	0.3	157	1,911	1221.0%	13	162	1221.0%	1.25	0.0846
	2051	0.2	101	1,231	1214.6%	8	97	1214.6%	1.25	0.0791
	2052	0.1	65	790	1223.6%	5	58	1223.6%	1.25	0.0739
	2053	0.1	40	499	1235.0%	3	34	1235.0%	1.25	0.0691
	2054	0.0	25	310	1245.1%	2	20	1245.1%	1.25	0.0646
	2055	0.0	15	190	1261.5%	1	11	1261.5%	1.25	0.0603
	2056	0.0	9	114	1277.0%	1	6	1277.0%	1.25	0.0564
	2057	0.0	5	68	1295.1%	0	4	1295.1%	1.25	0.0527
	2058	0.0	3	39	1283.6%	0	2	1283.6%	1.25	0.0493
	2059	0.0	2	23	1295.0%	0	1	1295.0%	1.25	0.0460
	2060	0.0	1	13	1366.4%	0	1	1366.4%	1.25	0.0430
	2061	0.0	1	7	1332.1%	0	0	1332.1%	1.25	0.0402
	2062	0.0	0	4	1432.7%	0	0	1432.7%	1.25	0.0376
	2063	0.0	0	2	1262.9%	0	0	1262.9%	1.25	0.0351
	Past		10,971,285	2,223,328	20.3%	18,025,918	3,045,797	16.9%		
	Future		5,030,783	10,364,421	206.0%	3,405,872	5,654,242	166.0%		
	Lifetime		16,002,068	12,587,749	78.7%	21,431,789	8,700,040	40.6%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections Requested Rates Implemented from Issue (Lifetime Only, Pre-Rate Stability)
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA, and Riders

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	7.0% Discount Factor
	1997	0.0	0	0	N/A	0	0	N/A	3.04	3.0537
Historical	1998	4.3	26,105	0	0.0%	74,502	0	0.0%	3.04	2.8540
Experience	1999	13.3	49,995	0	0.0%	133,351	0	0.0%	3.04	2.6673
	2000	35.1	195,664	0	0.0%	487,744	0	0.0%	3.04	2.4928
	2001	170.5	924,655	0	0.0%	2,154,156	0	0.0%	3.04	2.3297
	2002	449.1	2,044,280	1,200	0.1%	4,450,962	2,613	0.1%	3.04	2.1773
	2003	585.7	2,438,750	31,599	1.3%	4,962,459	64,299	1.3%	3.04	2.0348
	2004	573.3	2,344,252	344,340	14.7%	4,458,104	654,837	14.7%	3.04	1.9017
	2005	561.1	2,333,129	127,478	5.5%	4,146,683	226,567	5.5%	3.04	1.7773
	2006	556.2	2,346,679	275,192	11.7%	3,897,912	457,103	11.7%	3.04	1.6610
	2007	553.3	2,317,430	0	0.0%	3,597,502	0	0.0%	3.04	1.5524
	2008	546.8	2,309,795	0	0.0%	3,351,075	0	0.0%	3.04	1.4508
	2009	538.8	2,220,743	84,849	3.8%	3,011,101	115,047	3.8%	3.04	1.3559
	2010	528.7	2,135,975	2,737	0.1%	2,706,695	3,468	0.1%	3.04	1.2672
	2011	513.5	1,897,756	1,253,973	66.1%	2,247,500	1,485,072	66.1%	3.04	1.1843
	2012	505.8	1,886,349	483,152	25.6%	2,087,842	534,761	25.6%	3.04	1.1068
	2013	500.8	1,873,501	429,781	22.9%	1,937,964	444,569	22.9%	3.04	1.0344
	2014	489.6	1,806,807	1,163,829	64.4%	1,746,707	1,125,116	64.4%	1.90	0.9667
Projected	2015	477.3	1,738,032	1,316,164	75.7%	1,570,298	1,189,144	75.7%	1.90	0.9035
Future	2016	462.1	1,664,738	1,456,629	87.5%	1,405,680	1,229,956	87.5%	1.90	0.8444
Experience	2017	446.0	1,586,116	1,619,728	102.1%	1,251,675	1,278,200	102.1%	1.90	0.7891
(50 years)	2018	429.0	1,506,042	1,796,998	119.3%	1,110,734	1,325,320	119.3%	1.90	0.7375
	2019	411.3	1,424,410	1,985,720	139.4%	981,803	1,368,697	139.4%	1.90	0.6893
	2020	392.9	1,341,498	2,216,343	165.2%	864,163	1,427,718	165.2%	1.90	0.6442
	2021	373.8	1,257,162	2,456,369	195.4%	756,856	1,478,820	195.4%	1.90	0.6020
	2022	354.1	1,171,813	2,692,282	229.8%	659,320	1,514,811	229.8%	1.90	0.5626
	2023	334.0	1,086,428	2,923,451	269.1%	571,288	1,537,269	269.1%	1.90	0.5258
	2024	313.5	1,001,590	3,132,256	312.7%	492,221	1,539,315	312.7%	1.90	0.4914
	2025	292.7	917,507	3,367,918	367.1%	421,401	1,546,850	367.1%	1.90	0.4593
	2026	271.6	834,150	3,623,883	434.4%	358,053	1,555,525	434.4%	1.90	0.4292
	2027	250.5	752,550	3,849,015	511.5%	301,894	1,544,076	511.5%	1.90	0.4012
	2028	229.5	673,657	4,012,638	595.7%	252,566	1,504,407	595.7%	1.90	0.3749
	2029	209.0	598,605	4,078,542	681.3%	209,745	1,429,080	681.3%	1.90	0.3504
	2030	188.9	527,604	4,111,962	779.4%	172,773	1,346,532	779.4%	1.90	0.3275
	2031	169.4	460,506	4,177,602	907.2%	140,935	1,278,530	907.2%	1.90	0.3060
	2032	150.5	398,079	4,214,407	1058.7%	113,859	1,205,415	1058.7%	1.90	0.2860
	2033	132.8	340,715	4,168,129	1223.3%	91,077	1,114,185	1223.3%	1.90	0.2673
	2034	116.2	289,196	3,995,042	1381.4%	72,248	998,054	1381.4%	1.90	0.2498
	2035	100.8	243,289	3,696,903	1519.6%	56,803	863,151	1519.6%	1.90	0.2335
	2036	86.6	202,512	3,479,374	1718.1%	44,189	759,217	1718.1%	1.90	0.2182
	2037	73.6	166,699	3,298,708	1978.8%	33,995	672,706	1978.8%	1.90	0.2039
	2038	62.0	135,774	3,049,742	2246.2%	25,877	581,247	2246.2%	1.90	0.1906
	2039	51.8	109,650	2,728,341	2488.2%	19,531	485,973	2488.2%	1.90	0.1781
	2040	42.8	87,807	2,314,333	2635.7%	14,617	385,262	2635.7%	1.90	0.1665
	2041	35.0	69,617	1,994,828	2865.4%	10,831	310,350	2865.4%	1.90	0.1556
	2042	28.3	54,565	1,767,900	3240.0%	7,934	257,051	3240.0%	1.90	0.1454
	2043	22.7	42,324	1,528,272	3610.8%	5,751	207,673	3610.8%	1.90	0.1359
	2044	18.0	32,582	1,282,723	3936.9%	4,138	162,902	3936.9%	1.90	0.1270
	2045	14.2	24,908	1,020,010	4095.1%	2,956	121,064	4095.1%	1.90	0.1187
	2046	11.1	18,883	812,600	4303.4%	2,095	90,137	4303.4%	1.90	0.1109
	2047	8.5	14,170	679,435	4795.0%	1,469	70,435	4795.0%	1.90	0.1037
	2048	6.5	10,529	557,097	5291.2%	1,020	53,975	5291.2%	1.90	0.0969
	2049	4.9	7,765	447,368	5761.5%	703	40,508	5761.5%	1.90	0.0905
	2050	3.7	5,680	339,664	5980.5%	481	28,744	5980.5%	1.90	0.0846
	2051	2.7	4,115	254,403	6181.7%	325	20,120	6181.7%	1.90	0.0791
	2052	2.0	2,947	200,146	6792.2%	218	14,793	6792.2%	1.90	0.0739
	2053	1.4	2,083	154,002	7392.4%	144	10,638	7392.4%	1.90	0.0691
	2054	1.0	1,457	115,640	7935.5%	94	7,466	7935.5%	1.90	0.0646
	2055	0.7	1,007	81,943	8138.6%	61	4,944	8138.6%	1.90	0.0603
	2056	0.5	686	56,442	8223.0%	39	3,183	8223.0%	1.90	0.0564
	2057	0.3	460	40,129	8721.3%	24	2,115	8721.3%	1.90	0.0527
	2058	0.2	303	27,996	9237.0%	15	1,379	9237.0%	1.90	0.0493
	2059	0.1	196	19,207	9797.4%	9	884	9797.4%	1.90	0.0460
	2060	0.1	124	13,007	10462.6%	5	560	10462.6%	1.90	0.0430
	2061	0.1	78	8,651	11083.2%	3	348	11083.2%	1.90	0.0402
	2062	0.0	48	5,633	11798.4%	2	212	11798.4%	1.90	0.0376
	2063	0.0	29	3,600	12514.9%	1	126	12514.9%	1.90	0.0351
	Past		27,345,058	3,034,301	11.1%	43,705,553	3,988,336	9.1%		
	Future		22,617,493	92,337,004	408.3%	13,778,625	33,694,181	244.5%		
	Lifetime		49,962,550	95,371,305	190.9%	57,484,178	37,682,516	65.6%		

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE		PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$ 53.41	
HOME HEALTH CARE				$15.20
INFLATION				$45.35

A 10% Spousal discount has been applied to this policy's premium.

TOTAL FOR PREMIUM INTERVAL SELECTED $113.97

POLICY NUMBER:
DATE OF POLICY: 06/01/2002

INSURED:

AGE AT ISSUE: 46
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Monthly
$113.97

DIRECT BILLING METHOD:

ANNUAL*	$1,238.77
SEMI-ANNUAL*	$631.77
QUARTERLY*	$322.07
MONTHLY*	$113.97
EFT*	$106.53

SPECIAL BILLING METHOD:
:MONTHLY*

PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*

MONTHLY, PAID
WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
K000017044

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$120	LIFE
HOSPICE	$120	LIFE
ADULT DAY CARE	$120	LIFE
HOME HEALTH CARE	$120	1,460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$120	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS POLICY MAY HAVE BEEN ENDORSED AND SOME OF THE PROVISIONS CHANGED. YOUR ATTENTION IS CALLED TO ENDORSEMENTS THAT MAY HAVE BEEN ATTACHED TO THIS POLICY.
THIS SCHEDULE PAGE IS EFFECTIVE September 28, 2015, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Benefit Period Change Request

Insured Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Name]

Dear [Insured Name]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to change the policy benefit period from a lifetime benefit period to a four (4) year benefit period. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Daily Benefit Change Request with Premium Refund

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Name]

Dear [Policyholder]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to change the policy Daily Benefit from $XXX.XX to $XX.XX. Enclosed is check in the amount of $XX.XX representing the premium difference for the decrease in the Daily Benefit amount. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Contingent Benefit Upon Lapse Notification Post Rate Increase

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX}
Non-Forfeiture Notification
Insured: [Name]

Dear [Policyholder Name]:

Recently we contacted you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. We had determined there was a need to increase premium levels to reflect the future claims expected on these policies. However, in accordance with the options provided to you with the increased premium announcement, your policy remains in effect at the Contingent Benefit Upon Lapse option level.

Your policy has not been cancelled but has been converted to a paid-up long term care insurance policy as of [Date].

Your Reduced Lifetime Benefit Maximum is equal to $XXX.XX as provided by the Contingent Benefit Upon Lapse Calculation option. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Reduce Inflation Protection Benefit Reduction Notification Post Rate Increase

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Name]

Dear [Policyholder]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to reduce your Inflation Protection Benefit Rider annual rate to 0%. Your daily benefit amount will remain $XXX.XX for Nursing Home and $XXX.XX for Home Health Care. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Quote Letter / Premium Reduction Options
(No Inflation Protection Reduction Option)

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy XXXXXXXXXX
Insured: [Name]

Dear [Policyholder]:

In response to your recent request, please review the attached Long Term Care Policy Change Request listing the available options to reduce your premium for your Long term Care policy. Following your review of these available options please indicate your selection by placing a mark in the box provided, sign and date the Change Request, and return within 31 days from the date of this letter to our office address, P.O. Box 12830, Pensacola, FL 32591.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning the available premium reduction options, or other questions concerning your Long Term Care policy please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Long Term Care Policy Change Request

Name of Insured	Policy Number

☐ **Option 1:** Keep current Policy and benefit levels and pay the increased premium amount
Annual Premium is $

☐ **Option 2**: Convert Policy to Reduced Paid Up Long Term Care Insurance
The reduced dollar maximum limit of Benefits is equal to $
Policy is paid-up, no future premiums is due as of the date of the premium increase

When Option 2 is selected the following Policy Benefits and Riders that may be attached to your Policy are terminated or no longer available: Benefit Rebuilder; Any Survivorship Riders; Joint Waiver of Premium Rider; Inflation Protection Rider; Guaranteed Purchase Offer Rider; and Return of Premium Rider.

☐ **Option 3**: Decrease Policy Benefits
Decrease Nursing Home Daily Benefit Amount from $ to $
Decrease Home Health Care Daily Benefit Amount from $ to $
Annual Premium is approximately $

☐ **Option 4**: Reduce the Policy Benefit Period for Nursing Home Benefit, and Home Health Care Benefit
Reduce Nursing Home Benefit Period from X to X years
Reduce Home Health Care Benefit Period from X to X years
Annual Premium is approximately $

☐ **Option 5**: Increase the Elimination Period
Increase Elimination Period from days to days
Annual Premium is approximately $

I understand the changes requested above. The information given is complete to the best of my knowledge. I agree that any change will become effective on the date determined by Kanawha Insurance Company following its receipt and approval of this request.

_____

Signature of Insured Date

Please see our responses to the 9/14/2015 objection letter embedded in the document below each comment or objection.

Objection Letter Status: Info has been requested from company

Objection Letter Date:09/14/2015

Respond By Date:

Submitted Date:09/14/2015 12:57 PM
Dear Andrew Besendorf,

Introduction: The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may

be given, this new information presents the following concerns and /or questions:
Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments:
1. Please confirm that for nationwide projections, the earned premiums were adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia (i.e., that any difference between the 2010 rate increase in Virginia vs. the average nationwide is reflected.)

Response: We apologize; the nationwide projections sent prior to this response did not reflect premiums paid as if issued in Virginia. The nationwide exhibits included in this response are on a Virginia rate basis. The increase in premiums was just 1% in total as several other states had approved increases earlier than VA which helped to offset the VA increase overall. This update results in a total change in the lifetime loss ratio of only 3.3% for no discount, 1% discounted using 4.5%, and a change of 2% discounted using 7.0%.

All Exhibit I's sent in response to the 5/28 questions used a 1/1/2003 pre/post cutoff date with projected values. This was corrected to 10/1/2003 in this response. This issue was not inherent in prior work. Fortunately, this issue resulted in no material impact to projected values or loss ratios for LTC 2.

2. We need to clarify one of the requests from our previous objection. For the projections provided in the files "ExhibitI_LTC2_NW_OriginalPrem_7.0%.pdf" and "ExhibitI_LTC2_VA_OriginalPrem_7.0%.pdf", our intention was that the historical information would match the actual experience and the projected future premium and claims would be based on the inforce policies on the projection date (12/31/2013) using the original premium rate scale and original assumptions. Please revise those particular exhibits and resubmit.

Response: The files have been revised to have the historical information match the actual experience and original assumptions are used with the 12/31/2013 valuation date. The filenames have been changed to "ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%" and "ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%".

Using actual historical experience and updating projections for lapses, mortality and claims morbidity assumptions used at original pricing increased the total discounted lifetime premiums over twofold and claims over threefold, with loss ratios increasing 36% for nationwide and 27% for Virginia only. This is due to the impact of the historical data which has worse experience than assumed at original pricing.

Comparing "ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%" and "ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%" to the current projections discounted at 7.0%, loss ratios drop 44% and 52% respectively.

3. For the projections provided in the files “ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%.pdf” and “ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%.pdf”, we would expect that the projected premiums in years after full implementation of the requested increase (2016 and beyond) would match the premiums assuming the requested rate increase is implemented. Please revise as appropriate and resubmit.

Response: We have revised the exhibit to reflect the assumptions above. The premiums in years 2016+ now match the premiums assuming the requested rate increase is implemented. This update increases the total lifetime discounted loss ratio by 5% for nationwide and by 7% for Virginia only, due to the lower levels of premiums in projections.

Note, as before, please observe the following:
a. Projections should be provided on both Virginia-only and nationwide basis.
b. Projections should not include any paid-up policies.
c. For each nationwide projection, the earned premiums should be adjusted so that they reflect the premium that would have been paid if all policies had been issued in Virginia.

Response: Please see the following listing of nationwide and Virginia only exhibits included in our response.

Nationwide Exhibit Listing:

Number	Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate	Policy Reserves	Filename:
1	Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_7.0%
2	Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_7.0%
3	Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_7.0%
4	Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_7.0%
5	Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%	87,683,721	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%
6	Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%	242,845,076	ExhibitI_LTC2_NW_RequestedRatesImplemented_7.0%
7	Pre-Stability	Lifetime	No inflation	Original	Original	7.0%	87,683,721	ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%
8	Pre-Stability	Lifetime	5% Compound	Original	Origianl	7.0%	242,845,076	ExhibitI_LTC2_NW_ProjectedOrigAssump_7.0%
9	Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate	87,683,721	ExhibitI_LTC2_NW
10	Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate	242,845,076	ExhibitI_LTC2_NW
11	Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate	87,683,721	ExhibitI_LTC2_NW
12	Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate	242,845,076	ExhibitI_LTC2_NW

Virginia Only Experience Exhibits

Number	Pre/Post	Pay Type	Inflation Option	Premiums	Assumptions	Interest Rate	Policy Reserves	Filename:
1	Pre-Stability	Lifetime	No inflation	No Increase	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_7.0%
2	Pre-Stability	Lifetime	5% Compound	No Increase	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_7.0%
3	Pre-Stability	Lifetime	No inflation	Requested	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_7.0%
4	Pre-Stability	Lifetime	5% Compound	Requested	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_7.0%
5	Pre-Stability	Lifetime	No inflation	Requested rates from inception	Current	7.0%	2,578,184	ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%
6	Pre-Stability	Lifetime	5% Compound	Requested rates from inception	Current	7.0%	13,783,349	ExhibitI_LTC2_VA_RequestedRatesImplemented_7.0%
7	Pre-Stability	Lifetime	No inflation	Original	Original	7.0%	2,578,184	ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%
8	Pre-Stability	Lifetime	5% Compound	Original	Origianl	7.0%	13,783,349	ExhibitI_LTC2_VA_ProjectedOrigAssump_7.0%
9	Pre-Stability	Lifetime	No inflation	No Increase	Current	Avg val rate	2,578,184	ExhibitI_LTC2_VA
10	Pre-Stability	Lifetime	5% Compound	No Increase	Current	Avg val rate	13,783,349	ExhibitI_LTC2_VA
11	Pre-Stability	Lifetime	No inflation	Requested	Current	Avg val rate	2,578,184	ExhibitI_LTC2_VA
12	Pre-Stability	Lifetime	5% Compound	Requested	Current	Avg val rate	13,783,349	ExhibitI_LTC2_VA

Objection 2

- 17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - No inflation (Form)
- 17452C 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - Compound Inflation (Form)
- 17452C 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - Compound Inflation (Form)

Comments:
1. Since the letters must now be filed in accordance with 14 VAC5-200-75 D, please include a form number in the lower left-hand corner of the first page of each letter for compliance with 14VAC5-100-50 1.

Response: The letters now have a separate set of form numbers and these are listed on the lower left-hand corner of the letters.

2. There are three endorsement forms attached to the letters: 17452N, 17452C, and 174532C. It is our assumption the endorsements, and not the letters which relate to a specific rate increase, would be attached to the policy. As a result, please separate the endorsements from the letters and attach each to the Form Schedule for review and approval. The form number should be listed on the lower left hand corner of the form pursuant to 14VAC-100-50 1 and the complete form number should appear under the Form Number column under the Form Schedule in SERFF.

Response: We have separated the endorsements and the letters and have listed each in the form schedule in SERFF for approval.

The Letters are:
Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 1 Yr Increase 17452CL.pdf
Illustrative_Kanawha Rate Compound Inflation Letter VA LTC2 3 Yr Increase 17452CL.pdf
Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452NL.pdf
Illustrative_Kanawha Rate No Inflation Letter VA LTC2 3 Yr Increase 17452NL.pdf

The Endorsements are:
Endorsement_Rate Increase_No Inflation_ VA LTC2 17452N.pdf
Endorsement_Rate Increase_With Compound Inflation_ VA LTC2 17452C.pdf

3. The endorsements, as presented, provide the insured the options available to reduce the impact of the rate increase. The endorsement, itself, does not indicate what option the insured may have chosen. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract.

The company previously indicated the individual will be furnished a designation form to elect an option in lieu of the fully approved rate increase. Please provide us a copy of that form. Does that form become a part of the policy? If so, please provide the SERFF tracking number and approval date.

The company also indicated a final communication is generated indicating their option choice and and updated Schedule Page is included. The policyholder is advised to file these documents with their current policy. Please provide a copy of the communication and Schedule Page the insured would receive. Please provide the SERFF tracking number and approval date of the final communication that is attached to the policy.

Response: The initial communication is the rate increase policyholder letter with the endorsement of options available to the policyholder. The policyholder contacts customer service and requests information on the policyholder options. The customer service professional assists the policyholder in selecting the option which is a best fit their situation. The customer service area sends the policyholder a form to document the selection and communication. These documents look like:

PxQuote Ltr_Change Reqst_with InfReduction_lp_111615.pdf (for those policyholders with inflation) or PxQuote Ltr_Change Reqst_No InfReduction_lp_111615.pdf (for those policyholders without inflation).

Once customer service receives the signed form and selection of an option, a communication is sent which includes a new policy schedule page and a one page change request confirmation. The policy schedule page was already filed and approved with the state of VA at the time of the policy contract form filing. The policy schedule page is the document that the policyholder is instructed to keep with their current policy. Please see the following documents:

- Policy Schedule.pdf
- Plan Change_Benefit Period.pdf
- Plan Change_DailyBenefit_Px Refund.pdf
- Contingent Benefit Upon Lapse Notice_Post Rate Increase
- Plan Change_Reduce Inflation Protection Benefit.pdf

4. As a preliminary review of the Endorsement form which is currently a part of the letter, the following concerns should be addressed:

a. For compliance with 14VAC5-100-50 2, the full and proper corporate name of the insurer should prominently appear.
b. The name of the policyholder, policy number and effective date of change should be clearly indicated.
c. Please expand the first sentence on page 2 of the Endorsement to clearly identify this option as a Contingent Benefit Upon Lapse as opposed to the non-forfeiture option which an individual may have purchased.
Objection 3

- 17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - No inflation (Form)
- 17452C 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - Compound Inflation (Form)
- 17452C 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter and Endorsement - Compound Inflation (Form)

Comments:
In regards to the letters, the following concerns need to be addressed:

1. The second paragraph addresses the reason for the rate increase as actual experience being "materially different from our assumptions." To more clearly identify the driving factors pursuant to 14VAC5-200-75 D 3, the language should be expanded by adding language similar to the following:

"...since more policyholders are keeping than policies than projected, insureds are filing a higher number of claims than expected, and insureds are living longer than originally expected."

Response: Please see the second paragraph of the policyholder letter for the updated wording. We implemented in short sentences to retain a high Flesch score.

2. In the General Information section in SERFF, the company states the following:

"Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize

the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time."

Under the section entitled "Your New Premium" or "Your Premium" (depending upon the letter), would it not be beneficial for the company to include this information since this section is discussing the possibility of future rate increases? If experience comes in close to what the company is projecting based on the proposed rate increases, would the company not file for future rate increases?

Response: We agree. We've added this to the letter.

3. 14VAC5-200-75 D 2b requires a disclosure stating that all options may not be of equal value." The letter states "The value of the Option you choose can vary depending upon on your future use of policy benefits." Because this is a disclosure, it should be more prominent and clearly state all options are not of equal value.

Response: We've enhanced the prominence of this statement.

4. If the rate increase is implemented over three years, what letter will the company use for the policyholders whose policies doe not have the inflation rider? What does the company mean in its response" Given the size of the increase requested, we have included only a "one year" sample letter for policies without inflation riders" ?

Response: We've added a no inflation letter with the flexible three year wording. With any three year rate increase, there is a significant amount of administrative work to support the increases - generating letters, updating tables, phone volume, etc. If the compound inflation increase was 25%, 25%, & 21.6% over three years, it would make the administration of the no inflation increase immensely more simplistic if it were a one year increase of 25% (rather than say 10%, 7%, and 6.2%) since we requested 90% on compound inflation and 25% on policies without inflation. That said; we will be as flexible as necessary to secure an increase that is acceptable to the state.

Objection 4

- Response to 5/28/2015 Questions (Supporting Document)

Comments:
Please move the Readability Certification to a separate line in Supporting Documentation so that it may be easily located for future reference. Also, it appears the Readability Certification does not include the number of syllables as set forth in 14VAC5-110-60. Please revise accordingly.

Response: We've added the syllable count and put the certifications in a separate section in SERFF supporting document section.

Objection 5

- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider. (Rate)
- Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider. (Rate)

Comments:
According to the Rate/Rule Schedule, there should be rates for the following form numbers:

80650 1/97 VA, 80660 1/97 VA, 80680 1/97, 80710 1/97, 90170 1/97, 90175 1/97, 93000 1/97 AND 80880 NTQ 1/98 VA, 80710 1/97, 80900 NTQ 1/98, 93000 NTQ 1/98, 93072 NTQ 1/98, 93087 NTQ 1/98, 93102 NTQ 1/98.

Please confirm these form numbers match exactly the form number as approved.

Response: The policy form number "80660 1/97 VA" has been revised to "80660 1/97".
The policy form number "93000 NTQ 1/98" has been revised to "93000 1/97".

We believe the other form numbers are correct for the applicable base policies and riders.

There are no rate schedules attached for the second set of form numbers which should be added.

Response: We've provided a file for each policy form listed in the rate/rule schedule tab.

Please be sure it is clear what policies have the 90% rate increase, the 75% increase and 25% rate increase.

Response: No LTC 2 policies get a 75% increase due to the fact that no 75% increase was requested in the LTC 2 filing. In our LTC 3 filing, we do request a 75% increase on policies which have the simple inflation rider.

The 90% rate increase applies to policy forms with the compound inflation rider (80680 1/97 for tax qualified policies and 93072 NTQ 1/98 for non-tax qualified policies). The factors in the premium tables are adjusted higher to give this 90% increase.

The 25% rate increase applies to policy forms without an inflation rider (80650 1/97 VA for tax qualified policies and 80880 NTQ 1/98 VA for non-tax qualified policies). The base rates in the premium tables are increased by 25%.

If the rate increase will be implemented over three years, the company will need to attach rate schedules for each implementation period.

Response: We agree to promptly supply the tables for each implementation period if it is decided to go with an increase implemented over 3 years.

Conclusion: We shall be glad to reconsider this submission upon receipt of the information noted above.

Should you need clarification of any of the information contained in this letter, please contact the undersigned at 804-371-9390.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

Objection Letter Status: Info has been requested from company

Objection Letter Date: 09/14/2015

Respond By Date:

Submitted Date: 09/14/2015 01:27 PM
Dear Andrew Besendorf,
Introduction: The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Through an oversight on my part, the following should have been added to the objection letter sent earlier today:

For compliance with 14VAC5-200-75 D1, the letter should indicated the insured as a right to a revised premium or rate schedule upon request as noted in 14VAC5-200-75 A 4b.

Response: We believe the following paragraph in the rate increase letters satisfies this: “We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Please see the “Options Available to You” section of the Endorsement attached to this letter for these Options.”

It should also be made clear to the insured, changes in the benefits may be made at the insured's request at any time, not just at the time of a rate increase.

Response: Please see the line in the policyholder endorsement stating: “The Options Available to You are: available anytime while the Endorsement is in effect.”

I apologize for any inconvenience or confusion this may have caused.

Response: Janet, your analysis is certainly commendable and appreciated.

Conclusion: We shall be glad to reconsider this submission upon receipt of the information above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Quote Letter / Premium Reduction Options
(Includes Inflation Protection Reduction)

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy XXXXXXXXXX
Insured: [Name]

Dear [Policyholder]:

In response to your recent request, please review the attached Long Term Care Policy Change Request listing the available options to reduce your premium for your Long term Care policy. Following your review of these available options please indicate your selection by placing a mark in the box provided, sign and date the Change Request, and return within 31 days from the date of this letter to our office address, P.O. Box 12830, Pensacola, FL 32591.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning the available premium reduction options, or other questions concerning your Long Term Care policy please call our Customer Service team at 1-800-260-2162.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Long Term Care Policy Change Request

Name of Insured	Policy Number

☐ **Option 1:** Keep current Policy and benefit levels and pay the increased premium amount
Annual Premium is $

☐ **Option 2**: Convert Policy to Reduced Paid Up Long Term Care Insurance
The reduced dollar maximum limit of Benefits is equal to $
Policy is paid-up, no future premiums is due as of the date of the premium increase

When Option 2 is selected the following Policy Benefits and Riders that may be attached to your Policy are terminated or no longer available: Benefit Rebuilder; Any Survivorship Riders; Joint Waiver of Premium Rider; Inflation Protection Rider; Guaranteed Purchase Offer Rider; and Return of Premium Rider.

☐ **Option 3**: Reduce the Inflation Protection Benefit Rider annual rate to 0%.
Reduce Inflation Protection annual rate from 5% to 0%.
Annual Premium is approximately $

☐ **Option 4**: Decrease Policy Benefits
Decrease Nursing Home Daily Benefit Amount from $ to $
Decrease Home Health Care Daily Benefit Amount from $ to $
Annual Premium is approximately $

☐ **Option 5**: Reduce the Policy Benefit Period for Nursing Home Benefit, and Home Health Care Benefit
Reduce Nursing Home Benefit Period from X to X years
Reduce Home Health Care Benefit Period from X to X years
Annual Premium is approximately $

☐ **Option 6**: Increase the Elimination Period
Increase Elimination Period from days to days
Annual Premium is approximately $

I understand the changes requested above. The information given is complete to the best of my knowledge. I agree that any change will become effective on the date determined by Kanawha Insurance Company following its receipt and approval of this request.

_____

Signature of Insured Date

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

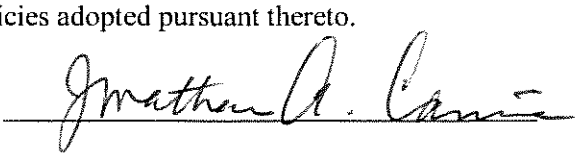
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452NL 1 Yr**

I hereby certify that the Flesch reading ease score of the above policy form is **44.3**. It contains **45** sentences, **980** words and **1,627** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
November 19, 2015

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452NL 3 Yr**

I hereby certify that the Flesch reading ease score of the above policy form is **45.7**. It contains **52** sentences, **1,134** words and **1,863** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
November 19, 2015

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

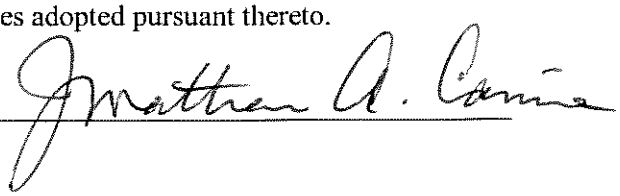
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452CL 1 Yr**

I hereby certify that the Flesch reading ease score of the above policy form is **44.2**. It contains **45** sentences, **980** words and **1,628** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
November 19, 2015

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

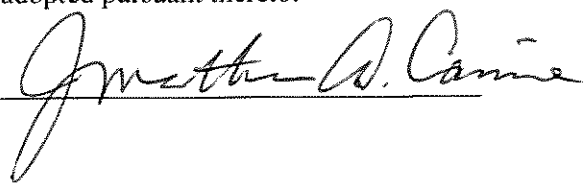
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452CL 3 Yr**

I hereby certify that the Flesch reading ease score of the above policy form is **45.6**. It contains **52** sentences, **1,134** words and **1,865** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

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Kanawha Insurance Company

14VAC5-110-60. Certification.

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To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

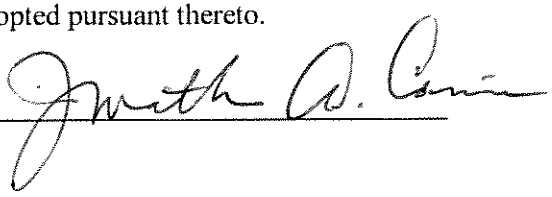
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452N**

I hereby certify that the Flesch reading ease score of the above policy form is **46.4**. It contains **15** sentences, **531** words and **781** syllables. The type size of the text of the policy forms is **11.5** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

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November 19, 2015

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

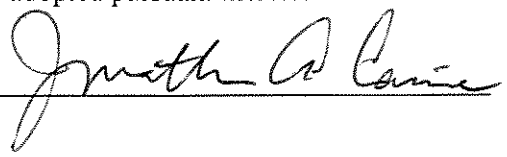
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452C**

I hereby certify that the Flesch reading ease score of the above policy form is **46.4**. It contains **15** sentences, **558** words and **809** syllables. The type size of the text of the policy forms is **11.5** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

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November 19, 2015

4Q 2014 / 2015 Rate Increase Filing Status

		Current Filing Status		Footnote	LTC2 Premium	LTC3 Premium	2003-2015 Rate Increases	
		LTC2	LTC3	1	Annualized Premium	Annualized Premium	LTC2 Rate Increase Cumulative Rate Increases	LTC3 Rate Increase Cumulative Rate Increases
AL	Alabama	To be filed 4Q 2015			41,679	22,616	21%	45%
AK	Alaska	To be filed 4Q 2015			-	-	0%	0%
AZ	Arizona	Pending Review			397,027	347,540	20%	15%
AR	Arkansas	To be filed 4Q 2015			102,491	26,683	10%	10%
CA	California	Pending Review			1,135,115	584,179	0%	0%
CO	Colorado	To be filed 4Q 2015			52,802	39,608	50%	25%
CT	Connecticut	To be filed 4Q 2015			56,002	14,159	25%	25%
DC	District of Columbia	No Px Paying Policies			-	-	0%	0%
DE	Delaware	To be filed 4Q 2015			20,521	6,448	32%	20%
FL	Florida	15%		2	9,045,531	2,111,502	68%	55%
GA	Georgia	Pending Review			773,190	291,059	49%	36%
HI	Hawaii	Pending Review			1,205,939	611,625	76%	67%
ID	Idaho	To be filed 4Q 2015			6,776	17,290	10%	10%
IL	Illinois	Pending Review			493,846	205,971	94%	65%
IN	Indiana	To be filed 4Q 2015			27,704	9,238	15%	15%
IA	Iowa	25% & 38.1%		3	464,489	485,067	139%	75%
KS	Kansas	To be filed 4Q 2015			201,013	153,648	27%	27%
KY	Kentucky	Pending Review			88,632	108,306	44%	50%
LA	Louisiana	Pending Review			218,921	100,903	43%	32%
ME	Maine	To be filed 4Q 2015			11,088	5,238	50%	25%
MD	Maryland	15%			308,060	76,992	32%	32%
MA	Massachusetts	To be filed 4Q 2015			62,210	23,144	25%	25%
MI	Michigan	25% & 89%	25%, 89%, & 75%	4 / 5	162,446	63,136	225%	155%
MN	Minnesota	Pending Review			695,654	633,083	60%	50%
MS	Mississippi	To be filed 4Q 2015			289,540	71,000	80%	40%
MO	Missouri	Pending Review			189,693	113,734	57%	37%
MT	Montana	To be filed 4Q 2015			6,431	21,577	20%	20%
NE	Nebraska	Pending Review			161,726	211,409	67%	52%
NV	Nevada	Pending Review			102,318	44,207	19%	0%
NH	New Hampshire	To be filed 4Q 2015			8,553	-	50%	25%
NJ	New Jersey	To be filed 4Q 2015			456,859	293,154	0%	0%
NM	New Mexico	To be filed 4Q 2015			33,544	52,786	20%	0%
NY	New York	To be filed 4Q 2015			410,917	184,315	68%	40%
NC	North Carolina	60%	30%	6	3,387,953	1,676,020	140%	63%
ND	North Dakota	To be filed 4Q 2015			69,860	65,396	53%	39%
OH	Ohio	Pending Review			245,826	127,887	102%	52%
OK	Oklahoma	Pending Review			267,069	209,243	60%	45%
OR	Oregon	To be filed 4Q 2015			9,469	27,051	20%	15%
PA	Pennsylvania	20%			1,078,017	236,165	116%	80%
RI	Rhode Island	To be filed 4Q 2015			16,180	4,574	20%	0%
SC	South Carolina	20% & 73%		7	2,317,905	924,010	189%	89%
SD	South Dakota	To be filed 4Q 2015			84,579	70,352	21%	10%
TN	Tennessee	25% & 75%		8	829,133	356,673	129%	84%
TX	Texas	9% & 32%	Pending	9	1,788,351	875,582	73%	50%
UT	Utah	To be filed 4Q 2015			20,839	19,333	0%	0%
VT	Vermont	To be filed 4Q 2015			5,595	2,401	25%	25%
VA	Virginia	Pending Review			1,443,869	1,193,865	60%	50%
WA	Washington	To be filed 4Q 2015			45,047	56,991	76%	25%
WV	West Virginia	To be filed 4Q 2015			27,685	13,711	45%	32%
WI	Wisconsin	Pending Review			259,801	131,820	44%	21%
WY	Wyoming	To be filed 4Q 2015			975	1,534	51%	38%
	Other				708	5,240		
TOTAL					**29,129,576**	**12,927,465**	**78%**	**50%**

Premium Filed & % Filed	
LTC2	LTC3
27,060,509	11,719,978
93%	91%

[1] IL and NC were filed requesting a flat 60% rate increase. All other states are (to be) filed requesting 25% no inflation, 75% simple inflation, 90% compound inflation.

[2] (FL) An increase of 20% for policies with issue ages up to 55, then linearly decreasing to 0% at 85, was approved. We calculate this to be an average increase of 15%.

[3] (IA) An increase of 38.1% (17.5% each year for 2 years) was approved for policies with inflation riders and 25% (17.5% for 1 yr; 6.4% for yr 2) for policies without inflation riders.

[4] (MI) LTC2 approved a 2-year multiple increase for policies with an inflation rider (40% in the 1st year; 35% in the 2nd year); Policies without inflation riders received a 25% 1 year increase.

[5] (MI) LTC3 approved a 2-year multiple increase for policies with an inflation rider (Compound inflation 40% in the 1st year and 35% in the 2nd year; simple inflation 40% in the 1st year and 25% in the 2nd year). Policies without inflation riders received a 25% 1 year increase.

[6] (NC) LTC2 is in the 1st year of a 3-year multiple increase. 30% this year followed by pre-approved 15% and 7% next two years.

[7] (SC) LTC 2 and 3 policies without inflation riders received a 20% increase. Policies with Inflation riders receive a 20% increase each year for three years.

[8] (TN) LTC2 and 3 approved a 2-year multiple increase for policies with an inflation rider (40% in the 1st year; 25% in the 2nd year); Policies without inflation riders received a 25% 1 year increase.

[9] (TX) LTC2 approved a 32% increase for policies with a compound inflation rider and a 9% increase for policies without inflation.

Reset Form

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

Company Name and NAIC Number:	Kanawha Insurance Company - 65110
SERFF Tracking Number:	HUMA-129780509
Effective Date:	7/1/2016

Revised Rates

Average Annual Premium Per Member:	1496
Average Requested Percentage Rate Change Per Member:	48.2%
Minimum Requested Percentage Rate Change Per Member:	20%
Maximum Requested Percentage Rate Change Per Member:	62.8%
Number of Policy Holders Affected :	685

Plans Affected
(The Form Number and "Product Name")

Form#	**"Product Name"(if applicable)**
80650 1/97 VA 80880 NTQ 1/98 VA	Comprehensive Long-Term Care (Tax Qualified) Comprehensive Long-Term Care (Non-Tax Qualified)

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

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.36	18.69	46.70	23.36	57.07	28.54	16-39
40-54	56.59	28.30	70.74	35.38	86.46	43.25	40-54
55-59	76.74	38.38	95.92	47.97	117.23	58.62	55-59
60	88.03	44.18	110.05	55.23	134.50	67.50	60
61	99.42	49.92	124.27	62.40	151.89	76.27	61
62	110.80	55.66	138.51	69.58	169.28	85.04	62
63	122.99	61.47	153.74	76.83	187.90	93.92	63
64	134.86	67.49	168.58	84.35	206.03	103.10	64
65	146.90	73.42	183.63	91.78	224.43	112.18	65
66	158.77	79.58	198.45	99.49	242.56	121.58	66
67	170.94	85.52	213.68	106.91	261.17	130.67	67
68	191.97	96.05	239.95	120.06	293.28	146.74	68
69	213.12	106.58	266.40	133.22	325.60	162.82	69
70	234.29	117.09	292.85	146.35	357.94	178.88	70
71	255.44	127.62	319.30	159.52	390.26	194.96	71
72	276.64	138.29	345.81	172.85	422.66	211.26	72
73	327.34	159.34	409.17	199.18	500.10	243.46	73
74	378.03	179.26	472.54	224.10	577.55	273.89	74
75	428.74	197.70	535.92	247.12	655.01	302.03	75
76	479.58	214.78	599.47	268.48	732.69	328.14	76
77	530.27	230.58	662.85	288.22	810.14	352.27	77
78	610.05	265.33	762.56	331.66	932.02	405.38	78
79	694.96	302.24	868.70	377.79	1,061.74	461.76	79
80	778.18	338.21	972.72	422.75	1,188.88	516.69	80
81	865.15	376.11	1,081.44	470.14	1,321.74	574.62	81
82	956.45	415.68	1,195.57	519.60	1,461.25	635.07	82
83	1,051.66	457.31	1,314.58	571.65	1,606.70	698.67	83
84	1,151.01	500.61	1,438.75	625.74	1,758.48	764.80	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	24.37	10.62	30.46	13.28	37.23	16.22	16-39
40-54	36.91	16.10	46.14	20.11	56.38	24.59	40-54
55-59	50.05	21.82	62.56	27.28	76.45	33.33	55-59
60	60.27	26.27	75.34	32.85	92.08	40.14	60
61	70.50	30.59	88.13	38.24	107.71	46.74	61
62	80.74	35.04	100.91	43.81	123.34	53.54	62
63	92.90	40.30	116.13	50.38	141.92	61.58	63
64	104.93	45.71	131.15	57.14	160.30	69.84	64
65	117.09	50.96	146.37	63.71	178.88	77.86	65
66	129.25	56.22	161.57	70.29	197.47	85.90	66
67	141.42	61.49	176.77	76.85	216.06	93.94	67
68	162.29	70.56	202.86	88.21	247.95	107.81	68
69	183.17	79.63	228.96	99.55	279.84	121.66	69
70	204.05	88.72	255.06	110.90	311.73	135.54	70
71	225.06	97.79	281.31	122.24	343.84	149.41	71
72	245.94	106.88	307.41	133.60	375.73	163.30	72
73	290.99	126.46	363.74	158.08	444.58	193.22	73
74	336.06	146.21	420.08	182.75	513.42	223.36	74
75	381.12	165.79	476.42	207.25	582.27	253.30	75
76	426.34	185.38	532.91	231.73	651.34	283.22	76
77	471.39	204.98	589.25	256.22	720.19	313.15	77
78	542.32	235.87	677.89	294.85	828.54	360.37	78
79	617.79	268.69	772.24	335.86	943.86	410.48	79
80	691.78	300.66	864.72	375.81	1,056.88	459.33	80
81	769.09	334.35	961.36	417.95	1,174.99	510.82	81
82	850.26	369.52	1,062.82	461.90	1,299.01	564.56	82
83	934.90	406.54	1,168.62	508.18	1,428.30	621.10	83
84	1,023.20	445.02	1,279.01	556.27	1,563.23	679.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.42	9.78	28.02	12.21	34.24	14.93	16-39
40-54	33.95	14.80	42.45	18.51	51.87	22.62	40-54
55-59	46.03	20.08	57.55	25.09	70.34	30.67	55-59
60	55.46	24.18	69.31	30.22	84.72	36.93	60
61	64.86	28.14	81.07	35.17	99.09	42.99	61
62	74.27	32.24	92.85	40.30	113.47	49.26	62
63	85.47	37.09	106.83	46.35	130.58	56.66	63
64	96.53	42.05	120.66	52.58	147.47	64.26	64
65	107.73	46.88	134.66	58.61	164.58	71.63	65
66	118.91	51.73	148.64	64.66	181.68	79.04	66
67	130.11	56.56	162.64	70.70	198.77	86.42	67
68	149.31	64.91	186.64	81.15	228.11	99.18	68
69	168.51	73.26	210.64	91.58	257.46	111.94	69
70	187.71	81.62	234.66	102.02	286.80	124.69	70
71	207.06	89.97	258.82	112.46	316.32	137.46	71
72	226.26	98.34	282.82	122.91	345.66	150.22	72
73	267.71	116.35	334.64	145.44	409.01	177.76	73
74	309.18	134.51	386.46	168.13	472.35	205.49	74
75	350.64	152.53	438.30	190.67	535.70	233.04	75
76	392.22	170.54	490.29	213.18	599.23	260.56	76
77	433.68	188.58	542.11	235.73	662.58	288.11	77
78	498.93	217.01	623.66	271.25	762.26	331.54	78
79	568.37	247.18	710.46	308.98	868.35	377.65	79
80	636.43	276.59	795.54	345.74	972.34	422.58	80
81	707.55	307.60	884.45	384.51	1,080.99	469.95	81
82	782.24	339.97	977.79	424.96	1,195.09	519.39	82
83	860.10	374.02	1,075.14	467.52	1,314.05	571.41	83
84	941.34	409.42	1,176.69	511.78	1,438.18	625.50	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	19.15	8.35	23.94	10.43	29.26	12.75	16-39
40-54	29.01	12.66	36.27	15.81	44.32	19.33	40-54
55-59	39.33	17.15	49.17	21.44	60.10	26.21	55-59
60	47.38	20.66	59.22	25.82	72.38	31.55	60
61	55.41	24.05	69.26	30.05	84.66	36.74	61
62	63.46	27.55	79.31	34.43	96.94	42.08	62
63	73.02	31.68	91.26	39.60	111.55	48.40	63
64	82.46	35.94	103.09	44.91	126.00	54.90	64
65	92.03	40.06	115.04	50.08	140.61	61.20	65
66	101.60	44.19	126.99	55.25	155.22	67.52	66
67	111.15	48.32	138.94	60.40	169.82	73.82	67
68	127.57	55.46	159.46	69.33	194.88	84.74	68
69	143.97	62.59	179.97	78.24	219.95	95.63	69
70	160.38	69.73	200.46	87.17	245.02	106.53	70
71	176.90	76.86	221.12	96.08	270.26	117.44	71
72	193.30	84.02	241.63	105.01	295.31	128.35	72
73	228.72	99.41	285.90	124.26	349.44	151.87	73
74	264.14	114.91	330.18	143.65	403.55	175.57	74
75	299.57	130.32	374.46	162.90	457.66	199.09	75
76	335.10	145.71	418.86	182.13	511.95	222.61	76
77	370.51	161.10	463.15	201.39	566.06	246.14	77
78	426.26	185.39	532.83	231.74	651.23	283.25	78
79	485.58	211.18	606.98	263.98	741.87	322.64	79
80	543.74	236.30	679.68	295.39	830.72	361.02	80
81	604.51	262.80	755.65	328.51	923.57	401.50	81
82	668.30	290.45	835.39	363.07	1,021.02	443.74	82
83	734.83	319.54	918.54	399.42	1,122.67	488.19	83
84	804.24	349.78	1,005.31	437.23	1,228.70	534.38	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	64.43	32.24	80.54	40.30	98.45	49.25	16-39
40-54	97.65	48.83	122.05	61.04	149.18	74.61	40-54
55-59	135.92	67.98	169.90	84.98	207.66	103.86	55-59
60	172.40	86.51	215.50	108.14	263.39	132.18	60
61	180.59	90.66	225.73	113.33	275.89	138.51	61
62	189.23	95.06	236.53	118.83	289.10	145.23	62
63	201.84	100.88	252.29	126.10	308.37	154.11	63
64	214.51	107.34	268.14	134.19	327.74	164.00	64
65	227.71	113.82	284.64	142.27	347.89	173.89	65
66	240.98	120.78	301.22	150.99	368.16	184.54	66
67	254.78	127.47	318.48	159.33	389.25	194.74	67
68	276.96	138.58	346.19	173.22	423.14	211.71	68
69	299.76	149.90	374.69	187.38	457.97	229.02	69
70	322.67	161.25	403.33	201.57	492.96	246.37	70
71	345.66	172.69	432.08	215.87	528.11	263.84	71
72	368.85	181.50	461.06	226.88	563.52	277.30	72
73	420.83	206.59	526.05	258.24	642.94	315.63	73
74	472.67	229.74	590.85	287.18	722.14	350.99	74
75	524.51	251.44	655.63	314.30	801.33	384.16	75
76	576.35	273.10	720.43	341.39	880.53	417.25	76
77	628.35	292.91	785.44	366.14	959.98	447.50	77
78	716.61	311.68	895.76	389.58	1,094.82	476.16	78
79	805.02	350.11	1,006.27	437.63	1,229.89	534.90	79
80	901.06	391.60	1,126.32	489.50	1,376.61	598.29	80
81	1,002.35	435.76	1,252.94	544.70	1,531.38	665.76	81
82	1,107.90	481.50	1,384.88	601.89	1,692.62	735.65	82
83	1,218.02	529.65	1,522.51	662.06	1,860.86	809.20	83
84	1,333.10	579.79	1,666.38	724.74	2,036.69	885.79	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.03	18.34	52.53	22.91	64.21	28.00	16-39
40-54	63.68	27.76	79.60	34.70	97.30	42.42	40-54
55-59	88.64	38.66	110.82	48.32	135.44	59.06	55-59
60	118.03	51.46	147.54	64.32	180.34	78.62	60
61	128.06	55.55	160.06	69.44	195.65	84.86	61
62	137.87	59.84	172.34	74.82	210.64	91.44	62
63	152.45	66.14	190.56	82.69	232.90	101.06	63
64	166.90	72.72	208.62	90.90	254.99	111.09	64
65	181.50	79.01	226.88	98.75	277.30	120.70	65
66	196.19	85.34	245.23	106.67	299.73	130.38	66
67	210.77	91.63	263.46	114.54	322.02	139.98	67
68	234.16	101.81	292.69	127.25	357.74	155.54	68
69	257.63	112.02	322.05	140.03	393.60	171.14	69
70	281.02	122.18	351.28	152.72	429.33	186.67	70
71	304.56	132.34	380.69	165.42	465.30	202.19	71
72	327.89	140.29	409.87	175.36	500.94	214.34	72
73	374.11	163.97	467.65	204.96	571.57	250.50	73
74	420.19	187.36	525.25	234.21	641.97	286.24	74
75	466.27	210.88	582.85	263.60	712.37	322.18	75
76	512.35	235.73	640.45	294.66	782.77	360.13	76
77	558.58	260.38	698.22	325.49	853.39	397.81	77
78	637.04	277.07	796.30	346.34	973.26	423.30	78
79	715.63	311.23	894.54	389.04	1,093.33	475.50	79
80	801.01	348.13	1,001.26	435.15	1,223.76	531.86	80
81	891.06	387.38	1,113.82	484.22	1,361.34	591.84	81
82	984.90	428.05	1,231.12	535.06	1,504.69	653.97	82
83	1,082.78	470.85	1,353.47	588.56	1,654.24	719.34	83
84	1,185.09	515.42	1,481.36	644.27	1,810.54	787.44	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	38.66	16.86	48.34	21.07	59.07	25.76	16-39
40-54	58.59	25.54	73.23	31.92	89.50	39.02	40-54
55-59	81.55	35.55	101.94	44.45	124.59	54.32	55-59
60	108.59	47.34	135.74	59.18	165.90	72.34	60
61	117.81	51.10	147.26	63.89	179.98	78.08	61
62	126.85	55.06	158.56	68.82	193.79	84.11	62
63	140.26	60.86	175.31	76.06	214.27	92.98	63
64	153.55	66.90	191.94	83.62	234.59	102.21	64
65	166.98	72.69	208.72	90.85	255.10	111.04	65
66	180.50	78.51	225.62	98.14	275.74	119.95	66
67	193.90	84.30	242.38	105.38	296.26	128.78	67
68	215.42	93.66	269.28	117.07	329.12	143.09	68
69	237.02	103.06	296.27	128.82	362.11	157.46	69
70	258.54	112.40	323.17	140.51	394.99	171.73	70
71	280.19	121.76	350.24	152.19	428.06	186.02	71
72	301.66	129.07	377.07	161.33	460.88	197.18	72
73	344.18	150.85	430.22	188.56	525.84	230.46	73
74	386.58	172.37	483.22	215.47	590.61	263.34	74
75	428.98	194.00	536.21	242.51	655.38	296.40	75
76	471.36	216.86	589.20	271.09	720.14	331.33	76
77	513.89	239.55	642.37	299.44	785.12	365.98	77
78	586.08	254.90	732.61	318.62	895.41	389.44	78
79	658.38	286.34	822.98	357.92	1,005.86	437.46	79
80	736.93	320.27	921.15	400.34	1,125.86	489.31	80
81	819.78	356.40	1,024.72	445.49	1,252.43	544.50	81
82	906.10	393.81	1,132.62	492.26	1,384.32	601.65	82
83	996.16	433.18	1,245.20	541.47	1,521.90	661.79	83
84	1,090.27	474.18	1,362.85	592.74	1,665.70	724.45	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.02	14.40	41.30	18.00	50.46	22.02	16-39
40-54	50.05	21.82	62.58	27.28	76.48	33.34	40-54
55-59	69.68	30.38	87.09	37.97	106.45	46.42	55-59
60	92.77	40.45	115.97	50.56	141.74	61.79	60
61	100.66	43.66	125.81	54.58	153.78	66.70	61
62	108.37	47.04	135.46	58.80	165.57	71.87	62
63	119.82	52.00	149.78	64.99	183.06	79.44	63
64	131.18	57.15	163.98	71.44	200.42	87.31	64
65	142.66	62.10	178.32	77.62	217.95	94.86	65
66	154.21	67.07	192.75	83.84	235.58	102.48	66
67	165.66	72.02	207.09	90.03	253.10	110.03	67
68	184.05	80.02	230.06	100.02	281.18	122.24	68
69	202.50	88.05	253.12	110.06	309.38	134.51	69
70	220.88	96.03	276.10	120.05	337.46	146.72	70
71	239.38	104.02	299.23	130.03	365.71	158.93	71
72	257.73	110.27	322.16	137.84	393.74	168.46	72
73	294.05	128.88	367.57	161.09	449.25	196.90	73
74	330.27	147.26	412.83	184.08	504.58	224.99	74
75	366.50	165.74	458.11	207.18	559.92	253.23	75
76	402.70	185.28	503.39	231.60	615.25	283.06	76
77	439.04	204.66	548.80	255.82	670.77	312.69	77
78	500.72	217.78	625.90	272.22	764.99	332.70	78
79	562.50	244.62	703.10	305.79	859.36	373.74	79
80	629.58	273.62	786.99	342.03	961.87	418.03	80
81	700.37	304.48	875.46	380.59	1,070.02	465.17	81
82	774.13	336.45	967.65	420.56	1,182.69	514.02	82
83	851.06	370.08	1,063.82	462.61	1,300.24	565.41	83
84	931.47	405.12	1,164.34	506.38	1,423.09	618.93	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.16	26.08	65.20	32.59	79.70	39.84	16-39
40-54	79.02	39.54	98.78	49.41	120.74	60.40	40-54
55	135.92	67.98	169.90	84.98	207.66	103.86	55
56	157.76	78.90	197.20	98.62	241.01	120.54	56
57-59	179.74	89.90	224.69	112.38	274.61	137.36	57-59
60	306.27	153.71	382.83	192.14	467.90	234.83	60
61	339.63	170.51	424.53	213.14	518.88	260.51	61
62	352.37	176.70	440.46	220.88	538.34	269.97	62
63	383.39	192.03	479.23	240.05	585.73	293.39	63
64	410.86	205.60	513.58	256.99	627.71	314.11	64
65	431.63	215.74	539.54	269.68	659.42	329.60	65
66	452.35	226.75	565.44	283.46	691.09	346.43	66
67	474.50	237.41	593.12	296.75	724.93	362.70	67
68	508.93	254.62	636.16	318.29	777.52	389.01	68
69	544.51	272.29	680.64	340.37	831.90	416.00	69
70	580.56	290.16	725.70	362.69	886.96	443.30	70
71	616.83	308.14	771.04	385.18	942.38	470.78	71
72	653.76	321.97	817.20	402.46	998.80	491.90	72
73	748.42	361.47	935.52	451.84	1,143.41	552.26	73
74	836.93	396.67	1,046.14	495.84	1,278.62	606.02	74
75	920.86	428.56	1,151.09	535.71	1,406.88	654.75	75
76	1,005.39	459.68	1,256.74	574.61	1,536.00	702.30	76
77	1,083.66	487.06	1,354.58	608.82	1,655.58	744.11	77
78	1,158.58	512.13	1,448.22	640.14	1,770.05	782.40	78
79	1,231.68	535.74	1,539.62	669.68	1,881.74	818.50	79
80	1,379.49	600.03	1,724.37	750.05	2,107.57	916.72	80
81	1,533.44	666.99	1,916.82	833.74	2,342.77	1,019.01	81
82	1,694.80	737.18	2,118.50	921.47	2,589.28	1,126.24	82
83	1,863.57	810.56	2,329.46	1,013.20	2,847.10	1,238.37	83
84	2,039.66	887.17	2,549.58	1,108.98	3,116.16	1,355.41	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	34.02	14.83	42.53	18.53	51.97	22.66	16-39
40-54	51.54	22.48	64.43	28.10	78.74	34.34	40-54
55	88.64	38.66	110.82	48.32	135.44	59.06	55
56	102.88	44.86	128.61	56.08	157.18	68.53	56
57-59	117.23	51.12	146.53	63.89	179.10	78.10	57-59
60	209.68	91.42	262.11	114.27	320.35	139.68	60
61	240.83	104.48	301.04	130.59	367.95	159.62	61
62	256.74	111.25	320.91	139.06	392.24	169.97	62
63	289.57	125.92	361.95	157.41	442.40	192.38	63
64	319.66	139.26	399.58	174.08	488.38	212.77	64
65	344.03	149.74	430.05	187.18	525.60	228.78	65
66	368.27	160.21	460.34	200.26	562.64	244.77	66
67	392.53	170.66	490.67	213.33	599.70	260.72	67
68	430.27	187.06	537.84	233.82	657.36	285.79	68
69	468.00	203.47	585.01	254.35	715.01	310.86	69
70	505.63	219.84	632.03	274.82	772.48	335.87	70
71	543.47	236.14	679.33	295.18	830.30	360.78	71
72	581.17	248.85	726.46	311.07	887.90	380.19	72
73	665.31	286.88	831.65	358.61	1,016.45	438.29	73
74	744.00	323.49	930.00	404.37	1,136.66	494.22	74
75	818.62	359.41	1,023.28	449.26	1,250.67	549.10	75
76	893.76	396.77	1,117.20	495.95	1,365.46	606.16	76
77	963.34	432.98	1,204.18	541.23	1,471.76	661.50	77
78	1,029.94	455.26	1,287.42	569.07	1,573.50	695.54	78
79	1,094.93	476.26	1,368.66	595.33	1,672.82	727.62	79
80	1,226.32	533.41	1,532.91	666.77	1,873.55	814.93	80
81	1,363.18	592.93	1,703.98	741.17	2,082.64	905.87	81
82	1,506.62	655.33	1,883.28	819.15	2,301.78	1,001.20	82
83	1,656.64	720.56	2,070.80	900.70	2,530.99	1,100.86	83
84	1,813.20	788.67	2,266.50	985.84	2,770.18	1,204.91	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	31.30	13.65	39.12	17.06	47.81	20.83	16-39
40-54	47.42	20.67	59.26	25.84	72.45	31.58	40-54
55	81.55	35.55	101.94	44.45	124.59	54.32	55
56	94.66	41.26	118.32	51.58	144.61	63.06	56
57-59	107.86	47.02	134.82	58.78	164.77	71.84	57-59
60	192.91	84.11	241.14	105.14	294.72	128.50	60
61	221.57	96.11	276.96	120.14	338.51	146.85	61
62	236.19	102.35	295.25	127.94	360.85	156.37	62
63	266.40	115.86	333.01	144.82	407.01	176.99	63
64	294.10	128.13	367.62	160.16	449.31	195.74	64
65	316.51	137.78	395.63	172.21	483.55	210.48	65
66	338.82	147.39	423.52	184.24	517.63	225.18	66
67	361.14	157.01	451.41	196.26	551.73	239.87	67
68	395.86	172.10	494.82	215.12	604.77	262.93	68
69	430.56	187.20	538.21	234.00	657.81	286.00	69
70	465.17	202.26	581.47	252.83	710.69	309.01	70
71	499.98	217.26	624.99	271.57	763.87	331.92	71
72	534.67	228.94	668.35	286.18	816.86	349.78	72
73	612.10	263.94	765.10	329.92	935.14	403.23	73
74	684.48	297.62	855.60	372.02	1,045.73	454.69	74
75	753.14	330.66	941.42	413.33	1,150.62	505.17	75
76	822.26	365.02	1,027.82	456.27	1,256.22	557.66	76
77	886.27	398.34	1,107.84	497.92	1,354.02	608.58	77
78	947.54	418.83	1,184.43	523.55	1,447.63	639.89	78
79	1,007.33	438.16	1,259.17	547.70	1,538.99	669.41	79
80	1,128.22	490.74	1,410.27	613.42	1,723.66	749.74	80
81	1,254.13	545.50	1,567.66	681.87	1,916.03	833.41	81
82	1,386.10	602.90	1,732.61	753.63	2,117.63	921.10	82
83	1,524.11	662.91	1,905.14	828.66	2,328.51	1,012.80	83
84	1,668.14	725.58	2,085.18	906.98	2,548.56	1,108.53	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.74	11.65	33.42	14.56	40.85	17.81	16-39
40-54	40.51	17.66	50.64	22.08	61.89	26.99	40-54
55	69.68	30.38	87.09	37.97	106.45	46.42	55
56	80.86	35.26	101.09	44.08	123.55	53.87	56
57-59	92.14	40.18	115.18	50.22	140.77	61.38	57-59
60	164.82	71.86	206.02	89.82	251.79	109.78	60
61	189.30	82.11	236.62	102.64	289.20	125.46	61
62	201.79	87.44	252.24	109.30	308.29	133.58	62
63	227.60	98.98	284.50	123.73	347.73	151.22	63
64	251.26	109.46	314.08	136.83	383.87	167.23	64
65	270.42	117.70	338.02	147.12	413.12	179.82	65
66	289.46	125.92	361.82	157.41	442.24	192.38	66
67	308.53	134.14	385.66	167.66	471.36	204.93	67
68	338.19	147.02	422.74	183.79	516.69	224.62	68
69	367.86	159.94	459.81	199.92	561.98	244.34	69
70	397.42	172.80	496.77	216.00	607.17	264.00	70
71	427.17	185.62	533.95	232.02	652.61	283.57	71
72	456.80	195.60	571.01	244.50	697.89	298.83	72
73	522.94	225.49	653.66	281.86	798.93	344.50	73
74	584.78	254.27	730.98	317.82	893.41	388.46	74
75	643.44	282.50	804.30	353.12	983.02	431.60	75
76	702.50	311.86	878.11	389.82	1,073.25	476.45	76
77	757.18	340.32	946.48	425.41	1,156.80	519.94	77
78	809.54	357.84	1,011.90	447.30	1,236.78	546.69	78
79	860.61	374.34	1,075.78	467.92	1,314.83	571.90	79
80	963.89	419.26	1,204.86	524.08	1,472.61	640.53	80
81	1,071.46	466.05	1,339.33	582.56	1,636.96	712.03	81
82	1,184.19	515.09	1,480.26	643.87	1,809.20	786.94	82
83	1,302.11	566.37	1,627.65	707.97	1,989.34	865.28	83
84	1,425.17	619.90	1,781.47	774.88	2,177.34	947.07	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Current Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 2 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.36	18.69	46.70	23.36	57.07	28.54	16-39
40-54	56.59	28.30	70.74	35.38	86.46	43.25	40-54
55-59	76.74	38.38	95.92	47.97	117.23	58.62	55-59
60	88.03	44.18	110.05	55.23	134.50	67.50	60
61	99.42	49.92	124.27	62.40	151.89	76.27	61
62	110.80	55.66	138.51	69.58	169.28	85.04	62
63	122.99	61.47	153.74	76.83	187.90	93.92	63
64	134.86	67.49	168.58	84.35	206.03	103.10	64
65	146.90	73.42	183.63	91.78	224.43	112.18	65
66	158.77	79.58	198.45	99.49	242.56	121.58	66
67	170.94	85.52	213.68	106.91	261.17	130.67	67
68	191.97	96.05	239.95	120.06	293.28	146.74	68
69	213.12	106.58	266.40	133.22	325.60	162.82	69
70	234.29	117.09	292.85	146.35	357.94	178.88	70
71	255.44	127.62	319.30	159.52	390.26	194.96	71
72	276.64	138.29	345.81	172.85	422.66	211.26	72
73	327.34	159.34	409.17	199.18	500.10	243.46	73
74	378.03	179.26	472.54	224.10	577.55	273.89	74
75	428.74	197.70	535.92	247.12	655.01	302.03	75
76	479.58	214.78	599.47	268.48	732.69	328.14	76
77	530.27	230.58	662.85	288.22	810.14	352.27	77
78	610.05	265.33	762.56	331.66	932.02	405.38	78
79	694.96	302.24	868.70	377.79	1,061.74	461.76	79
80	778.18	338.21	972.72	422.75	1,188.88	516.69	80
81	865.15	376.11	1,081.44	470.14	1,321.74	574.62	81
82	956.45	415.68	1,195.57	519.60	1,461.25	635.07	82
83	1,051.66	457.31	1,314.58	571.65	1,606.70	698.67	83
84	1,151.01	500.61	1,438.75	625.74	1,758.48	764.80	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	24.37	10.62	30.46	13.28	37.23	16.22	16-39
40-54	36.91	16.10	46.14	20.11	56.38	24.59	40-54
55-59	50.05	21.82	62.56	27.28	76.45	33.33	55-59
60	60.27	26.27	75.34	32.85	92.08	40.14	60
61	70.50	30.59	88.13	38.24	107.71	46.74	61
62	80.74	35.04	100.91	43.81	123.34	53.54	62
63	92.90	40.30	116.13	50.38	141.92	61.58	63
64	104.93	45.71	131.15	57.14	160.30	69.84	64
65	117.09	50.96	146.37	63.71	178.88	77.86	65
66	129.25	56.22	161.57	70.29	197.47	85.90	66
67	141.42	61.49	176.77	76.85	216.06	93.94	67
68	162.29	70.56	202.86	88.21	247.95	107.81	68
69	183.17	79.63	228.96	99.55	279.84	121.66	69
70	204.05	88.72	255.06	110.90	311.73	135.54	70
71	225.06	97.79	281.31	122.24	343.84	149.41	71
72	245.94	106.88	307.41	133.60	375.73	163.30	72
73	290.99	126.46	363.74	158.08	444.58	193.22	73
74	336.06	146.21	420.08	182.75	513.42	223.36	74
75	381.12	165.79	476.42	207.25	582.27	253.30	75
76	426.34	185.38	532.91	231.73	651.34	283.22	76
77	471.39	204.98	589.25	256.22	720.19	313.15	77
78	542.32	235.87	677.89	294.85	828.54	360.37	78
79	617.79	268.69	772.24	335.86	943.86	410.48	79
80	691.78	300.66	864.72	375.81	1,056.88	459.33	80
81	769.09	334.35	961.36	417.95	1,174.99	510.82	81
82	850.26	369.52	1,062.82	461.90	1,299.01	564.56	82
83	934.90	406.54	1,168.62	508.18	1,428.30	621.10	83
84	1,023.20	445.02	1,279.01	556.27	1,563.23	679.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.42	9.78	28.02	12.21	34.24	14.93	16-39
40-54	33.95	14.80	42.45	18.51	51.87	22.62	40-54
55-59	46.03	20.08	57.55	25.09	70.34	30.67	55-59
60	55.46	24.18	69.31	30.22	84.72	36.93	60
61	64.86	28.14	81.07	35.17	99.09	42.99	61
62	74.27	32.24	92.85	40.30	113.47	49.26	62
63	85.47	37.09	106.83	46.35	130.58	56.66	63
64	96.53	42.05	120.66	52.58	147.47	64.26	64
65	107.73	46.88	134.66	58.61	164.58	71.63	65
66	118.91	51.73	148.64	64.66	181.68	79.04	66
67	130.11	56.56	162.64	70.70	198.77	86.42	67
68	149.31	64.91	186.64	81.15	228.11	99.18	68
69	168.51	73.26	210.64	91.58	257.46	111.94	69
70	187.71	81.62	234.66	102.02	286.80	124.69	70
71	207.06	89.97	258.82	112.46	316.32	137.46	71
72	226.26	98.34	282.82	122.91	345.66	150.22	72
73	267.71	116.35	334.64	145.44	409.01	177.76	73
74	309.18	134.51	386.46	168.13	472.35	205.49	74
75	350.64	152.53	438.30	190.67	535.70	233.04	75
76	392.22	170.54	490.29	213.18	599.23	260.56	76
77	433.68	188.58	542.11	235.73	662.58	288.11	77
78	498.93	217.01	623.66	271.25	762.26	331.54	78
79	568.37	247.18	710.46	308.98	868.35	377.65	79
80	636.43	276.59	795.54	345.74	972.34	422.58	80
81	707.55	307.60	884.45	384.51	1,080.99	469.95	81
82	782.24	339.97	977.79	424.96	1,195.09	519.39	82
83	860.10	374.02	1,075.14	467.52	1,314.05	571.41	83
84	941.34	409.42	1,176.69	511.78	1,438.18	625.50	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	19.15	8.35	23.94	10.43	29.26	12.75	16-39
40-54	29.01	12.66	36.27	15.81	44.32	19.33	40-54
55-59	39.33	17.15	49.17	21.44	60.10	26.21	55-59
60	47.38	20.66	59.22	25.82	72.38	31.55	60
61	55.41	24.05	69.26	30.05	84.66	36.74	61
62	63.46	27.55	79.31	34.43	96.94	42.08	62
63	73.02	31.68	91.26	39.60	111.55	48.40	63
64	82.46	35.94	103.09	44.91	126.00	54.90	64
65	92.03	40.06	115.04	50.08	140.61	61.20	65
66	101.60	44.19	126.99	55.25	155.22	67.52	66
67	111.15	48.32	138.94	60.40	169.82	73.82	67
68	127.57	55.46	159.46	69.33	194.88	84.74	68
69	143.97	62.59	179.97	78.24	219.95	95.63	69
70	160.38	69.73	200.46	87.17	245.02	106.53	70
71	176.90	76.86	221.12	96.08	270.26	117.44	71
72	193.30	84.02	241.63	105.01	295.31	128.35	72
73	228.72	99.41	285.90	124.26	349.44	151.87	73
74	264.14	114.91	330.18	143.65	403.55	175.57	74
75	299.57	130.32	374.46	162.90	457.66	199.09	75
76	335.10	145.71	418.86	182.13	511.95	222.61	76
77	370.51	161.10	463.15	201.39	566.06	246.14	77
78	426.26	185.39	532.83	231.74	651.23	283.25	78
79	485.58	211.18	606.98	263.98	741.87	322.64	79
80	543.74	236.30	679.68	295.39	830.72	361.02	80
81	604.51	262.80	755.65	328.51	923.57	401.50	81
82	668.30	290.45	835.39	363.07	1,021.02	443.74	82
83	734.83	319.54	918.54	399.42	1,122.67	488.19	83
84	804.24	349.78	1,005.31	437.23	1,228.70	534.38	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	64.43	32.24	80.54	40.30	98.45	49.25	16-39
40-54	97.65	48.83	122.05	61.04	149.18	74.61	40-54
55-59	135.92	67.98	169.90	84.98	207.66	103.86	55-59
60	172.40	86.51	215.50	108.14	263.39	132.18	60
61	180.59	90.66	225.73	113.33	275.89	138.51	61
62	189.23	95.06	236.53	118.83	289.10	145.23	62
63	201.84	100.88	252.29	126.10	308.37	154.11	63
64	214.51	107.34	268.14	134.19	327.74	164.00	64
65	227.71	113.82	284.64	142.27	347.89	173.89	65
66	240.98	120.78	301.22	150.99	368.16	184.54	66
67	254.78	127.47	318.48	159.33	389.25	194.74	67
68	276.96	138.58	346.19	173.22	423.14	211.71	68
69	299.76	149.90	374.69	187.38	457.97	229.02	69
70	322.67	161.25	403.33	201.57	492.96	246.37	70
71	345.66	172.69	432.08	215.87	528.11	263.84	71
72	368.85	181.50	461.06	226.88	563.52	277.30	72
73	420.83	206.59	526.05	258.24	642.94	315.63	73
74	472.67	229.74	590.85	287.18	722.14	350.99	74
75	524.51	251.44	655.63	314.30	801.33	384.16	75
76	576.35	273.10	720.43	341.39	880.53	417.25	76
77	628.35	292.91	785.44	366.14	959.98	447.50	77
78	716.61	311.68	895.76	389.58	1,094.82	476.16	78
79	805.02	350.11	1,006.27	437.63	1,229.89	534.90	79
80	901.06	391.60	1,126.32	489.50	1,376.61	598.29	80
81	1,002.35	435.76	1,252.94	544.70	1,531.38	665.76	81
82	1,107.90	481.50	1,384.88	601.89	1,692.62	735.65	82
83	1,218.02	529.65	1,522.51	662.06	1,860.86	809.20	83
84	1,333.10	579.79	1,666.38	724.74	2,036.69	885.79	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.03	18.34	52.53	22.91	64.21	28.00	16-39
40-54	63.68	27.76	79.60	34.70	97.30	42.42	40-54
55-59	88.64	38.66	110.82	48.32	135.44	59.06	55-59
60	118.03	51.46	147.54	64.32	180.34	78.62	60
61	128.06	55.55	160.06	69.44	195.65	84.86	61
62	137.87	59.84	172.34	74.82	210.64	91.44	62
63	152.45	66.14	190.56	82.69	232.90	101.06	63
64	166.90	72.72	208.62	90.90	254.99	111.09	64
65	181.50	79.01	226.88	98.75	277.30	120.70	65
66	196.19	85.34	245.23	106.67	299.73	130.38	66
67	210.77	91.63	263.46	114.54	322.02	139.98	67
68	234.16	101.81	292.69	127.25	357.74	155.54	68
69	257.63	112.02	322.05	140.03	393.60	171.14	69
70	281.02	122.18	351.28	152.72	429.33	186.67	70
71	304.56	132.34	380.69	165.42	465.30	202.19	71
72	327.89	140.29	409.87	175.36	500.94	214.34	72
73	374.11	163.97	467.65	204.96	571.57	250.50	73
74	420.19	187.36	525.25	234.21	641.97	286.24	74
75	466.27	210.88	582.85	263.60	712.37	322.18	75
76	512.35	235.73	640.45	294.66	782.77	360.13	76
77	558.58	260.38	698.22	325.49	853.39	397.81	77
78	637.04	277.07	796.30	346.34	973.26	423.30	78
79	715.63	311.23	894.54	389.04	1,093.33	475.50	79
80	801.01	348.13	1,001.26	435.15	1,223.76	531.86	80
81	891.06	387.38	1,113.82	484.22	1,361.34	591.84	81
82	984.90	428.05	1,231.12	535.06	1,504.69	653.97	82
83	1,082.78	470.85	1,353.47	588.56	1,654.24	719.34	83
84	1,185.09	515.42	1,481.36	644.27	1,810.54	787.44	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	38.66	16.86	48.34	21.07	59.07	25.76	16-39
40-54	58.59	25.54	73.23	31.92	89.50	39.02	40-54
55-59	81.55	35.55	101.94	44.45	124.59	54.32	55-59
60	108.59	47.34	135.74	59.18	165.90	72.34	60
61	117.81	51.10	147.26	63.89	179.98	78.08	61
62	126.85	55.06	158.56	68.82	193.79	84.11	62
63	140.26	60.86	175.31	76.06	214.27	92.98	63
64	153.55	66.90	191.94	83.62	234.59	102.21	64
65	166.98	72.69	208.72	90.85	255.10	111.04	65
66	180.50	78.51	225.62	98.14	275.74	119.95	66
67	193.90	84.30	242.38	105.38	296.26	128.78	67
68	215.42	93.66	269.28	117.07	329.12	143.09	68
69	237.02	103.06	296.27	128.82	362.11	157.46	69
70	258.54	112.40	323.17	140.51	394.99	171.73	70
71	280.19	121.76	350.24	152.19	428.06	186.02	71
72	301.66	129.07	377.07	161.33	460.88	197.18	72
73	344.18	150.85	430.22	188.56	525.84	230.46	73
74	386.58	172.37	483.22	215.47	590.61	263.34	74
75	428.98	194.00	536.21	242.51	655.38	296.40	75
76	471.36	216.86	589.20	271.09	720.14	331.33	76
77	513.89	239.55	642.37	299.44	785.12	365.98	77
78	586.08	254.90	732.61	318.62	895.41	389.44	78
79	658.38	286.34	822.98	357.92	1,005.86	437.46	79
80	736.93	320.27	921.15	400.34	1,125.86	489.31	80
81	819.78	356.40	1,024.72	445.49	1,252.43	544.50	81
82	906.10	393.81	1,132.62	492.26	1,384.32	601.65	82
83	996.16	433.18	1,245.20	541.47	1,521.90	661.79	83
84	1,090.27	474.18	1,362.85	592.74	1,665.70	724.45	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.02	14.40	41.30	18.00	50.46	22.02	16-39
40-54	50.05	21.82	62.58	27.28	76.48	33.34	40-54
55-59	69.68	30.38	87.09	37.97	106.45	46.42	55-59
60	92.77	40.45	115.97	50.56	141.74	61.79	60
61	100.66	43.66	125.81	54.58	153.78	66.70	61
62	108.37	47.04	135.46	58.80	165.57	71.87	62
63	119.82	52.00	149.78	64.99	183.06	79.44	63
64	131.18	57.15	163.98	71.44	200.42	87.31	64
65	142.66	62.10	178.32	77.62	217.95	94.86	65
66	154.21	67.07	192.75	83.84	235.58	102.48	66
67	165.66	72.02	207.09	90.03	253.10	110.03	67
68	184.05	80.02	230.06	100.02	281.18	122.24	68
69	202.50	88.05	253.12	110.06	309.38	134.51	69
70	220.88	96.03	276.10	120.05	337.46	146.72	70
71	239.38	104.02	299.23	130.03	365.71	158.93	71
72	257.73	110.27	322.16	137.84	393.74	168.46	72
73	294.05	128.88	367.57	161.09	449.25	196.90	73
74	330.27	147.26	412.83	184.08	504.58	224.99	74
75	366.50	165.74	458.11	207.18	559.92	253.23	75
76	402.70	185.28	503.39	231.60	615.25	283.06	76
77	439.04	204.66	548.80	255.82	670.77	312.69	77
78	500.72	217.78	625.90	272.22	764.99	332.70	78
79	562.50	244.62	703.10	305.79	859.36	373.74	79
80	629.58	273.62	786.99	342.03	961.87	418.03	80
81	700.37	304.48	875.46	380.59	1,070.02	465.17	81
82	774.13	336.45	967.65	420.56	1,182.69	514.02	82
83	851.06	370.08	1,063.82	462.61	1,300.24	565.41	83
84	931.47	405.12	1,164.34	506.38	1,423.09	618.93	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.16	26.08	65.20	32.59	79.70	39.84	16-39
40-54	79.02	39.54	98.78	49.41	120.74	60.40	40-54
55	135.92	67.98	169.90	84.98	207.66	103.86	55
56	157.76	78.90	197.20	98.62	241.01	120.54	56
57-59	179.74	89.90	224.69	112.38	274.61	137.36	57-59
60	306.27	153.71	382.83	192.14	467.90	234.83	60
61	339.63	170.51	424.53	213.14	518.88	260.51	61
62	352.37	176.70	440.46	220.88	538.34	269.97	62
63	383.39	192.03	479.23	240.05	585.73	293.39	63
64	410.86	205.60	513.58	256.99	627.71	314.11	64
65	431.63	215.74	539.54	269.68	659.42	329.60	65
66	452.35	226.75	565.44	283.46	691.09	346.43	66
67	474.50	237.41	593.12	296.75	724.93	362.70	67
68	508.93	254.62	636.16	318.29	777.52	389.01	68
69	544.51	272.29	680.64	340.37	831.90	416.00	69
70	580.56	290.16	725.70	362.69	886.96	443.30	70
71	616.83	308.14	771.04	385.18	942.38	470.78	71
72	653.76	321.97	817.20	402.46	998.80	491.90	72
73	748.42	361.47	935.52	451.84	1,143.41	552.26	73
74	836.93	396.67	1,046.14	495.84	1,278.62	606.02	74
75	920.86	428.56	1,151.09	535.71	1,406.88	654.75	75
76	1,005.39	459.68	1,256.74	574.61	1,536.00	702.30	76
77	1,083.66	487.06	1,354.58	608.82	1,655.58	744.11	77
78	1,158.58	512.13	1,448.22	640.14	1,770.05	782.40	78
79	1,231.68	535.74	1,539.62	669.68	1,881.74	818.50	79
80	1,379.49	600.03	1,724.37	750.05	2,107.57	916.72	80
81	1,533.44	666.99	1,916.82	833.74	2,342.77	1,019.01	81
82	1,694.80	737.18	2,118.50	921.47	2,589.28	1,126.24	82
83	1,863.57	810.56	2,329.46	1,013.20	2,847.10	1,238.37	83
84	2,039.66	887.17	2,549.58	1,108.98	3,116.16	1,355.41	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	34.02	14.83	42.53	18.53	51.97	22.66	16-39
40-54	51.54	22.48	64.43	28.10	78.74	34.34	40-54
55	88.64	38.66	110.82	48.32	135.44	59.06	55
56	102.88	44.86	128.61	56.08	157.18	68.53	56
57-59	117.23	51.12	146.53	63.89	179.10	78.10	57-59
60	209.68	91.42	262.11	114.27	320.35	139.68	60
61	240.83	104.48	301.04	130.59	367.95	159.62	61
62	256.74	111.25	320.91	139.06	392.24	169.97	62
63	289.57	125.92	361.95	157.41	442.40	192.38	63
64	319.66	139.26	399.58	174.08	488.38	212.77	64
65	344.03	149.74	430.05	187.18	525.60	228.78	65
66	368.27	160.21	460.34	200.26	562.64	244.77	66
67	392.53	170.66	490.67	213.33	599.70	260.72	67
68	430.27	187.06	537.84	233.82	657.36	285.79	68
69	468.00	203.47	585.01	254.35	715.01	310.86	69
70	505.63	219.84	632.03	274.82	772.48	335.87	70
71	543.47	236.14	679.33	295.18	830.30	360.78	71
72	581.17	248.85	726.46	311.07	887.90	380.19	72
73	665.31	286.88	831.65	358.61	1,016.45	438.29	73
74	744.00	323.49	930.00	404.37	1,136.66	494.22	74
75	818.62	359.41	1,023.28	449.26	1,250.67	549.10	75
76	893.76	396.77	1,117.20	495.95	1,365.46	606.16	76
77	963.34	432.98	1,204.18	541.23	1,471.76	661.50	77
78	1,029.94	455.26	1,287.42	569.07	1,573.50	695.54	78
79	1,094.93	476.26	1,368.66	595.33	1,672.82	727.62	79
80	1,226.32	533.41	1,532.91	666.77	1,873.55	814.93	80
81	1,363.18	592.93	1,703.98	741.17	2,082.64	905.87	81
82	1,506.62	655.33	1,883.28	819.15	2,301.78	1,001.20	82
83	1,656.64	720.56	2,070.80	900.70	2,530.99	1,100.86	83
84	1,813.20	788.67	2,266.50	985.84	2,770.18	1,204.91	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	31.30	13.65	39.12	17.06	47.81	20.83	16-39
40-54	47.42	20.67	59.26	25.84	72.45	31.58	40-54
55	81.55	35.55	101.94	44.45	124.59	54.32	55
56	94.66	41.26	118.32	51.58	144.61	63.06	56
57-59	107.86	47.02	134.82	58.78	164.77	71.84	57-59
60	192.91	84.11	241.14	105.14	294.72	128.50	60
61	221.57	96.11	276.96	120.14	338.51	146.85	61
62	236.19	102.35	295.25	127.94	360.85	156.37	62
63	266.40	115.86	333.01	144.82	407.01	176.99	63
64	294.10	128.13	367.62	160.16	449.31	195.74	64
65	316.51	137.78	395.63	172.21	483.55	210.48	65
66	338.82	147.39	423.52	184.24	517.63	225.18	66
67	361.14	157.01	451.41	196.26	551.73	239.87	67
68	395.86	172.10	494.82	215.12	604.77	262.93	68
69	430.56	187.20	538.21	234.00	657.81	286.00	69
70	465.17	202.26	581.47	252.83	710.69	309.01	70
71	499.98	217.26	624.99	271.57	763.87	331.92	71
72	534.67	228.94	668.35	286.18	816.86	349.78	72
73	612.10	263.94	765.10	329.92	935.14	403.23	73
74	684.48	297.62	855.60	372.02	1,045.73	454.69	74
75	753.14	330.66	941.42	413.33	1,150.62	505.17	75
76	822.26	365.02	1,027.82	456.27	1,256.22	557.66	76
77	886.27	398.34	1,107.84	497.92	1,354.02	608.58	77
78	947.54	418.83	1,184.43	523.55	1,447.63	639.89	78
79	1,007.33	438.16	1,259.17	547.70	1,538.99	669.41	79
80	1,128.22	490.74	1,410.27	613.42	1,723.66	749.74	80
81	1,254.13	545.50	1,567.66	681.87	1,916.03	833.41	81
82	1,386.10	602.90	1,732.61	753.63	2,117.63	921.10	82
83	1,524.11	662.91	1,905.14	828.66	2,328.51	1,012.80	83
84	1,668.14	725.58	2,085.18	906.98	2,548.56	1,108.53	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Current Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.74	11.65	33.42	14.56	40.85	17.81	16-39
40-54	40.51	17.66	50.64	22.08	61.89	26.99	40-54
55	69.68	30.38	87.09	37.97	106.45	46.42	55
56	80.86	35.26	101.09	44.08	123.55	53.87	56
57-59	92.14	40.18	115.18	50.22	140.77	61.38	57-59
60	164.82	71.86	206.02	89.82	251.79	109.78	60
61	189.30	82.11	236.62	102.64	289.20	125.46	61
62	201.79	87.44	252.24	109.30	308.29	133.58	62
63	227.60	98.98	284.50	123.73	347.73	151.22	63
64	251.26	109.46	314.08	136.83	383.87	167.23	64
65	270.42	117.70	338.02	147.12	413.12	179.82	65
66	289.46	125.92	361.82	157.41	442.24	192.38	66
67	308.53	134.14	385.66	167.66	471.36	204.93	67
68	338.19	147.02	422.74	183.79	516.69	224.62	68
69	367.86	159.94	459.81	199.92	561.98	244.34	69
70	397.42	172.80	496.77	216.00	607.17	264.00	70
71	427.17	185.62	533.95	232.02	652.61	283.57	71
72	456.80	195.60	571.01	244.50	697.89	298.83	72
73	522.94	225.49	653.66	281.86	798.93	344.50	73
74	584.78	254.27	730.98	317.82	893.41	388.46	74
75	643.44	282.50	804.30	353.12	983.02	431.60	75
76	702.50	311.86	878.11	389.82	1,073.25	476.45	76
77	757.18	340.32	946.48	425.41	1,156.80	519.94	77
78	809.54	357.84	1,011.90	447.30	1,236.78	546.69	78
79	860.61	374.34	1,075.78	467.92	1,314.83	571.90	79
80	963.89	419.26	1,204.86	524.08	1,472.61	640.53	80
81	1,071.46	466.05	1,339.33	582.56	1,636.96	712.03	81
82	1,184.19	515.09	1,480.26	643.87	1,809.20	786.94	82
83	1,302.11	566.37	1,627.65	707.97	1,989.34	865.28	83
84	1,425.17	619.90	1,781.47	774.88	2,177.34	947.07	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Current Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 2 Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

KANAWHA INSURANCE COMPANY
210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 Telephone: 800-635-4252

COMPOUNDED INFLATION PROTECTION BENEFIT RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

Rider Effective Date: _____
(If other than Date of Policy)

SPECIAL NOTICE

The additional benefits provided by this Rider may not be excludible from income under federal tax law.

It is Your responsibility to get an opinion annually from your personal tax Advisor regarding the additional benefits provided for hereunder.

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

BENEFITS

On each Rider Anniversary date, Kanawha will increase each of the Daily Benefit Amounts shown on the Policy Schedule. The increase shall be at the rate of 5%, compounded annually.

The increase will be applied to Covered Services incurred after the Rider Anniversary dates on which increases occur for which benefits are payable.

The amount of each Daily Benefit Amount increase will be rounded up to the nearest whole dollar.

LIMITATIONS

If this Rider terminates, increases to Daily Benefit Amounts cease and will not occur. If this Rider terminates, the Daily Benefit Amounts will then reduce to those shown on the Policy Schedule as of the original Date of Policy. However, if You are receiving Covered Service when this Rider terminates, increases established while this Rider was in force will continue subject to the Continuation of Benefits Upon Lapse or Your Cancellation of this Policy provision.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when the Policy to which this Rider is attached terminates; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy shown on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY

210 South White Street, Post Office Box 610 • Lancaster, South Carolina 29721-0610 – Telephone: 800-635-4252

COMPOUNDED INFLATION PROTECTION BENEFIT RIDER
MADE A PART OF THE POLICY TO WHICH IT IS ATTACHED

MAR 16 1998

Rider Effective Date: _____
(If other than Date of Policy)

Please Read This Rider Carefully — The Effective Date of this Rider is the Date of Policy or the date shown above, if later. The Application for this Rider is made a part of the Policy.

This Rider is a part of and subject to the provisions of the Policy to which it is attached.

FILED
LIFE & HEALTH DIVISION
OHIO DEPT. OF INSURANCE
MAR 12 1998

BENEFITS

On each Rider Anniversary date, Kanawha will increase each of the Daily Benefit Amounts shown on the Policy Schedule. The increase shall be at the rate of 5%, compounded annually.

The increase will be applied to Covered Services incurred after the Rider Anniversary dates on which increases occur for which benefits are payable.

The amount of each Daily Benefit Amount increase will be rounded up to the nearest whole dollar.

LIMITATIONS

If this Rider terminates, increases to Daily Benefit Amounts cease and will not occur. If this Rider terminates, the Daily Benefit Amounts will then reduce to those shown on the Policy Schedule as of the original Date of Policy. However, if You are receiving Covered Service when this Rider terminates, increases established while this Rider was in force will continue subject to the Continuation of Benefits Upon Lapse or Your Cancellation of this Policy provision.

PREMIUMS

While this Rider is in effect, Premiums for it are due according to the terms of the Policy to which this Rider is attached.

TERMINATION

This Rider terminates:

- when the Policy to which this Rider is attached terminates; or
- when any Premium for this Rider is not paid before the end of the Grace Period; or
- when You give Kanawha a written request to terminate this Rider.

Other than the provisions stated above, this Rider will not alter any provisions of the Policy to which it is attached.

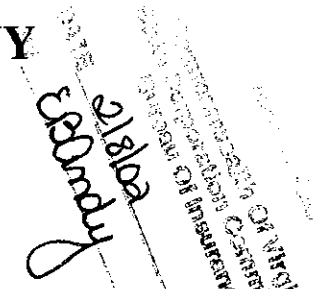
Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY

210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
TELEPHONE NUMBER: 800-635-4252



ENDORSEMENT

Your Policy provides Benefits that You may elect when there is a Substantial Premium Increase. A Substantial Premium Increase occurs whenever the Premium charged for this Policy equals or exceeds a percentage of the Premium charged on the Date of Policy. The percentage change in Premiums charged required to trigger availability of the Benefits is shown in the Table of Substantial Premium Increases below.

At least 30 days before the date on which a Substantial Premium Increase occurs, We will offer you the following alternatives:

- **Offer 1.** You can choose to reduce Policy Benefits without additional underwriting so that required Premiums do not increase. The reduced Policy Benefits provided by Offer 1 will be payable for Covered Service incurred on or after the date on which the Substantial Premium Increase would otherwise have occurred.
- **Offer 2.** You can choose to convert the Policy to paid-up long term care insurance as of the date the Substantial Premium Increase would otherwise have occurred. If you later receive Covered Service, the Daily Benefit Amounts in effect immediately prior to the date on which the Substantial Premium Increase would otherwise have been effective will be paid. Benefits available will be subject to the dollar maximum limit specified in the Nonforfeiture Limit Calculation.

You may elect Offer 1 or Offer 2 within 120 days after a Substantial Premium Increase occurs. If You do not elect either Offer and the Policy lapses within 120 days after a Substantial Premium Increase, We will convert the Policy to a paid- up status in accordance with Offer 2.

NONFORFEITURE LIMIT CALCULATION

The dollar maximum limit of Benefits available under Offer 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for this Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

If Benefits are payable, they will begin no later than the end of the third year following the date of Policy. Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits specified under the Nonforfeiture Limit Calculation.

However, all benefits for a Covered Service while the Policy is in premium paying status and in the paid up status will not exceed the maximum benefits which would be payable if the Policy had remained in premium paying status.

LIMITATIONS

Benefits available under Offer 2 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs,

Benefits of Offer 2 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Offer 2.

Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Offer 2 is effective through Your election or by lapse of the policy.

TRIGGERS FOR A SUBSTANTIAL PREMIUM INCREASE

Issue Age	Percent Increase Over Initial Premium	Issue Age	Percent Increase Over Initial Premium
29 and under	200%	72	36%
30-34	190%	73	34%
35-39	170%	74	32%
40-44	150%	75	30%
45-49	130%	76	28%
50-54	110%	77	26%
55-59	90%	78	24%
60	70%	79	22%
61	66%	80	20%
62	62%	81	19%
63	58%	82	18%
64	54%	83	17%
65	50%	84	16%
66	48%	85	15%
67	46%	86	14%
68	44%	87	13%
69	42%	88	12%
70	40%	89	11%
71	38%	90 and over	10%

TERMINATION

If Offer 2 is effective through Your election or by lapse of the Policy, Your benefits and this Policy will terminate when the dollar limit maximum of Benefits specified in the Nonforfeiture Limit Calculation is paid.

Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

KANAWHA INSURANCE COMPANY

210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SOUTH CAROLINA 29721-0610
TELEPHONE NUMBER: 800-635-4252

ENDORSEMENT

Your Policy provides Benefits that You may elect when there is a Substantial Premium Increase. A Substantial Premium Increase occurs whenever the Premium charged for this Policy equals or exceeds a percentage of the Premium charged on the Date of Policy. The percentage change in Premiums charged required to trigger availability of the Benefits is shown in the Table of Substantial Premium Increases below.

At least 30 days before the date on which a Substantial Premium Increase occurs, We will offer you the following alternatives:

- **Offer 1.** You can choose to reduce Policy Benefits without additional underwriting so that required Premiums do not increase. The reduced Policy Benefits provided by Offer 1 will be payable for Covered Service incurred on or after the date on which the Substantial Premium Increase would otherwise have occurred.
- **Offer 2.** You can choose to convert the Policy to paid-up long term care insurance as of the date the Substantial Premium Increase would otherwise have occurred. If you later receive Covered Service, the Daily Benefit Amounts in effect immediately prior to the date on which the Substantial Premium Increase would otherwise have been effective will be paid. Benefits available will be subject to the dollar maximum limit specified in the Nonforfeiture Limit Calculation.

You may elect Offer 1 or Offer 2 within 120 days after a Substantial Premium Increase occurs. If You do not elect either Offer and the Policy lapses within 120 days after a Substantial Premium Increase, We will convert the Policy to a paid-up status in accordance with Offer 2.

NONFORFEITURE LIMIT CALCULATION

The dollar maximum limit of Benefits available under Offer 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for this Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

If Benefits are payable, they will begin no later than the end of the third year following the date of Policy. Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits specified under the Nonforfeiture Limit Calculation.

However, all Benefits paid for a Covered Service while the Policy is in premium paying status and in the paid up status will not exceed the maximum benefits which would be payable if the Policy had remained in premium paying status.

LIMITATIONS

Benefits available under Offer 2 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs,

Benefits of Offer 2 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Offer 2.

Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Offer 2 is effective through Your election or by lapse of the policy.

TRIGGERS FOR A SUBSTANTIAL PREMIUM INCREASE

Issue Age	Percent Increase Over Initial Premium	Issue Age	Percent Increase Over Initial Premium
29 and under	200%	72	36%
30 - 34	190%	73	34%
35 - 39	170%	74	32%
40 - 44	150%	75	30%
45 - 49	130%	76	28%
50 - 54	110%	77	26%
55 - 59	90%	78	24%
60	70%	79	22%
61	66%	80	20%
62	62%	81	19%
63	58%	82	18%
64	54%	83	17%
65	50%	84	16%
66	48%	85	15%
67	46%	86	14%
68	44%	87	13%
69	42%	88	12%
70	40%	89	11%
71	38%	90 and over	10%

TERMINATION

If Offer 2 is effective through Your election or by lapse of the Policy, Your benefits and this Policy will terminate when the dollar limit maximum of Benefits specified in the Nonforfeiture Limit Calculation is paid.

Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Date of Policy stated on the Policy Schedule.

Secretary

President

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567890
Policyholder Name: John Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567891
Policyholder Name: Jane Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

John Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567890

Dear John Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective 1/1/2017, your premium will increase by 20% from $100.00 to $120.00. While the increase of 20% is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	**Description**	**Your New Premium**	**Can Premiums Increase in the Future?**	**Benefits**
1	Keep current Policy and Benefit levels	$120.00; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider
  -

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class do not include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is 62.8%. While the increase of 62.8% is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 20% from $100.00 to $120.00 which will be effective on 1/1/2017. The second phase of the premium rate increase will be effective ONE year from 1/1/2017. Your premium rate will increase an additional 18%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from 1/1/2017. Your premium rate will then increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$120.00; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$100.00; Your Premium Remains at the current level (Avoid the 62.8% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

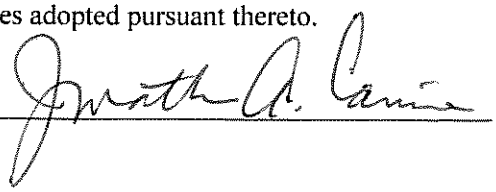
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452**

I hereby certify that the Flesch reading ease score of the above policy form is **41.9**. It contains **19** sentences, **710** words and **1,066** syllables. The type size of the text of the policy forms is **11.5** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
June 30, 2016

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

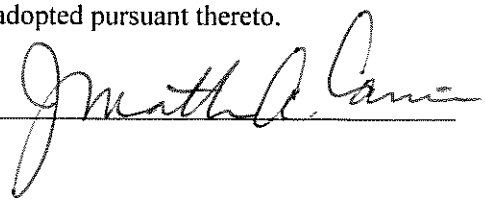
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452L**

I hereby certify that the Flesch reading ease score of the above policy form is **47.8**. It contains **77** sentences, **2,200** words and **3,382** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
June 30, 2016

Virginia – LTC 2 Response to December 15, 2015 Questions

Objection Letter Status:
Info has been requested from company

Objection Letter Date:
12/15/2015

Respond By Date:

Submitted Date:
12/15/2015 07:36 AM

Dear Andrew Besendorf,

Introduction:
Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

Objection 1

Comments:
The company has provided separate policyholder letters and endorsements depending upon what inflation rider may be included in the policy and if the rate increase will be implemented over one year or three years for both long term care rate filings HUMA-129780509 and HUMA-129780458.

I just wanted to bring to your attention, the company, if it so chooses, only needs to submit one set of letters to be filed and one set of forms for approval as long as there is sufficient variability in each letter and endorsement to meet the different policy scenarios. It is not necessary to create duplicate letters with different form numbers. The same letter and form could be used with future long term care rate filings and avoid having to be re-submitted with each filing. If you have any questions regarding this, please contact me at 804-371-9390.

Response: This has been corrected by submitting only one letter and one endorsement with sufficient variability in each to meet the different policy scenarios.

Please see the letter and endorsement attached in Supporting Document Section of SERFF:
"Illustrative_Kanawha Rate Letter VA LTC2 17452L" and
"Endorsement_Rate Increase_VA_LTC2_17452"

Objection 2

•17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
In regards to the policyholder letters, please address the following:

1) Please provide a Statement of Variability for each letter.

Response: Please see the pdf "Statement_of_Variability_VA LTC".

2) According to your response, the company is willing to implement a series of increases over three years and would like, however, to do a single increase for the policies with no inflation rider. This is an acceptable arrangement.

Response: Thanks. Our responses will reflect this approach.

3) The company felt it was in compliance with 14VAC5-200-75 A 2 by including a statement in the endorsement indicating these options are available anytime while the Endorsement is in effect. According to the first sentence in the endorsement, however, this endorsement refers to benefits you may elect "only" when there is a state approved premium increase. It does not state these options are available at any other time. A policyholder may request changes in the benefits at any time the policy is in force that may reduce or may raise premiums. Please revise the letter and/or endorsement accordingly for compliance with the regulation.

Response: Please see the pdf "Endorsement_Rate Increase_VA_LTC2_17452" where we included the statement:
"With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount."

4) We appreciate your response our request to include a statement in the letter that the insured has a right to a revised premium rate or rate schedule upon request as set forth in 14VAC5-200-75 A 4 b. After further review, our objection remains unresolved. The paragraph as referenced does not specifically include the language as required by the regulation. Again, we request that it be added for compliance purposes.

Response: Please see the pdf "Illustrative_Kanawha Rate Letter VA LTC2 17452L" where we included the statement:
"Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed."

Objection 3

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
For clarification purposes, please confirm the company intends for these endorsements to be attached and made a part of the the policyholder's policy. Policy forms will be reviewed and approved by a forms examiner who will submit any objections under a separate cover. There are, however, some preliminary concerns we have with the endorsement forms as follows:

Response: We confirm that the endorsements included are intended to be attached and made a part of the policyholder's policy.

1) As an observation, we note the company is referring to these forms as "endorsements". The term "Endorsement" normally indicates a section of the policy is being replaced by the language noted in the "endorsement." That is not the case in this situation; the company is actually providing additional information, and, it would seem the word "rider" may be more appropriate.

Response: The endorsement filed with this rate increase is consistent with Kanawha's prior filing approach of adding options to mitigate rate increases. The similar endorsements approved by Virginia in the past were 82120 9/01 CB VA and 82000 1/01 CB VA. Please see the attached pdfs with similar names. While we have updated the currently filed endorsement to reflect the new VA regulation, we believe the use of an endorsement is still appropriate.

2) Under "What happens if no Option is elected?" should clearly indicate the first option is the Contingent Benefit Upon Lapse (CBUL) and the second option is a Non-Forfeiture Rider if the policy includes such.

Response: Please see the pdf “Endorsement_Rate Increase_VA_LTC2_17452” Under "What happens if no Option is elected?" with the revised statement:
“If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.”

Note that this section and wording has also been added to the “Illustrative_Kanawha Rate Letter VA LTC2 17452L” pdf.

3) Please confirm what the minimum policy benefit period can be.

Response: 2 Years of Benefit is the minimum policy benefit period.

4) Option 2 refers to the CBUL calculation but Option 2: Limitations refers to a Non-Forfeiture Benefit Calculation. Should this not reference the CBUL calculation in this sentence?

Response: Please see the pdfs “Endorsement_Rate Increase_VA_LTC2_17452” & “Illustrative_Kanawha Rate Letter VA LTC2 17452L” under "*Option 2: Limitations" where the references to the “Non-forfeiture Benefit Calculation” and the “Non-Forfeiture benefits” have been replaced with “Contingent Benefit Upon Lapse Calculation” and “Contingent Benefits Upon Lapse” respectively.

Option 2: Limitations also states that "if you are benefit eligible." Where is that information provided in the policy; and if the person is not eligible, is the company offering this to everyone regardless of eligibility at the time of a rate increase?

Response: Every policyholder is eligible for Non-Forfeiture benefits. We have removed the words “if you are benefit eligible” to avoid confusion.

As mentioned previously, the Virginia State Corporation Commission earlier this year adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commission’s website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748. If the policy contains or does not contain a CBUL benefit and/or nonforfeiture benefit, the company will need to amend the policy for compliance with the revised regulations 14VAC5-200-185E of the Code of Virginia by submitting a separate form filing in SERFF.

Response: We believe we are in compliance with this regulation.

5) Although the endorsement twice states all options are not of equal value, this does not satisfy our request that as a disclosure this information must be emphasized and draw attention to it. Please amend the language so it is clear this important information has been clearly disclosed as set forth in 14VAC5-200-75 D 2 b.

Response: We have added the statement “The following options are not of equal value. Please call 1-800-260-2162 for assistance.” above the table of options on the 2nd page of the pdfs “Illustrative_Kanawha Rate Letter VA LTC2 17452L” and “Endorsement_Rate Increase_VA_LTC2_17452”.

Objection 4

Comments:
Thank you for providing information in regards to how the policy is updated. According to your response, the policy schedule page was already filed and approved by the state of Virginia at the time of the policy contract form filing.

Was the form approved with the variable language noted on the bottom of the policy schedule? If so, please provide us with documentation that reflects such variable in the form was approved. Otherwise, please attach a revised Policy Schedule to the Form Schedule in compliance with 14VAC5-110-50 and include a Certification of Compliance in accordance with 14VAC5-100-40 3. Please include a Statement of Variability, if appropriate.

Response: The policy schedule page "Policy Schedule.pdf" was approved by Virginia and language was approved as shown. We do not believe a revised Policy Schedule with updated Certification of Compliance and Statement of Variability documents are necessary as we do not intend to change the Policy Schedule already approved."

For our purposes, please clarify why the Policy Schedule states "This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy." There is no mention of any endorsement being sent with the letter and policy schedule.

Response: This statement was meant as a general advisory statement in the case the policy provisions change. The use of the word "may" indicates that an endorsement is potentially but not necessarily included with the policy.

Objection 5

•Certification of Compliance (Supporting Document)

Comments:
Since the endorsement forms and letters have separate form numbers, please provide an updated Certification of Compliance as set forth in 14VAC5-100-40 3.

Response: Please see the pdfs "14VAC5-100-40 3 Cert 17452" and "14VAC5-100-40 3 Cert 17452L".
Also see updated Certifications of Readability "14VAC5-110-60 Cert 17452" and "14VAC5-110-60 Cert 17452L".

Virginia – LTC 2 Response to December 28, 2015 Questions

Objection Letter Status:
Disapproved

Objection Letter Date:
12/28/2015

Respond By Date:

Submitted Date:
12/28/2015 12:49 PM

Dear Andrew Besendorf,

Introduction:
Kanawha Insurance Company
SERFF Tracking No: HUMA-129780509
Form Nos.: 17452NL 12/15 VA, et al.

We have completed our review of the forms and we have the following concerns. These concerns are in addition to the ones previously addressed.

Objection 1

•17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
The form numbers in the Form Schedule are inconsistent with the related forms. Items 3, 4, 7 and 8 conflict with the form number stated in the Form Schedule. The forms attached as Items 5 and 6 are identified with the same form number as Items 3 and 4. 14 VAC 5-100-40 1 provides that each form submitted must have a number which may consist of digits, letters or a combination of both. The number must distinguish the form from all other forms used by the insurer. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of each form is correct, please revise the Form Schedule to display the correct form number. If the Form Schedule is correct, please provide us with revised forms.

Response: This has been corrected by submitting only one letter and one endorsement with sufficient variability in each to meet the different policy scenarios.

Please see the letter and endorsement attached in Supporting Document Section of SERFF:
“Illustrative_Kanawha Rate Letter VA LTC2 17452L” and
“Endorsement_Rate Increase_VA_LTC2_17452”

Objection 2

•17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
The forms contain variable fields. Please provide us with a statement of variability that identifies each variable field appearing in the forms and describe specifically how that field might vary from the text as presented. Please be aware that all fields intended to be variable, even those that are self-explanatory, must be bracketed in the form and described in the statement of variability.

Response: Please see the pdf "Statement_of_Variability_VA LTC".

Objection 3

•17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
Please provide us with John Doed versions of the forms.

Response: Please see the pdfs:
"Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation)"
"Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation)"
"Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation)"
"Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1)"
"Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2)"
"Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3)"

Objection 4

•17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
•17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
•17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)

Comments:
The Policyholders Already on Claim section states that once off claim, if applicable, the rate increase will apply and the insured will have the opportunity to elect one of the options "described in this letter". In all other cases the letter refers to options "described in the Endorsement". For purposes of clarity and consistency, this section should similarly refer to options explained in the Endorsement.

Response: For clarity we decided to include the options in the letter itself. We have revised similar statements to reference the options in the letter for consistency. Please see the pdf "Illustrative_Kanawha Rate Letter VA LTC2 17452L" with the options included.

Objection 5

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
The Termination of this Endorsement provision states that the endorsement will terminate upon conversion of the policy to a reduced paid-up policy. Please note that the endorsement may not terminate under this circumstance since the endorsement contains explanatory language about the reduced paid-up policy that amends the policy.

Response: Please see the pdfs “Endorsement_Rate Increase_VA_LTC2_17452” where this statement is removed.

Objection 6

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
Please confirm that the offer to convert the policy to a reduced paid-up benefit is available to all recipients of the premium increase.

Response: We confirm.

Objection 7

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
One of the options to premium increase is to reduce the benefit period. Please advise the minimum benefit period allowable.

Response: 2 Years of Benefit is the minimum policy benefit period.

Objection 8

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
Option 2 is appropriately referred to as a contingent benefit upon lapse; however, Option 2 Limitations refer to the “Non-forfeiture Benefit Calculation” and the “Non-Forfeiture benefits”. For the purposes of clarity and consistency with other endorsement language, please refer to the “Contingent Benefit Upon Lapse Calculation” and the Contingent Benefits Upon Lapse”.

Response: Please see the pdfs “Endorsement_Rate Increase_VA_LTC2_17452” & “Illustrative_Kanawha Rate Letter VA LTC2 17452L” under "*Option 2: Limitations" where the references to the “Non-forfeiture Benefit Calculation” and the “Non-Forfeiture benefits” have been replaced with “Contingent Benefit Upon Lapse Calculation” and “Contingent Benefits Upon Lapse” respectively.

Objection 9

•17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)
•17452C, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - Compound Inflation (Form)

Comments:
Please show conformity with 14 VAC 5-200-183 A 3 with respect to the Option 2 Limitations statement that inflation protection riders will terminate without value.

Response: We are in compliance with 14 VAC 5-200-183 A 3 since the approved policies issued in Virginia state explicitly that upon termination inflation protection riders will terminate without value.

Please see the pdfs “80680 1-97” and “93072 NTQ 1-98” under the “Limitations” section:
“If this Rider terminates, increases to Daily Benefit Amounts cease and will not occur. If this Rider terminates, the Daily Benefit Amounts will then reduce to those shown on the Policy Schedule as of the original Date of Policy.”

Also see the “Termination” section which describes one cause for the rider to terminate is “when any Premium for this Rider is not paid before the end of the Grace Period”.

If a policy converts to Contingent Benefit Upon Lapse the rider effectively terminates without value due to non-payment of the rider premium.

Equivalent language also exists for similar endorsements approved by Virginia “82120 901 CB – VA” and “82000 101 CB – VA” which state under the “Limitations” section:
“Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Offer 2 is effective through Your election of by lapse of the policy.”

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2017

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for two years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is 35.7%. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 18% from $120.00 to $141.60 which will be effective on 1/1/2018. The third phase of the premium rate increase will be effective ONE year from 1/1/2018. Your premium rate will increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$141.60; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$120.00; Your Premium Remains at the current level (Avoid the 35.7% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2018

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for one year from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 15% from $141.60 to $162.84 which will be effective on 1/1/2019.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$162.84; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$141.60; Your Premium Remains at the current level (Avoid the 15% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [LIMIT YEAR] appears we will insert "three years"/"two years"/"one year" for the rate increase being implemented in year 1/2/3 respectively.
- Where [Z1%] appears we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears we will insert the applicable policies current premium.
- Where [$X2] appears we will insert the applicable policies new premium after rate increase implemented in year 1.
- Where [$X3] appears we will insert the applicable policies new premium after rate increase implemented in year 2.
- Where [$X4] appears we will insert the applicable policies new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567890
Policyholder Name: John Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567891
Policyholder Name: Jane Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are <u>not</u> payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will <u>not</u> rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders <u>terminate</u> without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

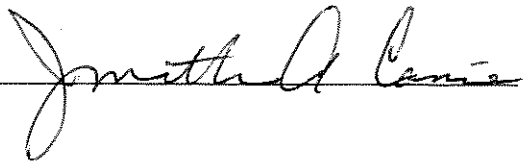
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452L 7/16 VA**

I hereby certify that the Flesch reading ease score of the above policy form is **47.6**. It contains **80** sentences, **2,269** words and **3,499** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
October 3, 2016

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

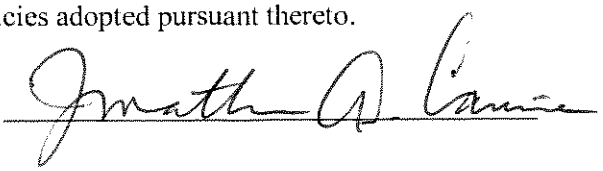
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452 7/16 VA**

I hereby certify that the Flesch reading ease score of the above policy form is **42.9**. It contains **20** sentences, **766** words and **1,132** syllables. The type size of the text of the policy forms is **11.5** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
October 6, 2016

Reset Form

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

Company Name and NAIC Number: Kanawha Insurance Company - 65110

SERFF Tracking Number: HUMA-129780509

Effective Date: On Approval

Revised Rates

Average Annual Premium Per Member: 1496

Average Requested Percentage Rate Change Per Member: 48.2%

Minimum Requested Percentage Rate Change Per Member: 20%

Maximum Requested Percentage Rate Change Per Member: 62.8%

Number of Policy Holders Affected : 685

Plans Affected
(The Form Number and "Product Name")

Form#	"Product Name"(if applicable)
80650 1/97 VA 80880 NTQ 1/98 VA	Comprehensive Long-Term Care (Tax Qualified) Comprehensive Long-Term Care (Non-Tax Qualified)

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

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When originally determining the premiums to charge for these LTC contracts, assumptions were made about a policyholder's:

1. Mortality,
2. Continued ability or desire to pay the policy premiums and keep the policy inforce,
3. Probability of a policyholder making a claim, and
4. Time on claim (once on claim).

The Company tracks the actual experience of the block versus each of these assumptions and updates its future claim predictions based upon this study.

In doing this study, the Company has seen:

1. Policyholders are living longer than originally expected. Lower death rates mean that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
2. Policyholders are continuing to pay their premiums and keeping their policies inforce longer than expected. Lower lapse rates of long term care policies means that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
3. The probability of a policyholder making a claim has been tracking well with original expectations.
4. Once the policyholder has made a claim, the policyholder's time on claim has been longer than originally expected. Staying on claim longer increases the need for future premiums.

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

John Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567890

Dear John Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective 1/1/2017, your premium will increase by 20% from $100.00 to $120.00. While the increase of 20% is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$120.00; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider
  -

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class do not include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is 62.8%. While the increase of 62.8% is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 20% from $100.00 to $120.00 which will be effective on 1/1/2017. The second phase of the premium rate increase will be effective ONE year from 1/1/2017. Your premium rate will increase an additional 18%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from 1/1/2017. Your premium rate will then increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$120.00; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$100.00; Your Premium Remains at the current level (Avoid the 62.8% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2017

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for two years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is 35.7%. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 18% from $120.00 to $141.60 which will be effective on 1/1/2018. The third phase of the premium rate increase will be effective ONE year from 1/1/2018. Your premium rate will increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$141.60; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$120.00; Your Premium Remains at the current level (Avoid the 35.7% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2018

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for one year from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 15% from $141.60 to $162.84 which will be effective on 1/1/2019.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$162.84; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$141.60; Your Premium Remains at the current level (Avoid the 15% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

SERFF Tracking #: Huma-129780509

NAIC Company: 65110

Please find our responses to the 8/23/2016 questions below:

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

Objection 1

- Response to e-mail sent on 3/14/2016 (Supporting Document)

Comments:
Thank you for completing the Part 1 Long Term Care Insurance Rate Request Summary. As noted at the bottom of the form, a brief narrative should be attached that summarizes the key information used to develop the rates include the main drivers for revised rates. This information will be on our web page for consumers to access. Please provide this information in consumer friendly language that explains the drivers of the rate increase and the process the company used to develop such rates.

Response: Please find the following brief narrative attached to the Part 1 LTC Insurance Rate Request Summary:

When originally determining the premiums to charge for these LTC contracts, assumptions were made about a policyholder's:

1. Mortality,
2. Continued ability or desire to pay the policy premiums and keep the policy inforce,
3. Probability of a policyholder making a claim, and
4. Time on claim (once on claim).

The Company tracks the actual experience of the block versus each of these assumptions and updates its future claim predictions based upon this study.

In doing this study, the Company has seen:

1. Policyholders are living longer than originally expected. Lower death rates mean that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
2. Policyholders are continuing to pay their premiums and keeping their policies inforce longer than expected. Lower lapse rates of long term care policies means that more policyholders are eligible to make long term care claims in the future and increases the need for future premiums.
3. The probability of a policyholder making a claim has been tracking well with original expectations.
4. Once the policyholder has made a claim, the policyholder's time on claim has been longer than originally expected. Staying on claim longer increases the need for future premiums.

We note the minimum requested rate increase is listed as 20% and a maximum of 62.8%. According to our records, the LTC 2 policies were lowered to 20%, 18% and 15% on policies with inflation and 20% as a single increase on policies without inflation. As a result, the minimum increase should be 15%. The maximum is correct (20%x18% x 15%) at 62.8%. Please amend the form accordingly.

Response: 15% is the smallest change in any one year. We've updated the rate/rule schedule with a 20% minimum. We've kept the 20% minimum in the Part 1 form.

Our answer of 20% was based upon the logic:
A member who receives an increase with inflation will get a 20% increase in year 1, an 18% increase in year 2, and a 15% increase in year three. The maximum increase is 62.8%. The 15% increase is only received after the policyholder has persisted two years and has already received increases of 20% and 18%. It's not possible to receive a single 15% increase alone.

A member who receives an increase without inflation protection will get a 20% increase in year 1 only. The minimum increase a policyholder will get is 20% which corresponds to those without inflation.

Benefit Type	Year 1	Year 2	Year 3	Cumulative
Inflation	20%	18%	15%	62.8%
No inflation	20%	0%	0%	20.0%

The effective date should be a date in the future or "on approval."

Response: We will update the form to say "on approval".

Objection 2

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider. (Rate)
- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider. (Rate)

Comments:
Thank you for updating the Rate/Rule Schedule. We are able to locate the rates for all form numbers except: 80660 1/97 and 80900 NTQ 1/98. Please advise.

Response: 80660 1/97 and 80900 NTQ 1/98 are home health care riders. These premiums are seen in the Exhibit II files in the columns with a heading of HHC. NH column in the Exhibit II is the nursing home premiums and relates to the policy forms 80650 1/97 VA and 80880 NTQ 1/98 VA.

It is our understanding the company wishes to raise the rates on these policies and riders 20% the first year, 18% the second year and 15% the third year for those with inflation riders and only 20% for the first year and no increases on the second and third year for polices with no inflation rider.

In reviewing the rate schedules for forms 80650 1/97 and Riders, it appears under Exhibit II VA Year 1 Premium rates were increased by 20% which would be applicable to all policyholders. The second and third year rates for the base policies and riders are the same as the first year rates except for the inflation rider factors for forms 80680 or 93072. Our expectation would have been that all factors stay the same and the base premium would have been adjusted 18% for the second year and 15% for the third year for those policies that have inflation riders. In other words, we would need two sets of base rates for the second and third year: one for those policies with no inflation rider and a second set for polices with the inflation riders. The company could simply indicate on Exhibit II that Year 1 rates apply to all policies and Year 2 and Year 3 are only applicable to those with inflation riders.

Please explain how the factors were determined in Years 2 and 3 and demonstrate those factors result in the same premium if the rate increases were applied to the base rates with no change in the inflation factors as explained above.

Response: There are multiple ways to accomplish the rate increase differentiating by inflation rider and

these ways could vary by the administration system. For the InsPro administration system, adjusting the inflation factors is more appropriate administratively in case someone removes their inflation protection, they would then have a premium equivalent to a policyholder without inflation protection. Adjusting the tables as suggested, would result in the need for additional coding in InsPro and a change in the logic of how a premium is charged for a policyholder.

Please see the file "KIC_VA_Exhibit II rate calculation example" for an example of how the premiums are computed in the InsPro system and for verification that the premium increases being approved are properly implemented.

Objection 3

- 17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
- 17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
- 17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
- 17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
- 17452N, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement - No inflation (Form)

Comments:
We reviewed your response to Objection 1 from our Objection Letter dated 12/28/15, and it appears that form numbers 17452NL 1 yr, 17452CL 1 yr, 17452CL 3 yr, 17452NL 3 yr, and 17452N are intended to be withdrawn from the filing. Please confirm.

Response: We confirm. These were withdrawn on SERFF and replaced with form numbers 17452L and 17452. These new forms include variable wording which allowed for consolidation into the forms 17452L and 17452 and removal of the forms listed above.

Objection 4

- Certification of Compliance (Supporting Document)
- 17452L, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter (Form)
- 17452, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement (Form)

Comments:
Related to the objection directly above, the remaining form numbers are inconsistent with the form numbers identified in the Form Schedule. Please note that the number appearing in the Form Schedule must mirror that appearing in the form. Please advise which form numbers are correct. If the form numbers appearing in the lower left-hand corner on the first page of the forms are correct, please revise the Form Schedule to display the correct form numbers. If the Form Schedule is correct, please provide us with revised forms.

The Certification of Compliance should also be amended to reflect the complete form number of each form.

Response: We have listed the full form names in the SERFF Form schedule, on the forms themselves, and on the certifications. Each will reference 17452 7/16 VA and 17452L 7/16 VA.

Objection 5

- 17452L, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter (Form)
- 17452, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement (Form)

Comments:
Thank you for providing the statements of variability; however, they should not be attached to the Form Schedule. Only forms subject to review for approval should be attached to the Form Schedule. As such, please remove it from the Form Schedule under both forms and attach it as supporting documentation.

Response: We have moved the statement of variability for each form to the supporting document section of SERFF.

Objection 6

- 17452L, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter (Form)

Comments:
In regards to the policyholder letter, the following concerns need to be addressed:

1) The Contingent Benefit Upon Lapse should include the maximum payable under this benefit and state that in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

Response: completed.

2) Please add language that similar options will be available in the future at the time of each increase and benefits may be changed at any time (not just at the time of a rate increase) for compliance with 14VAC5-200-75 D 1.

Response: completed. Please see the second paragraph under the table of options addressing this concern.

3) For clarification purposes, we suggest under the question "What happens if no Option is elected" should state that "If the premium is not paid and you do not choose an option...." to avoid any misunderstanding of the process.

Response: ok. Updated to VA's suggestion.

4) Under the class of policies section on the last page, please remove the following language "or to all residents of the state of VA with premium paying policies issued in another state or on a form number of similar series." Pursuant to Section 38.2-316 A of the Code of Virginia we are only authorized to review and approve rates for policies issued or issued for delivery in the State of Virginia.

Response: ok. Updated to VA's suggestion. We have removed the "or to all residents of the state of VA with premium paying policies issued in another state or on a form of similar series" from the letters being sent to VA issued policies.

Janet – I will send you an email to address Kanawha's usual practice of using resident state in the definition of class.

5) In reviewing the reason for the rate increase in paragraph two, there is concern that stating in the last sentence the rate increase is to ensure the company is appropriately positioned may be misunderstood by policyholders. As a suggestion, it would be better to simply state: "Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims."

Response: ok. Updated to VA's suggestion.

Objection 7

- Response to 12/15/2015 & 12/28/2015 Questions (Supporting Document)

Comments:
Thank you for your response to our objection 4; however, our concerns are not completely resolved.

What endorsement forms will be used if the insured decides to reduce benefits or request a paid up option through the contingent benefit upon lapse or nonforfeiture benefit? The endorsement attached to this filing provides only general information regarding options available. Please attach a copy of the endorsement that is provided if the benefit is reduced or removed or the policy becomes paid-up. Please include the SERFF tracking number, if applicable, and date of approval of such endorsements.

The triggers for a substantial premium increase were lowered as of September 1, 2015 and 14VAC5-200-185 D revised accordingly. Please confirm the company will administer the contingent benefit upon lapse and any contractual non-forfeiture option pursuant to the revised regulation.

Response: We already make the offer irrespective of the trigger points so we will be in compliance with the revised regulation.

Objection 7 amended
Thank you for your amendment dated today. We have reviewed the letter and do not have any concerns with the letter clarifying the time limit being variable when a rate increase is implemented as a series of increases.

Response: Thanks.

In further review of the filing, we need to amend our objection 7 in our prior letter dated today regarding how the policy is updated. The company previously provided copies of letters that are sent to policyholders with updated Schedule of Benefits to acknowledge the changes made in the contract. We had requested in our December 15, 2015 objection letter to provide evidence the Schedule of Benefits was approved for such variability. The company's response what that the language was approved at that time and felt it was unnecessary to submit a revised form for review and approval.

If the policy is updated via an endorsement, we agree the Policy Schedule does not need to be amended at this time. It appears, however, based on previous correspondence as mentioned above, an endorsement is not provided to the insured. And if that is the case, the policy schedule must updated accordingly. When the form was originally approved, there was no anticipation that such rate increases would be required in the future. That is no longer the case. The policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. The current Policy Schedule does not satisfy these requirements. The Schedule should include variability in regards to premium amounts, riders and wherever else such variability is applicable.

If the company does not wish to change the Schedule, then endorsements will be needed before the filing can be approved. One endorsement with the appropriate variability to cover all options would resolve our objection.

Response: An endorsement was already submitted with this filing. The form # is 17452 7/16 VA. Please see this endorsement. We assume this satisfies your concerns.

Thanks again for the thorough comments. We appreciate it and expect the product will be better for the policyholder, state and company given our working together on this filing.

Andrew Besendorf, FSA, MAAA
Actuarial Director
27th Floor Humana Tower
500 West Main Street
Louisville, KY 40202

dbesendorf@humana.com
Work phone: 502-580-2262

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

John Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567890

Dear John Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective 1/1/2017, your premium will increase by 20% from $856.74 to $1,028.08. While the increase of 20% is significant, a rate increase of 25% was filed with the Virginia State Corporation Commission; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$1,028.08; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
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What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

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Policyholders Already on Claim

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Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class do not include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2016

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

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The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is 62.8%. While the increase of 62.8% is significant, a rate increase of 90% was filed with the Virginia State Corporation Commission; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase 20% from $1,423.90 to $1,708.68 which will be effective on 1/1/2017. The second phase of the premium rate increase will be effective ONE year from 1/1/2017. Your premium rate will increase an additional 18%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from 1/1/2017. Your premium rate will then increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$1,708.68; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$1,423.90; Your Premium Remains at the current level (Avoid the 62.8% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2017

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for two years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is 35.7%. Please note it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase 18% from $1,708.68 to $2,016.24 which will be effective on 1/1/2018. The third phase of the premium rate increase will be effective ONE year from 1/1/2018. Your premium rate will increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$2,016.24; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$1,708.68; Your Premium Remains at the current level (Avoid the 35.7% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2018

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for one year from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases.

Based on your policy, your premium will increase 15% from $2,016.24 to $2,318.67 which will be effective on 1/1/2019.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$2,318.67; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$2,016.24; Your Premium Remains at the current level (Avoid the 15% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567890
Policyholder Name: John Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: 1234567891
Policyholder Name: Jane Doe

Endorsement Effective Date: 9/1/2016

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are <u>not</u> payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will <u>not</u> rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders <u>terminate</u> without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$596.67
HOME HEALTH CARE			$260.07
INFLATION			$567.17

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,423.90

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual
$1,423.90

DIRECT BILLING METHOD:

ANNUAL*	$1,423.90
SEMI-ANNUAL*	$726.18
QUARTERLY*	$370.21
MONTHLY*	$130.99
EFT*	$122.45

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$110	1460
HOSPICE	$110	1460
ADULT DAY CARE	$110	1460
HOME HEALTH CARE	$110	1,460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$110	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$716.00
HOME HEALTH CARE			$312.08
INFLATION			$680.60

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,708.68

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual
$1,708.68

DIRECT BILLING METHOD:

ANNUAL*	$1,708.68
SEMI-ANNUAL*	$871.42
QUARTERLY*	$444.25
MONTHLY*	$157.19
EFT*	$146.94

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$110	1460
HOSPICE	$110	1460
ADULT DAY CARE	$110	1460
HOME HEALTH CARE	$110	1,460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$110	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		PAID UP	$0.00
TOTAL FOR PREMIUM INTERVAL SELECTED			$0.00

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: $24,206.30 Maximum for all benefits

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status.

PREMIUM SCHEDULE INTERVAL SELECTED: N/A

$0.00

DIRECT BILLING METHOD:

ANNUAL*	$0.00
SEMI-ANNUAL*	$0.00
QUARTERLY*	$0.00
MONTHLY*	$0.00
EFT*	$0.00

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$110	SEE AMOUNT OF INSURANCE ABOVE
HOSPICE	$110	SEE AMOUNT OF INSURANCE ABOVE
ADULT DAY CARE	$110	SEE AMOUNT OF INSURANCE ABOVE
HOME HEALTH CARE	$110	SEE AMOUNT OF INSURANCE ABOVE
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	SEE AMOUNT OF INSURANCE ABOVE LIMITED TO 104 (PER YEAR)
RESPITE CARE	$110	SEE AMOUNT OF INSURANCE ABOVE LIMITED TO 14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.
THE POLICY HAS CONVERTED TO A PAID UP LONG TERM CARE INSURANCE POLICY.
THE PREMIUM AND BENEFIT AMOUNTS HAVE REDUCED TO THE LEVELS SHOWN ABOVE.

TELEPHONE 1-800-260-2162

Kanawha Insurance Company

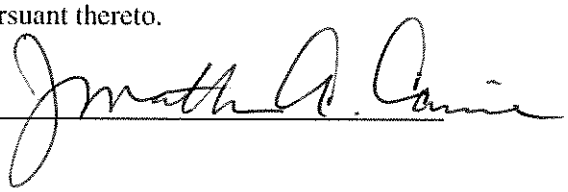
14VAC5-100-40 3. Certification.

VIRGINIA CERTIFICATION OF COMPLIANCE

For use with the Policy forms included in this SERFF filing

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
February 7, 2017

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$596.67
HOME HEALTH CARE			$260.07
INFLATION			$567.17

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,423.90

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual
$1,423.90

DIRECT BILLING METHOD:

ANNUAL*	$1,423.90
SEMI-ANNUAL*	$726.18
QUARTERLY*	$370.21
MONTHLY*	$130.99
EFT*	$122.45

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$252.12	1460
HOSPICE	$252.12	1460
ADULT DAY CARE	$252.12	1460
HOME HEALTH CARE	$252.12	1460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$252.12	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.
THE POLICYHOLDER ELECTED TO REDUCE THE INFLATION PROTECTION FROM 5% TO 0%.
THE PREMIUM AND BENEFIT AMOUNTS REMAIN AT THE LEVELS SHOWN ABOVE.

TELEPHONE 1-800-260-2162

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$585.82
HOME HEALTH CARE			$255.34
INFLATION			$556.85

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,398.01

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual
$1,398.01

DIRECT BILLING METHOD:

ANNUAL*	$1,398.01
SEMI-ANNUAL*	$712.98
QUARTERLY*	$363.48
MONTHLY*	$128.61
EFT*	$120.22

SPECIAL BILLING METHOD:
:MONTHLY*
PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$90	1460
HOSPICE	$90	1460
ADULT DAY CARE	$90	1460
HOME HEALTH CARE	$90	1,460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$90	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$526.87
HOME HEALTH CARE			$245.44
INFLATION			$535.10

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,343.42

POLICY NUMBER:	1234567891
DATE OF POLICY:	3/1/2000
INSURED:	Jane Doe
AGE AT ISSUE:	60
PRIMARY BENEFICIARY:	THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)	
AMOUNT OF INSURANCE:	SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual

$1,343.42

DIRECT BILLING METHOD:

ANNUAL*	$1,343.42
SEMI-ANNUAL*	$685.14
QUARTERLY*	$349.28
MONTHLY*	$123.59
EFT*	$115.53

SPECIAL BILLING METHOD:
:MONTHLY*

PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$110	730
HOSPICE	$110	730
ADULT DAY CARE	$110	730
HOME HEALTH CARE	$110	730
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$110	14 (PER YEAR)
ELIMINATION PERIOD	0 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

POLICY SCHEDULE

PLAN OF INSURANCE AND AGREEMENT(S) INCLUDED

DESCRIPTION	UNITS OF COVERAGE	PERIOD PREMIUM PAYABLE	PREMIUM AMOUNT(S)
LONG TERM CARE		LIFE	$558.48
HOME HEALTH CARE			$243.42
INFLATION			$530.87

A 10% Spousal discount has been applied to this policy's premium

TOTAL FOR PREMIUM INTERVAL SELECTED $1,332.77

POLICY NUMBER: 1234567891
DATE OF POLICY: 3/1/2000

INSURED: Jane Doe

AGE AT ISSUE: 60
PRIMARY BENEFICIARY: THE INSURED
(SEE APPLICATION FOR OTHER BENEFICIARIES:)
AMOUNT OF INSURANCE: SEE BELOW

PREMIUM SCHEDULE INTERVAL SELECTED: Annual
$1,332.77

DIRECT BILLING METHOD:

ANNUAL*	$1,332.77
SEMI-ANNUAL*	$679.71
QUARTERLY*	$346.52
MONTHLY*	$122.61
EFT*	$114.61

SPECIAL BILLING METHOD:
:MONTHLY*

PAYROLL ELECTRONIC TRANSFERS:
:MONTHLY*
MONTHLY, PAID WEEKLY*

*Payment of the special premiums shown in the above schedule may be made only with approval of the Kanawha Insurance Company.

AGCY AGENT
A000001234

BENEFITS	DAILY BENEFIT	MAXIMUM DAYS
NURSING HOME AND ASSISTED LIVING CARE	$110	1460
HOSPICE	$110	1460
ADULT DAY CARE	$110	1460
HOME HEALTH CARE	$110	1,460
HOMEMAKER BENEFIT	25% of the Home Health Care Daily Benefit Amount	104 (PER YEAR)
RESPITE CARE	$110	14 (PER YEAR)
ELIMINATION PERIOD	90 DAYS	

THIS SCHEDULE PAGE IS EFFECTIVE 3/1/2017, AND REPLACES ANY PRIOR SCHEDULE PAGE.

TELEPHONE 1-800-260-2162

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears, we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears, we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears, we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [LIMIT YEAR] appears, we will insert "three years"/"two years"/"one year" for the rate increase being implemented in year 1/2/3 respectively.
- Where [Z1%] appears, we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears, we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears, we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears, we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears, we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears, we will insert the applicable policy's current premium.
- Where [$X2] appears, we will insert the applicable policy's new premium after rate increase implemented in year 1.
- Where [$X3] appears, we will insert the applicable policy's new premium after rate increase implemented in year 2.
- Where [$X4] appears, we will insert the applicable policy's new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears, we will insert the policy number of the applicable policy.
- Where [NAME] appears, we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears, we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policy Schedule

Explanation of Variable Language Applicable to the Policy Schedule

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [PREMIUM PERIOD] appears, we will insert the period over which the premium will be paid for the applicable policy.
    - Options Include: "LIFE", "10 PAY", "5 YEARS OR TO AGE 65", "SINGLE PAY", "PAID UP"
- Where [BASE PREMIUM] appears, we will insert the premium due associated with the base form of the applicable policy.
- Where [LTC RIDERS] appears, we will insert the riders associated with the applicable policy.
    - Options Include: "SURVIVORSHIP", "INFLATION", "JOINT WAIVER OF PREMIUM", "HOME HEALTH CARE", "NON-FORFEITURE"
- Where [RIDER PREMIUM] appears, we will insert the premium due associated with the relevant rider associated with the applicable policy.
- Where [DISCOUNTS] appears, we will insert the discount associated with the applicable policy.
    - Options Include: "A 10% Spousal discount has been applied to this policy's premium", "A 10% Association discount has been applied to this policy's premium" or " "
- Where [TOTAL PREMIUM] appears, we will insert the total premium due associated with the applicable policy.
- Where [POLICY NUMBER] appears, we will insert the policy number of the applicable policy.
- Where [ISSUE DATE] appears, we will insert the issue date of the applicable policy.
- Where [NAME] appears, we will insert the name of the insured associated with the applicable policy.
- Where [ISSUE AGE] appears, we will insert the issue age of the insured/policyholder associated with the applicable policy.
- Where [BENEFIT LIMIT] appears, we will insert "$X limited by daily benefits below" except for those policies that selected to exercise a non-forfeiture option or contingent benefit upon lapse option. In the latter case we insert (where [BEN MAX] appears, we insert the maximum total benefit of their policy at the time of the NF/CBUL selection becomes effective):

    "[BEN MAX] Maximum for all benefits
    The dollar maximum limit of Benefits is the greater of:
    30 times the Daily Nursing Home Benefit; or
    100% of the sum of all Premiums paid over the life of the Policy including Riders.

    However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Benefits that would be payable if the policy had remained in a premium paying status."
- Where [PAYMENT INTERVAL] appears, we will insert the premium schedule interval selected for the applicable policy.
    - Options Include: "Annual", "Semi-Annual", "Quarterly", "Monthly", "EFT", "N/A"

- Where [ANNUAL PREMIUM] appears, we will insert the total premium due annually associated with the applicable policy.
- Where [SEMI-ANNUAL PREMIUM] appears, we will insert the total premium due semi-annually associated with the applicable policy.
- Where [QUARTERLY PREMIUM] appears, we will insert the total premium due quarterly associated with the applicable policy.
- Where [MONTHLY PREMIUM] appears, we will insert the total premium due monthly associated with the applicable policy.
- Where [EFT PREMIUM] appears, we will insert the total premium due monthly for EFT payments associated with the applicable policy.
- Where [AGENT NUMBER] appears, we will insert the number of the agent associated with the applicable policy.
- Where [NH DAILY BENEFIT] appears, we will insert the daily benefit for Nursing Home coverage selected for the applicable policy.
- Where [HHC DAILY BENEFIT] appears, we will insert the daily benefit for Home Health Care coverage selected for the applicable policy.
- Where [NH BENEFIT PERIOD] appears, we will insert the benefit period for Nursing Home coverage selected for the applicable policy.
    - Options Include: “LIFETIME”, “1460”, “1095”, “730”
    - For NF/CBUL selection we insert: “SEE AMOUNT OF INSURANCE ABOVE”
- Where [HHC BENEFIT PERIOD] appears, we will insert the benefit period for Home Health Care coverage selected for the applicable policy.
    - Options Include: “Lifetime”,“1,460”, “1,095”, “730”
    - For NF/CBUL selection we insert: “SEE AMOUNT OF INSURANCE ABOVE”
- Where [ELIMINATION PERIOD] appears, we will insert the elimination period associated with the applicable policy.
    - Options Include: “0 DAYS”, “30 DAYS”, “90 DAYS”, “180 DAYS”
- Where [EFFECTIVE DATE] appears, we will insert the date the schedule page is being implemented.
- Where [OPTION_STATEMENT] appears, if the policyholder elects the inflation option we will insert:
  “THE POLICYHOLDER ELECTED TO REDUCE THE INFLATION PROTECTION FROM 5% TO 0%.
  THE PREMIUM AND BENEFIT AMOUNTS REMAIN AT THE LEVELS SHOWN ABOVE.”
  If the policy converted to a non-forfeiture option or contingent benefit upon lapse option we will insert:
  “THE POLICY HAS CONVERTED TO A PAID UP LONG TERM CARE INSURANCE POLICY.
  THE PREMIUM AND BENEFIT AMOUNTS HAVE REDUCED TO THE LEVELS SHOWN ABOVE.”

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

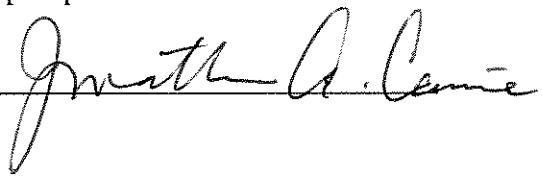
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452L 7/16 VA**

I hereby certify that the Flesch reading ease score of the above policy form is **45.5**. It contains **81** sentences, **2,301** words and **3,604** syllables. The type size of the text of the policy forms is **11** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
February 7, 2017

Kanawha Insurance Company

14VAC5-110-60. Certification.

Filings subject to this chapter (14VAC5-110-10 et seq.) shall be accompanied by the appropriate certification. If the score is lower than the minimum required, the insurer may request that the policy form be approved in accordance with 14VAC5-110-70.

To confirm the accuracy of any certification, the Commission may require the submission of further information to verify the certification in question.

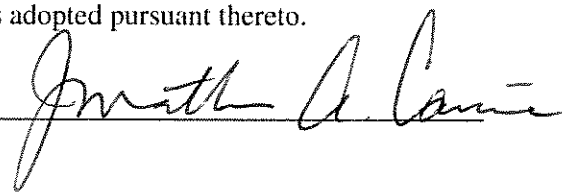
VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452 7/16 VA**

I hereby certify that the Flesch reading ease score of the above policy form is **42.4**. It contains **20** sentences, **770** words and **1,141** syllables. The type size of the text of the policy forms is **11.5** point type.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
February 7, 2017

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Non-Forfeiture Notification Post Rate Increase

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Non-Forfeiture Notification
Insured: [Insured Name]

Dear [Policyholder Name]:

Recently, we contacted you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. We had determined there was a need to increase premium levels to reflect the future claims expected on these policies. However, in accordance with the options provided to you with the increased premium announcement, your policy remains in effect at the non-forfeiture option level.

Your policy has not been cancelled but has been converted to a paid-up long term care insurance policy as of [Date].

Your Reduced Lifetime Benefit Maximum is equal to $XXX.XX as provided by the non-forfeiture limit calculation. Any additional benefits or riders under this policy are terminated as explained in your premium adjustment letter. It is important that you file this letter with your policy records for reference.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Contingent Benefit Upon Lapse Notification Post Rate Increase

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Contingent Benefit Upon Lapse Notification
Insured: [Insured Name]

Dear [Policyholder Name]:

Recently we contacted you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. We had determined there was a need to increase premium levels to reflect the future claims expected on these policies. However, in accordance with the options provided to you with the increased premium announcement, your policy remains in effect at the Contingent Benefit Upon Lapse option level.

Your policy has not been cancelled but has been converted to a paid-up long term care insurance policy as of [Date].

Your Reduced Lifetime Benefit Maximum is equal to $XXX.XX as provided by the Contingent Benefit Upon Lapse Calculation option. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Benefit Period Change Request

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Insured Name]

Dear [Policyholder Name]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to change the policy benefit period from a lifetime benefit period to a four (4) year benefit period. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Daily Benefit Change Request with Premium Refund

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Insured Name]

Dear [Policyholder Name]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to change the policy Daily Benefit from $XXX.XX to $XX.XX. Enclosed is check in the amount of $XX.XX representing the premium difference for the decrease in the Daily Benefit amount. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

SERFF Tracking #: Huma-129780509

NAIC Company: 65110

Please find our responses to the 10/26/2016 questions below:

Thank you for your recent response to our objections.

There are a few remaining concerns that need to be addressed as follows:

Objection 1

- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider. (Rate)
- Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider. (Rate)

Comments:
Thank you for your explanation with how the rates were calculated. Our objection concerning this has been resolved.

Response: Thank you.

Objection 2

- Response to 8/23/2016 Questions (Supporting Document)

Comments:
Thank you for providing the additional information in response to our concerns regarding state of residence vs. state of issue. After further review and discussion, our position remains the same. Pursuant to Section 38.2- 316 A of the Code of Virginia, we are only authorized to review and approve rates for policies issued or issued for delivery in the state of Virginia and a copy of the form has been filed with the Commonwealth. We have no authority over policies issued by other states and it would be misleading and incorrect to state otherwise.

Response: We acknowledge this approach.

Objection 3

- Response to 8/23/2016 Questions (Supporting Document)
- 17452NL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
- 17452CL 1 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
- 17452CL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - Compound inflation (Form)
- 17452NL 3 yr, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter - No inflation (Form)
- 17452L 7/16 VA, Policy/Contract/Fraternal Certificate, LTC Policyholder Letter (Form)
- 17452 7/16 VA, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement (Form)

Comments:
Thank you for the changes made in the policyholder letters. There still remains a few concerns to be addressed after further review:

1) The letters currently advises the insured premiums rates may be increased in the future since a much higher rate increase is supportable. Please revise the sentence or use words of similar import to state to provide the policyholder a clearer understanding of what may happen in the future:

"While the increase of [xx%] is significant, a rate increase in excess of 100% is currently actuarially supportable; therefore, it is highly likely that the company will file with the Virginia State Corporation Commission for additional increases."

Response: Please see updated rate increase letters. We have revised our wording to indicate that we had requested a higher increase than what was approved rather than what is supportable. We do this in order not to intimidate or scare the policyholders.

2) Thank you for modifying the contingent benefit upon lapse benefit; however, the letter stays the paid up value will not exceed the maximum number of "days" that would be payable. For compliance with 14VAC5-200-185 F the language actually states the value would not exceed the maximum "benefits" that would be payable. Please amend the wording. This objection would also apply to the endorsement and Statement of Variability.

Response: Please see updated rate increase letters & endorsements.

The changes in 1 & 2 have also resulted in readability changes so we have updated the readability certifications as well.

3) Thank you for making the revision as requested in "Your Class of Policies" provision. Please clarify what the company means in regards to "existing premium paying policies" in that section.

Response: This means the rate increase will not apply to paid-up or terminated policies. Only policies that are currently paying premiums will be impacted by the rate increase.

Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments:
1) Please amend the Actuarial Memorandum from a 60 day notice to a 75 day notice.

Response: Please see updated Actuarial Memorandum

2) The certification language in the Actuarial Memorandum indicates premiums will be enhanced but may not be sufficient to prevent future rate action. Please explain what the company means by "enhanced"?

Response: The Actuarial Memorandum is referring to the fact that increasing premiums lowers the overall lifetime loss ratio of the block; however, the rates even with the anticipated rate increase are still very inadequate and don't bring the lifetime loss ratios close to original pricing lifetime loss ratios.

If the experience develops as projected, does the company expect to still request future increases? If so, what would need to happen for the company to request another increase?

Response: If experience develops as projected or worsens the company still expects to request future rate increases as the total lifetime loss ratios even with the anticipated rate increases are still very inadequate. This is especially evident on those policies with compound inflation protection at 5% per annum. We had requested a 90% increase; so, the approved increase was well-below this request.

3) Thank you for providing the addendum to the Actuarial Memorandum. For our purposes, please revise Section 17 to indicate the request was modified to implement the increases over three years for the LTC 2 plan in increments of 20%, 18% and 15% for compound and 1 year 20% for no inflation policies; and for the LTC 3 plan, increments of 15% for each of three years for simple and compound and 1 year of 15% for no inflation policies. All exhibits should be revised accordingly.

Response: Please see updated Actuarial Memorandum and updated exhibits

Objection 5

- 17452 7/16 VA, Policy/Contract/Fraternal Certificate, LTC Policyholder Endorsement (Form)

Comments:
There appears to be some confusion regarding the endorsement form. This form is intended to become a part of the policy and lists eleven possible options depending on whether or not inflation protection is included. What it does not do, is update the policy when an option has been selected. What does the company provide when the option has been selected and the policy is changed?

Response: The initial communication is the rate increase policyholder letter with the endorsement of options available to the policyholder. The policyholder contacts customer service and requests information on the policyholder options. The customer service professional assists the policyholder in selecting the option which is a best fit their situation. The customer service area sends the policyholder a quote letter showing the policyholder options and the policyholder is expected to sign and return this quote letter. These documents are the attached “PxQuote Change Request Letter VA - No Inflation Riders” and “PxQuote Change Request Letter VA - Inflation Riders“ files.

Once customer service receives the signed form and selection of an option, a communication is sent which documents their option selection and includes a new policy schedule page and a one page change request confirmation. We have updated the schedule pages to increase the transparency of the change in benefits for the policyholder. The new policy schedule page is the document that the policyholder is instructed to keep with their current policy. Please see the “Confirmation Change Request Letter Benefit Period” files and the “Policy Schedule Page LTC2 17452S 7-16 VA” files. The policy schedules include a variable version and some sample versions showing how the schedule pages change upon the election of certain options.

In addition we have included updated statements of variability, including the variability for the policy schedules.

The Company initially indicated that it updated the Policy Schedule according to its response to our 9/14/2015 objection letter. This was followed up with another objection in our 12/15/2015 letter which questioned if the Policy Schedule was approved with this type of variability. The Company again stated it did not intend to change the Policy Schedule already approved. Another objection was sent on 8/23/2016 regarding the endorsement form sent with the revised Policy Schedule that is attached to the policy if the benefit is reduced, removed, or the policy becomes paid-up. The response to this referenced Form # 17452 7/16 VA which doesn't resolve our concern as noted above.

The Policy Schedule sent with the 9/14/2015 response stated this at the bottom of the form:

"This policy may have been endorsed and some of the provisions changed. Your attention is called to endorsements that may have been attached to this policy. This schedule page is effective September 28,2015, and replaces any prior schedule page."

There has been some confusion regarding the statement above that indicates endorsements may have been attached to the policy. What endorsements is the company referring to and is there already an endorsement that is used if the insured changes the benefits in some manner?

If the policy schedule was originally approved with the above statement, please provide evidence of this which would resolve our concerns. If it was not approved in this fashion, we need to address this issue by either amending the Statement of Variability for the Schedule to have such variability or have an endorsement form that is attached to the policy to state specifically what change has been made.

Response: To address these questions and as already shown to Janet Houser, we are filing new policy schedule pages for review by the VA department. Please find the variable policy schedule page in the Form Schedule in SERFF and the sample policy schedule page in the Supporting Documentation section in SERFF.

Objection 6

- L&H Actuarial Memorandum (Supporting Document)
- Response to 8/23/2016 Questions (Supporting Document)

Comments:
There needs to be consistency among the Company Rate Information on the Rate/Rule Schedule, the Actuarial Memorandum and the Rate Request Summary in regards to the overall percentage rate change and the minimum and maximum percentage of change. The Rate/Rule Schedule indicates 20% as the minimum and 62.840% as the maximum increase with an overall impact of 48.879%. The Rate Request Summary indicates 20% to 62.8% as the range with the overall average being 48.2% which is consistent with the Actuarial Memorandum addendum. Please do a post submission update to revise the Rate/Rule Schedule.

Response: The Rate/Rule Schedule has been updated to 48.167% for the overall percent rate impact reflecting the average rate increase approved.

In addition, the overall percentage indicated change should be the percentage increase that would have been needed to meet the minimum loss ratios. The letter indicates this would be over 100%.

Response: The Rate/Rule Schedule has been updated to 68.8% for the overall percent indicated change reflecting the average rate increase requested.

Objection 7

- Response to 12/15/2015 & 12/28/2015 Questions (Supporting Document)

Comments:
Thank you for your response to our objection 4; however, our concerns are not completely resolved.

What endorsement forms will be used if the insured decides to reduce benefits or request a paid up option through the contingent benefit upon lapse or nonforfeiture benefit? The endorsement attached to this filing provides only general information regarding options available. Please attach a copy of the endorsement that is provided if the benefit is reduced or removed or the policy becomes paid-up. Please include the SERFF tracking number, if applicable, and date of approval of such endorsements.

Response: Please see our response for objection 5.

The triggers for a substantial premium increase were lowered as of September 1, 2015 and 14VAC5-200-185 D revised accordingly. Please confirm the company will administer the contingent benefit upon lapse and any contractual non-forfeiture option pursuant to the revised regulation.

Response: We confirm.

Andrew Besendorf, FSA, MAAA
Actuarial Director
27th Floor Humana Tower
500 West Main Street
Louisville, KY 40202
dbesendorf@humana.com
Work phone: 502-580-2262

SERFF Tracking #: HUMA-129780509

NAIC Company: 65110

Please find our responses to the 2/3/2017 email below:

From: Janet Houser [mailto:Janet.Houser@scc.virginia.gov]
Sent: Friday, February 03, 2017 12:25 PM
To: Daniel Rosenberg
Cc: Drew Besendorf
Subject: RE: Virginia Letters and Policy Schedule Updates (SERFF Filings HUMA-129780509 / HUMA-129780458)

First, I want to thank you so very much for all the hard work and extra effort the Company has made to comply with our requests regarding the policyholder letters and other forms. We received much more information than expected and it made our review go much faster and smoother.

1. Here is where we are now on the letters:

- In the appropriate filing, please attach the final version of the Notification letter to the Form Schedule in SERFF. All the corresponding Jane or John versions should be attached to Supporting Documentation.

Please find the final variable version of the Notification letter in the Form Schedule in SERFF: “Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA”

Please find the sample (John/Jane Doe) versions of the Notification letter in Supporting Documentation:
“Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - John Doe (No Inflation)”
“Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 1)”
“Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 2)”
“Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA - Jane Doe (Inflation Yr 3)”

- The Premium Quote letters should be attached to Supporting Documentation.

Please find the Premium Quote letters in Supporting Documentation:
“PxQuote Change Request Letter VA - No Inflation Riders”
“PxQuote Change Request Letter VA - Inflation Riders”

- The Confirmation Change Request letters should be attached to Supporting Documentation.

Please find the Confirmation Change Request letters in Supporting Documentation:
“Confirmation Change Request Letter Benefit Period”
“Confirmation Change Request Letter CBUL”
“Confirmation Change Request Letter DailyBenefit_Px Refund”
“Confirmation Change Request Letter Nonforfeiture”
Confirmation Change Request Letter Reduce Inflation Protection Benefit”

2. Here is where we are now on the Schedule of Benefits:

- Form numbers need to be added to the lower left hand corner for compliance with 14VAC5-100-50
    1. This form number would need to be different from the original form number previously approved.

We have updated the Schedule of Benefits page with the form numbers included.

- Attach the final version of Schedule of Benefits to the Form Schedule in SERFF.

Please find the final variable version of the Schedule of Benefits page in the Form Schedule in SERFF:
"Policy Schedule Page LTC2 17452S 7-16 VA - Variable"

- The sample versions should be added to Supporting Documentation.

Please find the sample versions of the Schedule of Benefits page in Supporting Documentation:
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Before Rate Inc"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 1 - Rate Inc"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 2 - CBUL - NF"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 3 - Reduce Inflation Protection"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 4 - Daily Benefit Reduction"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 5 - Benefit Period Reduction"
"Policy Schedule Page LTC2 17452S 7-16 VA - Sample - Option 6 - Elimination Period Increase"

3. There are some concerns with the LTC 3 Statement of Variability (SOV) as follows:

- Name" is identified as variable for both the insured and the owner fields. The SOV states "Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy." Is the owner always an insured or policyholder?

This question does not apply to the LTC 2 policies in this filing.

- Premium Rate Class is identified as variable but the field is not described in the SOV.

This question does not apply to the LTC 2 policies in this filing.

Please address these items and attach the SOVs to Supporting Documentation.

Please find the final version of the Statement of Variability in Supporting Documentation:
"Statement_of_Variability_VA LTC2"

4. Attach the new Endorsement forms to the Form Schedule. All the corresponding Jane or John Doe versions should be attached to Supporting Documentation. Please attach a readability certification with the new form numbers to Supporting Documentation for each endorsement form for compliance with 14VAC5-110-60. We do not need readability certification for the Schedule of Benefits or the letters.

Please find the final variable version of the Endorsement in the Form Schedule in SERFF:
"Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA"

Please find the sample (John/Jane Doe) versions of the Endorsement in Supporting Documentation:
"Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - Jane Doe (No Inflation)"
"Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA - John Doe (Inflation)"

Please find readability certifications for the Notification Letter & Endorsement in Supporting Documentation:
"14VAC5-110-60 Cert 17452L 7-16 VA"
"14VAC5-110-60 Cert 17452 7-16 VA"

5. Please update the Certification of Compliance in accordance with 14VAC5-100-40. The Company does not need to list each form individually in certification since it references "the enclosed policy form(s). Should the Company decide to include the form numbers, please be sure the form numbers match exactly.

Please find the certification of compliance in Supporting Documentation:
"14VAC5-100-40 3 Cert"

I think that covers everything; however, if there are any questions or concerns, please feel free to contact me at 804-371-9390. Again, we appreciate all the attention to detail the Company has provided and I look forward working with you in the near future as this filing comes to a close.
Thank you.

Janet Houser

Thank you.

Andrew Besendorf, FSA, MAAA
Actuarial Director
27th Floor Humana Tower
500 West Main Street
Louisville, KY 40202
dbesendorf@humana.com
Work phone: 502-580-2262

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date **Reduce Inflation Protection Benefit Reduction Notification Post Rate Increase**

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy [XXXXXXXXXX]
Insured: [Insured Name]

Dear [Policyholder Name]:

Thank you for your recent request to make changes to the above referenced policy.

We have completed your request to avoid a premium increase by reducing the inflation protection from 5% to 0%. Your inflation rider remains inforce and your daily benefit amount remains at its current level. As a result your premium will remain at $XXX.XX. Your daily benefit amount will remain $XXX.XX for Nursing Home and $XXX.XX for Home Health Care. The enclosed Policy Schedule reflects this change and replaces any prior Policy Schedule. It is important that you keep a copy of the enclosed Policy Schedule with your policy records for reference.

If you have any additional questions concerning your Long Term Care policy, your requested policy change, premium payments, or the enclosed Policy Schedule, please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Quote Letter / Premium Reduction Options
(No Inflation Protection Reduction Option)

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy XXXXXXXXXX
Insured: [Name]

Dear [Policyholder]:

In response to your recent request, please review the attached Long Term Care Policy Change Request listing the available options to reduce your premium for your Long term Care policy. Following your review of these available options please indicate your selection by placing a mark in the box provided, sign and date the Change Request, and return within 31 days from the date of this letter to our office address, P.O. Box 12830, Pensacola, FL 32591.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning the available premium reduction options, or other questions concerning your Long Term Care policy please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Long Term Care Policy Change Request

Name of Insured	Policy Number

☐ **Option 1:** Keep current Policy and benefit levels and pay the increased premium amount
Annual Premium is $

☐ **Option 2**: Convert Policy to Reduced Paid Up Long Term Care Insurance
The reduced dollar maximum limit of Benefits is equal to $
Policy is paid-up, no future premiums is due as of the date of the premium increase

When Option 2 is selected the following Policy Benefits and Riders that may be attached to your Policy are terminated or no longer available: Benefit Rebuilder; Any Survivorship Riders; Joint Waiver of Premium Rider; Inflation Protection Rider; Guaranteed Purchase Offer Rider; and Return of Premium Rider.

☐ **Option 3**: Decrease Policy Benefits
Decrease Nursing Home Daily Benefit Amount from $ to $
Decrease Home Health Care Daily Benefit Amount from $ to $
Annual Premium is approximately $

☐ **Option 4**: Reduce the Policy Benefit Period for Nursing Home Benefit, and Home Health Care Benefit
Reduce Nursing Home Benefit Period from X to X years
Reduce Home Health Care Benefit Period from X to X years
Annual Premium is approximately $

☐ **Option 5**: Increase the Elimination Period
Increase Elimination Period from days to days
Annual Premium is approximately $

I understand the changes requested above. The information given is complete to the best of my knowledge. I agree that any change will become effective on the date determined by Kanawha Insurance Company following its receipt and approval of this request.

_____

Signature of Insured Date

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Current Date

Quote Letter / Premium Reduction Options
(Includes Inflation Protection Reduction)

Policyholder Name
Address
City State Zip

RE: Long Term Care Policy XXXXXXXXXX
Insured: [Name]

Dear [Policyholder]:

In response to your recent request, please review the attached Long Term Care Policy Change Request listing the available options to reduce your premium for your Long term Care policy. Following your review of these available options please indicate your selection by placing a mark in the box provided, sign and date the Change Request, and return within 31 days from the date of this letter to our office address, P.O. Box 12830, Pensacola, FL 32591.

Thank you for allowing Kanawha Insurance Company to assist in serving your insurance needs. If you have any additional questions concerning the available premium reduction options, or other questions concerning your Long Term Care policy please call our Customer Service team at 1-800-260-2162.

Sincerely,

P. Anthony Hammond

P. Anthony Hammond
Market Vice President
Kanawha LTC and Acquired Blocks

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

Long Term Care Policy Change Request

Name of Insured	Policy Number

☐ **Option 1:** Keep current Policy and benefit levels and pay the increased premium amount
Annual Premium is $

☐ **Option 2**: Convert Policy to Reduced Paid Up Long Term Care Insurance
The reduced dollar maximum limit of Benefits is equal to $
Policy is paid-up, no future premiums is due as of the date of the premium increase

When Option 2 is selected the following Policy Benefits and Riders that may be attached to your Policy are terminated or no longer available: Benefit Rebuilder; Any Survivorship Riders; Joint Waiver of Premium Rider; Inflation Protection Rider; Guaranteed Purchase Offer Rider; and Return of Premium Rider.

☐ **Option 3**: Reduce the Inflation Protection Benefit Rider annual rate to 0%.
Reduce Inflation Protection annual rate from 5% to 0%.
Inflation Rider remains inforce and Daily Benefit Amount remains at the current accumulated level.
Annual Premium remains at the current level of $

☐ **Option 4**: Decrease Policy Benefits
Decrease Nursing Home Daily Benefit Amount from $ to $
Decrease Home Health Care Daily Benefit Amount from $ to $
Annual Premium is approximately $

☐ **Option 5**: Reduce the Policy Benefit Period for Nursing Home Benefit, and Home Health Care Benefit
Reduce Nursing Home Benefit Period from X to X years
Reduce Home Health Care Benefit Period from X to X years
Annual Premium is approximately $

☐ **Option 6**: Increase the Elimination Period
Increase Elimination Period from days to days
Annual Premium is approximately $

I understand the changes requested above. The information given is complete to the best of my knowledge. I agree that any change will become effective on the date determined by Kanawha Insurance Company following its receipt and approval of this request.

_____

Signature of Insured Date

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
02/07/2017	Withdrawn 03/10/2017	Supporting Document	L&H Actuarial Memorandum	02/24/2017	LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 130HUM0122.VA.LTC2ActMemo.022017.pdf (Superceded) 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf KIC_NW_LTC2_ActMemo_ExhibitI.022017.pdf KIC_VA_LTC2_ActMemo_ExhibitI.022017.pdf
10/06/2016	Withdrawn 03/10/2017	Supporting Document	L&H Actuarial Memorandum	02/07/2017	130HUM0122.VA.LTC2ActMemo.01162015.pdf (Superceded) 130HUM22.VA.LTC2.ExhibitI_NW.pdf (Superceded) 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf (Superceded) LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf 0130HUM22.VA.LTC2.ActuarialMemo.Addendum1.pdf
10/01/2016	Withdrawn 03/10/2017	Form	LTC Policyholder Letter	02/07/2017	Illustrative_Kanawha Rate Letter VA LTC2 17452L 7-16 VA.pdf (Superceded)
10/01/2016	Disapproved 02/04/2017	Form	LTC Policyholder Endorsement	02/07/2017	Endorsement_Rate Increase_VA_LTC2_17452 7-16 VA.pdf (Superceded)
08/17/2016	Withdrawn 02/04/2017	Form	LTC Policyholder Letter	10/01/2016	Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf (Superceded) Statement_of_Variability_VA LTC.pdf (Superceded)

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
08/17/2016	Withdrawn 02/13/2017	Form	LTC Policyholder Endorsement	10/01/2016	Endorsement_Rate Increase_VA_LTC2_17452.pdf (Superceded) Statement_of_Variability_VA LTC.pdf (Superceded)
06/30/2016	Withdrawn 10/27/2016	Supporting Document	Certification of Compliance	10/03/2016	14VAC5-100-40 3 Cert 17452.pdf (Superceded) 14VAC5-100-40 3 Cert 17452L.pdf (Superceded)
06/30/2016	Withdrawn 02/14/2017	Rate	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	10/02/2016	KIC_VA_LTC2_ActMemo_ExhibitII_ TQ_Proposed.pdf (Superceded)
06/30/2016	Withdrawn 02/14/2017	Rate	Premium Schedule-Current and Proposed, 63% over 3 years (20% the first year, 18% the second, and 15% the third) for policies with compound inflation rider and 20% for those with no inflation rider.	10/02/2016	KIC_VA_LTC2_ActMemo_ExhibitII_ NTQ_Proposed.pdf (Superceded)
06/29/2016	Withdrawn 08/23/2016	Form	LTC Policyholder Letter	08/17/2016	Illustrative_Kanawha Rate Letter VA LTC2 17452L.pdf (Superceded) Statement_of_Variability_VA LTC.pdf (Superceded)
06/29/2016	Withdrawn 08/23/2016	Form	LTC Policyholder Endorsement	08/17/2016	Endorsement_Rate Increase_VA_LTC2_17452.pdf Statement_of_Variability_VA LTC.pdf (Superceded)

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
06/29/2016	Withdrawn 08/23/2016	Supporting Document	Response to 12/15/2015 & 12/28/2015 Questions	08/17/2016	80680 1-97.pdf 93072 NTQ 1-98.pdf 82000 101 CB - VA.pdf 82120 901 CB - VA.pdf Endorsement_Rate Increase_VA_LTC2_17452 - John Doe (No Inflation).pdf Endorsement_Rate Increase_VA_LTC2_17452 - Jane Doe (Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - John Doe (No Inflation).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 1).pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 2).pdf (Superceded) VA 2015_12_28 Responses - LTC2.pdf Illustrative_Kanawha Rate Letter VA LTC2 17452L - Jane Doe (Inflation Yr 3).pdf (Superceded) 14VAC5-110-60 Cert 17452.pdf 14VAC5-110-60 Cert 17452L.pdf VA 2015_12_15 Responses - LTC2.pdf
12/15/2015	Withdrawn 07/05/2016	Supporting Document	Response to 12/14/2015 Questions	12/16/2015	Rate Increase StatusUpdate Response Workbook - VA.pdf (Superceded)
11/16/2015	Withdrawn 07/05/2016	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	06/30/2016	KIC_VA_LTC2_ActMemo_ExhbitII_TQ_Proposed.pdf (Superceded)
11/16/2015	Withdrawn 07/05/2016	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	06/30/2016	KIC_VA_LTC2_ActMemo_ExhbitII_NTQ_Proposed.pdf (Superceded)

SERFF Tracking #: HUMA-129780509 **State Tracking #:** HUMA-129780509 **Company Tracking #:** LTC2 10242014

State: Virginia **Filing Company:** Kanawha Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: LTC2
Project Name/Number: Kanawha LTC2 Premium Inc.2014/LTC2 2014

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
09/04/2015	Withdrawn 10/27/2016	Supporting Document	L&H Actuarial Memorandum	10/06/2016	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf 130HUM22.VA.LTC2.ExhibitII.pdf
09/04/2015	Withdrawn 12/15/2015	Form	LTC Policyholder Letter and Endorsement - No inflation	11/16/2015	ENDORSEMENT Illustrative_Kanawha Rate No Inflation Letter VA LTC2 1 Yr Increase 17452N.pdf (Superceded)
09/04/2015	Withdrawn 12/15/2015	Form	LTC Policyholder Letter and Endorsement - Compound Inflation	11/16/2015	ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 1 Yr Increase 17452C.pdf (Superceded)
09/04/2015	Withdrawn 12/15/2015	Form	LTC Policyholder Letter and Endorsement - Compound Inflation	11/16/2015	ENDORSEMENT Illustrative_Kanawha Rate Increase Inflation Letter VA LTC2 3 Yr Increase 17452C.pdf (Superceded)
09/04/2015	Withdrawn 12/15/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	11/16/2015	130HUM22.VA.LTC2.ExhibitII.Proposed.pdf (Superceded)
09/04/2015	Withdrawn 12/15/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	11/16/2015	
09/04/2015	Withdrawn 07/05/2016	Supporting Document	Certification of Compliance	06/30/2016	KIC 14VAC5-100-40 3 Title 38.2 Certification LTC 2 17452N 17452C.pdf (Superceded)
01/19/2015	Withdrawn 05/28/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	09/04/2015	
01/19/2015	Withdrawn 09/14/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	09/04/2015	130HUM22.VA.LTC2.ExhibitII.pdf (Superceded)

SERFF Tracking #:	HUMA-129780509	**State Tracking #:**	HUMA-129780509	**Company Tracking #:**	LTC2 10242014

State:	Virginia	**Filing Company:**	Kanawha Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	LTC2		
Project Name/Number:	Kanawha LTC2 Premium Inc.2014/LTC2 2014		

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
01/18/2015	Withdrawn 05/28/2015	Supporting Document	Sample Policyholder Letters	04/30/2015	Illustrative KIC_LTC2_Rate Increase Letter with 5 Options 2014 Compound Inflation.pdf (Superceded) RateIncLetter_Sample_SCLTC2 no inflation.pdf (Superceded)
01/18/2015	Withdrawn 09/14/2015	Supporting Document	L&H Actuarial Memorandum	09/04/2015	130HUM0122.VA.LTC2ActMemo.01162015.pdf 130HUM22.VA.LTC2.ExhibitI_NW.pdf 130HUM22.VA.LTC2.ExhibitI_VA.01162015.pdf LTC2_VA_Cover Letter.01162015.pdf
10/24/2014	Withdrawn 05/28/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	01/19/2015	130HUM22.VA.LTC2.ExhibitII.pdf
10/24/2014	Withdrawn 05/28/2015	Rate	Premium Schedule-Current and Proposed, 90% for policies with compound inflation rider and 25% for those with no inflation rider.	01/19/2015	
10/24/2014	Withdrawn 09/14/2015	Supporting Document	Certification of Compliance	09/04/2015	
10/24/2014	Withdrawn 01/23/2015	Supporting Document	L&H Actuarial Memorandum	01/18/2015	130HUM0122.VA.LTC2ActMemo.pdf (Superceded) 130HUM22.VA.LTC2.ExhibitI_NW.pdf (Superceded) 130HUM22.VA.LTC2.ExhibitI_VA.pdf (Superceded) LTC2_VA_Cover Letter.pdf (Superceded)
10/24/2014	Withdrawn 01/23/2015	Supporting Document	Sample Policyholder Letters	01/18/2015	RateIncLetter_Sample (no inflation).pdf (Superceded) Illustrative KIC_LTC_Rate Increase Letter with 5 Options 2014.pdf (Superceded)

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
February 7, 2017

Product	Number
Comprehensive Long-Term Care (Tax Qualified)	80650 1/97 VA
Comprehensive Long-Term Care (Non-Tax Qualified)	80880 NTQ 1/98 VA

These forms were issued in Virginia by Kanawha Insurance Company (Kanawha) from 1997 through 2003. The above forms are no longer marketed in any state.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of supporting a rate increase request on Kanawha's existing long-term care policies. This request for a rate increase is being filed in accordance with the minimum loss ratio requirements. This memorandum may not be suitable for other purposes.

2. Description of Benefits

This is an individually underwritten policy that provides long-term care coverage. This form may also include a survivorship benefit that provides for premiums to become paid up upon the tenth anniversary of the policy if: (1) both the policyholder and the spouse are covered by long-term care policies issued by Kanawha, (2) the spouse dies, and (3) both policies are in-force at the time of the spouse's death.

Forms 80650 1/97 VA (tax qualified [TQ], "LTC2") and 80880 NTQ 1/98 VA (non-tax qualified [NTQ], "NTQ2") provide long-term care benefits for periods of 2, 3, 4 years, or for lifetime. Optional coverage is available with the election of several riders. Riders 80660 1/97 (TQ) and 80900 NTQ 1/98 (NTQ) provide home health care benefits. Riders 80680 1/97 (TQ) and 93072 NTQ 1/98 (NTQ) provide 5% compound inflation protection. Additional applicable riders for this product include, but are not limited to, guaranteed future benefits option increase, return of premium, and nonforfeiture.

All of the above forms are no longer issued. Policies with the guaranteed future benefits option increase still have a limited option to purchase additional coverage.

3. Renewability

These policies are guaranteed renewable for life.

4. Applicability

The proposed rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers listed above or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. Paid up policies will not be affected by the rate increase as no additional premiums can be collected from such policies. The rate increase will apply to the base forms as well as all applicable options and riders.

5. Actuarial Assumptions

a. Morbidity

Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience.

Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The following sample of claim costs are applied to in-force insureds with comprehensive coverage, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit, issued at age 52:

Attained Age	No Inflation
52	4.77
57	8.48
62	20.50
67	34.68
72	73.47
77	176.48
82	371.66
87	731.97
92	978.48

Original Pricing Assumption for Morbidity

When these policy forms were originally priced, claim costs were developed using the Society of Actuary's first Long-Term Care Study Intercompany Study, published in 1993. That study consisted primarily of the nursing home claims experience of ten LTC carriers, representing policyholder exposure between 1984 and 1991. The company adjusted claim costs to reflect underwriting selection, home health care benefits, spousal coverage, and the election of riders and GPOs.

Below are examples of annual claim costs by attained age developed at the time of original pricing for these policy forms, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit with no inflation protection.

Attained Age	No Inflation
52	3.38
57	8.78
62	18.01
67	43.13
72	102.41
77	245.73
82	331.15
87	408.96
92	455.65

The company monitors the entire block of LTC policies regularly and has requested remedial rate increases as it has become apparent that premiums are not sufficient to cover anticipated future claims. The last rate increase approved in Virginia was implemented in 2010, and that filing reflected exposure through 2008. Since that time, the count of claims incurred across Humana's LTC blocks has increased by 80%, representing a 118% increase in claim amounts. These data continue to indicate that the original pricing morbidity assumptions have contributed to the need for remediation. This is consistent with the comparison between the original pricing claim costs above and the latest, best estimate claim costs.

The best estimate assumptions were developed reflecting claims through 2012. The following tables demonstrate how the latest best estimate assumptions compare to actual experience through December 31, 2012 for all of Humana's LTC products.

Incidence Rates Modeled vs. Actual

Product Type	NH	HHC
Tax Qualified	99.6%	99.8%
Non-Tax Qualified	100.3%	99.8%

Modeled claim termination rates were adjusted with a scalar factor, by type of care setting and duration, to reach an overall actual-to-expected model result of 100%.

Continuance Rates Modeled vs. Actual

	NH	HHC
All durations	100%	100%

b. Lapse

Lapse rates are developed from actual historical experience. A total decrement rate is calculated and mortality is subtracted based on the above assumption such that mortality and lapse combine to equal the historical experience.

The voluntary lapse rates for this product are the rates in the tables below along with a 70% adjustment factor applied to them in order to match actual experience. For example, the ultimate no inflation voluntary lapse rate is 1.40%.

Compound Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	3.13%	3.13%	3.13%	3.13%	3.13%	1.00%	1.00%	1.00%	0.50%
2	2.50%	2.50%	2.50%	2.50%	2.50%	1.00%	1.00%	1.00%	0.50%
3	2.38%	2.38%	2.38%	2.38%	2.38%	1.00%	1.00%	1.00%	0.50%
4	1.88%	1.88%	1.88%	1.88%	1.88%	1.00%	1.00%	1.00%	0.50%
5	1.56%	1.56%	1.56%	1.56%	1.56%	1.00%	1.00%	1.00%	0.50%
6+	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%

No Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	6.25%	6.25%	6.25%	6.25%	6.25%	2.00%	2.00%	2.00%	1.00%
2	5.00%	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	1.00%
3	4.75%	4.75%	4.75%	4.75%	4.75%	2.00%	2.00%	2.00%	1.00%
4	3.75%	3.75%	3.75%	3.75%	3.75%	2.00%	2.00%	2.00%	1.00%
5	3.13%	3.13%	3.13%	3.13%	3.13%	2.00%	2.00%	2.00%	1.00%
6+	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	1.00%

Original Pricing Assumption for Lapse

When these policy forms were originally priced, lapse rates were deemed appropriate based on industry experience for similar companies with similar products. The following tables show the original pricing lapse assumption:

	Issue Ages				
Duration	40-59	60-64	65-69	70-74	75+
1	25.0%	20.0%	12.0%	10.0%	8.0%
2	16.0%	13.0%	8.0%	5.0%	4.0%
3	11.0%	8.0%	5.0%	5.0%	4.0%
4	9.0%	6.0%	5.0%	5.0%	4.0%
5+					
< AA 65	7.0%	6.0%	5.0%	5.0%	4.0%
AA 65+	6.5%	6.0%	5.0%	5.0%	4.0%

Reports on industry data issued around the time of original pricing, such as the SOA's Long-Term Care Intercompany Study in 1993, are consistent with these assumptions. Reported lapses during the exposure period in those studies were far greater than those which have emerged in recent years. Since the time of initial pricing, lapse rates have declined

significantly industry-wide. The latest best estimate lapse assumptions reflect this reduction in overall lapse rates and late duration lapse rates in particular.

These long-term care policies were priced assuming that premiums earned in early durations would fund claims incurred in later durations. The premium rates originally established were supported by the assumption of voluntary lapses, which reduced expected claims in later years. With this block of business, as with similar blocks industry-wide, these lower lapse rates have had a significant, unfavorable impact on the financial health of these blocks. Lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business.

c. Mortality

Mortality is assumed to be 100% of the 2012 Annuity Basic ANB Male and Female Table.

Original Pricing Assumption for Mortality

This product was originally priced assuming 90% of 1975-80 Select and Ultimate Age Last Birthday, weighted 1/3 Male and 2/3 Female.

The following table compares Male and Female ultimate mortality rates between original pricing mortality and current best estimate assumptions.

Mortality Rates Per Thousand

	Male			Female		
Age	Pricing	Current	Current/Pricing	Pricing	Current	Current/Pricing
62	0.0138	0.0069	0.497	0.0081	0.0049	0.603
67	0.0224	0.0101	0.451	0.0121	0.0078	0.645
72	0.0358	0.0152	0.424	0.0190	0.0120	0.633
77	0.0566	0.0262	0.462	0.0332	0.0195	0.587
82	0.0884	0.0470	0.531	0.0591	0.0361	0.611
87	0.1349	0.0848	0.629	0.0974	0.0702	0.721
92	0.1964	0.1524	0.776	0.1480	0.1192	0.805
97	0.2675	0.2386	0.892	0.2110	0.1997	0.946

Overall terminations on these policies are significantly lower than was anticipated at the time of original pricing. As an example, we originally projected that 15% of those policies issued at age 60 would still be in-force after 20 years. Our current best estimate model projects that over three times that number, or 55%, of those same policies would remain in-force after 20 years.

d. Expenses

Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate. Reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium will be similar (i.e., commissions will not be paid on the increased premium).

The above assumptions are based on the experience of Kanawha. These assumptions are based on the nationwide experience of the particular policy forms in this filing and other similar policy forms where appropriate. The above assumptions are deemed reasonable for the particular policy forms in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy form were taken into consideration.

The company does not currently market any long-term care products.

6. Marketing Method

These plans were individually solicited by agents and independent brokers representing Kanawha Insurance Company.

7. Underwriting Description

These policy forms were fully underwritten based on responses to questions in the application and the use of additional underwriting tools such as telephone interviews, attending physician statements, and/or a face-to-face interview.

8. Premiums

Premiums are unisex and based on issue age. They vary by the amount of benefit purchased and optional benefits selected.

These forms and riders have three underwriting classes: Preferred (most favorable), Standard, and Select (least favorable). Varying premium payment periods are offered and include Lifetime, Ten Year, To-Age-65, and Single Payment.

9. Issue Age Range

These forms were issued to policyholders aged 35 to 79.

10. Area Factors

Area factors are not used for this product.

11. Premium Modalization Rules

The following modal factors and distribution, which are based on nationwide data, are applied to the annual premium. Policies which are paid up as of December 31, 2013 are not reflected in this distribution.

Premium Mode	Modal Factor	Distribution of Policies
Annual	1.000	31.9%
Semi-annual	0.510	6.5%
Quarterly	0.260	8.6%
Monthly	0.092	53.0%

12. Reserves

Active life reserves have not been used in this rate increase analysis. Claim reserves as of December 31, 2013 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2013 has been allocated to the 2013 calendar year of incurral and included in historic incurred claims.

13. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

14. Past and Future Policy Experience

Nationwide experience for this policy form is shown in Exhibit I. Historical experience is shown by claim incurral year with associated calendar year loss ratios. A future annual loss ratio is calculated as anticipated incurred claims divided by earned premiums.

A lifetime loss ratio as of December 31, 2013 is calculated as the sum of the accumulated past and discounted future claims divided by the sum of the accumulated past and discounted future earned premium where accumulation and discounting occur at 4.5%.

15. Projected Earned Premiums and Incurred Claims

Exhibit I contains lifetime projections of earned premium and incurred claims based on the current premiums and the filed premium rate increase. Earned premiums and incurred claims for projection years 2014 through 2063 are developed from an asset share model representing actual contracts in-force as of December 31, 2013.

The assumptions described in section 5 for morbidity, voluntary lapse, and mortality are used to project life years, earned premiums, and incurred claims. The projections reflecting the rate increase assume that the increase is effective on each policy's first anniversary on or after January 1, 2015.

16. History of Previous Rate Increases

The following rate increases have been implemented on these policy forms in Virginia:

Year	Rate Increase
2010	60%

17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

The company initially requested a rate increase of 25% for policies with no inflation protection and 90% for policies with the 5% compound inflation rider. The company has agreed with the state to a rate increase of 20% for policies with no inflation protection and 62.84% for policies with the 5% compound inflation rider to be implemented over 3 years with rate increases of 20%, 18% and 15% in each year, respectively. Projected experience assuming the implementation of this increase is shown in Exhibit I. Exhibit I demonstrates that the expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60%.

Corresponding rate tables are included with this memorandum in Exhibit II. The actual rate increases implemented may vary slightly from those proposed above due to rounding.

18. Average Annual Premium

		Virginia	
Products	Nationwide prior to rate increase	Prior to rate increase	Following the rate increase
LTC2	1,371	1,408	2,036
NTQ2	1,684	1,689	2,537

Premiums vary by form between Virginia policies and those nationwide based on, for example, the mix of business by issue age, benefits selected, GPOs elected, and premium payment mode. Similar rate increases are being requested on policies nationwide.

19. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 75-day policyholder notification period following approval.

20. Nationwide Distribution of Business as of December 31, 2013

This distribution is based on the count of in-force insureds.

By Issue Age

Issue Ages	Insureds	Distribution
<40	201	1.0%
40 - 44	320	1.6%
45 - 49	991	5.0%
50 - 54	3,095	15.6%
55 - 59	4,539	22.9%
60 - 64	5,206	26.3%
65 - 69	3,703	18.7%
70 - 74	1,480	7.5%
75+	272	1.4%
Total	19,807	100.0%

By Elimination Period:

Elimination Period	Insureds	Distribution
0	7,019	35.4%
30 – 60 days	6,250	31.6%
90 – 180 days	6,538	33.0%
365 days	0	0.0%
7 days	0	0.0%
Total	19,807	100.0%

By Benefit Period:

Benefit Period	Insureds	Distribution
3 month	0	0.0%
1 - 2 year	882	4.5%
3 year	1,981	10.0%
4 year	4,020	20.3%
5 year	0	0.0%
Lifetime	12,924	65.2%
Total	19,807	100.0%

By Inflation Protection Option:

Inflation Protection	Insureds	Distribution
None	8,152	41.2%
Simple	0	0.0%
Compound	11,655	58.8%
Total	19,807	100.0%

By Premium Payment Option:

Premium Payment	Insureds*	Distribution
Annual	4,817	32.2%
Semi-Annual	969	6.5%
Quarterly	1,292	8.6%
Monthly	7,879	52.7%
Total	14,957	100.0%

**This excludes paid up policies*

By Coverage Type:

Coverage Type	Insureds	Distribution
NH only	1,294	6.5%
Home Health Care	0	0.0%
Comprehensive	18,513	93.5%
Total	19,807	100.0%

By Premium Period:

Premium Period	Insureds	Distribution
Single Pay	187	1.0%
5 Years	47	0.2%
10 Pay	3,015	15.2%
To Age 65	784	4.0%
Lifetime	15,774	79.6%
Total	19,807	100.0%

21. Number of Insureds and Annualized Premium

Based on Kanawha's experience as of December 31, 2013, the number of insureds in-force and the annualized premium that will be affected by this increase are:

Jurisdiction	Premium Paying Insureds	Paid Up Insureds	Annualized Premium
Virginia	715	201	1,443,869
Nationwide	14,957	4,850	29,129,576

22. Additional Ways for Policyholders to Mitigate the Rate Increase

Although we are no longer issuing new policies on these forms, with this rate increase filing we are implementing a new option to allow some policyholders to eliminate their rate increase altogether. For those policyholders who elected 5% compound inflation protection, the company will offer them the option to eliminate this 90% requested rate increase entirely by dropping future increases in their daily benefit.

Over 92% of active policyholders with 5% compound inflation protection have maintained their policies for 10 years or more. This means that those policyholders have a benefit which has already increased at least 63% since their initial purchase. While this action would reduce the policyholder's potential future benefit, we feel that some policyholders with this option may find more value in mitigating this rate increase.

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
February 7, 2017

23. Actuarial Certification

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

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates are not excessive or unfairly discriminatory and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction. This filing will enhance premium adequacy but may not be sufficient to prevent future rate action.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by others to develop this memorandum including, but not limited to, management's view of when a rate change may be considered, the underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

Andrew Besendorf
Actuarial Director
Humana Inc.
February 7, 2017

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
January 15, 2015

Product	Number
Comprehensive Long-Term Care (Tax Qualified)	80650 1/97 VA
Comprehensive Long-Term Care (Non-Tax Qualified)	80880 NTQ 1/98 VA

These forms were issued in Virginia by Kanawha Insurance Company (Kanawha) from 1997 through 2003. The above forms are no longer marketed in any state.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of supporting a rate increase request on Kanawha's existing long-term care policies. This request for a rate increase is being filed in accordance with the minimum loss ratio requirements. This memorandum may not be suitable for other purposes.

2. Description of Benefits

This is an individually underwritten policy that provides long-term care coverage. This form may also include a survivorship benefit that provides for premiums to become paid up upon the tenth anniversary of the policy if: (1) both the policyholder and the spouse are covered by long-term care policies issued by Kanawha, (2) the spouse dies, and (3) both policies are in-force at the time of the spouse's death.

Forms 80650 1/97 VA (tax qualified [TQ], "LTC2") and 80880 NTQ 1/98 VA (non-tax qualified [NTQ], "NTQ2") provide long-term care benefits for periods of 2, 3, 4 years, or for lifetime. Optional coverage is available with the election of several riders. Riders 80660 1/97 (TQ) and 80900 NTQ 1/98 (NTQ) provide home health care benefits. Riders 80680 1/97 (TQ) and 93072 NTQ 1/98 (NTQ) provide 5% compound inflation protection. Additional applicable riders for this product include, but are not limited to, guaranteed future benefits option increase, return of premium, and nonforfeiture.

All of the above forms are no longer issued. Policies with the guaranteed future benefits option increase still have a limited option to purchase additional coverage.

3. Renewability

These policies are guaranteed renewable for life.

4. Applicability

The proposed rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers listed above or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. Paid up policies will not be affected by the rate increase as no additional premiums can be collected from such policies. The rate increase will apply to the base forms as well as all applicable options and riders.

5. Actuarial Assumptions

a. Morbidity

Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience.

Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The following sample of claim costs are applied to in-force insureds with comprehensive coverage, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit, issued at age 52:

Attained Age	No Inflation
52	4.77
57	8.48
62	20.50
67	34.68
72	73.47
77	176.48
82	371.66
87	731.97
92	978.48

Original Pricing Assumption for Morbidity

When these policy forms were originally priced, claim costs were developed using the Society of Actuary's first Long-Term Care Study Intercompany Study, published in 1993. That study consisted primarily of the nursing home claims experience of ten LTC carriers, representing policyholder exposure between 1984 and 1991. The company adjusted claim costs to reflect underwriting selection, home health care benefits, spousal coverage, and the election of riders and GPOs.

Below are examples of annual claim costs by attained age developed at the time of original pricing for these policy forms, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit with no inflation protection.

Attained Age	No Inflation
52	3.38
57	8.78
62	18.01
67	43.13
72	102.41
77	245.73
82	331.15
87	408.96
92	455.65

The company monitors the entire block of LTC policies regularly and has requested remedial rate increases as it has become apparent that premiums are not sufficient to cover anticipated future claims. The last rate increase approved in Virginia was implemented in 2010, and that filing reflected exposure through 2008. Since that time, the count of claims incurred across Humana's LTC blocks has increased by 80%, representing a 118% increase in claim amounts. These data continue to indicate that the original pricing morbidity assumptions have contributed to the need for remediation. This is consistent with the comparison between the original pricing claim costs above and the latest, best estimate claim costs.

The best estimate assumptions were developed reflecting claims through 2012. The following tables demonstrate how the latest best estimate assumptions compare to actual experience through December 31, 2012 for all of Humana's LTC products.

Incidence Rates Modeled vs. Actual

Product Type	NH	HHC
Tax Qualified	99.6%	99.8%
Non-Tax Qualified	100.3%	99.8%

Modeled claim termination rates were adjusted with a scalar factor, by type of care setting and duration, to reach an overall actual-to-expected model result of 100%.

Continuance Rates Modeled vs. Actual

	NH	HHC
All durations	100%	100%

b. Lapse

Lapse rates are developed from actual historical experience. A total decrement rate is calculated and mortality is subtracted based on the above assumption such that mortality and lapse combine to equal the historical experience.

The voluntary lapse rates for this product are the rates in the tables below along with a 70% adjustment factor applied to them in order to match actual experience. For example, the ultimate no inflation voluntary lapse rate is 1.40%.

Compound Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	3.13%	3.13%	3.13%	3.13%	3.13%	1.00%	1.00%	1.00%	0.50%
2	2.50%	2.50%	2.50%	2.50%	2.50%	1.00%	1.00%	1.00%	0.50%
3	2.38%	2.38%	2.38%	2.38%	2.38%	1.00%	1.00%	1.00%	0.50%
4	1.88%	1.88%	1.88%	1.88%	1.88%	1.00%	1.00%	1.00%	0.50%
5	1.56%	1.56%	1.56%	1.56%	1.56%	1.00%	1.00%	1.00%	0.50%
6+	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%

No Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	6.25%	6.25%	6.25%	6.25%	6.25%	2.00%	2.00%	2.00%	1.00%
2	5.00%	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	1.00%
3	4.75%	4.75%	4.75%	4.75%	4.75%	2.00%	2.00%	2.00%	1.00%
4	3.75%	3.75%	3.75%	3.75%	3.75%	2.00%	2.00%	2.00%	1.00%
5	3.13%	3.13%	3.13%	3.13%	3.13%	2.00%	2.00%	2.00%	1.00%
6+	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	1.00%

Original Pricing Assumption for Lapse

When these policy forms were originally priced, lapse rates were deemed appropriate based on industry experience for similar companies with similar products. The following tables show the original pricing lapse assumption:

	Issue Ages				
Duration	40-59	60-64	65-69	70-74	75+
1	25.0%	20.0%	12.0%	10.0%	8.0%
2	16.0%	13.0%	8.0%	5.0%	4.0%
3	11.0%	8.0%	5.0%	5.0%	4.0%
4	9.0%	6.0%	5.0%	5.0%	4.0%
5+					
< AA 65	7.0%	6.0%	5.0%	5.0%	4.0%
AA 65+	6.5%	6.0%	5.0%	5.0%	4.0%

Reports on industry data issued around the time of original pricing, such as the SOA's Long-Term Care Intercompany Study in 1993, are consistent with these assumptions. Reported lapses during the exposure period in those studies were far greater than those which have emerged in recent years. Since the time of initial pricing, lapse rates have declined

significantly industry-wide. The latest best estimate lapse assumptions reflect this reduction in overall lapse rates and late duration lapse rates in particular.

These long-term care policies were priced assuming that premiums earned in early durations would fund claims incurred in later durations. The premium rates originally established were supported by the assumption of voluntary lapses, which reduced expected claims in later years. With this block of business, as with similar blocks industry-wide, these lower lapse rates have had a significant, unfavorable impact on the financial health of these blocks. Lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business.

c. Mortality

Mortality is assumed to be 100% of the 2012 Annuity Basic ANB Male and Female Table.

Original Pricing Assumption for Mortality

This product was originally priced assuming 90% of 1975-80 Select and Ultimate Age Last Birthday, weighted 1/3 Male and 2/3 Female.

The following table compares Male and Female ultimate mortality rates between original pricing mortality and current best estimate assumptions.

Mortality Rates Per Thousand

	Male			Female		
Age	Pricing	Current	Current/Pricing	Pricing	Current	Current/Pricing
62	0.0138	0.0069	0.497	0.0081	0.0049	0.603
67	0.0224	0.0101	0.451	0.0121	0.0078	0.645
72	0.0358	0.0152	0.424	0.0190	0.0120	0.633
77	0.0566	0.0262	0.462	0.0332	0.0195	0.587
82	0.0884	0.0470	0.531	0.0591	0.0361	0.611
87	0.1349	0.0848	0.629	0.0974	0.0702	0.721
92	0.1964	0.1524	0.776	0.1480	0.1192	0.805
97	0.2675	0.2386	0.892	0.2110	0.1997	0.946

Overall terminations on these policies are significantly lower than was anticipated at the time of original pricing. As an example, we originally projected that 15% of those policies issued at age 60 would still be in-force after 20 years. Our current best estimate model projects that over three times that number, or 55%, of those same policies would remain in-force after 20 years.

d. Expenses

Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate. Reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium will be similar (i.e., commissions will not be paid on the increased premium).

The above assumptions are based on the experience of Kanawha. These assumptions are based on the nationwide experience of the particular policy forms in this filing and other similar policy forms where appropriate. The above assumptions are deemed reasonable for the particular policy forms in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy form were taken into consideration.

The company does not currently market any long-term care products.

6. Marketing Method

These plans were individually solicited by agents and independent brokers representing Kanawha Insurance Company.

7. Underwriting Description

These policy forms were fully underwritten based on responses to questions in the application and the use of additional underwriting tools such as telephone interviews, attending physician statements, and/or a face-to-face interview.

8. Premiums

Premiums are unisex and based on issue age. They vary by the amount of benefit purchased and optional benefits selected.

These forms and riders have three underwriting classes: Preferred (most favorable), Standard, and Select (least favorable). Varying premium payment periods are offered and include Lifetime, Ten Year, To-Age-65, and Single Payment.

9. Issue Age Range

These forms were issued to policyholders aged 35 to 79.

10. Area Factors

Area factors are not used for this product.

11. Premium Modalization Rules

The following modal factors and distribution, which are based on nationwide data, are applied to the annual premium. Policies which are paid up as of December 31, 2013 are not reflected in this distribution.

Premium Mode	Modal Factor	Distribution of Policies
Annual	1.000	31.9%
Semi-annual	0.510	6.5%
Quarterly	0.260	8.6%
Monthly	0.092	53.0%

12. Reserves

Active life reserves have not been used in this rate increase analysis. Claim reserves as of December 31, 2013 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2013 has been allocated to the 2013 calendar year of incurral and included in historic incurred claims.

13. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

14. Past and Future Policy Experience

Nationwide experience for this policy form is shown in Exhibit I. Historical experience is shown by claim incurral year with associated calendar year loss ratios. A future annual loss ratio is calculated as anticipated incurred claims divided by earned premiums.

A lifetime loss ratio as of December 31, 2013 is calculated as the sum of the accumulated past and discounted future claims divided by the sum of the accumulated past and discounted future earned premium where accumulation and discounting occur at 4.5%.

15. Projected Earned Premiums and Incurred Claims

Exhibit I contains lifetime projections of earned premium and incurred claims based on the current premiums and the filed premium rate increase. Earned premiums and incurred claims for projection years 2014 through 2063 are developed from an asset share model representing actual contracts in-force as of December 31, 2013.

The assumptions described in section 5 for morbidity, voluntary lapse, and mortality are used to project life years, earned premiums, and incurred claims. The projections reflecting the rate increase assume that the increase is effective on each policy's first anniversary on or after January 1, 2015.

16. History of Previous Rate Increases

The following rate increases have been implemented on these policy forms in Virginia:

Year	Rate Increase
2010	60%

17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

The company is requesting a rate increase of 25% for policies with no inflation option and 90% for policies with the compound inflation option. Projected experience assuming the implementation of this increase is shown in Exhibit I. Exhibit I demonstrates that the expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60%.

Corresponding rate tables are included with this memorandum in Exhibit II. The actual rate increases implemented may vary slightly from those proposed above due to rounding.

18. Average Annual Premium

		Virginia	
Products	Nationwide prior to rate increase	Prior to rate increase	Following the rate increase
LTC2	1,371	1,408	2,299
NTQ2	1,684	1,689	2,905

Premiums vary by form between Virginia policies and those nationwide based on, for example, the mix of business by issue age, benefits selected, GPOs elected, and premium payment mode. Similar rate increases are being requested on policies nationwide.

19. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 60-day policyholder notification period following approval.

20. Nationwide Distribution of Business as of December 31, 2013

This distribution is based on the count of in-force insureds.

By Issue Age

Issue Ages	Insureds	Distribution
<40	201	1.0%
40 - 44	320	1.6%
45 - 49	991	5.0%
50 - 54	3,095	15.6%
55 - 59	4,539	22.9%
60 - 64	5,206	26.3%
65 - 69	3,703	18.7%
70 - 74	1,480	7.5%
75+	272	1.4%
Total	19,807	100.0%

By Elimination Period:

Elimination Period	Insureds	Distribution
0	7,019	35.4%
30 – 60 days	6,250	31.6%
90 – 180 days	6,538	33.0%
365 days	0	0.0%
7 days	0	0.0%
Total	19,807	100.0%

By Benefit Period:

Benefit Period	Insureds	Distribution
3 month	0	0.0%
1 - 2 year	882	4.5%
3 year	1,981	10.0%
4 year	4,020	20.3%
5 year	0	0.0%
Lifetime	12,924	65.2%
Total	19,807	100.0%

By Inflation Protection Option:

Inflation Protection	Insureds	Distribution
None	8,152	41.2%
Simple	0	0.0%
Compound	11,655	58.8%
Total	19,807	100.0%

By Premium Payment Option:

Premium Payment	Insureds*	Distribution
Annual	4,817	32.2%
Semi-Annual	969	6.5%
Quarterly	1,292	8.6%
Monthly	7,879	52.7%
Total	14,957	100.0%

**This excludes paid up policies*

By Coverage Type:

Coverage Type	Insureds	Distribution
NH only	1,294	6.5%
Home Health Care	0	0.0%
Comprehensive	18,513	93.5%
Total	19,807	100.0%

By Premium Period:

Premium Period	Insureds	Distribution
Single Pay	187	1.0%
5 Years	47	0.2%
10 Pay	3,015	15.2%
To Age 65	784	4.0%
Lifetime	15,774	79.6%
Total	19,807	100.0%

21. Number of Insureds and Annualized Premium

Based on Kanawha's experience as of December 31, 2013, the number of insureds in-force and the annualized premium that will be affected by this increase are:

Jurisdiction	Premium Paying Insureds	Paid Up Insureds	Annualized Premium
Virginia	715	201	1,443,869
Nationwide	14,957	4,850	29,129,576

22. Additional Ways for Policyholders to Mitigate the Rate Increase

Although we are no longer issuing new policies on these forms, with this rate increase filing we are implementing a new option to allow some policyholders to eliminate their rate increase altogether. For those policyholders who elected 5% compound inflation protection, the company will offer them the option to eliminate this 90% requested rate increase entirely by dropping future increases in their daily benefit.

Over 92% of active policyholders with 5% compound inflation protection have maintained their policies for 10 years or more. This means that those policyholders have a benefit which has already increased at least 63% since their initial purchase. While this action would reduce the policyholder's potential future benefit, we feel that some policyholders with this option may find more value in mitigating this rate increase.

23. Actuarial Certification

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

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates are not excessive or unfairly discriminatory and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction. This filing will enhance premium adequacy but may not be sufficient to prevent future rate action.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by others to develop this memorandum including, but not limited to, management's view of when a rate change may be considered, the underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

Andrew Besendorf
Actuarial Director
Humana Inc.
January 15, 2015

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%		2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%		1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%		1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%		1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%		1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%		1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%		1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%		1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%		1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%		1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%		1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%		1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%		1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%		1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%		1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%		1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%		1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	25,209,044	51,645,597	204.9%	23,598,367	48,345,812	204.9%	1.00	0.9361
Future	2016	17,862.0	23,571,139	54,822,443	232.6%	21,114,940	49,109,743	232.6%	1.00	0.8958
Experience	2017	17,032.1	21,865,975	58,818,024	269.0%	18,743,981	50,420,066	269.0%	1.00	0.8572
(50 years)	2018	16,188.7	20,161,577	63,421,373	314.6%	16,538,693	52,025,029	314.6%	1.00	0.8203
	2019	15,336.8	18,487,919	68,262,371	369.2%	14,512,708	53,584,820	369.2%	1.00	0.7850
	2020	14,480.7	16,849,730	73,463,013	436.0%	12,657,183	55,183,958	436.0%	1.00	0.7512
	2021	13,620.9	15,292,192	78,563,898	513.8%	10,992,528	56,474,298	513.8%	1.00	0.7188
	2022	12,762.7	13,809,234	83,423,296	604.1%	9,499,071	57,385,064	604.1%	1.00	0.6879
	2023	11,911.2	12,397,286	88,112,162	710.7%	8,160,595	58,000,415	710.7%	1.00	0.6583
	2024	11,069.7	11,062,316	92,549,352	836.6%	6,968,271	58,297,822	836.6%	1.00	0.6299
	2025	10,240.9	9,808,238	97,037,446	989.3%	5,912,262	58,492,747	989.3%	1.00	0.6028
	2026	9,429.9	8,640,655	101,512,896	1174.8%	4,984,172	58,555,486	1174.8%	1.00	0.5768
	2027	8,641.2	7,561,992	105,233,824	1391.6%	4,174,133	58,087,867	1391.6%	1.00	0.5520
	2028	7,879.0	6,574,921	107,848,806	1640.3%	3,472,996	56,967,758	1640.3%	1.00	0.5282
	2029	7,146.8	5,679,453	109,372,185	1925.8%	2,870,807	55,284,628	1925.8%	1.00	0.5055
	2030	6,446.1	4,871,095	110,302,826	2264.4%	2,356,176	53,354,106	2264.4%	1.00	0.4837
	2031	5,779.7	4,147,365	111,706,484	2693.4%	1,919,717	51,706,281	2693.4%	1.00	0.4629
	2032	5,150.5	3,504,801	112,313,402	3204.6%	1,552,430	49,748,525	3204.6%	1.00	0.4429
	2033	4,562.1	2,939,932	110,934,546	3773.4%	1,246,148	47,021,789	3773.4%	1.00	0.4239
	2034	4,015.0	2,448,906	107,598,881	4393.8%	993,317	43,643,925	4393.8%	1.00	0.4056
	2035	3,508.6	2,024,782	102,800,794	5077.1%	785,919	39,902,143	5077.1%	1.00	0.3882
	2036	3,043.2	1,660,836	99,231,476	5974.8%	616,893	36,858,098	5974.8%	1.00	0.3714
	2037	2,620.3	1,351,160	95,069,386	7036.1%	480,257	33,791,531	7036.1%	1.00	0.3554
	2038	2,240.3	1,091,034	88,626,834	8123.2%	371,099	30,145,058	8123.2%	1.00	0.3401
	2039	1,902.1	875,358	80,623,312	9210.3%	284,918	26,241,897	9210.3%	1.00	0.3255
	2040	1,602.7	697,862	71,881,137	10300.2%	217,364	22,388,925	10300.2%	1.00	0.3115
	2041	1,339.7	552,642	65,271,104	11810.7%	164,720	19,454,630	11810.7%	1.00	0.2981
	2042	1,111.9	434,642	59,186,607	13617.3%	123,970	16,881,427	13617.3%	1.00	0.2852
	2043	917.3	339,878	52,185,340	15354.1%	92,767	14,243,540	15354.1%	1.00	0.2729
	2044	752.6	264,663	44,989,524	16998.8%	69,127	11,750,722	16998.8%	1.00	0.2612
	2045	613.8	205,296	38,190,445	18602.6%	51,312	9,545,344	18602.6%	1.00	0.2499
	2046	497.6	158,554	33,253,746	20973.2%	37,922	7,953,552	20973.2%	1.00	0.2392
	2047	401.3	121,847	29,287,782	24036.5%	27,888	6,703,332	24036.5%	1.00	0.2289
	2048	322.4	93,228	25,342,971	27184.0%	20,419	5,550,671	27184.0%	1.00	0.2190
	2049	258.0	71,076	21,497,249	30245.3%	14,897	4,505,620	30245.3%	1.00	0.2096
	2050	205.4	53,955	17,985,298	33334.0%	10,821	3,607,223	33334.0%	1.00	0.2006
	2051	162.4	40,711	15,478,928	38021.4%	7,814	2,970,845	38021.4%	1.00	0.1919
	2052	127.5	30,476	13,442,130	44106.7%	5,597	2,468,828	44106.7%	1.00	0.1837
	2053	99.4	22,623	11,393,322	50362.7%	3,976	2,002,428	50362.7%	1.00	0.1758
	2054	76.9	16,650	9,220,341	55376.0%	2,800	1,550,734	55376.0%	1.00	0.1682
	2055	58.8	12,132	7,211,083	59436.1%	1,953	1,160,578	59436.1%	1.00	0.1609
	2056	44.3	8,730	5,784,217	66257.8%	1,345	890,845	66257.8%	1.00	0.1540
	2057	32.9	6,186	4,634,652	74921.4%	912	683,059	74921.4%	1.00	0.1474
	2058	24.0	4,316	3,565,463	82617.8%	609	502,853	82617.8%	1.00	0.1410
	2059	17.3	2,967	2,583,437	87058.3%	400	348,664	87058.3%	1.00	0.1350
	2060	12.2	2,009	1,782,816	88754.3%	259	230,250	88754.3%	1.00	0.1291
	2061	8.4	1,337	1,244,274	93036.1%	165	153,777	93036.1%	1.00	0.1236
	2062	5.6	875	869,666	99376.8%	103	102,852	99376.8%	1.00	0.1183
	2063	3.7	563	592,704	100000%+	64	67,078	100000%+	1.00	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		271,843,453	2,838,326,172	1044.1%	201,894,407	1,421,455,665	704.1%		
	Lifetime		756,319,834	3,151,404,122	416.7%	875,802,167	1,818,800,961	207.7%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%		2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%		1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%		1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%		1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%		1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%		1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%		1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%		1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%		1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%		1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%		1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%		1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%		1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%		1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%		1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%		1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%		1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	32,903,248	51,645,597	157.0%	30,800,966	48,345,812	157.0%	1.31	0.9361
Future	2016	17,862.0	38,125,689	54,822,443	143.8%	34,152,852	49,109,743	143.8%	1.62	0.8958
Experience	2017	17,032.1	35,537,724	58,818,024	165.5%	30,463,696	50,420,066	165.5%	1.63	0.8572
(50 years)	2018	16,188.7	32,928,048	63,421,373	192.6%	27,011,126	52,025,029	192.6%	1.63	0.8203
	2019	15,336.8	30,346,885	68,262,371	224.9%	23,821,797	53,584,820	224.9%	1.64	0.7850
	2020	14,480.7	27,799,190	73,463,013	264.3%	20,882,200	55,183,958	264.3%	1.65	0.7512
	2021	13,620.9	25,366,393	78,563,898	309.7%	18,234,192	56,474,298	309.7%	1.66	0.7188
	2022	12,762.7	23,033,233	83,423,296	362.2%	15,844,058	57,385,064	362.2%	1.67	0.6879
	2023	11,911.2	20,793,229	88,112,162	423.8%	13,687,281	58,000,415	423.8%	1.68	0.6583
	2024	11,069.7	18,657,494	92,549,352	496.0%	11,752,554	58,297,822	496.0%	1.69	0.6299
	2025	10,240.9	16,633,052	97,037,446	583.4%	10,026,159	58,492,747	583.4%	1.70	0.6028
	2026	9,429.9	14,732,830	101,512,896	689.0%	8,498,309	58,555,486	689.0%	1.71	0.5768
	2027	8,641.2	12,962,167	105,233,824	811.9%	7,154,968	58,087,867	811.9%	1.71	0.5520
	2028	7,879.0	11,328,438	107,848,806	952.0%	5,983,893	56,967,758	952.0%	1.72	0.5282
	2029	7,146.8	9,834,195	109,372,185	1112.2%	4,970,915	55,284,628	1112.2%	1.73	0.5055
	2030	6,446.1	8,474,587	110,302,826	1301.6%	4,099,206	53,354,106	1301.6%	1.74	0.4837
	2031	5,779.7	7,248,251	111,706,484	1541.2%	3,355,043	51,706,281	1541.2%	1.75	0.4629
	2032	5,150.5	6,151,490	112,313,402	1825.8%	2,724,765	49,748,525	1825.8%	1.76	0.4429
	2033	4,562.1	5,180,687	110,934,546	2141.3%	2,195,936	47,021,789	2141.3%	1.76	0.4239
	2034	4,015.0	4,331,524	107,598,881	2484.1%	1,756,939	43,643,925	2484.1%	1.77	0.4056
	2035	3,508.6	3,593,834	102,800,794	2860.5%	1,394,947	39,902,143	2860.5%	1.77	0.3882
	2036	3,043.2	2,957,393	99,231,476	3355.4%	1,098,481	36,858,098	3355.4%	1.78	0.3714
	2037	2,620.3	2,413,094	95,069,386	3939.7%	857,712	33,791,531	3939.7%	1.79	0.3554
	2038	2,240.3	1,953,775	88,626,834	4536.2%	664,547	30,145,058	4536.2%	1.79	0.3401
	2039	1,902.1	1,571,424	80,623,312	5130.6%	511,479	26,241,897	5130.6%	1.80	0.3255
	2040	1,602.7	1,255,642	71,881,137	5724.7%	391,097	22,388,925	5724.7%	1.80	0.3115
	2041	1,339.7	996,442	65,271,104	6550.4%	296,998	19,454,630	6550.4%	1.80	0.2981
	2042	1,111.9	785,177	59,186,607	7538.0%	223,951	16,881,427	7538.0%	1.81	0.2852
	2043	917.3	615,040	52,185,340	8484.9%	167,870	14,243,540	8484.9%	1.81	0.2729
	2044	752.6	479,701	44,989,524	9378.7%	125,292	11,750,722	9378.7%	1.81	0.2612
	2045	613.8	372,679	38,190,445	10247.5%	93,148	9,545,344	10247.5%	1.82	0.2499
	2046	497.6	288,277	33,253,746	11535.4%	68,949	7,953,552	11535.4%	1.82	0.2392
	2047	401.3	221,884	29,287,782	13199.6%	50,784	6,703,332	13199.6%	1.82	0.2289
	2048	322.4	170,034	25,342,971	14904.7%	37,241	5,550,671	14904.7%	1.82	0.2190
	2049	258.0	129,845	21,497,249	16556.1%	27,214	4,505,620	16556.1%	1.83	0.2096
	2050	205.4	98,736	17,985,298	18215.5%	19,803	3,607,223	18215.5%	1.83	0.2006
	2051	162.4	74,635	15,478,928	20739.5%	14,325	2,970,845	20739.5%	1.83	0.1919
	2052	127.5	55,975	13,442,130	24014.7%	10,280	2,468,828	24014.7%	1.84	0.1837
	2053	99.4	41,626	11,393,322	27370.5%	7,316	2,002,428	27370.5%	1.84	0.1758
	2054	76.9	30,694	9,220,341	30039.8%	5,162	1,550,734	30039.8%	1.84	0.1682
	2055	58.8	22,406	7,211,083	32183.6%	3,606	1,160,578	32183.6%	1.85	0.1609
	2056	44.3	16,151	5,784,217	35812.4%	2,488	890,845	35812.4%	1.85	0.1540
	2057	32.9	11,465	4,634,652	40424.4%	1,690	683,059	40424.4%	1.85	0.1474
	2058	24.0	8,012	3,565,463	44503.6%	1,130	502,853	44503.6%	1.86	0.1410
	2059	17.3	5,518	2,583,437	46819.1%	745	348,664	46819.1%	1.86	0.1350
	2060	12.2	3,741	1,782,816	47658.0%	483	230,250	47658.0%	1.86	0.1291
	2061	8.4	2,494	1,244,274	49884.6%	308	153,777	49884.6%	1.87	0.1236
	2062	5.6	1,634	869,666	53213.1%	193	102,852	53213.1%	1.87	0.1183
	2063	3.7	1,053	592,704	56312.8%	119	67,078	56312.8%	1.87	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		427,360,027	2,838,326,172	664.2%	309,723,835	1,421,455,665	458.9%		
	Lifetime		911,836,408	3,151,404,122	345.6%	983,631,595	1,818,800,961	184.9%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Historical	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%		2.0674
Experience	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%		1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%		1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%		1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%		1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%		1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%		1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%		1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%		1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%		1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%		1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%		1.2739
	2009	9,465.9	15,817,175	18,707,272	118.3%	19,282,006	22,805,194	118.3%		1.2191
	2010	9,158.8	15,586,304	19,077,855	122.4%	18,182,356	22,255,459	122.4%		1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%		1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%		1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%		1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	11,230,358	21,231,917	189.1%	10,512,818	19,875,349	189.1%	1.00	0.9361
Future	2016	6,988.0	10,245,348	21,035,976	205.3%	9,177,745	18,843,950	205.3%	1.00	0.8958
Experience	2017	6,506.9	9,242,506	20,965,023	226.8%	7,922,873	17,971,665	226.8%	1.00	0.8572
(50 years)	2018	6,030.5	8,275,303	20,903,669	252.6%	6,788,294	17,147,437	252.6%	1.00	0.8203
	2019	5,561.7	7,354,095	20,723,006	281.8%	5,772,842	16,267,213	281.8%	1.00	0.7850
	2020	5,104.7	6,485,072	20,430,242	315.0%	4,871,457	15,346,793	315.0%	1.00	0.7512
	2021	4,658.6	5,675,034	19,903,753	350.7%	4,079,400	14,307,468	350.7%	1.00	0.7188
	2022	4,228.3	4,929,712	19,156,093	388.6%	3,391,041	13,177,058	388.6%	1.00	0.6879
	2023	3,816.1	4,248,636	18,229,223	429.1%	2,796,693	11,999,507	429.1%	1.00	0.6583
	2024	3,423.7	3,632,165	17,224,076	474.2%	2,287,939	10,849,629	474.2%	1.00	0.6299
	2025	3,052.4	3,080,924	16,191,942	525.6%	1,857,136	9,760,265	525.6%	1.00	0.6028
	2026	2,704.6	2,591,409	15,114,138	583.2%	1,494,797	8,718,259	583.2%	1.00	0.5768
	2027	2,381.8	2,162,490	13,892,683	642.4%	1,193,670	7,668,602	642.4%	1.00	0.5520
	2028	2,084.3	1,790,635	12,583,037	702.7%	945,847	6,646,596	702.7%	1.00	0.5282
	2029	1,812.5	1,471,946	11,268,628	765.6%	744,028	5,695,981	765.6%	1.00	0.5055
	2030	1,565.8	1,200,759	10,060,669	837.9%	580,814	4,866,403	837.9%	1.00	0.4837
	2031	1,343.9	971,912	8,984,980	924.5%	449,875	4,158,934	924.5%	1.00	0.4629
	2032	1,146.1	780,972	7,934,103	1015.9%	345,927	3,514,362	1015.9%	1.00	0.4429
	2033	971.3	623,361	6,889,114	1105.2%	264,224	2,920,086	1105.2%	1.00	0.4239
	2034	817.9	494,456	5,910,839	1195.4%	200,560	2,397,536	1195.4%	1.00	0.4056
	2035	684.0	389,617	5,042,155	1294.1%	151,230	1,957,113	1294.1%	1.00	0.3882
	2036	568.0	304,914	4,334,092	1421.4%	113,256	1,609,836	1421.4%	1.00	0.3714
	2037	468.6	237,091	3,677,182	1551.0%	84,272	1,307,020	1551.0%	1.00	0.3554
	2038	384.2	183,369	3,055,593	1666.4%	62,370	1,039,313	1666.4%	1.00	0.3401
	2039	313.0	141,164	2,494,723	1767.3%	45,947	812,002	1767.3%	1.00	0.3255
	2040	253.2	108,149	2,019,374	1867.2%	33,685	628,978	1867.2%	1.00	0.3115
	2041	203.4	82,428	1,658,806	2012.4%	24,568	494,422	2012.4%	1.00	0.2981
	2042	162.3	62,528	1,344,795	2150.7%	17,834	383,568	2150.7%	1.00	0.2852
	2043	128.9	47,275	1,068,787	2260.8%	12,903	291,716	2260.8%	1.00	0.2729
	2044	101.7	35,630	833,705	2339.9%	9,306	217,754	2339.9%	1.00	0.2612
	2045	79.8	26,743	650,519	2432.5%	6,684	162,591	2432.5%	1.00	0.2499
	2046	62.3	19,962	519,018	2600.1%	4,774	124,137	2600.1%	1.00	0.2392
	2047	48.3	14,809	412,847	2787.8%	3,389	94,492	2787.8%	1.00	0.2289
	2048	37.3	10,921	323,454	2961.7%	2,392	70,843	2961.7%	1.00	0.2190
	2049	28.7	8,000	246,748	3084.3%	1,677	51,716	3084.3%	1.00	0.2096
	2050	22.0	5,812	190,208	3272.7%	1,166	38,149	3272.7%	1.00	0.2006
	2051	16.7	4,178	150,349	3598.3%	802	28,856	3598.3%	1.00	0.1919
	2052	12.6	2,970	117,591	3959.2%	545	21,597	3959.2%	1.00	0.1837
	2053	9.4	2,087	89,226	4275.6%	367	15,682	4275.6%	1.00	0.1758
	2054	7.0	1,449	63,946	4411.9%	244	10,755	4411.9%	1.00	0.1682
	2055	5.1	993	46,380	4669.4%	160	7,465	4669.4%	1.00	0.1609
	2056	3.7	670	34,368	5131.7%	103	5,293	5131.7%	1.00	0.1540
	2057	2.7	444	24,717	5569.7%	65	3,643	5569.7%	1.00	0.1474
	2058	1.9	289	17,017	5882.8%	41	2,400	5882.8%	1.00	0.1410
	2059	1.3	185	10,954	5918.9%	25	1,478	5918.9%	1.00	0.1350
	2060	0.9	116	7,040	6045.1%	15	909	6045.1%	1.00	0.1291
	2061	0.6	72	4,582	6367.3%	9	566	6367.3%	1.00	0.1236
	2062	0.4	44	2,909	6652.9%	5	344	6652.9%	1.00	0.1183
	2063	0.2	26	1,804	6926.6%	3	204	6926.6%	1.00	0.1132
	Past		230,510,340	198,507,058	86.1%	323,404,528	258,027,784	79.8%		
	Future		100,370,520	358,134,937	356.8%	78,181,928	242,116,462	309.7%		
	Lifetime		330,880,860	556,641,995	168.2%	401,586,456	500,144,245	124.5%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Historical	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%		2.0674
Experience	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%		1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%		1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%		1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%		1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%		1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%		1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%		1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%		1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%		1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%		1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%		1.2739
	2009	9,465.9	15,817,175	18,707,272	118.3%	19,282,006	22,805,194	118.3%		1.2191
	2010	9,158.8	15,586,304	19,077,855	122.4%	18,182,356	22,255,459	122.4%		1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%		1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%		1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%		1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	12,634,152	21,231,917	168.1%	11,826,920	19,875,349	168.1%	1.13	0.9361
Future	2016	6,988.0	12,806,684	21,035,976	164.3%	11,472,181	18,843,950	164.3%	1.25	0.8958
Experience	2017	6,506.9	11,553,132	20,965,023	181.5%	9,903,592	17,971,665	181.5%	1.25	0.8572
(50 years)	2018	6,030.5	10,344,129	20,903,669	202.1%	8,485,367	17,147,437	202.1%	1.25	0.8203
	2019	5,561.7	9,192,619	20,723,006	225.4%	7,216,052	16,267,213	225.4%	1.25	0.7850
	2020	5,104.7	8,106,340	20,430,242	252.0%	6,089,322	15,346,793	252.0%	1.25	0.7512
	2021	4,658.6	7,093,792	19,903,753	280.6%	5,099,250	14,307,468	280.6%	1.25	0.7188
	2022	4,228.3	6,162,139	19,156,093	310.9%	4,238,801	13,177,058	310.9%	1.25	0.6879
	2023	3,816.1	5,310,795	18,229,223	343.2%	3,495,866	11,999,507	343.2%	1.25	0.6583
	2024	3,423.7	4,540,206	17,224,076	379.4%	2,859,924	10,849,629	379.4%	1.25	0.6299
	2025	3,052.4	3,851,155	16,191,942	420.4%	2,321,420	9,760,265	420.4%	1.25	0.6028
	2026	2,704.6	3,239,261	15,114,138	466.6%	1,868,496	8,718,259	466.6%	1.25	0.5768
	2027	2,381.8	2,703,113	13,892,683	514.0%	1,492,087	7,668,602	514.0%	1.25	0.5520
	2028	2,084.3	2,238,293	12,583,037	562.2%	1,182,308	6,646,596	562.2%	1.25	0.5282
	2029	1,812.5	1,839,932	11,268,628	612.4%	930,035	5,695,981	612.4%	1.25	0.5055
	2030	1,565.8	1,500,949	10,060,669	670.3%	726,018	4,866,403	670.3%	1.25	0.4837
	2031	1,343.9	1,214,891	8,984,980	739.6%	562,344	4,158,934	739.6%	1.25	0.4629
	2032	1,146.1	976,215	7,934,103	812.7%	432,409	3,514,362	812.7%	1.25	0.4429
	2033	971.3	779,201	6,889,114	884.1%	330,280	2,920,086	884.1%	1.25	0.4239
	2034	817.9	618,070	5,910,839	956.3%	250,700	2,397,536	956.3%	1.25	0.4056
	2035	684.0	487,021	5,042,155	1035.3%	189,037	1,957,113	1035.3%	1.25	0.3882
	2036	568.0	381,143	4,334,092	1137.1%	141,570	1,609,836	1137.1%	1.25	0.3714
	2037	468.6	296,364	3,677,182	1240.8%	105,340	1,307,020	1240.8%	1.25	0.3554
	2038	384.2	229,211	3,055,593	1333.1%	77,963	1,039,313	1333.1%	1.25	0.3401
	2039	313.0	176,455	2,494,723	1413.8%	57,434	812,002	1413.8%	1.25	0.3255
	2040	253.2	135,186	2,019,374	1493.8%	42,106	628,978	1493.8%	1.25	0.3115
	2041	203.4	103,034	1,658,806	1610.0%	30,710	494,422	1610.0%	1.25	0.2981
	2042	162.3	78,159	1,344,795	1720.6%	22,293	383,568	1720.6%	1.25	0.2852
	2043	128.9	59,093	1,068,787	1808.6%	16,129	291,716	1808.6%	1.25	0.2729
	2044	101.7	44,537	833,705	1871.9%	11,633	217,754	1871.9%	1.25	0.2612
	2045	79.8	33,428	650,519	1946.0%	8,355	162,591	1946.0%	1.25	0.2499
	2046	62.3	24,952	519,018	2080.0%	5,968	124,137	2080.0%	1.25	0.2392
	2047	48.3	18,511	412,847	2230.3%	4,237	94,492	2230.3%	1.25	0.2289
	2048	37.3	13,651	323,454	2369.4%	2,990	70,843	2369.4%	1.25	0.2190
	2049	28.7	10,000	246,748	2467.4%	2,096	51,716	2467.4%	1.25	0.2096
	2050	22.0	7,265	190,208	2618.2%	1,457	38,149	2618.2%	1.25	0.2006
	2051	16.7	5,223	150,349	2878.7%	1,002	28,856	2878.7%	1.25	0.1919
	2052	12.6	3,713	117,591	3167.4%	682	21,597	3167.4%	1.25	0.1837
	2053	9.4	2,609	89,226	3420.5%	458	15,682	3420.5%	1.25	0.1758
	2054	7.0	1,812	63,946	3529.5%	305	10,755	3529.5%	1.25	0.1682
	2055	5.1	1,242	46,380	3735.5%	200	7,465	3735.5%	1.25	0.1609
	2056	3.7	837	34,368	4105.4%	129	5,293	4105.4%	1.25	0.1540
	2057	2.7	555	24,717	4455.8%	82	3,643	4455.8%	1.25	0.1474
	2058	1.9	362	17,017	4706.3%	51	2,400	4706.3%	1.25	0.1410
	2059	1.3	231	10,954	4735.1%	31	1,478	4735.1%	1.25	0.1350
	2060	0.9	146	7,040	4836.1%	19	909	4836.1%	1.25	0.1291
	2061	0.6	90	4,582	5093.8%	11	566	5093.8%	1.25	0.1236
	2062	0.4	55	2,909	5322.3%	6	344	5322.3%	1.25	0.1183
	2063	0.2	33	1,804	5541.3%	4	204	5541.3%	1.25	0.1132
	Past		230,510,340	198,507,058	86.1%	323,404,528	258,027,784	79.8%		
	Future		121,011,482	358,134,937	296.0%	93,431,780	242,116,462	259.1%		
	Lifetime		351,521,822	556,641,995	158.4%	416,836,308	500,144,245	120.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Historical	1997	66.9	62,730	0	0.0%	129,686	0	0.0%		2.0674
Experience	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%		1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%		1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%		1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%		1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%		1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%		1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%		1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%		1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%		1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%		1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%		1.2739
	2009	12,459.5	18,891,498	9,925,644	52.5%	23,029,775	12,099,906	52.5%		1.2191
	2010	12,250.2	19,023,190	10,938,555	57.5%	22,191,689	12,760,479	57.5%		1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%		1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%		1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%		1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	13,978,687	30,413,680	217.6%	13,085,549	28,470,463	217.6%	1.00	0.9361
Future	2016	10,874.0	13,325,792	33,786,467	253.5%	11,937,195	30,265,793	253.5%	1.00	0.8958
Experience	2017	10,525.2	12,623,469	37,853,001	299.9%	10,821,108	32,448,401	299.9%	1.00	0.8572
(50 years)	2018	10,158.1	11,886,273	42,517,704	357.7%	9,750,399	34,877,592	357.7%	1.00	0.8203
	2019	9,775.1	11,133,824	47,539,365	427.0%	8,739,866	37,317,606	427.0%	1.00	0.7850
	2020	9,376.0	10,364,658	53,032,771	511.7%	7,785,725	39,837,166	511.7%	1.00	0.7512
	2021	8,962.3	9,617,158	58,660,144	610.0%	6,913,128	42,166,830	610.0%	1.00	0.7188
	2022	8,534.4	8,879,523	64,267,203	723.8%	6,108,030	44,208,006	723.8%	1.00	0.6879
	2023	8,095.1	8,148,650	69,882,939	857.6%	5,363,903	46,000,908	857.6%	1.00	0.6583
	2024	7,645.9	7,430,152	75,325,276	1013.8%	4,680,332	47,448,193	1013.8%	1.00	0.6299
	2025	7,188.5	6,727,314	80,845,504	1201.8%	4,055,126	48,732,482	1201.8%	1.00	0.6028
	2026	6,725.3	6,049,247	86,398,758	1428.3%	3,489,375	49,837,227	1428.3%	1.00	0.5768
	2027	6,259.4	5,399,502	91,341,142	1691.7%	2,980,463	50,419,266	1691.7%	1.00	0.5520
	2028	5,794.7	4,784,287	95,265,769	1991.2%	2,527,150	50,321,162	1991.2%	1.00	0.5282
	2029	5,334.3	4,207,507	98,103,558	2331.6%	2,126,779	49,588,647	2331.6%	1.00	0.5055
	2030	4,880.3	3,670,336	100,242,156	2731.1%	1,775,362	48,487,703	2731.1%	1.00	0.4837
	2031	4,435.8	3,175,453	102,721,504	3234.9%	1,469,842	47,547,347	3234.9%	1.00	0.4629
	2032	4,004.4	2,723,829	104,379,299	3832.1%	1,206,503	46,234,163	3832.1%	1.00	0.4429
	2033	3,590.7	2,316,571	104,045,432	4491.4%	981,924	44,101,702	4491.4%	1.00	0.4239
	2034	3,197.1	1,954,449	101,688,043	5202.9%	792,758	41,246,389	5202.9%	1.00	0.4056
	2035	2,824.7	1,635,165	97,758,639	5978.5%	634,689	37,945,030	5978.5%	1.00	0.3882
	2036	2,475.3	1,355,921	94,897,384	6998.7%	503,637	35,248,262	6998.7%	1.00	0.3714
	2037	2,151.7	1,114,068	91,392,204	8203.5%	395,985	32,484,510	8203.5%	1.00	0.3554
	2038	1,856.2	907,666	85,571,241	9427.6%	308,729	29,105,744	9427.6%	1.00	0.3401
	2039	1,589.1	734,195	78,128,589	10641.4%	238,971	25,429,895	10641.4%	1.00	0.3255
	2040	1,349.5	589,714	69,861,763	11846.7%	183,679	21,759,947	11846.7%	1.00	0.3115
	2041	1,136.3	470,215	63,612,298	13528.4%	140,152	18,960,208	13528.4%	1.00	0.2981
	2042	949.5	372,115	57,841,812	15544.1%	106,136	16,497,860	15544.1%	1.00	0.2852
	2043	788.4	292,603	51,116,553	17469.6%	79,864	13,951,824	17469.6%	1.00	0.2729
	2044	650.9	229,034	44,155,819	19279.2%	59,821	11,532,968	19279.2%	1.00	0.2612
	2045	534.0	178,553	37,539,925	21024.5%	44,628	9,382,752	21024.5%	1.00	0.2499
	2046	435.4	138,592	32,734,729	23619.5%	33,148	7,829,415	23619.5%	1.00	0.2392
	2047	353.0	107,038	28,874,935	26976.3%	24,499	6,608,841	26976.3%	1.00	0.2289
	2048	285.1	82,306	25,019,518	30398.0%	18,027	5,479,828	30398.0%	1.00	0.2190
	2049	229.3	63,076	21,250,501	33690.2%	13,220	4,453,904	33690.2%	1.00	0.2096
	2050	183.4	48,143	17,795,090	36963.1%	9,656	3,569,074	36963.1%	1.00	0.2006
	2051	145.7	36,533	15,328,579	41958.5%	7,012	2,941,989	41958.5%	1.00	0.1919
	2052	114.9	27,506	13,324,539	48441.7%	5,052	2,447,231	48441.7%	1.00	0.1837
	2053	90.0	20,536	11,304,096	55046.1%	3,609	1,986,746	55046.1%	1.00	0.1758
	2054	69.9	15,201	9,156,395	60235.3%	2,557	1,539,979	60235.3%	1.00	0.1682
	2055	53.6	11,139	7,164,703	64319.7%	1,793	1,153,114	64319.7%	1.00	0.1609
	2056	40.6	8,060	5,749,849	71336.7%	1,241	885,552	71336.7%	1.00	0.1540
	2057	30.2	5,742	4,609,935	80281.0%	846	679,417	80281.0%	1.00	0.1474
	2058	22.1	4,026	3,548,446	88130.8%	568	500,453	88130.8%	1.00	0.1410
	2059	15.9	2,782	2,572,483	92455.2%	376	347,185	92455.2%	1.00	0.1350
	2060	11.3	1,892	1,775,776	93844.7%	244	229,340	93844.7%	1.00	0.1291
	2061	7.8	1,265	1,239,693	97964.6%	156	153,211	97964.6%	1.00	0.1236
	2062	5.3	831	866,758	100000%+	98	102,508	100000%+	1.00	0.1183
	2063	3.5	537	590,900	100000%+	61	66,874	100000%+	1.00	0.1132
	Past		253,966,042	114,570,893	45.1%	350,503,232	139,317,512	39.7%		
	Future		171,472,932	2,480,191,235	1446.4%	123,712,479	1,179,339,204	953.3%		
	Lifetime		425,438,974	2,594,762,127	609.9%	474,215,711	1,318,656,715	278.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Historical	1997	66.9	62,730	0	0.0%	129,686	0	0.0%		2.0674
Experience	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%		1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%		1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%		1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%		1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%		1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%		1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%		1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%		1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%		1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%		1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%		1.2739
	2009	12,459.5	18,891,498	9,925,644	52.5%	23,029,775	12,099,906	52.5%		1.2191
	2010	12,250.2	19,023,190	10,938,555	57.5%	22,191,689	12,760,479	57.5%		1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%		1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%		1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%		1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	20,269,096	30,413,680	150.0%	18,974,045	28,470,463	150.0%	1.45	0.9361
Future	2016	10,874.0	25,319,004	33,786,467	133.4%	22,680,671	30,265,793	133.4%	1.90	0.8958
Experience	2017	10,525.2	23,984,592	37,853,001	157.8%	20,560,105	32,448,401	157.8%	1.90	0.8572
(50 years)	2018	10,158.1	22,583,919	42,517,704	188.3%	18,525,759	34,877,592	188.3%	1.90	0.8203
	2019	9,775.1	21,154,266	47,539,365	224.7%	16,605,745	37,317,606	224.7%	1.90	0.7850
	2020	9,376.0	19,692,850	53,032,771	269.3%	14,792,878	39,837,166	269.3%	1.90	0.7512
	2021	8,962.3	18,272,600	58,660,144	321.0%	13,134,943	42,166,830	321.0%	1.90	0.7188
	2022	8,534.4	16,871,093	64,267,203	380.9%	11,605,257	44,208,006	380.9%	1.90	0.6879
	2023	8,095.1	15,482,435	69,882,939	451.4%	10,191,415	46,000,908	451.4%	1.90	0.6583
	2024	7,645.9	14,117,288	75,325,276	533.6%	8,892,630	47,448,193	533.6%	1.90	0.6299
	2025	7,188.5	12,781,897	80,845,504	632.5%	7,704,740	48,732,482	632.5%	1.90	0.6028
	2026	6,725.3	11,493,569	86,398,758	751.7%	6,629,813	49,837,227	751.7%	1.90	0.5768
	2027	6,259.4	10,259,054	91,341,142	890.3%	5,662,880	50,419,266	890.3%	1.90	0.5520
	2028	5,794.7	9,090,145	95,265,769	1048.0%	4,801,585	50,321,162	1048.0%	1.90	0.5282
	2029	5,334.3	7,994,263	98,103,558	1227.2%	4,040,880	49,588,647	1227.2%	1.90	0.5055
	2030	4,880.3	6,973,638	100,242,156	1437.4%	3,373,188	48,487,703	1437.4%	1.90	0.4837
	2031	4,435.8	6,033,360	102,721,504	1702.6%	2,792,699	47,547,347	1702.6%	1.90	0.4629
	2032	4,004.4	5,175,275	104,379,299	2016.9%	2,292,356	46,234,163	2016.9%	1.90	0.4429
	2033	3,590.7	4,401,485	104,045,432	2363.9%	1,865,656	44,101,702	2363.9%	1.90	0.4239
	2034	3,197.1	3,713,454	101,688,043	2738.4%	1,506,240	41,246,389	2738.4%	1.90	0.4056
	2035	2,824.7	3,106,813	97,758,639	3146.6%	1,205,910	37,945,030	3146.6%	1.90	0.3882
	2036	2,475.3	2,576,251	94,897,384	3683.5%	956,911	35,248,262	3683.5%	1.90	0.3714
	2037	2,151.7	2,116,730	91,392,204	4317.6%	752,372	32,484,510	4317.6%	1.90	0.3554
	2038	1,856.2	1,724,565	85,571,241	4961.9%	586,584	29,105,744	4961.9%	1.90	0.3401
	2039	1,589.1	1,394,970	78,128,589	5600.7%	454,045	25,429,895	5600.7%	1.90	0.3255
	2040	1,349.5	1,120,456	69,861,763	6235.1%	348,990	21,759,947	6235.1%	1.90	0.3115
	2041	1,136.3	893,408	63,612,298	7120.2%	266,288	18,960,208	7120.2%	1.90	0.2981
	2042	949.5	707,018	57,841,812	8181.1%	201,658	16,497,860	8181.1%	1.90	0.2852
	2043	788.4	555,946	51,116,553	9194.5%	151,741	13,951,824	9194.5%	1.90	0.2729
	2044	650.9	435,164	44,155,819	10146.9%	113,660	11,532,968	10146.9%	1.90	0.2612
	2045	534.0	339,251	37,539,925	11065.5%	84,793	9,382,752	11065.5%	1.90	0.2499
	2046	435.4	263,324	32,734,729	12431.3%	62,981	7,829,415	12431.3%	1.90	0.2392
	2047	353.0	203,372	28,874,935	14198.1%	46,547	6,608,841	14198.1%	1.90	0.2289
	2048	285.1	156,382	25,019,518	15998.9%	34,251	5,479,828	15998.9%	1.90	0.2190
	2049	229.3	119,845	21,250,501	17731.7%	25,118	4,453,904	17731.7%	1.90	0.2096
	2050	183.4	91,471	17,795,090	19454.3%	18,346	3,569,074	19454.3%	1.90	0.2006
	2051	145.7	69,412	15,328,579	22083.4%	13,322	2,941,989	22083.4%	1.90	0.1919
	2052	114.9	52,262	13,324,539	25495.6%	9,599	2,447,231	25495.6%	1.90	0.1837
	2053	90.0	39,018	11,304,096	28971.6%	6,858	1,986,746	28971.6%	1.90	0.1758
	2054	69.9	28,882	9,156,395	31702.8%	4,858	1,539,979	31702.8%	1.90	0.1682
	2055	53.6	21,164	7,164,703	33852.5%	3,406	1,153,114	33852.5%	1.90	0.1609
	2056	40.6	15,314	5,749,849	37545.7%	2,359	885,552	37545.7%	1.90	0.1540
	2057	30.2	10,910	4,609,935	42253.2%	1,608	679,417	42253.2%	1.90	0.1474
	2058	22.1	7,650	3,548,446	46384.6%	1,079	500,453	46384.6%	1.90	0.1410
	2059	15.9	5,287	2,572,483	48660.6%	713	347,185	48660.6%	1.90	0.1350
	2060	11.3	3,595	1,775,776	49391.9%	464	229,340	49391.9%	1.90	0.1291
	2061	7.8	2,404	1,239,693	51560.3%	297	153,211	51560.3%	1.90	0.1236
	2062	5.3	1,580	866,758	54869.9%	187	102,508	54869.9%	1.90	0.1183
	2063	3.5	1,020	590,900	57933.7%	115	66,874	57933.7%	1.90	0.1132
	Past		253,966,042	114,570,893	45.1%	350,503,232	139,317,512	39.7%		
	Future		306,348,545	2,480,191,235	809.6%	216,292,055	1,179,339,204	545.3%		
	Lifetime		560,314,587	2,594,762,127	463.1%	566,795,287	1,318,656,715	232.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%		1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%		1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%		1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%		1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%		1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%		1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,340,574	2,027,486	151.2%	1,254,921	1,897,944	151.2%	1.00	0.9361
Future	2016	841.8	1,272,171	2,213,683	174.0%	1,139,606	1,983,009	174.0%	1.00	0.8958
Experience	2017	809.5	1,199,181	2,433,219	202.9%	1,027,963	2,085,808	202.9%	1.00	0.8572
(50 years)	2018	776.0	1,124,577	2,669,749	237.4%	922,499	2,190,015	237.4%	1.00	0.8203
	2019	741.1	1,049,396	2,918,253	278.1%	823,758	2,290,780	278.1%	1.00	0.7850
	2020	705.5	971,491	3,215,175	331.0%	729,765	2,415,175	331.0%	1.00	0.7512
	2021	668.9	896,361	3,523,000	393.0%	644,334	2,532,447	393.0%	1.00	0.7188
	2022	631.5	824,552	3,828,299	464.3%	567,191	2,633,403	464.3%	1.00	0.6879
	2023	593.7	754,334	4,121,862	546.4%	496,545	2,713,243	546.4%	1.00	0.6583
	2024	555.6	686,227	4,388,648	639.5%	432,262	2,764,456	639.5%	1.00	0.6299
	2025	517.3	620,258	4,693,742	756.7%	373,882	2,829,318	756.7%	1.00	0.6028
	2026	479.0	556,402	5,029,629	904.0%	320,948	2,901,231	904.0%	1.00	0.5768
	2027	441.0	495,313	5,327,941	1075.7%	273,407	2,940,963	1075.7%	1.00	0.5520
	2028	403.7	437,626	5,544,534	1267.0%	231,162	2,928,727	1267.0%	1.00	0.5282
	2029	367.5	383,962	5,652,592	1472.2%	194,082	2,857,230	1472.2%	1.00	0.5055
	2030	332.3	334,279	5,732,047	1714.7%	161,693	2,772,624	1714.7%	1.00	0.4837
	2031	298.4	288,324	5,862,495	2033.3%	133,458	2,713,610	2033.3%	1.00	0.4629
	2032	266.0	246,386	5,956,640	2417.6%	109,135	2,638,457	2417.6%	1.00	0.4429
	2033	235.6	208,616	5,939,961	2847.3%	88,426	2,517,769	2847.3%	1.00	0.4239
	2034	207.2	175,280	5,753,218	3282.3%	71,097	2,333,603	3282.3%	1.00	0.4056
	2035	180.8	146,042	5,423,405	3713.6%	56,686	2,105,095	3713.6%	1.00	0.3882
	2036	156.5	120,472	5,222,180	4334.8%	44,747	1,939,703	4334.8%	1.00	0.3714
	2037	134.3	98,335	5,031,739	5117.0%	34,952	1,788,485	5117.0%	1.00	0.3554
	2038	114.4	79,470	4,734,347	5957.4%	27,030	1,610,315	5957.4%	1.00	0.3401
	2039	96.7	63,717	4,306,254	6758.4%	20,739	1,401,633	6758.4%	1.00	0.3255
	2040	81.1	50,682	3,781,635	7461.5%	15,786	1,177,871	7461.5%	1.00	0.3115
	2041	67.4	39,928	3,408,074	8535.6%	11,901	1,015,807	8535.6%	1.00	0.2981
	2042	55.5	31,110	3,104,144	9977.9%	8,873	885,376	9977.9%	1.00	0.2852
	2043	45.4	23,999	2,769,254	11539.1%	6,550	755,844	11539.1%	1.00	0.2729
	2044	36.9	18,378	2,398,035	13048.2%	4,800	626,338	13048.2%	1.00	0.2612
	2045	29.8	13,978	2,013,575	14404.8%	3,494	503,274	14404.8%	1.00	0.2499
	2046	23.8	10,545	1,726,186	16369.6%	2,522	412,865	16369.6%	1.00	0.2392
	2047	18.9	7,876	1,511,997	19198.0%	1,803	346,063	19198.0%	1.00	0.2289
	2048	14.9	5,825	1,302,701	22363.9%	1,276	285,320	22363.9%	1.00	0.2190
	2049	11.7	4,277	1,081,665	25293.2%	896	226,707	25293.2%	1.00	0.2096
	2050	9.1	3,114	866,513	27822.3%	625	173,792	27822.3%	1.00	0.2006
	2051	7.0	2,247	708,823	31543.7%	431	136,043	31543.7%	1.00	0.1919
	2052	5.3	1,603	587,514	36661.9%	294	107,905	36661.9%	1.00	0.1837
	2053	4.0	1,129	474,132	42005.1%	198	83,331	42005.1%	1.00	0.1758
	2054	3.0	787	361,301	45915.6%	132	60,766	45915.6%	1.00	0.1682
	2055	2.2	542	265,316	48955.0%	87	42,701	48955.0%	1.00	0.1609
	2056	1.6	368	199,252	54081.3%	57	30,687	54081.3%	1.00	0.1540
	2057	1.1	246	149,587	60721.3%	36	22,046	60721.3%	1.00	0.1474
	2058	0.8	162	109,019	67308.2%	23	15,375	67308.2%	1.00	0.1410
	2059	0.5	105	75,510	72210.0%	14	10,191	72210.0%	1.00	0.1350
	2060	0.4	66	51,615	77991.6%	9	6,666	77991.6%	1.00	0.1291
	2061	0.2	42	35,383	85240.1%	5	4,373	85240.1%	1.00	0.1236
	2062	0.2	25	23,852	94090.0%	3	2,821	94090.0%	1.00	0.1183
	2063	0.1	15	15,745	100000%+	2	1,782	100000%+	1.00	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		15,995,351	140,389,958	877.7%	11,614,482	68,498,423	589.8%		
	Lifetime		34,208,211	145,660,937	425.8%	36,213,047	74,834,161	206.6%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	8.3	17,044	0	0.0%	33,719	0	0.0%		1.9783
Experience	1999	29.3	59,765	0	0.0%	113,144	0	0.0%		1.8932
	2000	99.4	202,564	0	0.0%	366,972	0	0.0%		1.8116
	2001	423.0	835,597	575	0.1%	1,448,607	997	0.1%		1.7336
	2002	918.7	1,436,631	1,200	0.1%	2,383,320	1,991	0.1%		1.6590
	2003	1,103.4	1,539,557	302,199	19.6%	2,444,088	479,749	19.6%		1.5875
	2004	1,080.9	1,497,868	344,340	23.0%	2,275,508	523,109	23.0%		1.5192
	2005	1,055.8	1,466,746	257,328	17.5%	2,132,275	374,089	17.5%		1.4537
	2006	1,040.6	1,467,776	294,652	20.1%	2,041,888	409,903	20.1%		1.3911
	2007	1,027.9	1,441,248	120,750	8.4%	1,918,645	160,747	8.4%		1.3312
	2008	1,017.9	1,430,727	196,600	13.7%	1,822,621	250,451	13.7%		1.2739
	2009	1,004.7	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	985.1	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	954.6	1,480,102	1,805,208	122.0%	1,652,275	2,015,200	122.0%		1.1163
	2012	932.8	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	920.5	1,336,213	858,763	64.3%	1,365,947	877,873	64.3%		1.0223
	2014	897.8	1,404,956	1,819,032	129.5%	1,374,373	1,779,435	129.5%	1.00	0.9782
Projected	2015	872.9	1,809,226	2,027,486	112.1%	1,693,629	1,897,944	112.1%	1.35	0.9361
Future	2016	841.8	2,167,242	2,213,683	102.1%	1,941,407	1,983,009	102.1%	1.70	0.8958
Experience	2017	809.5	2,049,043	2,433,219	118.7%	1,756,483	2,085,808	118.7%	1.71	0.8572
(50 years)	2018	776.0	1,927,348	2,669,749	138.5%	1,581,018	2,190,015	138.5%	1.71	0.8203
	2019	741.1	1,804,023	2,918,253	161.8%	1,416,128	2,290,780	161.8%	1.72	0.7850
	2020	705.5	1,674,957	3,215,175	192.0%	1,258,194	2,415,175	192.0%	1.72	0.7512
	2021	668.9	1,550,534	3,523,000	227.2%	1,114,574	2,532,447	227.2%	1.73	0.7188
	2022	631.5	1,431,574	3,828,299	267.4%	984,748	2,633,403	267.4%	1.74	0.6879
	2023	593.7	1,314,590	4,121,862	313.5%	865,338	2,713,243	313.5%	1.74	0.6583
	2024	555.6	1,200,433	4,388,648	365.6%	756,165	2,764,456	365.6%	1.75	0.6299
	2025	517.3	1,089,206	4,693,742	430.9%	656,558	2,829,318	430.9%	1.76	0.6028
	2026	479.0	980,870	5,029,629	512.8%	565,793	2,901,231	512.8%	1.76	0.5768
	2027	441.0	876,592	5,327,941	607.8%	483,869	2,940,963	607.8%	1.77	0.5520
	2028	403.7	777,494	5,544,534	713.1%	410,687	2,928,727	713.1%	1.78	0.5282
	2029	367.5	684,739	5,652,592	825.5%	346,117	2,857,230	825.5%	1.78	0.5055
	2030	332.3	598,345	5,732,047	958.0%	289,423	2,772,624	958.0%	1.79	0.4837
	2031	298.4	517,946	5,862,495	1131.9%	239,745	2,713,610	1131.9%	1.80	0.4629
	2032	266.0	444,168	5,956,640	1341.1%	196,741	2,638,457	1341.1%	1.80	0.4429
	2033	235.6	377,331	5,939,961	1574.2%	159,939	2,517,769	1574.2%	1.81	0.4239
	2034	207.2	318,036	5,753,218	1809.0%	129,001	2,333,603	1809.0%	1.81	0.4056
	2035	180.8	265,783	5,423,405	2040.5%	103,164	2,105,095	2040.5%	1.82	0.3882
	2036	156.5	219,870	5,222,180	2375.1%	81,667	1,939,703	2375.1%	1.83	0.3714
	2037	134.3	179,947	5,031,739	2796.2%	63,960	1,788,485	2796.2%	1.83	0.3554
	2038	114.4	145,786	4,734,347	3247.5%	49,587	1,610,315	3247.5%	1.83	0.3401
	2039	96.7	117,158	4,306,254	3675.6%	38,134	1,401,633	3675.6%	1.84	0.3255
	2040	81.1	93,391	3,781,635	4049.2%	29,089	1,177,871	4049.2%	1.84	0.3115
	2041	67.4	73,726	3,408,074	4622.6%	21,975	1,015,807	4622.6%	1.85	0.2981
	2042	55.5	57,555	3,104,144	5393.4%	16,416	885,376	5393.4%	1.85	0.2852
	2043	45.4	44,478	2,769,254	6226.1%	12,140	755,844	6226.1%	1.85	0.2729
	2044	36.9	34,119	2,398,035	7028.4%	8,912	626,338	7028.4%	1.86	0.2612
	2045	29.8	25,994	2,013,575	7746.2%	6,497	503,274	7746.2%	1.86	0.2499
	2046	23.8	19,641	1,726,186	8788.6%	4,698	412,865	8788.6%	1.86	0.2392
	2047	18.9	14,692	1,511,997	10291.1%	3,363	346,063	10291.1%	1.87	0.2289
	2048	14.9	10,883	1,302,701	11969.8%	2,384	285,320	11969.8%	1.87	0.2190
	2049	11.7	8,002	1,081,665	13517.4%	1,677	226,707	13517.4%	1.87	0.2096
	2050	9.1	5,836	866,513	14847.6%	1,171	173,792	14847.6%	1.87	0.2006
	2051	7.0	4,217	708,823	16809.5%	809	136,043	16809.5%	1.88	0.1919
	2052	5.3	3,011	587,514	19510.7%	553	107,905	19510.7%	1.88	0.1837
	2053	4.0	2,124	474,132	22326.5%	373	83,331	22326.5%	1.88	0.1758
	2054	3.0	1,482	361,301	24377.1%	249	60,766	24377.1%	1.88	0.1682
	2055	2.2	1,022	265,316	25963.1%	164	42,701	25963.1%	1.89	0.1609
	2056	1.6	695	199,252	28654.6%	107	30,687	28654.6%	1.89	0.1540
	2057	1.1	465	149,587	32145.2%	69	22,046	32145.2%	1.89	0.1474
	2058	0.8	306	109,019	35609.6%	43	15,375	35609.6%	1.89	0.1410
	2059	0.5	198	75,510	38178.9%	27	10,191	38178.9%	1.89	0.1350
	2060	0.4	125	51,615	41208.0%	16	6,666	41208.0%	1.89	0.1291
	2061	0.2	79	35,383	45022.8%	10	4,373	45022.8%	1.89	0.1236
	2062	0.2	48	23,852	49668.5%	6	2,821	49668.5%	1.89	0.1183
	2063	0.1	29	15,745	54404.7%	3	1,782	54404.7%	1.89	0.1132
	Past		18,212,860	5,270,979	28.9%	24,598,565	6,335,738	25.8%		
	Future		26,329,315	140,389,958	533.2%	18,667,192	68,498,423	366.9%		
	Lifetime		44,542,175	145,660,937	327.0%	43,265,758	74,834,161	173.0%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	414,173	547,983	132.3%	387,711	512,970	132.3%	1.00	0.9361
Future	2016	267.4	384,436	566,683	147.4%	344,376	507,632	147.4%	1.00	0.8958
Experience	2017	252.8	352,924	589,987	167.2%	302,534	505,750	167.2%	1.00	0.8572
(50 years)	2018	238.1	322,075	608,927	189.1%	264,200	499,508	189.1%	1.00	0.8203
	2019	222.8	292,046	621,839	212.9%	229,251	488,133	212.9%	1.00	0.7850
	2020	207.7	262,886	634,132	241.2%	197,475	476,347	241.2%	1.00	0.7512
	2021	192.6	234,697	642,247	273.6%	168,708	461,668	273.6%	1.00	0.7188
	2022	177.4	207,808	644,850	310.3%	142,947	443,578	310.3%	1.00	0.6879
	2023	162.5	182,530	635,206	348.0%	120,151	418,129	348.0%	1.00	0.6583
	2024	147.9	159,074	613,409	385.6%	100,202	386,393	385.6%	1.00	0.6299
	2025	133.7	137,360	590,155	429.6%	82,798	355,736	429.6%	1.00	0.6028
	2026	120.0	117,376	571,419	486.8%	67,706	329,611	486.8%	1.00	0.5768
	2027	106.8	99,234	545,444	549.7%	54,776	301,079	549.7%	1.00	0.5520
	2028	94.5	83,070	507,099	610.4%	43,879	267,859	610.4%	1.00	0.5282
	2029	83.0	68,907	457,087	663.3%	34,831	231,045	663.3%	1.00	0.5055
	2030	72.2	56,593	408,758	722.3%	27,374	197,718	722.3%	1.00	0.4837
	2031	62.3	45,952	372,879	811.4%	21,270	172,597	811.4%	1.00	0.4629
	2032	53.3	36,871	337,587	915.6%	16,332	149,532	915.6%	1.00	0.4429
	2033	45.3	29,293	298,052	1017.5%	12,416	126,335	1017.5%	1.00	0.4239
	2034	38.2	23,072	254,997	1105.2%	9,358	103,431	1105.2%	1.00	0.4056
	2035	31.9	17,995	214,358	1191.2%	6,985	83,203	1191.2%	1.00	0.3882
	2036	26.4	13,887	186,474	1342.8%	5,158	69,263	1342.8%	1.00	0.3714
	2037	21.6	10,598	161,483	1523.7%	3,767	57,398	1523.7%	1.00	0.3554
	2038	17.6	8,009	135,862	1696.3%	2,724	46,212	1696.3%	1.00	0.3401
	2039	14.2	6,007	109,968	1830.7%	1,955	35,793	1830.7%	1.00	0.3255
	2040	11.3	4,468	87,170	1951.1%	1,392	27,151	1951.1%	1.00	0.3115
	2041	8.9	3,287	71,851	2185.7%	980	21,416	2185.7%	1.00	0.2981
	2042	6.9	2,391	58,420	2442.8%	682	16,663	2442.8%	1.00	0.2852
	2043	5.4	1,723	45,939	2666.5%	470	12,539	2666.5%	1.00	0.2729
	2044	4.1	1,230	34,893	2837.7%	321	9,114	2837.7%	1.00	0.2612
	2045	3.1	869	26,132	3007.7%	217	6,531	3007.7%	1.00	0.2499
	2046	2.3	607	20,213	3331.3%	145	4,834	3331.3%	1.00	0.2392
	2047	1.7	418	15,505	3709.2%	96	3,549	3709.2%	1.00	0.2289
	2048	1.2	284	11,581	4084.4%	62	2,536	4084.4%	1.00	0.2190
	2049	0.9	190	8,239	4341.2%	40	1,727	4341.2%	1.00	0.2096
	2050	0.6	125	5,873	4689.3%	25	1,178	4689.3%	1.00	0.2006
	2051	0.4	81	4,254	5246.3%	16	816	5246.3%	1.00	0.1919
	2052	0.3	52	2,986	5784.8%	9	548	5784.8%	1.00	0.1837
	2053	0.2	32	2,052	6351.5%	6	361	6351.5%	1.00	0.1758
	2054	0.1	20	1,296	6507.9%	3	218	6507.9%	1.00	0.1682
	2055	0.1	12	828	6878.2%	2	133	6878.2%	1.00	0.1609
	2056	0.1	7	533	7426.8%	1	82	7426.8%	1.00	0.1540
	2057	0.0	4	333	7966.7%	1	49	7966.7%	1.00	0.1474
	2058	0.0	2	204	8322.4%	0	29	8322.4%	1.00	0.1410
	2059	0.0	1	123	8831.7%	0	17	8831.7%	1.00	0.1350
	2060	0.0	1	73	9692.0%	0	9	9692.0%	1.00	0.1291
	2061	0.0	0	42	9827.9%	0	5	9827.9%	1.00	0.1236
	2062	0.0	0	24	10950.0%	0	3	10950.0%	1.00	0.1183
	2063	0.0	0	14	9750.0%	0	2	9750.0%	1.00	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,024,626	12,172,791	302.5%	3,085,683	7,842,500	254.2%		
	Lifetime		10,453,949	14,409,469	137.8%	11,801,181	10,572,879	89.6%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.4	7,596	0	0.0%	15,028	0	0.0%		1.9783
Historical	1999	12.3	24,638	0	0.0%	46,643	0	0.0%		1.8932
Experience	2000	46.3	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	188.9	293,935	575	0.2%	509,571	997	0.2%		1.7336
	2002	358.3	527,850	0	0.0%	875,685	0	0.0%		1.6590
	2003	395.8	557,521	270,600	48.5%	885,080	429,585	48.5%		1.5875
	2004	386.7	549,767	0	0.0%	835,186	0	0.0%		1.5192
	2005	374.5	522,425	129,850	24.9%	759,474	188,769	24.9%		1.4537
	2006	365.4	524,921	19,460	3.7%	730,241	27,072	3.7%		1.3911
	2007	356.6	510,282	120,750	23.7%	679,307	160,747	23.7%		1.3312
	2008	353.1	505,350	196,600	38.9%	643,771	250,451	38.9%		1.2739
	2009	347.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	338.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	325.1	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	311.0	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	303.8	445,645	428,982	96.3%	455,562	438,528	96.3%		1.0223
	2014	293.3	441,950	517,332	117.1%	432,330	506,071	117.1%	1.00	0.9782
Projected	2015	281.9	465,945	547,983	117.6%	436,174	512,970	117.6%	1.13	0.9361
Future	2016	267.4	480,544	566,683	117.9%	430,470	507,632	117.9%	1.25	0.8958
Experience	2017	252.8	441,154	589,987	133.7%	378,167	505,750	133.7%	1.25	0.8572
(50 years)	2018	238.1	402,593	608,927	151.3%	330,250	499,508	151.3%	1.25	0.8203
	2019	222.8	365,057	621,839	170.3%	286,564	488,133	170.3%	1.25	0.7850
	2020	207.7	328,608	634,132	193.0%	246,844	476,347	193.0%	1.25	0.7512
	2021	192.6	293,371	642,247	218.9%	210,885	461,668	218.9%	1.25	0.7188
	2022	177.4	259,760	644,850	248.2%	178,683	443,578	248.2%	1.25	0.6879
	2023	162.5	228,162	635,206	278.4%	150,189	418,129	278.4%	1.25	0.6583
	2024	147.9	198,843	613,409	308.5%	125,253	386,393	308.5%	1.25	0.6299
	2025	133.7	171,700	590,155	343.7%	103,498	355,736	343.7%	1.25	0.6028
	2026	120.0	146,720	571,419	389.5%	84,632	329,611	389.5%	1.25	0.5768
	2027	106.8	124,043	545,444	439.7%	68,470	301,079	439.7%	1.25	0.5520
	2028	94.5	103,837	507,099	488.4%	54,849	267,859	488.4%	1.25	0.5282
	2029	83.0	86,134	457,087	530.7%	43,538	231,045	530.7%	1.25	0.5055
	2030	72.2	70,741	408,758	577.8%	34,218	197,718	577.8%	1.25	0.4837
	2031	62.3	57,441	372,879	649.2%	26,588	172,597	649.2%	1.25	0.4629
	2032	53.3	46,089	337,587	732.5%	20,415	149,532	732.5%	1.25	0.4429
	2033	45.3	36,616	298,052	814.0%	15,520	126,335	814.0%	1.25	0.4239
	2034	38.2	28,839	254,997	884.2%	11,698	103,431	884.2%	1.25	0.4056
	2035	31.9	22,494	214,358	953.0%	8,731	83,203	953.0%	1.25	0.3882
	2036	26.4	17,358	186,474	1074.3%	6,448	69,263	1074.3%	1.25	0.3714
	2037	21.6	13,248	161,483	1218.9%	4,709	57,398	1218.9%	1.25	0.3554
	2038	17.6	10,012	135,862	1357.0%	3,405	46,212	1357.0%	1.25	0.3401
	2039	14.2	7,509	109,968	1464.6%	2,444	35,793	1464.6%	1.25	0.3255
	2040	11.3	5,585	87,170	1560.9%	1,739	27,151	1560.9%	1.25	0.3115
	2041	8.9	4,109	71,851	1748.6%	1,225	21,416	1748.6%	1.25	0.2981
	2042	6.9	2,989	58,420	1954.3%	853	16,663	1954.3%	1.25	0.2852
	2043	5.4	2,154	45,939	2133.2%	588	12,539	2133.2%	1.25	0.2729
	2044	4.1	1,537	34,893	2270.1%	401	9,114	2270.1%	1.25	0.2612
	2045	3.1	1,086	26,132	2406.1%	271	6,531	2406.1%	1.25	0.2499
	2046	2.3	758	20,213	2665.0%	181	4,834	2665.0%	1.25	0.2392
	2047	1.7	523	15,505	2967.3%	120	3,549	2967.3%	1.25	0.2289
	2048	1.2	354	11,581	3267.5%	78	2,536	3267.5%	1.25	0.2190
	2049	0.9	237	8,239	3473.0%	50	1,727	3473.0%	1.25	0.2096
	2050	0.6	157	5,873	3751.5%	31	1,178	3751.5%	1.25	0.2006
	2051	0.4	101	4,254	4197.1%	19	816	4197.1%	1.25	0.1919
	2052	0.3	65	2,986	4627.9%	12	548	4627.9%	1.25	0.1837
	2053	0.2	40	2,052	5081.2%	7	361	5081.2%	1.25	0.1758
	2054	0.1	25	1,296	5206.3%	4	218	5206.3%	1.25	0.1682
	2055	0.1	15	828	5502.5%	2	133	5502.5%	1.25	0.1609
	2056	0.1	9	533	5941.4%	1	82	5941.4%	1.25	0.1540
	2057	0.0	5	333	6373.4%	1	49	6373.4%	1.25	0.1474
	2058	0.0	3	204	6658.0%	0	29	6658.0%	1.25	0.1410
	2059	0.0	2	123	7065.3%	0	17	7065.3%	1.25	0.1350
	2060	0.0	1	73	7753.6%	0	9	7753.6%	1.25	0.1291
	2061	0.0	1	42	7862.3%	0	5	7862.3%	1.25	0.1236
	2062	0.0	0	24	8760.0%	0	3	8760.0%	1.25	0.1183
	2063	0.0	0	14	7800.0%	0	2	7800.0%	1.25	0.1132
	Past		6,429,323	2,236,678	34.8%	8,715,498	2,730,378	31.3%		
	Future		4,868,524	12,172,791	250.0%	3,700,557	7,842,500	211.9%		
	Lifetime		11,297,846	14,409,469	127.5%	12,416,055	10,572,879	85.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	926,401	1,479,504	159.7%	867,210	1,384,974	159.7%	1.00	0.9361
Future	2016	574.4	887,735	1,647,000	185.5%	795,230	1,475,377	185.5%	1.00	0.8958
Experience	2017	556.7	846,257	1,843,232	217.8%	725,430	1,580,058	217.8%	1.00	0.8572
(50 years)	2018	537.9	802,503	2,060,822	256.8%	658,299	1,690,508	256.8%	1.00	0.8203
	2019	518.3	757,350	2,296,415	303.2%	594,507	1,802,647	303.2%	1.00	0.7850
	2020	497.8	708,605	2,581,043	364.2%	532,290	1,938,828	364.2%	1.00	0.7512
	2021	476.4	661,664	2,880,753	435.4%	475,626	2,070,779	435.4%	1.00	0.7188
	2022	454.1	616,744	3,183,449	516.2%	424,245	2,189,825	516.2%	1.00	0.6879
	2023	431.2	571,804	3,486,656	609.8%	376,394	2,295,115	609.8%	1.00	0.6583
	2024	407.6	527,153	3,775,239	716.2%	332,059	2,378,063	716.2%	1.00	0.6299
	2025	383.5	482,898	4,103,587	849.8%	291,084	2,473,582	849.8%	1.00	0.6028
	2026	359.0	439,027	4,458,209	1015.5%	253,243	2,571,620	1015.5%	1.00	0.5768
	2027	334.1	396,079	4,782,498	1207.5%	218,631	2,639,884	1207.5%	1.00	0.5520
	2028	309.2	354,556	5,037,435	1420.8%	187,283	2,660,868	1420.8%	1.00	0.5282
	2029	284.6	315,056	5,195,505	1649.1%	159,252	2,626,185	1649.1%	1.00	0.5055
	2030	260.1	277,686	5,323,289	1917.0%	134,318	2,574,905	1917.0%	1.00	0.4837
	2031	236.1	242,371	5,489,616	2265.0%	112,188	2,541,013	2265.0%	1.00	0.4629
	2032	212.7	209,515	5,619,053	2681.9%	92,803	2,488,925	2681.9%	1.00	0.4429
	2033	190.3	179,324	5,641,909	3146.2%	76,010	2,391,434	3146.2%	1.00	0.4239
	2034	169.0	152,209	5,498,221	3612.3%	61,738	2,230,172	3612.3%	1.00	0.4056
	2035	149.0	128,047	5,209,047	4068.1%	49,701	2,021,892	4068.1%	1.00	0.3882
	2036	130.1	106,585	5,035,705	4724.6%	39,589	1,870,440	4724.6%	1.00	0.3714
	2037	112.7	87,736	4,870,256	5551.0%	31,185	1,731,087	5551.0%	1.00	0.3554
	2038	96.8	71,460	4,598,484	6435.0%	24,306	1,564,104	6435.0%	1.00	0.3401
	2039	82.6	57,710	4,196,286	7271.3%	18,784	1,365,839	7271.3%	1.00	0.3255
	2040	69.8	46,214	3,694,465	7994.3%	14,394	1,150,721	7994.3%	1.00	0.3115
	2041	58.5	36,640	3,336,224	9105.3%	10,921	994,391	9105.3%	1.00	0.2981
	2042	48.6	28,719	3,045,724	10605.4%	8,191	868,713	10605.4%	1.00	0.2852
	2043	40.1	22,276	2,723,314	12225.3%	6,080	743,305	12225.3%	1.00	0.2729
	2044	32.8	17,149	2,363,141	13780.4%	4,479	617,224	13780.4%	1.00	0.2612
	2045	26.7	13,110	1,987,444	15160.2%	3,277	496,743	15160.2%	1.00	0.2499
	2046	21.5	9,938	1,705,973	17165.6%	2,377	408,031	17165.6%	1.00	0.2392
	2047	17.2	7,458	1,496,492	20066.2%	1,707	342,514	20066.2%	1.00	0.2289
	2048	13.7	5,541	1,291,120	23299.2%	1,214	282,784	23299.2%	1.00	0.2190
	2049	10.8	4,087	1,073,426	26266.2%	857	224,980	26266.2%	1.00	0.2096
	2050	8.4	2,989	860,640	28791.5%	600	172,614	28791.5%	1.00	0.2006
	2051	6.5	2,166	704,569	32528.1%	416	135,227	32528.1%	1.00	0.1919
	2052	5.0	1,551	584,528	37689.6%	285	107,356	37689.6%	1.00	0.1837
	2053	3.8	1,096	472,081	43055.4%	193	82,970	43055.4%	1.00	0.1758
	2054	2.8	767	360,005	46938.6%	129	60,548	46938.6%	1.00	0.1682
	2055	2.1	530	264,488	49911.0%	85	42,568	49911.0%	1.00	0.1609
	2056	1.5	361	198,719	55007.3%	56	30,605	55007.3%	1.00	0.1540
	2057	1.1	242	149,254	61631.9%	36	21,997	61631.9%	1.00	0.1474
	2058	0.7	160	108,815	68214.1%	22	15,347	68214.1%	1.00	0.1410
	2059	0.5	103	75,387	73063.8%	14	10,174	73063.8%	1.00	0.1350
	2060	0.3	65	51,542	78774.5%	8	6,657	78774.5%	1.00	0.1291
	2061	0.2	41	35,341	86029.5%	5	4,368	86029.5%	1.00	0.1236
	2062	0.1	25	23,828	94817.9%	3	2,818	94817.9%	1.00	0.1183
	2063	0.1	15	15,732	100000%+	2	1,780	100000%+	1.00	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		11,970,725	128,217,166	1071.1%	8,528,799	60,655,923	711.2%		
	Lifetime		23,754,262	131,251,467	552.5%	24,411,867	64,261,283	263.2%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA,

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	17.1	35,127	0	0.0%	66,500	0	0.0%		1.8932
Experience	2000	53.1	141,356	0	0.0%	256,084	0	0.0%		1.8116
	2001	234.1	541,662	0	0.0%	939,036	0	0.0%		1.7336
	2002	560.4	908,781	1,200	0.1%	1,507,636	1,991	0.1%		1.6590
	2003	707.7	982,036	31,599	3.2%	1,559,008	50,164	3.2%		1.5875
	2004	694.3	948,101	344,340	36.3%	1,440,322	523,109	36.3%		1.5192
	2005	681.3	944,320	127,478	13.5%	1,372,802	185,321	13.5%		1.4537
	2006	675.2	942,855	275,192	29.2%	1,311,647	382,832	29.2%		1.3911
	2007	671.3	930,966	0	0.0%	1,239,337	0	0.0%		1.3312
	2008	664.8	925,377	0	0.0%	1,178,850	0	0.0%		1.2739
	2009	656.8	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	646.7	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	629.5	974,010	1,253,973	128.7%	1,087,311	1,399,841	128.7%		1.1163
	2012	621.8	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	616.8	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	604.6	963,006	1,301,699	135.2%	942,043	1,273,364	135.2%	1.00	0.9782
Projected	2015	591.0	1,343,281	1,479,504	110.1%	1,257,455	1,384,974	110.1%	1.45	0.9361
Future	2016	574.4	1,686,697	1,647,000	97.6%	1,510,937	1,475,377	97.6%	1.90	0.8958
Experience	2017	556.7	1,607,888	1,843,232	114.6%	1,378,316	1,580,058	114.6%	1.90	0.8572
(50 years)	2018	537.9	1,524,755	2,060,822	135.2%	1,250,768	1,690,508	135.2%	1.90	0.8203
	2019	518.3	1,438,966	2,296,415	159.6%	1,129,564	1,802,647	159.6%	1.90	0.7850
	2020	497.8	1,346,349	2,581,043	191.7%	1,011,350	1,938,828	191.7%	1.90	0.7512
	2021	476.4	1,257,162	2,880,753	229.1%	903,689	2,070,779	229.1%	1.90	0.7188
	2022	454.1	1,171,813	3,183,449	271.7%	806,065	2,189,825	271.7%	1.90	0.6879
	2023	431.2	1,086,428	3,486,656	320.9%	715,149	2,295,115	320.9%	1.90	0.6583
	2024	407.6	1,001,590	3,775,239	376.9%	630,912	2,378,063	376.9%	1.90	0.6299
	2025	383.5	917,507	4,103,587	447.3%	553,060	2,473,582	447.3%	1.90	0.6028
	2026	359.0	834,150	4,458,209	534.5%	481,161	2,571,620	534.5%	1.90	0.5768
	2027	334.1	752,550	4,782,498	635.5%	415,399	2,639,884	635.5%	1.90	0.5520
	2028	309.2	673,657	5,037,435	747.8%	355,838	2,660,868	747.8%	1.90	0.5282
	2029	284.6	598,605	5,195,505	867.9%	302,579	2,626,185	867.9%	1.90	0.5055
	2030	260.1	527,604	5,323,289	1009.0%	255,205	2,574,905	1009.0%	1.90	0.4837
	2031	236.1	460,506	5,489,616	1192.1%	213,157	2,541,013	1192.1%	1.90	0.4629
	2032	212.7	398,079	5,619,053	1411.5%	176,327	2,488,925	1411.5%	1.90	0.4429
	2033	190.3	340,715	5,641,909	1655.9%	144,419	2,391,434	1655.9%	1.90	0.4239
	2034	169.0	289,196	5,498,221	1901.2%	117,303	2,230,172	1901.2%	1.90	0.4056
	2035	149.0	243,289	5,209,047	2141.1%	94,433	2,021,892	2141.1%	1.90	0.3882
	2036	130.1	202,512	5,035,705	2486.6%	75,220	1,870,440	2486.6%	1.90	0.3714
	2037	112.7	166,699	4,870,256	2921.6%	59,252	1,731,087	2921.6%	1.90	0.3554
	2038	96.8	135,774	4,598,484	3386.9%	46,182	1,564,104	3386.9%	1.90	0.3401
	2039	82.6	109,650	4,196,286	3827.0%	35,690	1,365,839	3827.0%	1.90	0.3255
	2040	69.8	87,807	3,694,465	4207.5%	27,349	1,150,721	4207.5%	1.90	0.3115
	2041	58.5	69,617	3,336,224	4792.3%	20,750	994,391	4792.3%	1.90	0.2981
	2042	48.6	54,565	3,045,724	5581.8%	15,563	868,713	5581.8%	1.90	0.2852
	2043	40.1	42,324	2,723,314	6434.4%	11,552	743,305	6434.4%	1.90	0.2729
	2044	32.8	32,582	2,363,141	7252.8%	8,510	617,224	7252.8%	1.90	0.2612
	2045	26.7	24,908	1,987,444	7979.0%	6,226	496,743	7979.0%	1.90	0.2499
	2046	21.5	18,883	1,705,973	9034.5%	4,516	408,031	9034.5%	1.90	0.2392
	2047	17.2	14,170	1,496,492	10561.2%	3,243	342,514	10561.2%	1.90	0.2289
	2048	13.7	10,529	1,291,120	12262.7%	2,306	282,784	12262.7%	1.90	0.2190
	2049	10.8	7,765	1,073,426	13824.3%	1,627	224,980	13824.3%	1.90	0.2096
	2050	8.4	5,680	860,640	15153.4%	1,139	172,614	15153.4%	1.90	0.2006
	2051	6.5	4,115	704,569	17120.1%	790	135,227	17120.1%	1.90	0.1919
	2052	5.0	2,947	584,528	19836.6%	541	107,356	19836.6%	1.90	0.1837
	2053	3.8	2,083	472,081	22660.7%	366	82,970	22660.7%	1.90	0.1758
	2054	2.8	1,457	360,005	24704.5%	245	60,548	24704.5%	1.90	0.1682
	2055	2.1	1,007	264,488	26268.9%	162	42,568	26268.9%	1.90	0.1609
	2056	1.5	686	198,719	28951.2%	106	30,605	28951.2%	1.90	0.1540
	2057	1.1	460	149,254	32437.8%	68	21,997	32437.8%	1.90	0.1474
	2058	0.7	303	108,815	35902.2%	43	15,347	35902.2%	1.90	0.1410
	2059	0.5	196	75,387	38454.6%	26	10,174	38454.6%	1.90	0.1350
	2060	0.3	124	51,542	41460.3%	16	6,657	41460.3%	1.90	0.1291
	2061	0.2	78	35,341	45278.7%	10	4,368	45278.7%	1.90	0.1236
	2062	0.1	48	23,828	49904.1%	6	2,818	49904.1%	1.90	0.1183
	2063	0.1	29	15,732	54688.2%	3	1,780	54688.2%	1.90	0.1132
	Past		11,783,537	3,034,301	25.8%	15,883,068	3,605,360	22.7%		
	Future		21,460,791	128,217,166	597.4%	14,966,635	60,655,923	405.3%		
	Lifetime		33,244,328	131,251,467	394.8%	30,849,703	64,261,283	208.3%		

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

[MAILING_DATE]

[NAME]
[ADDRESS]
[CITY], [STATE] [ZIP]

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear [NAME]:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, premiums need to be increased to ensure adequate funds are available to pay all future claims.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for [LIMIT YEAR] from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

[<IF INFLATION YEAR 1>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is [Z1%]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y1%] from [$X1] to [$X2] which will be effective on [EFFECTIVE DATE YR 1]. The second phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YR 1]. Your premium rate will increase an additional [Y2%], which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from [EFFECTIVE DATE YR 1]. Your premium rate will then increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 2>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is [Z2%]. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y2%] from [$X2] to [$X3] which will be effective on [EFFECTIVE DATE YEAR 2]. The third phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YEAR 2]. Your premium rate will increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 3>
We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y3%] from [$X3] to [$X4] which will be effective on [EFFECTIVE DATE YEAR 3].]

[<IF NO INFLATION>
Effective [EFFECTIVE DATE], your premium will increase by [Z1%] from [$X1] to [$X2]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.]

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

[<IF INFLATION YEAR 1>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X1]; Your Premium Remains at the current level (Avoid the [Z1%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 2>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X3]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X2]; Your Premium Remains at the current level (Avoid the [Z2%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 3>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X4]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X3]; Your Premium Remains at the current level (Avoid the [Y3%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Once you've selected your option above, if you ever need to lower your premiums in the future and would like to do this by lowering or adjusting your benefits, please contact Kanawha Customer Service at 1-800-260-2162. Similar options will be available to you at any time.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. [<IF INFLATION> The policies in this class include inflation protection riders] [<IF NO INFLATION> The policies in this class do not include inflation protection riders]. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: [POLICY NUMBER]
Policyholder Name: [NAME]

Endorsement Effective Date: [EFFECTIVE DATE]

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if the premium is not paid and you do not choose an option?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

[<IF INFLATION>

Option	**Description**	**Your New Premium**	**Can Premiums Increase in the Future?**	**Benefits**
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

[MAILING_DATE]

[NAME]
[ADDRESS]
[CITY], [STATE] [ZIP]

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear [NAME]:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for [LIMIT YEAR] from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

[<IF INFLATION YEAR 1>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is [Z1%]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y1%] from [$X1] to [$X2] which will be effective on [EFFECTIVE DATE YR 1]. The second phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YR 1]. Your premium rate will increase an additional [Y2%], which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from [EFFECTIVE DATE YR 1]. Your premium rate will then increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 2>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is [Z2%]. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y2%] from [$X2] to [$X3] which will be effective on [EFFECTIVE DATE YEAR 2]. The third phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YEAR 2]. Your premium rate will increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 3>
We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y3%] from [$X3] to [$X4] which will be effective on [EFFECTIVE DATE YEAR 3].]

[<IF NO INFLATION>

Effective [EFFECTIVE DATE], your premium will increase by [Z1%] from [$X1] to [$X2]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.]

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

[<IF INFLATION YEAR 1>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X1]; Your Premium Remains at the current level (Avoid the [Z1%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 2>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X3]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X2]; Your Premium Remains at the current level (Avoid the [Z2%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 3>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X4]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X3]; Your Premium Remains at the current level (Avoid the [Y3%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. [<IF INFLATION> The policies in this class include inflation protection riders] [<IF NO INFLATION> The policies in this class do not include inflation protection riders]. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [LIMIT YEAR] appears we will insert "three years"/"two years"/"one year" for the rate increase being implemented in year 1/2/3 respectively.
- Where [Z1%] appears we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears we will insert the applicable policies current premium.
- Where [$X2] appears we will insert the applicable policies new premium after rate increase implemented in year 1.
- Where [$X3] appears we will insert the applicable policies new premium after rate increase implemented in year 2.
- Where [$X4] appears we will insert the applicable policies new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

KANAWHA
INSURANCE COMPANY

P. O. Box 12830 Pensacola, FL 32591, Phone: 800-260-2162

ENDORSEMENT

Long Term Care Insurance Policy Number: [POLICY NUMBER]
Policyholder Name: [NAME]

Endorsement Effective Date: [EFFECTIVE DATE]

This Endorsement explains the Options Available to You to help moderate the impact of a premium increase. Please see the **Options Available to You** sections of this Endorsement.

This Endorsement is made part of and subject to the provisions of the Policy to which it is attached. It is important that you keep a copy of this Endorsement with your Policy records for reference. Other than the provisions stated this Endorsement will not alter any provisions of your Policy to which it is attached.

With this Endorsement, You retain the right at any time to reduce coverage and lower the policy premium by reducing the maximum benefit or by reducing the daily, weekly, or monthly benefit amount.

Options Available to You (listed on page 2)

- Begin with the Endorsement Effective Date;
- Available anytime while the Endorsement is in effect;
- Are not of equal value; and
- May be elected within 120 days of the effective date of a premium increase.

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Termination of this Endorsement

This Endorsement terminates when the Policy:

- Terminates.

Signed for Kanawha Insurance Company, at its Home Office in Lancaster, South Carolina, as of the Endorsement Effective Date stated above.

Bruce D. Broussard
President and Chief Executive Officer

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

[<IF INFLATION>

Option	**Description**	**Your New Premium**	**Can Premiums Increase in the Future?**	**Benefits**
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	Remains at Your current Premium level	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [LIMIT YEAR] appears we will insert "three years"/"two years"/"one year" for the rate increase being implemented in year 1/2/3 respectively.
- Where [Z1%] appears we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears we will insert the applicable policies current premium.
- Where [$X2] appears we will insert the applicable policies new premium after rate increase implemented in year 1.
- Where [$X3] appears we will insert the applicable policies new premium after rate increase implemented in year 2.
- Where [$X4] appears we will insert the applicable policies new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

Kanawha Insurance Company

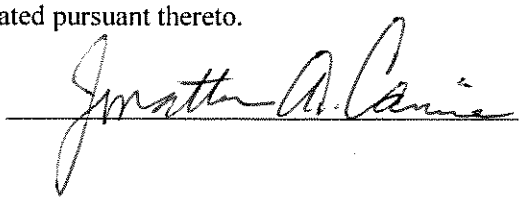
14VAC5-100-40 3. Certification.

VIRGINIA CERTIFICATION OF COMPLIANCE

For use with policy forms

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Endorsement**
Policy Form Number: **17452**

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
June 30, 2016

Kanawha Insurance Company

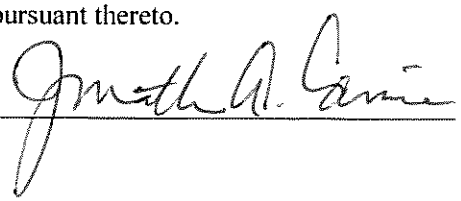
14VAC5-100-40 3. Certification.

VIRGINIA CERTIFICATION OF COMPLIANCE

For use with policy forms

Name and Address of Insurer: **Kanawha Insurance Company, 210 South White Street, Lancaster, SC, 29720**
Title of Form: **LTC Policyholder Letter**
Policy Form Number: **17452L**

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

Signature of an Officer of the Insurer 

Jonathan A. Canine FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
June 30, 2016

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 2 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80650 1/97 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 1 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 1 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 2 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 2 Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.960
55-59	0.965
60	0.961
61	0.955
62	0.953
63	0.914
64	0.887
65	0.862
66	0.844
67	0.829
68	0.791
69	0.763
70	0.741
71	0.722
72	0.706
73	0.652
74	0.613
75	0.584
76	0.559
77	0.540
78	0.525
79	0.512
80	0.500
81	0.490
82	0.482
83	0.474
84	0.468

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	44.83	22.43	56.04	28.03	68.48	34.25	16-39
40-54	67.91	33.96	84.89	42.46	103.75	51.90	40-54
55-59	92.09	46.06	115.10	57.56	140.68	70.34	55-59
60	105.64	53.02	132.06	66.28	161.40	81.00	60
61	119.30	59.90	149.12	74.88	182.27	91.52	61
62	132.96	66.79	166.21	83.50	203.14	102.05	62
63	147.59	73.76	184.49	92.20	225.48	112.70	63
64	161.83	80.99	202.30	101.22	247.24	123.72	64
65	176.28	88.10	220.36	110.14	269.32	134.62	65
66	190.52	95.50	238.14	119.39	291.07	145.90	66
67	205.13	102.62	256.42	128.29	313.40	156.80	67
68	230.36	115.26	287.94	144.07	351.94	176.09	68
69	255.74	127.90	319.68	159.86	390.72	195.38	69
70	281.15	140.51	351.42	175.62	429.53	214.66	70
71	306.53	153.14	383.16	191.42	468.31	233.95	71
72	331.97	165.95	414.97	207.42	507.19	253.51	72
73	392.81	191.21	491.00	239.02	600.12	292.15	73
74	453.64	215.11	567.05	268.92	693.06	328.67	74
75	514.49	237.24	643.10	296.54	786.01	362.44	75
76	575.50	257.74	719.36	322.18	879.23	393.77	76
77	636.32	276.70	795.42	345.86	972.17	422.72	77
78	732.06	318.40	915.07	397.99	1,118.42	486.46	78
79	833.95	362.69	1,042.44	453.35	1,274.09	554.11	79
80	933.82	405.85	1,167.26	507.30	1,426.66	620.03	80
81	1,038.18	451.33	1,297.73	564.17	1,586.09	689.54	81
82	1,147.74	498.82	1,434.68	623.52	1,753.50	762.08	82
83	1,261.99	548.77	1,577.50	685.98	1,928.04	838.40	83
84	1,381.21	600.73	1,726.50	750.89	2,110.18	917.76	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	29.24	12.74	36.55	15.94	44.68	19.46	16-39
40-54	44.29	19.32	55.37	24.13	67.66	29.51	40-54
55-59	60.06	26.18	75.07	32.74	91.74	40.00	55-59
60	72.32	31.52	90.41	39.42	110.50	48.17	60
61	84.60	36.71	105.76	45.89	129.25	56.09	61
62	96.89	42.05	121.09	52.57	148.01	64.25	62
63	111.48	48.36	139.36	60.46	170.30	73.90	63
64	125.92	54.85	157.38	68.57	192.36	83.81	64
65	140.51	61.15	175.64	76.45	214.66	93.43	65
66	155.10	67.46	193.88	84.35	236.96	103.08	66
67	169.70	73.79	212.12	92.22	259.27	112.73	67
68	194.75	84.67	243.43	105.85	297.54	129.37	68
69	219.80	95.56	274.75	119.46	335.81	145.99	69
70	244.86	106.46	306.07	133.08	374.08	162.65	70
71	270.07	117.35	337.57	146.69	412.61	179.29	71
72	295.13	128.26	368.89	160.32	450.88	195.96	72
73	349.19	151.75	436.49	189.70	533.50	231.86	73
74	403.27	175.45	504.10	219.30	616.10	268.03	74
75	457.34	198.95	571.70	248.70	698.72	303.96	75
76	511.61	222.46	639.49	278.08	781.61	339.86	76
77	565.67	245.98	707.10	307.46	864.23	375.78	77
78	650.78	283.04	813.47	353.82	994.25	432.44	78
79	741.35	322.43	926.69	403.03	1,132.63	492.58	79
80	830.14	360.79	1,037.66	450.97	1,268.26	551.20	80
81	922.91	401.22	1,153.63	501.54	1,409.99	612.98	81
82	1,020.31	443.42	1,275.38	554.28	1,558.81	677.47	82
83	1,121.88	487.85	1,402.34	609.82	1,713.96	745.32	83
84	1,227.84	534.02	1,534.81	667.52	1,875.88	815.87	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.90	11.74	33.62	14.65	41.09	17.92	16-39
40-54	40.74	17.76	50.94	22.21	62.24	27.14	40-54
55-59	55.24	24.10	69.06	30.11	84.41	36.80	55-59
60	66.55	29.02	83.17	36.26	101.66	44.32	60
61	77.83	33.77	97.28	42.20	118.91	51.59	61
62	89.12	38.69	111.42	48.36	136.16	59.11	62
63	102.56	44.51	128.20	55.62	156.70	67.99	63
64	115.84	50.46	144.79	63.10	176.96	77.11	64
65	129.28	56.26	161.59	70.33	197.50	85.96	65
66	142.69	62.08	178.37	77.59	218.02	94.85	66
67	156.13	67.87	195.17	84.84	238.52	103.70	67
68	179.17	77.89	223.97	97.38	273.73	119.02	68
69	202.21	87.91	252.77	109.90	308.95	134.33	69
70	225.25	97.94	281.59	122.42	344.16	149.63	70
71	248.47	107.96	310.58	134.95	379.58	164.95	71
72	271.51	118.01	339.38	147.49	414.79	180.26	72
73	321.25	139.62	401.57	174.53	490.81	213.31	73
74	371.02	161.41	463.75	201.76	566.82	246.59	74
75	420.77	183.04	525.96	228.80	642.84	279.65	75
76	470.66	204.65	588.35	255.82	719.08	312.67	76
77	520.42	226.30	650.53	282.88	795.10	345.73	77
78	598.72	260.41	748.39	325.50	914.71	397.85	78
79	682.04	296.62	852.55	370.78	1,042.02	453.18	79
80	763.72	331.91	954.65	414.89	1,166.81	507.10	80
81	849.06	369.12	1,061.34	461.41	1,297.19	563.94	81
82	938.69	407.96	1,173.35	509.95	1,434.11	623.27	82
83	1,032.12	448.82	1,290.17	561.02	1,576.86	685.69	83
84	1,129.61	491.30	1,412.03	614.14	1,725.82	750.60	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.98	10.02	28.73	12.52	35.11	15.30	16-39
40-54	34.81	15.19	43.52	18.97	53.18	23.20	40-54
55-59	47.20	20.58	59.00	25.73	72.12	31.45	55-59
60	56.86	24.79	71.06	30.98	86.86	37.86	60
61	66.49	28.86	83.11	36.06	101.59	44.09	61
62	76.15	33.06	95.17	41.32	116.33	50.50	62
63	87.62	38.02	109.51	47.52	133.86	58.08	63
64	98.95	43.13	123.71	53.89	151.20	65.88	64
65	110.44	48.07	138.05	60.10	168.73	73.44	65
66	121.92	53.03	152.39	66.30	186.26	81.02	66
67	133.38	57.98	166.73	72.48	203.78	88.58	67
68	153.08	66.55	191.35	83.20	233.86	101.69	68
69	172.76	75.11	215.96	93.89	263.94	114.76	69
70	192.46	83.68	240.55	104.60	294.02	127.84	70
71	212.28	92.23	265.34	115.30	324.31	140.93	71
72	231.96	100.82	289.96	126.01	354.37	154.02	72
73	274.46	119.29	343.08	149.11	419.33	182.24	73
74	316.97	137.89	396.22	172.38	484.26	210.68	74
75	359.48	156.38	449.35	195.48	549.19	238.91	75
76	402.12	174.85	502.63	218.56	614.34	267.13	76
77	444.61	193.32	555.78	241.67	679.27	295.37	77
78	511.51	222.47	639.40	278.09	781.48	339.90	78
79	582.70	253.42	728.38	316.78	890.24	387.17	79
80	652.49	283.56	815.62	354.47	996.86	433.22	80
81	725.41	315.36	906.78	394.21	1,108.28	481.80	81
82	801.96	348.54	1,002.47	435.68	1,225.22	532.49	82
83	881.80	383.45	1,102.25	479.30	1,347.20	585.83	83
84	965.09	419.74	1,206.37	524.68	1,474.44	641.26	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	77.32	38.69	96.65	48.36	118.14	59.10	16-39
40-54	117.18	58.60	146.46	73.25	179.02	89.53	40-54
55-59	163.10	81.58	203.88	101.98	249.19	124.63	55-59
60	206.88	103.81	258.60	129.77	316.07	158.62	60
61	216.71	108.79	270.88	136.00	331.07	166.21	61
62	227.08	114.07	283.84	142.60	346.92	174.28	62
63	242.21	121.06	302.75	151.32	370.04	184.93	63
64	257.41	128.81	321.77	161.03	393.29	196.80	64
65	273.25	136.58	341.57	170.72	417.47	208.67	65
66	289.18	144.94	361.46	181.19	441.79	221.45	66
67	305.74	152.96	382.18	191.20	467.10	233.69	67
68	332.35	166.30	415.43	207.86	507.77	254.05	68
69	359.71	179.88	449.63	224.86	549.56	274.82	69
70	387.20	193.50	484.00	241.88	591.55	295.64	70
71	414.79	207.23	518.50	259.04	633.73	316.61	71
72	442.62	217.80	553.27	272.26	676.22	332.76	72
73	505.00	247.91	631.26	309.89	771.53	378.76	73
74	567.20	275.69	709.02	344.62	866.57	421.19	74
75	629.41	301.73	786.76	377.16	961.60	460.99	75
76	691.62	327.72	864.52	409.67	1,056.64	500.70	76
77	754.02	351.49	942.53	439.37	1,151.98	537.00	77
78	859.93	374.02	1,074.91	467.50	1,313.78	571.39	78
79	966.02	420.13	1,207.52	525.16	1,475.87	641.88	79
80	1,081.27	469.92	1,351.58	587.40	1,651.93	717.95	80
81	1,202.82	522.91	1,503.53	653.64	1,837.66	798.91	81
82	1,329.48	577.80	1,661.86	722.27	2,031.14	882.78	82
83	1,461.62	635.58	1,827.01	794.47	2,233.03	971.04	83
84	1,599.72	695.75	1,999.66	869.69	2,444.03	1,062.95	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	50.44	22.01	63.04	27.49	77.05	33.60	16-39
40-54	76.42	33.31	95.52	41.64	116.76	50.90	40-54
55-59	106.37	46.39	132.98	57.98	162.53	70.87	55-59
60	141.64	61.75	177.05	77.18	216.41	94.34	60
61	153.67	66.66	192.07	83.33	234.78	101.83	61
62	165.44	71.81	206.81	89.78	252.77	109.73	62
63	182.94	79.37	228.67	99.23	279.48	121.27	63
64	200.28	87.26	250.34	109.08	305.99	133.31	64
65	217.80	94.81	272.26	118.50	332.76	144.84	65
66	235.43	102.41	294.28	128.00	359.68	156.46	66
67	252.92	109.96	316.15	137.45	386.42	167.98	67
68	280.99	122.17	351.23	152.70	429.29	186.65	68
69	309.16	134.42	386.46	168.04	472.32	205.37	69
70	337.22	146.62	421.54	183.26	515.20	224.00	70
71	365.47	158.81	456.83	198.50	558.36	242.63	71
72	393.47	168.35	491.84	210.43	601.13	257.21	72
73	448.93	196.76	561.18	245.95	685.88	300.60	73
74	504.23	224.83	630.30	281.05	770.36	343.49	74
75	559.52	253.06	699.42	316.32	854.84	386.62	75
76	614.82	282.88	768.54	353.59	939.32	432.16	76
77	670.30	312.46	837.86	390.59	1,024.07	477.37	77
78	764.45	332.48	955.56	415.61	1,167.91	507.96	78
79	858.76	373.48	1,073.45	466.85	1,312.00	570.60	79
80	961.21	417.76	1,201.51	522.18	1,468.51	638.23	80
81	1,069.27	464.86	1,336.58	581.06	1,633.61	710.21	81
82	1,181.88	513.66	1,477.34	642.07	1,805.63	784.76	82
83	1,299.34	565.02	1,624.16	706.27	1,985.09	863.21	83
84	1,422.11	618.50	1,777.63	773.12	2,172.65	944.93	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.39	20.23	58.01	25.28	70.88	30.91	16-39
40-54	70.31	30.65	87.88	38.30	107.40	46.82	40-54
55-59	97.86	42.66	122.33	53.34	149.51	65.18	55-59
60	130.31	56.81	162.89	71.02	199.08	86.81	60
61	141.37	61.32	176.71	76.67	215.98	93.70	61
62	152.22	66.07	190.27	82.58	232.55	100.93	62
63	168.31	73.03	210.37	91.27	257.12	111.58	63
64	184.26	80.28	230.33	100.34	281.51	122.65	64
65	200.38	87.23	250.46	109.02	306.12	133.25	65
66	216.60	94.21	270.74	117.77	330.89	143.94	66
67	232.68	101.16	290.86	126.46	355.51	154.54	67
68	258.50	112.39	323.14	140.48	394.94	171.71	68
69	284.42	123.67	355.52	154.58	434.53	188.95	69
70	310.25	134.88	387.80	168.61	473.99	206.08	70
71	336.23	146.11	420.29	182.63	513.67	223.22	71
72	361.99	154.88	452.48	193.60	553.06	236.62	72
73	413.02	181.02	516.26	226.27	631.01	276.55	73
74	463.90	206.84	579.86	258.56	708.73	316.01	74
75	514.78	232.80	643.45	291.01	786.46	355.68	75
76	565.63	260.23	707.04	325.31	864.17	397.60	76
77	616.67	287.46	770.84	359.33	942.14	439.18	77
78	703.30	305.88	879.13	382.34	1,074.49	467.33	78
79	790.06	343.61	987.58	429.50	1,207.03	524.95	79
80	884.32	384.32	1,105.38	480.41	1,351.03	587.17	80
81	983.74	427.68	1,229.66	534.59	1,502.92	653.40	81
82	1,087.32	472.57	1,359.14	590.71	1,661.18	721.98	82
83	1,195.39	519.82	1,494.24	649.76	1,826.28	794.15	83
84	1,308.32	569.02	1,635.42	711.29	1,998.84	869.34	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.62	17.28	49.56	21.60	60.55	26.42	16-39
40-54	60.06	26.18	75.10	32.74	91.78	40.01	40-54
55-59	83.62	36.46	104.51	45.56	127.74	55.70	55-59
60	111.32	48.54	139.16	60.67	170.09	74.15	60
61	120.79	52.39	150.97	65.50	184.54	80.04	61
62	130.04	56.45	162.55	70.56	198.68	86.24	62
63	143.78	62.40	179.74	77.99	219.67	95.33	63
64	157.42	68.58	196.78	85.73	240.50	104.77	64
65	171.19	74.52	213.98	93.14	261.54	113.83	65
66	185.05	80.48	231.30	100.61	282.70	122.98	66
67	198.79	86.42	248.51	108.04	303.72	132.04	67
68	220.86	96.02	276.07	120.02	337.42	146.69	68
69	243.00	105.66	303.74	132.07	371.26	161.41	69
70	265.06	115.24	331.32	144.06	404.95	176.06	70
71	287.26	124.82	359.08	156.04	438.85	190.72	71
72	309.28	132.32	386.59	165.41	472.49	202.15	72
73	352.86	154.66	441.08	193.31	539.10	236.28	73
74	396.32	176.71	495.40	220.90	605.50	269.99	74
75	439.80	198.89	549.73	248.62	671.90	303.88	75
76	483.24	222.34	604.07	277.92	738.30	339.67	76
77	526.85	245.59	658.56	306.98	804.92	375.23	77
78	600.86	261.34	751.08	326.66	917.99	399.24	78
79	675.00	293.54	843.72	366.95	1,031.23	448.49	79
80	755.50	328.34	944.39	410.44	1,154.24	501.64	80
81	840.44	365.38	1,050.55	456.71	1,284.02	558.20	81
82	928.96	403.74	1,161.18	504.67	1,419.23	616.82	82
83	1,021.27	444.10	1,276.58	555.13	1,560.29	678.49	83
84	1,117.76	486.14	1,397.21	607.66	1,707.71	742.72	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	62.59	31.30	78.24	39.11	95.64	47.81	16-39
40-54	94.82	47.45	118.54	59.29	144.89	72.48	40-54
55	163.10	81.58	203.88	101.98	249.19	124.63	55
56	189.31	94.68	236.64	118.34	289.21	144.65	56
57-59	215.69	107.88	269.63	134.86	329.53	164.83	57-59
60	367.52	184.45	459.40	230.57	561.48	281.80	60
61	407.56	204.61	509.44	255.77	622.66	312.61	61
62	422.84	212.04	528.55	265.06	646.01	323.96	62
63	460.07	230.44	575.08	288.06	702.88	352.07	63
64	493.03	246.72	616.30	308.39	753.25	376.93	64
65	517.96	258.89	647.45	323.62	791.30	395.52	65
66	542.82	272.10	678.53	340.15	829.31	415.72	66
67	569.40	284.89	711.74	356.10	869.92	435.24	67
68	610.72	305.54	763.39	381.95	933.02	466.81	68
69	653.41	326.75	816.77	408.44	998.28	499.20	69
70	696.67	348.19	870.84	435.23	1,064.35	531.96	70
71	740.20	369.77	925.25	462.22	1,130.86	564.94	71
72	784.51	386.36	980.64	482.95	1,198.56	590.28	72
73	898.10	433.76	1,122.62	542.21	1,372.09	662.71	73
74	1,004.32	476.00	1,255.37	595.01	1,534.34	727.22	74
75	1,105.03	514.27	1,381.31	642.85	1,688.26	785.70	75
76	1,206.47	551.62	1,508.09	689.53	1,843.20	842.76	76
77	1,300.39	584.47	1,625.50	730.58	1,986.70	892.93	77
78	1,390.30	614.56	1,737.86	768.17	2,124.06	938.88	78
79	1,478.02	642.89	1,847.54	803.62	2,258.09	982.20	79
80	1,655.39	720.04	2,069.24	900.06	2,529.08	1,100.06	80
81	1,840.13	800.39	2,300.18	1,000.49	2,811.32	1,222.81	81
82	2,033.76	884.62	2,542.20	1,105.76	3,107.14	1,351.49	82
83	2,236.28	972.67	2,795.35	1,215.84	3,416.52	1,486.04	83
84	2,447.59	1,064.60	3,059.50	1,330.78	3,739.39	1,626.49	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	40.82	17.80	51.04	22.24	62.36	27.19	16-39
40-54	61.85	26.98	77.32	33.72	94.49	41.21	40-54
55	106.37	46.39	132.98	57.98	162.53	70.87	55
56	123.46	53.83	154.33	67.30	188.62	82.24	56
57-59	140.68	61.34	175.84	76.67	214.92	93.72	57-59
60	251.62	109.70	314.53	137.12	384.42	167.62	60
61	289.00	125.38	361.25	156.71	441.54	191.54	61
62	308.09	133.50	385.09	166.87	470.69	203.96	62
63	347.48	151.10	434.34	188.89	530.88	230.86	63
64	383.59	167.11	479.50	208.90	586.06	255.32	64
65	412.84	179.69	516.06	224.62	630.72	274.54	65
66	441.92	192.25	552.41	240.31	675.17	293.72	66
67	471.04	204.79	588.80	256.00	719.64	312.86	67
68	516.32	224.47	645.41	280.58	788.83	342.95	68
69	561.60	244.16	702.01	305.22	858.01	373.03	69
70	606.76	263.81	758.44	329.78	926.98	403.04	70
71	652.16	283.37	815.20	354.22	996.36	432.94	71
72	697.40	298.62	871.75	373.28	1,065.48	456.23	72
73	798.37	344.26	997.98	430.33	1,219.74	525.95	73
74	892.80	388.19	1,116.00	485.24	1,363.99	593.06	74
75	982.34	431.29	1,227.94	539.11	1,500.80	658.92	75
76	1,072.51	476.12	1,340.64	595.14	1,638.55	727.39	76
77	1,156.01	519.58	1,445.02	649.48	1,766.11	793.80	77
78	1,235.93	546.31	1,544.90	682.88	1,888.20	834.65	78
79	1,313.92	571.51	1,642.39	714.40	2,007.38	873.14	79
80	1,471.58	640.09	1,839.49	800.12	2,248.26	977.92	80
81	1,635.82	711.52	2,044.78	889.40	2,499.17	1,087.04	81
82	1,807.94	786.40	2,259.94	982.98	2,762.14	1,201.44	82
83	1,987.97	864.67	2,484.96	1,080.84	3,037.19	1,321.03	83
84	2,175.84	946.40	2,719.80	1,183.01	3,324.22	1,445.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.56	16.38	46.94	20.47	57.37	25.00	16-39
40-54	56.90	24.80	71.11	31.01	86.94	37.90	40-54
55	97.86	42.66	122.33	53.34	149.51	65.18	55
56	113.59	49.51	141.98	61.90	173.53	75.67	56
57-59	129.43	56.42	161.78	70.54	197.72	86.21	57-59
60	231.49	100.93	289.37	126.17	353.66	154.20	60
61	265.88	115.33	332.35	144.17	406.21	176.22	61
62	283.43	122.82	354.30	153.53	433.02	187.64	62
63	319.68	139.03	399.61	173.78	488.41	212.39	63
64	352.92	153.76	441.14	192.19	539.17	234.89	64
65	379.81	165.34	474.76	206.65	580.26	252.58	65
66	406.58	176.87	508.22	221.09	621.16	270.22	66
67	433.37	188.41	541.69	235.51	662.08	287.84	67
68	475.03	206.52	593.78	258.14	725.72	315.52	68
69	516.67	224.64	645.85	280.80	789.37	343.20	69
70	558.20	242.71	697.76	303.40	852.83	370.81	70
71	599.98	260.71	749.99	325.88	916.64	398.30	71
72	641.60	274.73	802.02	343.42	980.23	419.74	72
73	734.52	316.73	918.12	395.90	1,122.17	483.88	73
74	821.38	357.14	1,026.72	446.42	1,254.88	545.63	74
75	903.77	396.79	1,129.70	496.00	1,380.74	606.20	75
76	986.71	438.02	1,233.38	547.52	1,507.46	669.19	76
77	1,063.52	478.01	1,329.41	597.50	1,624.82	730.30	77
78	1,137.05	502.60	1,421.32	628.26	1,737.16	767.87	78
79	1,208.80	525.79	1,511.00	657.24	1,846.79	803.29	79
80	1,353.86	588.89	1,692.32	736.10	2,068.39	899.69	80
81	1,504.96	654.60	1,881.19	818.24	2,299.24	1,000.09	81
82	1,663.32	723.48	2,079.13	904.36	2,541.16	1,105.32	82
83	1,828.93	795.49	2,286.17	994.39	2,794.21	1,215.36	83
84	2,001.77	870.70	2,502.22	1,088.38	3,058.27	1,330.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

VA Year 3 Premium Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	32.09	13.98	40.10	17.47	49.02	21.37	16-39
40-54	48.61	21.19	60.77	26.50	74.27	32.39	40-54
55	83.62	36.46	104.51	45.56	127.74	55.70	55
56	97.03	42.31	121.31	52.90	148.26	64.64	56
57-59	110.57	48.22	138.22	60.26	168.92	73.66	57-59
60	197.78	86.23	247.22	107.78	302.15	131.74	60
61	227.16	98.53	283.94	123.17	347.04	150.55	61
62	242.15	104.93	302.69	131.16	369.95	160.30	62
63	273.12	118.78	341.40	148.48	417.28	181.46	63
64	301.51	131.35	376.90	164.20	460.64	200.68	64
65	324.50	141.24	405.62	176.54	495.74	215.78	65
66	347.35	151.10	434.18	188.89	530.69	230.86	66
67	370.24	160.97	462.79	201.19	565.63	245.92	67
68	405.83	176.42	507.29	220.55	620.03	269.54	68
69	441.43	191.93	551.77	239.90	674.38	293.21	69
70	476.90	207.36	596.12	259.20	728.60	316.80	70
71	512.60	222.74	640.74	278.42	783.13	340.28	71
72	548.16	234.72	685.21	293.40	837.47	358.60	72
73	627.53	270.59	784.39	338.23	958.72	413.40	73
74	701.74	305.12	877.18	381.38	1,072.09	466.15	74
75	772.13	339.00	965.16	423.74	1,179.62	517.92	75
76	843.00	374.23	1,053.73	467.78	1,287.90	571.74	76
77	908.62	408.38	1,135.78	510.49	1,388.16	623.93	77
78	971.45	429.41	1,214.28	536.76	1,484.14	656.03	78
79	1,032.73	449.21	1,290.94	561.50	1,577.80	686.28	79
80	1,156.67	503.11	1,445.83	628.90	1,767.13	768.64	80
81	1,285.75	559.26	1,607.20	699.07	1,964.35	854.44	81
82	1,421.03	618.11	1,776.31	772.64	2,171.04	944.33	82
83	1,562.53	679.64	1,953.18	849.56	2,387.21	1,038.34	83
84	1,710.20	743.88	2,137.76	929.86	2,612.81	1,136.48	84

Kanawha Insurance Company
Form 80880 1/98 and Riders
Year 3 Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.254
55-59	1.260
60	1.255
61	1.248
62	1.246
63	1.201
64	1.170
65	1.141
66	1.121
67	1.103
68	1.060
69	1.027
70	1.002
71	0.980
72	0.962
73	0.900
74	0.855
75	0.822
76	0.793
77	0.771
78	0.754
79	0.739
80	0.725
81	0.714
82	0.704
83	0.695
84	0.688

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

[MAILING_DATE]

[NAME]
[ADDRESS]
[CITY], [STATE] [ZIP]

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: [POLICY NUMBER]

Dear [NAME]:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

[<IF INFLATION YEAR 1>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is [Z1%]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y1%] from [$X1] to [$X2] which will be effective on [EFFECTIVE DATE YR 1]. The second phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YR 1]. Your premium rate will increase an additional [Y2%], which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from [EFFECTIVE DATE YR 1]. Your premium rate will then increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 2>
We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is [Z2%]. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y2%] from [$X2] to [$X3] which will be effective on [EFFECTIVE DATE YEAR 2]. The third phase of the premium rate increase will be effective ONE year from [EFFECTIVE DATE YEAR 2]. Your premium rate will increase an additional [Y3%], which will be applied to the premium as of the date before the new premium effective date.]

[<IF INFLATION YEAR 3>
We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase [Y3%] from [$X3] to [$X4] which will be effective on [EFFECTIVE DATE YEAR 3].]

[<IF NO INFLATION>

Effective [EFFECTIVE DATE], your premium will increase by [Z1%] from [$X1] to [$X2]. While the increase of [Z1%] is significant, a rate increase in excess of 100% is currently supportable; therefore, it is highly likely that the Premium rates for this policy may be increased in the future.]

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

[<IF INFLATION YEAR 1>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X1]; Your Premium Remains at the current level (Avoid the [Z1%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 2>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X3]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X2]; Your Premium Remains at the current level (Avoid the [Z2%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF INFLATION YEAR 3>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X4]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	[$X3]; Your Premium Remains at the current level (Avoid the [Y3%] increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

[<IF NO INFLATION>

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	[$X2]; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
4	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
5	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

]

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. [<IF INFLATION> The policies in this class include inflation protection riders] [<IF NO INFLATION> The policies in this class do not include inflation protection riders]. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [Z1%] appears we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears we will insert the applicable policies current premium.
- Where [$X2] appears we will insert the applicable policies new premium after rate increase implemented in year 1.
- Where [$X3] appears we will insert the applicable policies new premium after rate increase implemented in year 2.
- Where [$X4] appears we will insert the applicable policies new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Policyholder Rate Increase Notification Letter

Explanation of Variable Language Applicable to the Policyholder Rate Increase Notification Letter

General Guidelines

Case and individual information, such as names, numbers, amounts, timeframes, etc., included in bracketed [] information will be completed with information appropriate to the specific insured as described below. The appropriate sequential page numbers will be assigned to the bottom of each page.

The following shows the variable limits applicable to the letter. Wording may vary in the indicated spot as follows:

- Where [MAILING DATE] appears, we will insert the date that the letter generates.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [ADDRESS], [CITY], [STATE], [ZIP] appears, we will insert the policyholder current mailing address as reflected in our administration system.
- The [<IF INFLATION YEAR 1> …]/[<IF INFLATION YEAR 2> …] /[<IF INFLATION YEAR 3> …] paragraphs will only print if the applicable policy has an inflation rider for the rate increase being implemented in year 1/2/3 respectively.
- The [<IF INFLATION> …] sentence will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] paragraph/sentence will only print if the applicable policy does not have an inflation rider.
- Where [EFFECTIVE DATE YR 1]/ [EFFECTIVE DATE YR 2] /[EFFECTIVE DATE YR 3] appears we will insert the date the 1st /2nd /3rd rate increase is being implemented respectively.
- Where [Z1%] appears we will insert the total compounded rate increase percentage being implemented as of year 1 onwards.
- Where [Z2%] appears we will insert the total compounded rate increase percentage being implemented as of year 2 onwards.
- Where [Y1%] appears we will insert the rate increase percentage being implemented in year 1.
- Where [Y2%] appears we will insert the rate increase percentage being implemented in year 2.
- Where [Y3%] appears we will insert the rate increase percentage being implemented in year 3.
- Where [$X1] appears we will insert the applicable policies current premium.
- Where [$X2] appears we will insert the applicable policies new premium after rate increase implemented in year 1.
- Where [$X3] appears we will insert the applicable policies new premium after rate increase implemented in year 2.
- Where [$X4] appears we will insert the applicable policies new premium after rate increase implemented in year 3.

Kanawha Insurance Company

STATEMENT OF VARIABILITY

Endorsement

Explanation of Variable Language Applicable to the Endorsement

The following shows the variable limits applicable to the endorsement. Wording may vary in the indicated spot as follows:

- Where [POLICY NUMBER] appears we will insert the policy number of the applicable policy.
- Where [NAME] appears we will insert the name of the insured/policyholder associated with the applicable policy.
- Where [EFFECTIVE DATE] appears we will insert the date the rate increase is being implemented.
- The [<IF INFLATION> …] table will only print if the applicable policy has an inflation rider.
- The [<IF NO INFLATION> …] table will only print if the applicable policy does not have an inflation rider.

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2017

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase has already been implemented. Your second premium rate increase will be effective as described below, with a subsequent final premium rate increase being applied the following year, after at least 75 days written notification. The total percentage increase to your premium rate over the next two years is 35.7%. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 18% from $120.00 to $141.60 which will be effective on 1/1/2018. The third phase of the premium rate increase will be effective ONE year from 1/1/2018. Your premium rate will increase an additional 15%, which will be applied to the premium as of the date before the new premium effective date.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$141.60; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$120.00; Your Premium Remains at the current level (Avoid the 35.7% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

P.O Box 12830
Pensacola, FL 32591

KANAWHA
INSURANCE COMPANY

Customer Service:

Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

9/1/2018

Jane Doe
123 Main Street
Anytown, VA USA

Re: Notice of Long Term Care Insurance Premium Rate Increase
Policy Number: 1234567891

Dear Jane Doe:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Future claims experience is expected to be higher than originally assumed due to more policyholders finding greater value in their policies and keeping their policies longer. Policyholders are also living longer than originally expected. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first two premium rate increases have already been implemented. Your third and final premium rate increase will be effective as described below. Please note it is highly likely that the Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase 15% from $141.60 to $162.84 which will be effective on 1/1/2019.

Please note that you have the right to a revised premium rate or rate schedule in accordance with Virginia regulations if the premium rate or rate schedule is changed.

We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase.

Options Available to You

(All Options are not of equal value)

The following options are not of equal value. Please call 1-800-260-2162 for assistance.

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount. You may also seek to moderate the impact of the premium rate increase by considering one or more of the Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep current Policy and Benefit levels	$162.84; Your current Premium plus the states approved increase	Yes	Policy Benefits and riders are unchanged
2	Convert Policy to reduced paid-up long term care insurance	$0.00	No Policy is paid-up and no future Premium is due	*See Option 2 Contingent Benefit Upon Lapse Calculation and Limitations below
3	Reduce the Inflation Protection Benefit Rider annual rate to 0%	$141.60; Your Premium Remains at the current level (Avoid the 15% increase)	Yes	Daily Benefit Amounts remain at the current accumulated level
4	Decrease Policy Benefits	Call 1-800-260-2162 for Premium quote	Yes	Daily Benefit Amounts are reduced.
5	Reduce the Policy Benefit Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced
6	Increase the Elimination Period	Call 1-800-260-2162 for Premium quote	Yes	Benefits payable are reduced

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

***Option 2: Contingent Benefit Upon Lapse Calculation**

The dollar maximum limit of Benefits is the greater of:

- 30 times the Daily Nursing Home Benefit; or
- 100% of the sum of all Premiums paid over the life of the Policy including Riders.

***Option 2: Limitations**

- Benefits are payable for all care and services qualifying for benefits under the terms of the Policy and are payable up to the maximum benefits stated under the Contingent Benefit Upon Lapse Calculation
- Benefits are not payable while you are receiving Benefits under any other provision of the Policy or Policy Riders
- The Benefit Rebuilder provision of the Policy will not rebuild the Contingent Benefit Upon Lapse
- The following Policy Riders terminate without value:
  - Any Survivorship Riders,
  - Joint Waiver of Premium Rider,
  - Inflation Protection Rider,
  - Guaranteed Purchase Offer Rider, and
  - Return of Premium Rider

What happens if no Option is elected?

If you do not choose an Option within 120 days after the premium increase, a Contingent Benefit Upon Lapse (CBUL) option will be applied and your Policy will be converted to a reduced paid-up policy.

Secondly, if your policy includes a Non-Forfeiture Rider, you may exercise the reduced benefits options provided by this Rider.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 1997 to 2003 on policy form numbers 80650 1/97 VA and 80880 1/98 VA. The policies in this class include inflation protection riders. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 80650 1/97 VA or 80880 1/98 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 60% increase in August of 2010.

Sincerely,

Policy Administration

4Q 2014 / 2015 Rate Increase Filing Status

		Current Filing Status		Footnote	LTC2 Premium	LTC3 Premium
		LTC2	LTC3	1	Annualized Premium	Annualized Premium
AL	Alabama	To be filed 4Q 2015			41,679	22,616
AK	Alaska	To be filed 4Q 2015			-	-
AZ	Arizona	Pending Review			397,027	347,540
AR	Arkansas	To be filed 4Q 2015			102,491	26,683
CA	California	Pending Review			1,135,115	584,179
CO	Colorado	To be filed 4Q 2015			52,802	39,608
CT	Connecticut	To be filed 4Q 2015			56,002	14,159
DC	District of Columbia	No Px Paying Policies			-	-
DE	Delaware	To be filed 4Q 2015			20,521	6,448
FL	Florida	15%		2	9,045,531	2,111,502
GA	Georgia	Pending Review			773,190	291,059
HI	Hawaii	Pending Review			1,205,939	611,625
ID	Idaho	To be filed 4Q 2015			6,776	17,290
IL	Illinois	Pending Review			493,846	205,971
IN	Indiana	To be filed 4Q 2015			27,704	9,238
IA	Iowa	25% & 38.1%		3	464,489	485,067
KS	Kansas	To be filed 4Q 2015			201,013	153,648
KY	Kentucky	Pending Review			88,632	108,306
LA	Louisiana	Pending Review			218,921	100,903
ME	Maine	To be filed 4Q 2015			11,088	5,238
MD	Maryland	15%			308,060	76,992
MA	Massachusetts	To be filed 4Q 2015			62,210	23,144
MI	Michigan	25% & 89%	25%, 89%, & 75%	4 / 5	162,446	63,136
MN	Minnesota	Pending Review			695,654	633,083
MS	Mississippi	To be filed 4Q 2015			289,540	71,000
MO	Missouri	Pending Review			189,693	113,734
MT	Montana	To be filed 4Q 2015			6,431	21,577
NE	Nebraska	Pending Review			161,726	211,409
NV	Nevada	Pending Review			102,318	44,207
NH	New Hampshire	To be filed 4Q 2015			8,553	-
NJ	New Jersey	To be filed 4Q 2015			456,859	293,154
NM	New Mexico	To be filed 4Q 2015			33,544	52,786
NY	New York	To be filed 4Q 2015			410,917	184,315
NC	North Carolina	60%	30%	6	3,387,953	1,676,020
ND	North Dakota	To be filed 4Q 2015			69,860	65,396
OH	Ohio	Pending Review			245,826	127,887
OK	Oklahoma	Pending Review			267,069	209,243
OR	Oregon	To be filed 4Q 2015			9,469	27,051
PA	Pennsylvania	20%			1,078,017	236,165
RI	Rhode Island	To be filed 4Q 2015			16,180	4,574
SC	South Carolina	20% & 73%		7	2,317,905	924,010
SD	South Dakota	To be filed 4Q 2015			84,579	70,352
TN	Tennessee	25% & 75%		8	829,133	356,673
TX	Texas	9% & 32%	Pending	9	1,788,351	875,582
UT	Utah	To be filed 4Q 2015			20,839	19,333
VT	Vermont	To be filed 4Q 2015			5,595	2,401
VA	Virginia	Pending Review			1,443,869	1,193,865
WA	Washington	To be filed 4Q 2015			45,047	56,991
WV	West Virginia	To be filed 4Q 2015			27,685	13,711
WI	Wisconsin	Pending Review			259,801	131,820
WY	Wyoming	To be filed 4Q 2015			975	1,534
	Other				708	5,240
TOTAL					**29,129,576**	**12,927,465**

Cumulative Rate Increases		
	LTC2	LTC3
Virginia Only	60.0%	50.0%
Nationwide	78.1%	50.1%

Premium Filed & % Filed	
LTC2	LTC3
27,060,509	11,719,978
93%	91%

[1] IL and NC were filed requesting a flat 60% rate increase. All other states are (to be) filed requesting 25% no inflation, 75% simple inflation, 90% compound inflation.

[2] (FL) An increase of 20% for policies with issue ages up to 55, then linearly decreasing to 0% at 85, was approved. We calculate this to be an average increase of 15%.

[3] (IA) An increase of 38.1% (17.5% each year for 2 years) was approved for policies with inflation riders and 25% (17.5% for 1 yr; 6.4% for yr 2) for policies without inflation riders.

[4] (MI) LTC2 approved a 2-year multiple increase for policies with an inflation rider (40% in the 1st year; 35% in the 2nd year); Policies without inflation riders received a 25% 1 year increase.

[5] (MI) LTC3 approved a 2-year multiple increase for policies with an inflation rider (Compound inflation 40% in the 1st year and 35% in the 2nd year; simple inflation 40% in the 1st year and 25% in the 2nd year). Policies without inflation riders received a 25% 1 year increase.

[6] (NC) LTC2 is in the 1st year of a 3-year multiple increase. 30% this year followed by pre-approved 15% and 7% next two years.

[7] (SC) LTC 2 and 3 policies without inflation riders received a 20% increase. Policies with Inflation riders receive a 20% increase each year for three years.

[8] (TN) LTC2 and 3 approved a 2-year multiple increase for policies with an inflation rider (40% in the 1st year; 25% in the 2nd year); Policies without inflation riders received a 25% 1 year increase.

[9] (TX) LTC2 approved a 32% increase for policies with a compound inflation rider and a 9% increase for policies without inflation.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.70	23.36	58.38	29.20	71.34	35.68	16-39
40-54	70.74	35.38	88.43	44.23	108.08	54.06	40-54
55-59	95.93	47.98	119.90	59.96	146.54	73.28	55-59
60	110.04	55.23	137.56	69.04	168.13	84.38	60
61	124.28	62.40	155.34	78.00	189.86	95.34	61
62	138.50	69.58	173.14	86.98	211.60	106.30	62
63	153.74	76.84	192.18	96.04	234.88	117.40	63
64	168.58	84.36	210.73	105.44	257.54	128.88	64
65	183.63	91.78	229.54	114.73	280.54	140.23	65
66	198.46	99.48	248.06	124.36	303.20	151.98	66
67	213.68	106.90	267.10	133.64	326.46	163.34	67
68	239.96	120.06	299.94	150.08	366.60	183.43	68
69	266.40	133.23	333.00	166.53	407.00	203.53	69
70	292.86	146.36	366.06	182.94	447.43	223.60	70
71	319.30	159.53	399.13	199.40	487.83	243.70	71
72	345.80	172.86	432.26	216.06	528.33	264.08	72
73	409.18	199.18	511.46	248.98	625.13	304.33	73
74	472.54	224.08	590.68	280.13	721.94	342.36	74
75	535.93	247.13	669.90	308.90	818.76	377.54	75
76	599.48	268.48	749.34	335.60	915.86	410.18	76
77	662.84	288.23	828.56	360.28	1,012.68	440.34	77
78	762.56	331.66	953.20	414.58	1,165.03	506.73	78
79	868.70	377.80	1,085.88	472.24	1,327.18	577.20	79
80	972.73	422.76	1,215.90	528.44	1,486.10	645.86	80
81	1,081.44	470.14	1,351.80	587.68	1,652.18	718.28	81
82	1,195.56	519.60	1,494.46	649.50	1,826.56	793.84	82
83	1,314.58	571.64	1,643.23	714.56	2,008.38	873.34	83
84	1,438.76	625.76	1,798.44	782.18	2,198.10	956.00	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	30.46	13.28	38.08	16.60	46.54	20.28	16-39
40-54	46.14	20.13	57.68	25.14	70.48	30.74	40-54
55-59	62.56	27.28	78.20	34.10	95.56	41.66	55-59
60	75.34	32.84	94.18	41.06	115.10	50.18	60
61	88.13	38.24	110.16	47.80	134.64	58.43	61
62	100.93	43.80	126.14	54.76	154.18	66.93	62
63	116.13	50.38	145.16	62.98	177.40	76.98	63
64	131.16	57.14	163.94	71.43	200.38	87.30	64
65	146.36	63.70	182.96	79.64	223.60	97.33	65
66	161.56	70.28	201.96	87.86	246.84	107.38	66
67	176.78	76.86	220.96	96.06	270.08	117.43	67
68	202.86	88.20	253.58	110.26	309.94	134.76	68
69	228.96	99.54	286.20	124.44	349.80	152.08	69
70	255.06	110.90	318.83	138.63	389.66	169.43	70
71	281.33	122.24	351.64	152.80	429.80	186.76	71
72	307.43	133.60	384.26	167.00	469.66	204.13	72
73	363.74	158.08	454.68	197.60	555.73	241.53	73
74	420.08	182.76	525.10	228.44	641.78	279.20	74
75	476.40	207.24	595.53	259.06	727.84	316.63	75
76	532.93	231.73	666.14	289.66	814.18	354.03	76
77	589.24	256.23	736.56	320.28	900.24	391.44	77
78	677.90	294.84	847.36	368.56	1,035.68	450.46	78
79	772.24	335.86	965.30	419.83	1,179.83	513.10	79
80	864.73	375.83	1,080.90	469.76	1,321.10	574.16	80
81	961.36	417.94	1,201.70	522.44	1,468.74	638.53	81
82	1,062.83	461.90	1,328.53	577.38	1,623.76	705.70	82
83	1,168.63	508.18	1,460.78	635.23	1,785.38	776.38	83
84	1,279.00	556.28	1,598.76	695.34	1,954.04	849.86	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	28.03	12.23	35.03	15.26	42.80	18.66	16-39
40-54	42.44	18.50	53.06	23.14	64.84	28.28	40-54
55-59	57.54	25.10	71.94	31.36	87.93	38.34	55-59
60	69.33	30.23	86.64	37.78	105.90	46.16	60
61	81.08	35.18	101.34	43.96	123.86	53.74	61
62	92.84	40.30	116.06	50.38	141.84	61.58	62
63	106.84	46.36	133.54	57.94	163.23	70.83	63
64	120.66	52.56	150.83	65.73	184.34	80.33	64
65	134.66	58.60	168.33	73.26	205.73	89.54	65
66	148.64	64.66	185.80	80.83	227.10	98.80	66
67	162.64	70.70	203.30	88.38	248.46	108.03	67
68	186.64	81.14	233.30	101.44	285.14	123.98	68
69	210.64	91.58	263.30	114.48	321.83	139.93	69
70	234.64	102.03	293.33	127.53	358.50	155.86	70
71	258.83	112.46	323.53	140.58	395.40	171.83	71
72	282.83	122.93	353.53	153.64	432.08	187.78	72
73	334.64	145.44	418.30	181.80	511.26	222.20	73
74	386.48	168.14	483.08	210.16	590.44	256.86	74
75	438.30	190.66	547.88	238.34	669.63	291.30	75
76	490.28	213.18	612.86	266.48	749.04	325.70	76
77	542.10	235.73	677.64	294.66	828.23	360.14	77
78	623.66	271.26	779.58	339.06	952.83	414.43	78
79	710.46	308.98	888.08	386.23	1,085.44	472.06	79
80	795.54	345.74	994.43	432.18	1,215.43	528.23	80
81	884.44	384.50	1,105.56	480.64	1,351.24	587.44	81
82	977.80	424.96	1,222.24	531.20	1,493.86	649.24	82
83	1,075.13	467.53	1,343.93	584.40	1,642.56	714.26	83
84	1,176.68	511.78	1,470.86	639.73	1,797.73	781.88	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	23.94	10.44	29.93	13.04	36.58	15.94	16-39
40-54	36.26	15.83	45.34	19.76	55.40	24.16	40-54
55-59	49.16	21.44	61.46	26.80	75.13	32.76	55-59
60	59.23	25.83	74.03	32.28	90.48	39.44	60
61	69.26	30.06	86.58	37.56	105.83	45.93	61
62	79.33	34.44	99.14	43.04	121.18	52.60	62
63	91.28	39.60	114.08	49.50	139.44	60.50	63
64	103.08	44.93	128.86	56.14	157.50	68.63	64
65	115.04	50.08	143.80	62.60	175.76	76.50	65
66	127.00	55.24	158.74	69.06	194.03	84.40	66
67	138.94	60.40	173.68	75.50	212.28	92.28	67
68	159.46	69.33	199.33	86.66	243.60	105.93	68
69	179.96	78.24	224.96	97.80	274.94	119.54	69
70	200.48	87.16	250.58	108.96	306.28	133.16	70
71	221.13	96.08	276.40	120.10	337.83	146.80	71
72	241.63	105.03	302.04	131.26	369.14	160.44	72
73	285.90	124.26	357.38	155.33	436.80	189.84	73
74	330.18	143.64	412.73	179.56	504.44	219.46	74
75	374.46	162.90	468.08	203.63	572.08	248.86	75
76	418.88	182.14	523.58	227.66	639.94	278.26	76
77	463.14	201.38	578.94	251.74	707.58	307.68	77
78	532.83	231.74	666.04	289.68	814.04	354.06	78
79	606.98	263.98	758.73	329.98	927.34	403.30	79
80	679.68	295.38	849.60	369.24	1,038.40	451.28	80
81	755.64	328.50	944.56	410.64	1,154.46	501.88	81
82	835.38	363.06	1,044.24	453.84	1,276.28	554.68	82
83	918.54	399.43	1,148.18	499.28	1,403.34	610.24	83
84	1,005.30	437.23	1,256.64	546.54	1,535.88	667.98	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	80.54	40.30	100.68	50.38	123.06	61.56	16-39
40-54	122.06	61.04	152.56	76.30	186.48	93.26	40-54
55-59	169.90	84.98	212.38	106.23	259.58	129.83	55-59
60	215.50	108.14	269.38	135.18	329.24	165.23	60
61	225.74	113.33	282.16	141.66	344.86	173.14	61
62	236.54	118.83	295.66	148.54	361.38	181.54	62
63	252.30	126.10	315.36	157.63	385.46	192.64	63
64	268.14	134.18	335.18	167.74	409.68	205.00	64
65	284.64	142.28	355.80	177.84	434.86	217.36	65
66	301.23	150.98	376.53	188.74	460.20	230.68	66
67	318.48	159.34	398.10	199.16	486.56	243.43	67
68	346.20	173.23	432.74	216.53	528.93	264.64	68
69	374.70	187.38	468.36	234.23	572.46	286.28	69
70	403.34	201.56	504.16	251.96	616.20	307.96	70
71	432.08	215.86	540.10	269.84	660.14	329.80	71
72	461.06	226.88	576.33	283.60	704.40	346.63	72
73	526.04	258.24	657.56	322.80	803.68	394.54	73
74	590.84	287.18	738.56	358.98	902.68	438.74	74
75	655.64	314.30	819.54	392.88	1,001.66	480.20	75
76	720.44	341.38	900.54	426.74	1,100.66	521.56	76
77	785.44	366.14	981.80	457.68	1,199.98	559.38	77
78	895.76	389.60	1,119.70	486.98	1,368.53	595.20	78
79	1,006.28	437.64	1,257.84	547.04	1,537.36	668.63	79
80	1,126.33	489.50	1,407.90	611.88	1,720.76	747.86	80
81	1,252.94	544.70	1,566.18	680.88	1,914.23	832.20	81
82	1,384.88	601.88	1,731.10	752.36	2,115.78	919.56	82
83	1,522.53	662.06	1,903.14	827.58	2,326.08	1,011.50	83
84	1,666.38	724.74	2,082.98	905.93	2,545.86	1,107.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.54	22.93	65.66	28.64	80.26	35.00	16-39
40-54	79.60	34.70	99.50	43.38	121.63	53.03	40-54
55-59	110.80	48.33	138.53	60.40	169.30	73.83	55-59
60	147.54	64.33	184.43	80.40	225.43	98.28	60
61	160.08	69.44	200.08	86.80	244.56	106.08	61
62	172.34	74.80	215.43	93.53	263.30	114.30	62
63	190.56	82.68	238.20	103.36	291.13	126.33	63
64	208.63	90.90	260.78	113.63	318.74	138.86	64
65	226.88	98.76	283.60	123.44	346.63	150.88	65
66	245.24	106.68	306.54	133.34	374.66	162.98	66
67	263.46	114.54	329.33	143.18	402.53	174.98	67
68	292.70	127.26	365.86	159.06	447.18	194.43	68
69	322.04	140.03	402.56	175.04	492.00	213.93	69
70	351.28	152.73	439.10	190.90	536.66	233.34	70
71	380.70	165.43	475.86	206.78	581.63	252.74	71
72	409.86	175.36	512.34	219.20	626.18	267.93	72
73	467.64	204.96	584.56	256.20	714.46	313.13	73
74	525.24	234.20	656.56	292.76	802.46	357.80	74
75	582.84	263.60	728.56	329.50	890.46	402.73	75
76	640.44	294.66	800.56	368.33	978.46	450.16	76
77	698.23	325.48	872.78	406.86	1,066.74	497.26	77
78	796.30	346.34	995.38	432.93	1,216.58	529.13	78
79	894.54	389.04	1,118.18	486.30	1,366.66	594.38	79
80	1,001.26	435.16	1,251.58	543.94	1,529.70	664.83	80
81	1,113.83	484.23	1,392.28	605.28	1,701.68	739.80	81
82	1,231.13	535.06	1,538.90	668.83	1,880.86	817.46	82
83	1,353.48	588.56	1,691.84	735.70	2,067.80	899.18	83
84	1,481.36	644.28	1,851.70	805.34	2,263.18	984.30	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	48.33	21.08	60.43	26.34	73.84	32.20	16-39
40-54	73.24	31.93	91.54	39.90	111.88	48.78	40-54
55-59	101.94	44.44	127.43	55.56	155.74	67.90	55-59
60	135.74	59.18	169.68	73.98	207.38	90.43	60
61	147.26	63.88	184.08	79.86	224.98	97.60	61
62	158.56	68.83	198.20	86.03	242.24	105.14	62
63	175.33	76.08	219.14	95.08	267.84	116.23	63
64	191.94	83.63	239.93	104.53	293.24	127.76	64
65	208.73	90.86	260.90	113.56	318.88	138.80	65
66	225.63	98.14	282.03	122.68	344.68	149.94	66
67	242.38	105.38	302.98	131.73	370.33	160.98	67
68	269.28	117.08	336.60	146.34	411.40	178.86	68
69	296.28	128.83	370.34	161.03	452.64	196.83	69
70	323.18	140.50	403.96	175.64	493.74	214.66	70
71	350.24	152.20	437.80	190.24	535.08	232.53	71
72	377.08	161.34	471.34	201.66	576.10	246.48	72
73	430.23	188.56	537.78	235.70	657.30	288.08	73
74	483.23	215.46	604.03	269.34	738.26	329.18	74
75	536.23	242.50	670.26	303.14	819.23	370.50	75
76	589.20	271.08	736.50	338.86	900.18	414.16	76
77	642.36	299.44	802.96	374.30	981.40	457.48	77
78	732.60	318.63	915.76	398.28	1,119.26	486.80	78
79	822.98	357.93	1,028.73	447.40	1,257.33	546.83	79
80	921.16	400.34	1,151.44	500.43	1,407.33	611.64	80
81	1,024.73	445.50	1,280.90	556.86	1,565.54	680.63	81
82	1,132.63	492.26	1,415.78	615.33	1,730.40	752.06	82
83	1,245.20	541.48	1,556.50	676.84	1,902.38	827.24	83
84	1,362.84	592.73	1,703.56	740.93	2,082.13	905.56	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	41.28	18.00	51.63	22.50	63.08	27.53	16-39
40-54	62.56	27.28	78.23	34.10	95.60	41.68	40-54
55-59	87.10	37.98	108.86	47.46	133.06	58.03	55-59
60	115.96	50.56	144.96	63.20	177.18	77.24	60
61	125.83	54.58	157.26	68.23	192.23	83.38	61
62	135.46	58.80	169.33	73.50	206.96	89.84	62
63	149.78	65.00	187.23	81.24	228.83	99.30	63
64	163.98	71.44	204.98	89.30	250.53	109.14	64
65	178.33	77.63	222.90	97.03	272.44	118.58	65
66	192.76	83.84	240.94	104.80	294.48	128.10	66
67	207.08	90.03	258.86	112.54	316.38	137.54	67
68	230.06	100.03	287.58	125.03	351.48	152.80	68
69	253.13	110.06	316.40	137.58	386.73	168.14	69
70	276.10	120.04	345.13	150.06	421.83	183.40	70
71	299.23	130.03	374.04	162.54	457.14	198.66	71
72	322.16	137.84	402.70	172.30	492.18	210.58	72
73	367.56	161.10	459.46	201.36	561.56	246.13	73
74	412.84	184.08	516.04	230.10	630.73	281.24	74
75	458.13	207.18	572.64	258.98	699.90	316.54	75
76	503.38	231.60	629.24	289.50	769.06	353.83	76
77	548.80	255.83	686.00	319.78	838.46	390.86	77
78	625.90	272.23	782.38	340.28	956.24	415.88	78
79	703.13	305.78	878.88	382.24	1,074.20	467.18	79
80	786.98	342.03	983.74	427.54	1,202.34	522.54	80
81	875.46	380.60	1,094.33	475.74	1,337.53	581.46	81
82	967.66	420.56	1,209.56	525.70	1,478.36	642.53	82
83	1,063.83	462.60	1,329.78	578.26	1,625.30	706.76	83
84	1,164.34	506.40	1,455.43	632.98	1,778.86	773.66	84

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	65.20	32.60	81.50	40.74	99.63	49.80	16-39
40-54	98.78	49.43	123.48	61.76	150.93	75.50	40-54
55	169.90	84.98	212.38	106.23	259.58	129.83	55
56	197.20	98.63	246.50	123.28	301.26	150.68	56
57-59	224.68	112.38	280.86	140.48	343.26	171.70	57-59
60	382.84	192.14	478.54	240.18	584.88	293.54	60
61	424.54	213.14	530.66	266.43	648.60	325.64	61
62	440.46	220.88	550.58	276.10	672.93	337.46	62
63	479.24	240.04	599.04	300.06	732.16	366.74	63
64	513.58	257.00	641.98	321.24	784.64	392.64	64
65	539.54	269.68	674.43	337.10	824.28	412.00	65
66	565.44	283.44	706.80	354.33	863.86	433.04	66
67	593.13	296.76	741.40	370.94	906.16	453.38	67
68	636.16	318.28	795.20	397.86	971.90	486.26	68
69	680.64	340.36	850.80	425.46	1,039.88	520.00	69
70	725.70	362.70	907.13	453.36	1,108.70	554.13	70
71	771.04	385.18	963.80	481.48	1,177.98	588.48	71
72	817.20	402.46	1,021.50	503.08	1,248.50	614.88	72
73	935.53	451.84	1,169.40	564.80	1,429.26	690.33	73
74	1,046.16	495.84	1,307.68	619.80	1,598.28	757.53	74
75	1,151.08	535.70	1,438.86	669.64	1,758.60	818.44	75
76	1,256.74	574.60	1,570.93	718.26	1,920.00	877.88	76
77	1,354.58	608.83	1,693.23	761.03	2,069.48	930.14	77
78	1,448.23	640.16	1,810.28	800.18	2,212.56	978.00	78
79	1,539.60	669.68	1,924.53	837.10	2,352.18	1,023.13	79
80	1,724.36	750.04	2,155.46	937.56	2,634.46	1,145.90	80
81	1,916.80	833.74	2,396.03	1,042.18	2,928.46	1,273.76	81
82	2,118.50	921.48	2,648.13	1,151.84	3,236.60	1,407.80	82
83	2,329.46	1,013.20	2,911.83	1,266.50	3,558.88	1,547.96	83
84	2,549.58	1,108.96	3,186.98	1,386.23	3,895.20	1,694.26	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.53	18.54	53.16	23.16	64.96	28.33	16-39
40-54	64.43	28.10	80.54	35.13	98.43	42.93	40-54
55	110.80	48.33	138.53	60.40	169.30	73.83	55
56	128.60	56.08	160.76	70.10	196.48	85.66	56
57-59	146.54	63.90	183.16	79.86	223.88	97.63	57-59
60	262.10	114.28	327.64	142.84	400.44	174.60	60
61	301.04	130.60	376.30	163.24	459.94	199.53	61
62	320.93	139.06	401.14	173.83	490.30	212.46	62
63	361.96	157.40	452.44	196.76	553.00	240.48	63
64	399.58	174.08	499.48	217.60	610.48	265.96	64
65	430.04	187.18	537.56	233.98	657.00	285.98	65
66	460.34	200.26	575.43	250.33	703.30	305.96	66
67	490.66	213.33	613.34	266.66	749.63	325.90	67
68	537.84	233.83	672.30	292.28	821.70	357.24	68
69	585.00	254.34	731.26	317.94	893.76	388.58	69
70	632.04	274.80	790.04	343.53	965.60	419.84	70
71	679.34	295.18	849.16	368.98	1,037.88	450.98	71
72	726.46	311.06	908.08	388.84	1,109.88	475.24	72
73	831.64	358.60	1,039.56	448.26	1,270.56	547.86	73
74	930.00	404.36	1,162.50	505.46	1,420.83	617.78	74
75	1,023.28	449.26	1,279.10	561.58	1,563.34	686.38	75
76	1,117.20	495.96	1,396.50	619.94	1,706.83	757.70	76
77	1,204.18	541.23	1,505.23	676.54	1,839.70	826.88	77
78	1,287.43	569.08	1,609.28	711.34	1,966.88	869.43	78
79	1,368.66	595.33	1,710.83	744.16	2,091.03	909.53	79
80	1,532.90	666.76	1,916.14	833.46	2,341.94	1,018.66	80
81	1,703.98	741.16	2,129.98	926.46	2,603.30	1,132.34	81
82	1,883.28	819.16	2,354.10	1,023.94	2,877.23	1,251.50	82
83	2,070.80	900.70	2,588.50	1,125.88	3,163.74	1,376.08	83
84	2,266.50	985.84	2,833.13	1,232.30	3,462.73	1,506.14	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.13	17.06	48.90	21.33	59.76	26.04	16-39
40-54	59.28	25.84	74.08	32.30	90.56	39.48	40-54
55	101.94	44.44	127.43	55.56	155.74	67.90	55
56	118.33	51.58	147.90	64.48	180.76	78.83	56
57-59	134.83	58.78	168.53	73.48	205.96	89.80	57-59
60	241.14	105.14	301.43	131.43	368.40	160.63	60
61	276.96	120.14	346.20	150.18	423.14	183.56	61
62	295.24	127.94	369.06	159.93	451.06	195.46	62
63	333.00	144.83	416.26	181.03	508.76	221.24	63
64	367.63	160.16	459.53	200.20	561.64	244.68	64
65	395.64	172.23	494.54	215.26	604.44	263.10	65
66	423.53	184.24	529.40	230.30	647.04	281.48	66
67	451.43	196.26	564.26	245.33	689.66	299.84	67
68	494.83	215.13	618.53	268.90	755.96	328.66	68
69	538.20	234.00	672.76	292.50	822.26	357.50	69
70	581.46	252.83	726.84	316.04	888.36	386.26	70
71	624.98	271.58	781.24	339.46	954.84	414.90	71
72	668.34	286.18	835.44	357.73	1,021.08	437.23	72
73	765.13	329.93	956.38	412.40	1,168.93	504.04	73
74	855.60	372.03	1,069.50	465.03	1,307.16	568.36	74
75	941.43	413.33	1,176.78	516.66	1,438.28	631.46	75
76	1,027.83	456.28	1,284.78	570.34	1,570.28	697.08	76
77	1,107.84	497.93	1,384.80	622.40	1,692.53	760.73	77
78	1,184.43	523.54	1,480.54	654.44	1,809.54	799.86	78
79	1,259.16	547.70	1,573.96	684.63	1,923.74	836.76	79
80	1,410.28	613.43	1,762.84	766.78	2,154.58	937.18	80
81	1,567.66	681.88	1,959.58	852.34	2,395.04	1,041.76	81
82	1,732.63	753.63	2,165.76	942.04	2,647.04	1,151.38	82
83	1,905.14	828.64	2,381.43	1,035.83	2,910.64	1,266.00	83
84	2,085.18	906.98	2,606.48	1,133.73	3,185.70	1,385.66	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80650 1/97 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.43	14.56	41.78	18.20	51.06	22.26	16-39
40-54	50.64	22.08	63.30	27.60	77.36	33.74	40-54
55	87.10	37.98	108.86	47.46	133.06	58.03	55
56	101.08	44.08	126.36	55.10	154.44	67.34	56
57-59	115.18	50.23	143.98	62.78	175.96	76.73	57-59
60	206.03	89.83	257.53	112.28	314.74	137.23	60
61	236.63	102.64	295.78	128.30	361.50	156.83	61
62	252.24	109.30	315.30	136.63	385.36	166.98	62
63	284.50	123.73	355.63	154.66	434.66	189.03	63
64	314.08	136.83	392.60	171.04	479.84	209.04	64
65	338.03	147.13	422.53	183.90	516.40	224.78	65
66	361.83	157.40	452.28	196.76	552.80	240.48	66
67	385.66	167.68	482.08	209.58	589.20	256.16	67
68	422.74	183.78	528.43	229.74	645.86	280.78	68
69	459.83	199.93	574.76	249.90	702.48	305.43	69
70	496.78	216.00	620.96	270.00	758.96	330.00	70
71	533.96	232.03	667.44	290.03	815.76	354.46	71
72	571.00	244.50	713.76	305.63	872.36	373.54	72
73	653.68	281.86	817.08	352.33	998.66	430.63	73
74	730.98	317.84	913.73	397.28	1,116.76	485.58	74
75	804.30	353.13	1,005.38	441.40	1,228.78	539.50	75
76	878.13	389.83	1,097.64	487.28	1,341.56	595.56	76
77	946.48	425.40	1,183.10	531.76	1,446.00	649.93	77
78	1,011.93	447.30	1,264.88	559.13	1,545.98	683.36	78
79	1,075.76	467.93	1,344.73	584.90	1,643.54	714.88	79
80	1,204.86	524.08	1,506.08	655.10	1,840.76	800.66	80
81	1,339.33	582.56	1,674.16	728.20	2,046.20	890.04	81
82	1,480.24	643.86	1,850.33	804.84	2,261.50	983.68	82
83	1,627.64	707.96	2,034.56	884.96	2,486.68	1,081.60	83
84	1,781.46	774.88	2,226.84	968.60	2,721.68	1,183.84	84

Exhibit II
Kanawha Insurance Company
Form 80650 1/97 and Riders
Proposed Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.525
55-59	1.531
60	1.526
61	1.519
62	1.516
63	1.465
64	1.430
65	1.399
66	1.376
67	1.356
68	1.307
69	1.271
70	1.242
71	1.218
72	1.198
73	1.128
74	1.078
75	1.040
76	1.008
77	0.984
78	0.964
79	0.947
80	0.932
81	0.920
82	0.909
83	0.898
84	0.891

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.70	23.36	58.38	29.20	71.34	35.68	16-39
40-54	70.74	35.38	88.43	44.23	108.08	54.06	40-54
55-59	95.93	47.98	119.90	59.96	146.54	73.28	55-59
60	110.04	55.23	137.56	69.04	168.13	84.38	60
61	124.28	62.40	155.34	78.00	189.86	95.34	61
62	138.50	69.58	173.14	86.98	211.60	106.30	62
63	153.74	76.84	192.18	96.04	234.88	117.40	63
64	168.58	84.36	210.73	105.44	257.54	128.88	64
65	183.63	91.78	229.54	114.73	280.54	140.23	65
66	198.46	99.48	248.06	124.36	303.20	151.98	66
67	213.68	106.90	267.10	133.64	326.46	163.34	67
68	239.96	120.06	299.94	150.08	366.60	183.43	68
69	266.40	133.23	333.00	166.53	407.00	203.53	69
70	292.86	146.36	366.06	182.94	447.43	223.60	70
71	319.30	159.53	399.13	199.40	487.83	243.70	71
72	345.80	172.86	432.26	216.06	528.33	264.08	72
73	409.18	199.18	511.46	248.98	625.13	304.33	73
74	472.54	224.08	590.68	280.13	721.94	342.36	74
75	535.93	247.13	669.90	308.90	818.76	377.54	75
76	599.48	268.48	749.34	335.60	915.86	410.18	76
77	662.84	288.23	828.56	360.28	1,012.68	440.34	77
78	762.56	331.66	953.20	414.58	1,165.03	506.73	78
79	868.70	377.80	1,085.88	472.24	1,327.18	577.20	79
80	972.73	422.76	1,215.90	528.44	1,486.10	645.86	80
81	1,081.44	470.14	1,351.80	587.68	1,652.18	718.28	81
82	1,195.56	519.60	1,494.46	649.50	1,826.56	793.84	82
83	1,314.58	571.64	1,643.23	714.56	2,008.38	873.34	83
84	1,438.76	625.76	1,798.44	782.18	2,198.10	956.00	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	30.46	13.28	38.08	16.60	46.54	20.28	16-39
40-54	46.14	20.13	57.68	25.14	70.48	30.74	40-54
55-59	62.56	27.28	78.20	34.10	95.56	41.66	55-59
60	75.34	32.84	94.18	41.06	115.10	50.18	60
61	88.13	38.24	110.16	47.80	134.64	58.43	61
62	100.93	43.80	126.14	54.76	154.18	66.93	62
63	116.13	50.38	145.16	62.98	177.40	76.98	63
64	131.16	57.14	163.94	71.43	200.38	87.30	64
65	146.36	63.70	182.96	79.64	223.60	97.33	65
66	161.56	70.28	201.96	87.86	246.84	107.38	66
67	176.78	76.86	220.96	96.06	270.08	117.43	67
68	202.86	88.20	253.58	110.26	309.94	134.76	68
69	228.96	99.54	286.20	124.44	349.80	152.08	69
70	255.06	110.90	318.83	138.63	389.66	169.43	70
71	281.33	122.24	351.64	152.80	429.80	186.76	71
72	307.43	133.60	384.26	167.00	469.66	204.13	72
73	363.74	158.08	454.68	197.60	555.73	241.53	73
74	420.08	182.76	525.10	228.44	641.78	279.20	74
75	476.40	207.24	595.53	259.06	727.84	316.63	75
76	532.93	231.73	666.14	289.66	814.18	354.03	76
77	589.24	256.23	736.56	320.28	900.24	391.44	77
78	677.90	294.84	847.36	368.56	1,035.68	450.46	78
79	772.24	335.86	965.30	419.83	1,179.83	513.10	79
80	864.73	375.83	1,080.90	469.76	1,321.10	574.16	80
81	961.36	417.94	1,201.70	522.44	1,468.74	638.53	81
82	1,062.83	461.90	1,328.53	577.38	1,623.76	705.70	82
83	1,168.63	508.18	1,460.78	635.23	1,785.38	776.38	83
84	1,279.00	556.28	1,598.76	695.34	1,954.04	849.86	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	28.03	12.23	35.03	15.26	42.80	18.66	16-39
40-54	42.44	18.50	53.06	23.14	64.84	28.28	40-54
55-59	57.54	25.10	71.94	31.36	87.93	38.34	55-59
60	69.33	30.23	86.64	37.78	105.90	46.16	60
61	81.08	35.18	101.34	43.96	123.86	53.74	61
62	92.84	40.30	116.06	50.38	141.84	61.58	62
63	106.84	46.36	133.54	57.94	163.23	70.83	63
64	120.66	52.56	150.83	65.73	184.34	80.33	64
65	134.66	58.60	168.33	73.26	205.73	89.54	65
66	148.64	64.66	185.80	80.83	227.10	98.80	66
67	162.64	70.70	203.30	88.38	248.46	108.03	67
68	186.64	81.14	233.30	101.44	285.14	123.98	68
69	210.64	91.58	263.30	114.48	321.83	139.93	69
70	234.64	102.03	293.33	127.53	358.50	155.86	70
71	258.83	112.46	323.53	140.58	395.40	171.83	71
72	282.83	122.93	353.53	153.64	432.08	187.78	72
73	334.64	145.44	418.30	181.80	511.26	222.20	73
74	386.48	168.14	483.08	210.16	590.44	256.86	74
75	438.30	190.66	547.88	238.34	669.63	291.30	75
76	490.28	213.18	612.86	266.48	749.04	325.70	76
77	542.10	235.73	677.64	294.66	828.23	360.14	77
78	623.66	271.26	779.58	339.06	952.83	414.43	78
79	710.46	308.98	888.08	386.23	1,085.44	472.06	79
80	795.54	345.74	994.43	432.18	1,215.43	528.23	80
81	884.44	384.50	1,105.56	480.64	1,351.24	587.44	81
82	977.80	424.96	1,222.24	531.20	1,493.86	649.24	82
83	1,075.13	467.53	1,343.93	584.40	1,642.56	714.26	83
84	1,176.68	511.78	1,470.86	639.73	1,797.73	781.88	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	23.94	10.44	29.93	13.04	36.58	15.94	16-39
40-54	36.26	15.83	45.34	19.76	55.40	24.16	40-54
55-59	49.16	21.44	61.46	26.80	75.13	32.76	55-59
60	59.23	25.83	74.03	32.28	90.48	39.44	60
61	69.26	30.06	86.58	37.56	105.83	45.93	61
62	79.33	34.44	99.14	43.04	121.18	52.60	62
63	91.28	39.60	114.08	49.50	139.44	60.50	63
64	103.08	44.93	128.86	56.14	157.50	68.63	64
65	115.04	50.08	143.80	62.60	175.76	76.50	65
66	127.00	55.24	158.74	69.06	194.03	84.40	66
67	138.94	60.40	173.68	75.50	212.28	92.28	67
68	159.46	69.33	199.33	86.66	243.60	105.93	68
69	179.96	78.24	224.96	97.80	274.94	119.54	69
70	200.48	87.16	250.58	108.96	306.28	133.16	70
71	221.13	96.08	276.40	120.10	337.83	146.80	71
72	241.63	105.03	302.04	131.26	369.14	160.44	72
73	285.90	124.26	357.38	155.33	436.80	189.84	73
74	330.18	143.64	412.73	179.56	504.44	219.46	74
75	374.46	162.90	468.08	203.63	572.08	248.86	75
76	418.88	182.14	523.58	227.66	639.94	278.26	76
77	463.14	201.38	578.94	251.74	707.58	307.68	77
78	532.83	231.74	666.04	289.68	814.04	354.06	78
79	606.98	263.98	758.73	329.98	927.34	403.30	79
80	679.68	295.38	849.60	369.24	1,038.40	451.28	80
81	755.64	328.50	944.56	410.64	1,154.46	501.88	81
82	835.38	363.06	1,044.24	453.84	1,276.28	554.68	82
83	918.54	399.43	1,148.18	499.28	1,403.34	610.24	83
84	1,005.30	437.23	1,256.64	546.54	1,535.88	667.98	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	80.54	40.30	100.68	50.38	123.06	61.56	16-39
40-54	122.06	61.04	152.56	76.30	186.48	93.26	40-54
55-59	169.90	84.98	212.38	106.23	259.58	129.83	55-59
60	215.50	108.14	269.38	135.18	329.24	165.23	60
61	225.74	113.33	282.16	141.66	344.86	173.14	61
62	236.54	118.83	295.66	148.54	361.38	181.54	62
63	252.30	126.10	315.36	157.63	385.46	192.64	63
64	268.14	134.18	335.18	167.74	409.68	205.00	64
65	284.64	142.28	355.80	177.84	434.86	217.36	65
66	301.23	150.98	376.53	188.74	460.20	230.68	66
67	318.48	159.34	398.10	199.16	486.56	243.43	67
68	346.20	173.23	432.74	216.53	528.93	264.64	68
69	374.70	187.38	468.36	234.23	572.46	286.28	69
70	403.34	201.56	504.16	251.96	616.20	307.96	70
71	432.08	215.86	540.10	269.84	660.14	329.80	71
72	461.06	226.88	576.33	283.60	704.40	346.63	72
73	526.04	258.24	657.56	322.80	803.68	394.54	73
74	590.84	287.18	738.56	358.98	902.68	438.74	74
75	655.64	314.30	819.54	392.88	1,001.66	480.20	75
76	720.44	341.38	900.54	426.74	1,100.66	521.56	76
77	785.44	366.14	981.80	457.68	1,199.98	559.38	77
78	895.76	389.60	1,119.70	486.98	1,368.53	595.20	78
79	1,006.28	437.64	1,257.84	547.04	1,537.36	668.63	79
80	1,126.33	489.50	1,407.90	611.88	1,720.76	747.86	80
81	1,252.94	544.70	1,566.18	680.88	1,914.23	832.20	81
82	1,384.88	601.88	1,731.10	752.36	2,115.78	919.56	82
83	1,522.53	662.06	1,903.14	827.58	2,326.08	1,011.50	83
84	1,666.38	724.74	2,082.98	905.93	2,545.86	1,107.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.54	22.93	65.66	28.64	80.26	35.00	16-39
40-54	79.60	34.70	99.50	43.38	121.63	53.03	40-54
55-59	110.80	48.33	138.53	60.40	169.30	73.83	55-59
60	147.54	64.33	184.43	80.40	225.43	98.28	60
61	160.08	69.44	200.08	86.80	244.56	106.08	61
62	172.34	74.80	215.43	93.53	263.30	114.30	62
63	190.56	82.68	238.20	103.36	291.13	126.33	63
64	208.63	90.90	260.78	113.63	318.74	138.86	64
65	226.88	98.76	283.60	123.44	346.63	150.88	65
66	245.24	106.68	306.54	133.34	374.66	162.98	66
67	263.46	114.54	329.33	143.18	402.53	174.98	67
68	292.70	127.26	365.86	159.06	447.18	194.43	68
69	322.04	140.03	402.56	175.04	492.00	213.93	69
70	351.28	152.73	439.10	190.90	536.66	233.34	70
71	380.70	165.43	475.86	206.78	581.63	252.74	71
72	409.86	175.36	512.34	219.20	626.18	267.93	72
73	467.64	204.96	584.56	256.20	714.46	313.13	73
74	525.24	234.20	656.56	292.76	802.46	357.80	74
75	582.84	263.60	728.56	329.50	890.46	402.73	75
76	640.44	294.66	800.56	368.33	978.46	450.16	76
77	698.23	325.48	872.78	406.86	1,066.74	497.26	77
78	796.30	346.34	995.38	432.93	1,216.58	529.13	78
79	894.54	389.04	1,118.18	486.30	1,366.66	594.38	79
80	1,001.26	435.16	1,251.58	543.94	1,529.70	664.83	80
81	1,113.83	484.23	1,392.28	605.28	1,701.68	739.80	81
82	1,231.13	535.06	1,538.90	668.83	1,880.86	817.46	82
83	1,353.48	588.56	1,691.84	735.70	2,067.80	899.18	83
84	1,481.36	644.28	1,851.70	805.34	2,263.18	984.30	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	48.33	21.08	60.43	26.34	73.84	32.20	16-39
40-54	73.24	31.93	91.54	39.90	111.88	48.78	40-54
55-59	101.94	44.44	127.43	55.56	155.74	67.90	55-59
60	135.74	59.18	169.68	73.98	207.38	90.43	60
61	147.26	63.88	184.08	79.86	224.98	97.60	61
62	158.56	68.83	198.20	86.03	242.24	105.14	62
63	175.33	76.08	219.14	95.08	267.84	116.23	63
64	191.94	83.63	239.93	104.53	293.24	127.76	64
65	208.73	90.86	260.90	113.56	318.88	138.80	65
66	225.63	98.14	282.03	122.68	344.68	149.94	66
67	242.38	105.38	302.98	131.73	370.33	160.98	67
68	269.28	117.08	336.60	146.34	411.40	178.86	68
69	296.28	128.83	370.34	161.03	452.64	196.83	69
70	323.18	140.50	403.96	175.64	493.74	214.66	70
71	350.24	152.20	437.80	190.24	535.08	232.53	71
72	377.08	161.34	471.34	201.66	576.10	246.48	72
73	430.23	188.56	537.78	235.70	657.30	288.08	73
74	483.23	215.46	604.03	269.34	738.26	329.18	74
75	536.23	242.50	670.26	303.14	819.23	370.50	75
76	589.20	271.08	736.50	338.86	900.18	414.16	76
77	642.36	299.44	802.96	374.30	981.40	457.48	77
78	732.60	318.63	915.76	398.28	1,119.26	486.80	78
79	822.98	357.93	1,028.73	447.40	1,257.33	546.83	79
80	921.16	400.34	1,151.44	500.43	1,407.33	611.64	80
81	1,024.73	445.50	1,280.90	556.86	1,565.54	680.63	81
82	1,132.63	492.26	1,415.78	615.33	1,730.40	752.06	82
83	1,245.20	541.48	1,556.50	676.84	1,902.38	827.24	83
84	1,362.84	592.73	1,703.56	740.93	2,082.13	905.56	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	41.28	18.00	51.63	22.50	63.08	27.53	16-39
40-54	62.56	27.28	78.23	34.10	95.60	41.68	40-54
55-59	87.10	37.98	108.86	47.46	133.06	58.03	55-59
60	115.96	50.56	144.96	63.20	177.18	77.24	60
61	125.83	54.58	157.26	68.23	192.23	83.38	61
62	135.46	58.80	169.33	73.50	206.96	89.84	62
63	149.78	65.00	187.23	81.24	228.83	99.30	63
64	163.98	71.44	204.98	89.30	250.53	109.14	64
65	178.33	77.63	222.90	97.03	272.44	118.58	65
66	192.76	83.84	240.94	104.80	294.48	128.10	66
67	207.08	90.03	258.86	112.54	316.38	137.54	67
68	230.06	100.03	287.58	125.03	351.48	152.80	68
69	253.13	110.06	316.40	137.58	386.73	168.14	69
70	276.10	120.04	345.13	150.06	421.83	183.40	70
71	299.23	130.03	374.04	162.54	457.14	198.66	71
72	322.16	137.84	402.70	172.30	492.18	210.58	72
73	367.56	161.10	459.46	201.36	561.56	246.13	73
74	412.84	184.08	516.04	230.10	630.73	281.24	74
75	458.13	207.18	572.64	258.98	699.90	316.54	75
76	503.38	231.60	629.24	289.50	769.06	353.83	76
77	548.80	255.83	686.00	319.78	838.46	390.86	77
78	625.90	272.23	782.38	340.28	956.24	415.88	78
79	703.13	305.78	878.88	382.24	1,074.20	467.18	79
80	786.98	342.03	983.74	427.54	1,202.34	522.54	80
81	875.46	380.60	1,094.33	475.74	1,337.53	581.46	81
82	967.66	420.56	1,209.56	525.70	1,478.36	642.53	82
83	1,063.83	462.60	1,329.78	578.26	1,625.30	706.76	83
84	1,164.34	506.40	1,455.43	632.98	1,778.86	773.66	84

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	65.20	32.60	81.50	40.74	99.63	49.80	16-39
40-54	98.78	49.43	123.48	61.76	150.93	75.50	40-54
55	169.90	84.98	212.38	106.23	259.58	129.83	55
56	197.20	98.63	246.50	123.28	301.26	150.68	56
57-59	224.68	112.38	280.86	140.48	343.26	171.70	57-59
60	382.84	192.14	478.54	240.18	584.88	293.54	60
61	424.54	213.14	530.66	266.43	648.60	325.64	61
62	440.46	220.88	550.58	276.10	672.93	337.46	62
63	479.24	240.04	599.04	300.06	732.16	366.74	63
64	513.58	257.00	641.98	321.24	784.64	392.64	64
65	539.54	269.68	674.43	337.10	824.28	412.00	65
66	565.44	283.44	706.80	354.33	863.86	433.04	66
67	593.13	296.76	741.40	370.94	906.16	453.38	67
68	636.16	318.28	795.20	397.86	971.90	486.26	68
69	680.64	340.36	850.80	425.46	1,039.88	520.00	69
70	725.70	362.70	907.13	453.36	1,108.70	554.13	70
71	771.04	385.18	963.80	481.48	1,177.98	588.48	71
72	817.20	402.46	1,021.50	503.08	1,248.50	614.88	72
73	935.53	451.84	1,169.40	564.80	1,429.26	690.33	73
74	1,046.16	495.84	1,307.68	619.80	1,598.28	757.53	74
75	1,151.08	535.70	1,438.86	669.64	1,758.60	818.44	75
76	1,256.74	574.60	1,570.93	718.26	1,920.00	877.88	76
77	1,354.58	608.83	1,693.23	761.03	2,069.48	930.14	77
78	1,448.23	640.16	1,810.28	800.18	2,212.56	978.00	78
79	1,539.60	669.68	1,924.53	837.10	2,352.18	1,023.13	79
80	1,724.36	750.04	2,155.46	937.56	2,634.46	1,145.90	80
81	1,916.80	833.74	2,396.03	1,042.18	2,928.46	1,273.76	81
82	2,118.50	921.48	2,648.13	1,151.84	3,236.60	1,407.80	82
83	2,329.46	1,013.20	2,911.83	1,266.50	3,558.88	1,547.96	83
84	2,549.58	1,108.96	3,186.98	1,386.23	3,895.20	1,694.26	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.53	18.54	53.16	23.16	64.96	28.33	16-39
40-54	64.43	28.10	80.54	35.13	98.43	42.93	40-54
55	110.80	48.33	138.53	60.40	169.30	73.83	55
56	128.60	56.08	160.76	70.10	196.48	85.66	56
57-59	146.54	63.90	183.16	79.86	223.88	97.63	57-59
60	262.10	114.28	327.64	142.84	400.44	174.60	60
61	301.04	130.60	376.30	163.24	459.94	199.53	61
62	320.93	139.06	401.14	173.83	490.30	212.46	62
63	361.96	157.40	452.44	196.76	553.00	240.48	63
64	399.58	174.08	499.48	217.60	610.48	265.96	64
65	430.04	187.18	537.56	233.98	657.00	285.98	65
66	460.34	200.26	575.43	250.33	703.30	305.96	66
67	490.66	213.33	613.34	266.66	749.63	325.90	67
68	537.84	233.83	672.30	292.28	821.70	357.24	68
69	585.00	254.34	731.26	317.94	893.76	388.58	69
70	632.04	274.80	790.04	343.53	965.60	419.84	70
71	679.34	295.18	849.16	368.98	1,037.88	450.98	71
72	726.46	311.06	908.08	388.84	1,109.88	475.24	72
73	831.64	358.60	1,039.56	448.26	1,270.56	547.86	73
74	930.00	404.36	1,162.50	505.46	1,420.83	617.78	74
75	1,023.28	449.26	1,279.10	561.58	1,563.34	686.38	75
76	1,117.20	495.96	1,396.50	619.94	1,706.83	757.70	76
77	1,204.18	541.23	1,505.23	676.54	1,839.70	826.88	77
78	1,287.43	569.08	1,609.28	711.34	1,966.88	869.43	78
79	1,368.66	595.33	1,710.83	744.16	2,091.03	909.53	79
80	1,532.90	666.76	1,916.14	833.46	2,341.94	1,018.66	80
81	1,703.98	741.16	2,129.98	926.46	2,603.30	1,132.34	81
82	1,883.28	819.16	2,354.10	1,023.94	2,877.23	1,251.50	82
83	2,070.80	900.70	2,588.50	1,125.88	3,163.74	1,376.08	83
84	2,266.50	985.84	2,833.13	1,232.30	3,462.73	1,506.14	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.13	17.06	48.90	21.33	59.76	26.04	16-39
40-54	59.28	25.84	74.08	32.30	90.56	39.48	40-54
55	101.94	44.44	127.43	55.56	155.74	67.90	55
56	118.33	51.58	147.90	64.48	180.76	78.83	56
57-59	134.83	58.78	168.53	73.48	205.96	89.80	57-59
60	241.14	105.14	301.43	131.43	368.40	160.63	60
61	276.96	120.14	346.20	150.18	423.14	183.56	61
62	295.24	127.94	369.06	159.93	451.06	195.46	62
63	333.00	144.83	416.26	181.03	508.76	221.24	63
64	367.63	160.16	459.53	200.20	561.64	244.68	64
65	395.64	172.23	494.54	215.26	604.44	263.10	65
66	423.53	184.24	529.40	230.30	647.04	281.48	66
67	451.43	196.26	564.26	245.33	689.66	299.84	67
68	494.83	215.13	618.53	268.90	755.96	328.66	68
69	538.20	234.00	672.76	292.50	822.26	357.50	69
70	581.46	252.83	726.84	316.04	888.36	386.26	70
71	624.98	271.58	781.24	339.46	954.84	414.90	71
72	668.34	286.18	835.44	357.73	1,021.08	437.23	72
73	765.13	329.93	956.38	412.40	1,168.93	504.04	73
74	855.60	372.03	1,069.50	465.03	1,307.16	568.36	74
75	941.43	413.33	1,176.78	516.66	1,438.28	631.46	75
76	1,027.83	456.28	1,284.78	570.34	1,570.28	697.08	76
77	1,107.84	497.93	1,384.80	622.40	1,692.53	760.73	77
78	1,184.43	523.54	1,480.54	654.44	1,809.54	799.86	78
79	1,259.16	547.70	1,573.96	684.63	1,923.74	836.76	79
80	1,410.28	613.43	1,762.84	766.78	2,154.58	937.18	80
81	1,567.66	681.88	1,959.58	852.34	2,395.04	1,041.76	81
82	1,732.63	753.63	2,165.76	942.04	2,647.04	1,151.38	82
83	1,905.14	828.64	2,381.43	1,035.83	2,910.64	1,266.00	83
84	2,085.18	906.98	2,606.48	1,133.73	3,185.70	1,385.66	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Form 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.43	14.56	41.78	18.20	51.06	22.26	16-39
40-54	50.64	22.08	63.30	27.60	77.36	33.74	40-54
55	87.10	37.98	108.86	47.46	133.06	58.03	55
56	101.08	44.08	126.36	55.10	154.44	67.34	56
57-59	115.18	50.23	143.98	62.78	175.96	76.73	57-59
60	206.03	89.83	257.53	112.28	314.74	137.23	60
61	236.63	102.64	295.78	128.30	361.50	156.83	61
62	252.24	109.30	315.30	136.63	385.36	166.98	62
63	284.50	123.73	355.63	154.66	434.66	189.03	63
64	314.08	136.83	392.60	171.04	479.84	209.04	64
65	338.03	147.13	422.53	183.90	516.40	224.78	65
66	361.83	157.40	452.28	196.76	552.80	240.48	66
67	385.66	167.68	482.08	209.58	589.20	256.16	67
68	422.74	183.78	528.43	229.74	645.86	280.78	68
69	459.83	199.93	574.76	249.90	702.48	305.43	69
70	496.78	216.00	620.96	270.00	758.96	330.00	70
71	533.96	232.03	667.44	290.03	815.76	354.46	71
72	571.00	244.50	713.76	305.63	872.36	373.54	72
73	653.68	281.86	817.08	352.33	998.66	430.63	73
74	730.98	317.84	913.73	397.28	1,116.76	485.58	74
75	804.30	353.13	1,005.38	441.40	1,228.78	539.50	75
76	878.13	389.83	1,097.64	487.28	1,341.56	595.56	76
77	946.48	425.40	1,183.10	531.76	1,446.00	649.93	77
78	1,011.93	447.30	1,264.88	559.13	1,545.98	683.36	78
79	1,075.76	467.93	1,344.73	584.90	1,643.54	714.88	79
80	1,204.86	524.08	1,506.08	655.10	1,840.76	800.66	80
81	1,339.33	582.56	1,674.16	728.20	2,046.20	890.04	81
82	1,480.24	643.86	1,850.33	804.84	2,261.50	983.68	82
83	1,627.64	707.96	2,034.56	884.96	2,486.68	1,081.60	83
84	1,781.46	774.88	2,226.84	968.60	2,721.68	1,183.84	84

Exhibit II
Kanawha Insurance Company
Form 80880 1/98 and Riders
Proposed Factor Tables

Elimination Period:	
0 Day	1.000
30 Day	0.871
60 Day(Georgia Only)	0.826
90 Day	0.780

Discount Factors:	
Marital	0.90
Association(5%)	0.95
Association/Employer(10%)	0.90

Mode Factors:	
Annual	1.000
Semi Annual	0.510
Quarterly	0.260
Monthly Bank Draft (PAC)	0.086
List Bill	0.086
Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.525
55-59	1.531
60	1.526
61	1.519
62	1.516
63	1.465
64	1.430
65	1.399
66	1.376
67	1.356
68	1.307
69	1.271
70	1.242
71	1.218
72	1.198
73	1.128
74	1.078
75	1.040
76	1.008
77	0.984
78	0.964
79	0.947
80	0.932
81	0.920
82	0.909
83	0.898
84	0.891

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection. The filings may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective [Date], your premium will increase by [Z1%] from [$X1] to [$X2]. We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Premium rates for this policy may be increased in the future.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.
3	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.
4	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

ENDORSEMENT

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your New Premium

Effective [Date], your premium will increase by [Z1%] from [$X1] to [$X2]. We understand that budgeting for a premium rate increase can be challenging. That is why we are offering our policyholders Options to keep their premium at or close to its current level. These Options, discussed below, may involve a reduction or other modification to the coverage that is provided by your Policy, as a means of reducing the impact of the premium rate increase. Premium rates for this policy may be increased in the future.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits	Future Inflation Protection Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged.	5% Annually
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.	0%
3	Reduce your Inflation Protection Benefit Rider annual rate to 0%.	$X1	Yes	All Daily Benefit Amounts would remain at your current level. To determine your current Daily Benefit Amount, please call Customer Service. The Daily Benefit Amounts will not increase for the remaining life of the policy.	0%
4	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.	5% Annually
5	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.	5% Annually

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

ENDORSEMENT

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7AM–7PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Rate Increase and
ENDORSEMENT to Long Term Care Insurance Policy Number: POLICY NUMBER

Dear Policyholder:

Based upon our review and analysis of your Kanawha Insurance Company Long Term Care Insurance Policy and all others in its class, it is necessary to increase the premium rate for this coverage. Please read this letter carefully and in its entirety.

We closely monitor all in-force contracts to ensure that we can meet future claim obligations. While we have used the best information available to set premium rates for all policyholders in your class, actual claims experience has proven to be materially different from our assumptions. This increase in claims experience is expected to continue in the future. Thus, a premium rate increase is needed to ensure we are appropriately positioned to continue providing the valuable coverage that our policyholders have come to expect.

The rate increase request was reviewed by the Virginia State Corporation Commission and is compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI. No individual policyholder has been singled out for a premium rate increase. The increase is applicable to all policyholders in your class. The increase is not due to a policyholder's age or change in health. No subsequent increases will be requested for three years from the effective date of this increase. This policy is "Guaranteed Renewable" for life as long as you pay the premiums when they are due. Kanawha can change your premium only if the premiums for all policies in the same class are changed. You will be given at least 75 days' notice before your premium is changed. Any changes in premium rates will begin the next premium due date after the 75-day notice is given.

Your Premium

We have received approval to implement your premium rate increase in three (3) phases. Your first premium rate increase will be effective as described below, with subsequent premium rate increases being applied annually for the next two years, after at least 75 days written notification. The total percentage increase to your premium rate over the next three years is Z1%. While this premium increase is substantial, Premium rates for this policy may be increased in the future.

Based on your policy, your premium will increase Y1% from $X1 to $X2 which will be effective on MM/DD/YYYY. The second phase of the premium rate increase will be effective ONE year from MM/DD/YYYY. Your premium rate will increase an additional Y2%, which will be applied to the premium as of the date before the new premium effective date. The third phase of the premium rate increase will be effective TWO years from MM/DD/YYYY. Your premium rate will then increase an additional Y3%, which will be applied to the premium as of the date before the new premium effective date.

ENDORSEMENT

Options Available to You

You may elect to maintain your coverage at its current benefit level by paying the increased premium amount of $X2. You may also seek to moderate the impact of this premium rate increase by considering one or more of the Your Policy's Options set forth below:

Option	Description	Your New Premium	Can Premiums Increase in the Future?	Benefits	Future Inflation Protection Benefits
1	Keep your current policy and rider[s] in-force.	$X2	Yes	Policy benefits and riders are unchanged.	5% Annually
2	Convert the Policy to reduced paid-up long term care insurance.	$0	The policy is paid-up and no future premiums are due.	Please call Customer Service for information about your new benefit level. Please also see the Non-forfeiture Limit Calculation section of this letter for a description of this Option.	0%
3	Reduce your Inflation Protection Benefit Rider annual rate to 0%.	$X1	Yes	All Daily Benefit Amounts would remain at your current level. To determine your current Daily Benefit Amount, please call Customer Service. The Daily Benefit Amounts will not increase for the remaining life of the policy.	0%
4	Reduce Policy Benefits without additional underwriting.	Please call customer service for information about your new premium level.	Yes	Daily Benefit Amounts are reduced.	5% Annually
5	Reduce your Policy Maximum Days Benefit Period and/or increase your Elimination Period.	Please call customer service for information about your new premium level.	Yes	Reducing the Maximum Days Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you.	5% Annually

The value of the Option you choose can vary depending on your future use of policy benefits. Please call Customer Service at 1-800-260-2162 for more information on any of the Options described above.

ENDORSEMENT

You may elect one of the Options described above anytime within 120 days of the effective date of the premium rate increase. If you do not elect any of the Options offered above and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a reduced paid-up status in accordance with Option 2. If you purchased a non-forfeiture option, you may instead elect to exercise that option. Please consult your Policy to determine whether you hold a non-forfeiture option. Please contact customer service if you would like to discuss this or any other Option.

Option 2: Non-forfeiture Limit Calculation and Limitations

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, if you choose a reduced paid-up Policy, your Benefits under the reduced paid-up Policy will not exceed the maximum number of days that would be payable if the Policy were to remain in a premium paying status. This means that if you have received benefits under your Policy in the past and have exhausted a portion of the total lifetime coverage available to you under the Policy, your election of a reduced paid-up Policy at this time will not afford you with benefits greater than you had prior to making the election.

Further, Benefits available under Option 2 are not payable while you are receiving Benefits under any other provision of your Policy or other Riders attached to your Policy. Subject to the following paragraph, Benefits under Option 2 will be available to you, provided you are benefit eligible and have not exhausted the total lifetime coverage available under the Policy, after payments under any other provisions of the Policy or other riders attached to the Policy have ended.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider that may be attached to the Policy will terminate without value if you select Option 2.

Electronic Payment Methods

If you have authorized premium payments via a monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the effective date noted above. If your premium payment is made via a third-party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your Policy, you do not need to pay the higher premium at this time. If at some time in the future you are no longer on claim, your Policy will undergo the rate increase described in this letter. You will have an opportunity to elect one of the Options described in this letter at that time.

Your Class of Policies

The policies in this class were issued from 2001 to 2005 on policy form numbers 82000 1/01 VA and 82120 9/01 VA. The policies in this class include a compound inflation protection rider. The rate increase will apply to all existing premium paying policies issued in the state of VA on one of the form numbers 82000 1/01 VA or 82120 9/01 VA or to all residents of the state of VA with premium paying policies issued in another state on a form number of similar series. The rate increase will apply to the base forms as well as all applicable options and riders. The first and only increase for this class of policies was a 50% increase in August of 2010.

ENDORSEMENT

Endorsement

Your Policy provides options that You may seek to moderate the impact of this rate increase. These options are described in the **Options Available to You** section of this letter. Other than the provisions stated above, this Endorsement will not alter any provisions of the Policy to which it is attached.

Sincerely,

Policy Administration

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.70	23.36	58.38	29.20	71.34	35.68	16-39
40-54	70.74	35.38	88.43	44.23	108.08	54.06	40-54
55-59	95.93	47.98	119.90	59.96	146.54	73.28	55-59
60	110.04	55.23	137.56	69.04	168.13	84.38	60
61	124.28	62.40	155.34	78.00	189.86	95.34	61
62	138.50	69.58	173.14	86.98	211.60	106.30	62
63	153.74	76.84	192.18	96.04	234.88	117.40	63
64	168.58	84.36	210.73	105.44	257.54	128.88	64
65	183.63	91.78	229.54	114.73	280.54	140.23	65
66	198.46	99.48	248.06	124.36	303.20	151.98	66
67	213.68	106.90	267.10	133.64	326.46	163.34	67
68	239.96	120.06	299.94	150.08	366.60	183.43	68
69	266.40	133.23	333.00	166.53	407.00	203.53	69
70	292.86	146.36	366.06	182.94	447.43	223.60	70
71	319.30	159.53	399.13	199.40	487.83	243.70	71
72	345.80	172.86	432.26	216.06	528.33	264.08	72
73	409.18	199.18	511.46	248.98	625.13	304.33	73
74	472.54	224.08	590.68	280.13	721.94	342.36	74
75	535.93	247.13	669.90	308.90	818.76	377.54	75
76	599.48	268.48	749.34	335.60	915.86	410.18	76
77	662.84	288.23	828.56	360.28	1,012.68	440.34	77
78	762.56	331.66	953.20	414.58	1,165.03	506.73	78
79	868.70	377.80	1,085.88	472.24	1,327.18	577.20	79
80	972.73	422.76	1,215.90	528.44	1,486.10	645.86	80
81	1,081.44	470.14	1,351.80	587.68	1,652.18	718.28	81
82	1,195.56	519.60	1,494.46	649.50	1,826.56	793.84	82
83	1,314.58	571.64	1,643.23	714.56	2,008.38	873.34	83
84	1,438.76	625.76	1,798.44	782.18	2,198.10	956.00	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	30.46	13.28	38.08	16.60	46.54	20.28	16-39
40-54	46.14	20.13	57.68	25.14	70.48	30.74	40-54
55-59	62.56	27.28	78.20	34.10	95.56	41.66	55-59
60	75.34	32.84	94.18	41.06	115.10	50.18	60
61	88.13	38.24	110.16	47.80	134.64	58.43	61
62	100.93	43.80	126.14	54.76	154.18	66.93	62
63	116.13	50.38	145.16	62.98	177.40	76.98	63
64	131.16	57.14	163.94	71.43	200.38	87.30	64
65	146.36	63.70	182.96	79.64	223.60	97.33	65
66	161.56	70.28	201.96	87.86	246.84	107.38	66
67	176.78	76.86	220.96	96.06	270.08	117.43	67
68	202.86	88.20	253.58	110.26	309.94	134.76	68
69	228.96	99.54	286.20	124.44	349.80	152.08	69
70	255.06	110.90	318.83	138.63	389.66	169.43	70
71	281.33	122.24	351.64	152.80	429.80	186.76	71
72	307.43	133.60	384.26	167.00	469.66	204.13	72
73	363.74	158.08	454.68	197.60	555.73	241.53	73
74	420.08	182.76	525.10	228.44	641.78	279.20	74
75	476.40	207.24	595.53	259.06	727.84	316.63	75
76	532.93	231.73	666.14	289.66	814.18	354.03	76
77	589.24	256.23	736.56	320.28	900.24	391.44	77
78	677.90	294.84	847.36	368.56	1,035.68	450.46	78
79	772.24	335.86	965.30	419.83	1,179.83	513.10	79
80	864.73	375.83	1,080.90	469.76	1,321.10	574.16	80
81	961.36	417.94	1,201.70	522.44	1,468.74	638.53	81
82	1,062.83	461.90	1,328.53	577.38	1,623.76	705.70	82
83	1,168.63	508.18	1,460.78	635.23	1,785.38	776.38	83
84	1,279.00	556.28	1,598.76	695.34	1,954.04	849.86	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	28.03	12.23	35.03	15.26	42.80	18.66	16-39
40-54	42.44	18.50	53.06	23.14	64.84	28.28	40-54
55-59	57.54	25.10	71.94	31.36	87.93	38.34	55-59
60	69.33	30.23	86.64	37.78	105.90	46.16	60
61	81.08	35.18	101.34	43.96	123.86	53.74	61
62	92.84	40.30	116.06	50.38	141.84	61.58	62
63	106.84	46.36	133.54	57.94	163.23	70.83	63
64	120.66	52.56	150.83	65.73	184.34	80.33	64
65	134.66	58.60	168.33	73.26	205.73	89.54	65
66	148.64	64.66	185.80	80.83	227.10	98.80	66
67	162.64	70.70	203.30	88.38	248.46	108.03	67
68	186.64	81.14	233.30	101.44	285.14	123.98	68
69	210.64	91.58	263.30	114.48	321.83	139.93	69
70	234.64	102.03	293.33	127.53	358.50	155.86	70
71	258.83	112.46	323.53	140.58	395.40	171.83	71
72	282.83	122.93	353.53	153.64	432.08	187.78	72
73	334.64	145.44	418.30	181.80	511.26	222.20	73
74	386.48	168.14	483.08	210.16	590.44	256.86	74
75	438.30	190.66	547.88	238.34	669.63	291.30	75
76	490.28	213.18	612.86	266.48	749.04	325.70	76
77	542.10	235.73	677.64	294.66	828.23	360.14	77
78	623.66	271.26	779.58	339.06	952.83	414.43	78
79	710.46	308.98	888.08	386.23	1,085.44	472.06	79
80	795.54	345.74	994.43	432.18	1,215.43	528.23	80
81	884.44	384.50	1,105.56	480.64	1,351.24	587.44	81
82	977.80	424.96	1,222.24	531.20	1,493.86	649.24	82
83	1,075.13	467.53	1,343.93	584.40	1,642.56	714.26	83
84	1,176.68	511.78	1,470.86	639.73	1,797.73	781.88	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	23.94	10.44	29.93	13.04	36.58	15.94	16-39
40-54	36.26	15.83	45.34	19.76	55.40	24.16	40-54
55-59	49.16	21.44	61.46	26.80	75.13	32.76	55-59
60	59.23	25.83	74.03	32.28	90.48	39.44	60
61	69.26	30.06	86.58	37.56	105.83	45.93	61
62	79.33	34.44	99.14	43.04	121.18	52.60	62
63	91.28	39.60	114.08	49.50	139.44	60.50	63
64	103.08	44.93	128.86	56.14	157.50	68.63	64
65	115.04	50.08	143.80	62.60	175.76	76.50	65
66	127.00	55.24	158.74	69.06	194.03	84.40	66
67	138.94	60.40	173.68	75.50	212.28	92.28	67
68	159.46	69.33	199.33	86.66	243.60	105.93	68
69	179.96	78.24	224.96	97.80	274.94	119.54	69
70	200.48	87.16	250.58	108.96	306.28	133.16	70
71	221.13	96.08	276.40	120.10	337.83	146.80	71
72	241.63	105.03	302.04	131.26	369.14	160.44	72
73	285.90	124.26	357.38	155.33	436.80	189.84	73
74	330.18	143.64	412.73	179.56	504.44	219.46	74
75	374.46	162.90	468.08	203.63	572.08	248.86	75
76	418.88	182.14	523.58	227.66	639.94	278.26	76
77	463.14	201.38	578.94	251.74	707.58	307.68	77
78	532.83	231.74	666.04	289.68	814.04	354.06	78
79	606.98	263.98	758.73	329.98	927.34	403.30	79
80	679.68	295.38	849.60	369.24	1,038.40	451.28	80
81	755.64	328.50	944.56	410.64	1,154.46	501.88	81
82	835.38	363.06	1,044.24	453.84	1,276.28	554.68	82
83	918.54	399.43	1,148.18	499.28	1,403.34	610.24	83
84	1,005.30	437.23	1,256.64	546.54	1,535.88	667.98	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	80.54	40.30	100.68	50.38	123.06	61.56	16-39
40-54	122.06	61.04	152.56	76.30	186.48	93.26	40-54
55-59	169.90	84.98	212.38	106.23	259.58	129.83	55-59
60	215.50	108.14	269.38	135.18	329.24	165.23	60
61	225.74	113.33	282.16	141.66	344.86	173.14	61
62	236.54	118.83	295.66	148.54	361.38	181.54	62
63	252.30	126.10	315.36	157.63	385.46	192.64	63
64	268.14	134.18	335.18	167.74	409.68	205.00	64
65	284.64	142.28	355.80	177.84	434.86	217.36	65
66	301.23	150.98	376.53	188.74	460.20	230.68	66
67	318.48	159.34	398.10	199.16	486.56	243.43	67
68	346.20	173.23	432.74	216.53	528.93	264.64	68
69	374.70	187.38	468.36	234.23	572.46	286.28	69
70	403.34	201.56	504.16	251.96	616.20	307.96	70
71	432.08	215.86	540.10	269.84	660.14	329.80	71
72	461.06	226.88	576.33	283.60	704.40	346.63	72
73	526.04	258.24	657.56	322.80	803.68	394.54	73
74	590.84	287.18	738.56	358.98	902.68	438.74	74
75	655.64	314.30	819.54	392.88	1,001.66	480.20	75
76	720.44	341.38	900.54	426.74	1,100.66	521.56	76
77	785.44	366.14	981.80	457.68	1,199.98	559.38	77
78	895.76	389.60	1,119.70	486.98	1,368.53	595.20	78
79	1,006.28	437.64	1,257.84	547.04	1,537.36	668.63	79
80	1,126.33	489.50	1,407.90	611.88	1,720.76	747.86	80
81	1,252.94	544.70	1,566.18	680.88	1,914.23	832.20	81
82	1,384.88	601.88	1,731.10	752.36	2,115.78	919.56	82
83	1,522.53	662.06	1,903.14	827.58	2,326.08	1,011.50	83
84	1,666.38	724.74	2,082.98	905.93	2,545.86	1,107.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.54	22.93	65.66	28.64	80.26	35.00	16-39
40-54	79.60	34.70	99.50	43.38	121.63	53.03	40-54
55-59	110.80	48.33	138.53	60.40	169.30	73.83	55-59
60	147.54	64.33	184.43	80.40	225.43	98.28	60
61	160.08	69.44	200.08	86.80	244.56	106.08	61
62	172.34	74.80	215.43	93.53	263.30	114.30	62
63	190.56	82.68	238.20	103.36	291.13	126.33	63
64	208.63	90.90	260.78	113.63	318.74	138.86	64
65	226.88	98.76	283.60	123.44	346.63	150.88	65
66	245.24	106.68	306.54	133.34	374.66	162.98	66
67	263.46	114.54	329.33	143.18	402.53	174.98	67
68	292.70	127.26	365.86	159.06	447.18	194.43	68
69	322.04	140.03	402.56	175.04	492.00	213.93	69
70	351.28	152.73	439.10	190.90	536.66	233.34	70
71	380.70	165.43	475.86	206.78	581.63	252.74	71
72	409.86	175.36	512.34	219.20	626.18	267.93	72
73	467.64	204.96	584.56	256.20	714.46	313.13	73
74	525.24	234.20	656.56	292.76	802.46	357.80	74
75	582.84	263.60	728.56	329.50	890.46	402.73	75
76	640.44	294.66	800.56	368.33	978.46	450.16	76
77	698.23	325.48	872.78	406.86	1,066.74	497.26	77
78	796.30	346.34	995.38	432.93	1,216.58	529.13	78
79	894.54	389.04	1,118.18	486.30	1,366.66	594.38	79
80	1,001.26	435.16	1,251.58	543.94	1,529.70	664.83	80
81	1,113.83	484.23	1,392.28	605.28	1,701.68	739.80	81
82	1,231.13	535.06	1,538.90	668.83	1,880.86	817.46	82
83	1,353.48	588.56	1,691.84	735.70	2,067.80	899.18	83
84	1,481.36	644.28	1,851.70	805.34	2,263.18	984.30	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	48.33	21.08	60.43	26.34	73.84	32.20	16-39
40-54	73.24	31.93	91.54	39.90	111.88	48.78	40-54
55-59	101.94	44.44	127.43	55.56	155.74	67.90	55-59
60	135.74	59.18	169.68	73.98	207.38	90.43	60
61	147.26	63.88	184.08	79.86	224.98	97.60	61
62	158.56	68.83	198.20	86.03	242.24	105.14	62
63	175.33	76.08	219.14	95.08	267.84	116.23	63
64	191.94	83.63	239.93	104.53	293.24	127.76	64
65	208.73	90.86	260.90	113.56	318.88	138.80	65
66	225.63	98.14	282.03	122.68	344.68	149.94	66
67	242.38	105.38	302.98	131.73	370.33	160.98	67
68	269.28	117.08	336.60	146.34	411.40	178.86	68
69	296.28	128.83	370.34	161.03	452.64	196.83	69
70	323.18	140.50	403.96	175.64	493.74	214.66	70
71	350.24	152.20	437.80	190.24	535.08	232.53	71
72	377.08	161.34	471.34	201.66	576.10	246.48	72
73	430.23	188.56	537.78	235.70	657.30	288.08	73
74	483.23	215.46	604.03	269.34	738.26	329.18	74
75	536.23	242.50	670.26	303.14	819.23	370.50	75
76	589.20	271.08	736.50	338.86	900.18	414.16	76
77	642.36	299.44	802.96	374.30	981.40	457.48	77
78	732.60	318.63	915.76	398.28	1,119.26	486.80	78
79	822.98	357.93	1,028.73	447.40	1,257.33	546.83	79
80	921.16	400.34	1,151.44	500.43	1,407.33	611.64	80
81	1,024.73	445.50	1,280.90	556.86	1,565.54	680.63	81
82	1,132.63	492.26	1,415.78	615.33	1,730.40	752.06	82
83	1,245.20	541.48	1,556.50	676.84	1,902.38	827.24	83
84	1,362.84	592.73	1,703.56	740.93	2,082.13	905.56	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	41.28	18.00	51.63	22.50	63.08	27.53	16-39
40-54	62.56	27.28	78.23	34.10	95.60	41.68	40-54
55-59	87.10	37.98	108.86	47.46	133.06	58.03	55-59
60	115.96	50.56	144.96	63.20	177.18	77.24	60
61	125.83	54.58	157.26	68.23	192.23	83.38	61
62	135.46	58.80	169.33	73.50	206.96	89.84	62
63	149.78	65.00	187.23	81.24	228.83	99.30	63
64	163.98	71.44	204.98	89.30	250.53	109.14	64
65	178.33	77.63	222.90	97.03	272.44	118.58	65
66	192.76	83.84	240.94	104.80	294.48	128.10	66
67	207.08	90.03	258.86	112.54	316.38	137.54	67
68	230.06	100.03	287.58	125.03	351.48	152.80	68
69	253.13	110.06	316.40	137.58	386.73	168.14	69
70	276.10	120.04	345.13	150.06	421.83	183.40	70
71	299.23	130.03	374.04	162.54	457.14	198.66	71
72	322.16	137.84	402.70	172.30	492.18	210.58	72
73	367.56	161.10	459.46	201.36	561.56	246.13	73
74	412.84	184.08	516.04	230.10	630.73	281.24	74
75	458.13	207.18	572.64	258.98	699.90	316.54	75
76	503.38	231.60	629.24	289.50	769.06	353.83	76
77	548.80	255.83	686.00	319.78	838.46	390.86	77
78	625.90	272.23	782.38	340.28	956.24	415.88	78
79	703.13	305.78	878.88	382.24	1,074.20	467.18	79
80	786.98	342.03	983.74	427.54	1,202.34	522.54	80
81	875.46	380.60	1,094.33	475.74	1,337.53	581.46	81
82	967.66	420.56	1,209.56	525.70	1,478.36	642.53	82
83	1,063.83	462.60	1,329.78	578.26	1,625.30	706.76	83
84	1,164.34	506.40	1,455.43	632.98	1,778.86	773.66	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	65.20	32.60	81.50	40.74	99.63	49.80	16-39
40-54	98.78	49.43	123.48	61.76	150.93	75.50	40-54
55	169.90	84.98	212.38	106.23	259.58	129.83	55
56	197.20	98.63	246.50	123.28	301.26	150.68	56
57-59	224.68	112.38	280.86	140.48	343.26	171.70	57-59
60	382.84	192.14	478.54	240.18	584.88	293.54	60
61	424.54	213.14	530.66	266.43	648.60	325.64	61
62	440.46	220.88	550.58	276.10	672.93	337.46	62
63	479.24	240.04	599.04	300.06	732.16	366.74	63
64	513.58	257.00	641.98	321.24	784.64	392.64	64
65	539.54	269.68	674.43	337.10	824.28	412.00	65
66	565.44	283.44	706.80	354.33	863.86	433.04	66
67	593.13	296.76	741.40	370.94	906.16	453.38	67
68	636.16	318.28	795.20	397.86	971.90	486.26	68
69	680.64	340.36	850.80	425.46	1,039.88	520.00	69
70	725.70	362.70	907.13	453.36	1,108.70	554.13	70
71	771.04	385.18	963.80	481.48	1,177.98	588.48	71
72	817.20	402.46	1,021.50	503.08	1,248.50	614.88	72
73	935.53	451.84	1,169.40	564.80	1,429.26	690.33	73
74	1,046.16	495.84	1,307.68	619.80	1,598.28	757.53	74
75	1,151.08	535.70	1,438.86	669.64	1,758.60	818.44	75
76	1,256.74	574.60	1,570.93	718.26	1,920.00	877.88	76
77	1,354.58	608.83	1,693.23	761.03	2,069.48	930.14	77
78	1,448.23	640.16	1,810.28	800.18	2,212.56	978.00	78
79	1,539.60	669.68	1,924.53	837.10	2,352.18	1,023.13	79
80	1,724.36	750.04	2,155.46	937.56	2,634.46	1,145.90	80
81	1,916.80	833.74	2,396.03	1,042.18	2,928.46	1,273.76	81
82	2,118.50	921.48	2,648.13	1,151.84	3,236.60	1,407.80	82
83	2,329.46	1,013.20	2,911.83	1,266.50	3,558.88	1,547.96	83
84	2,549.58	1,108.96	3,186.98	1,386.23	3,895.20	1,694.26	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.53	18.54	53.16	23.16	64.96	28.33	16-39
40-54	64.43	28.10	80.54	35.13	98.43	42.93	40-54
55	110.80	48.33	138.53	60.40	169.30	73.83	55
56	128.60	56.08	160.76	70.10	196.48	85.66	56
57-59	146.54	63.90	183.16	79.86	223.88	97.63	57-59
60	262.10	114.28	327.64	142.84	400.44	174.60	60
61	301.04	130.60	376.30	163.24	459.94	199.53	61
62	320.93	139.06	401.14	173.83	490.30	212.46	62
63	361.96	157.40	452.44	196.76	553.00	240.48	63
64	399.58	174.08	499.48	217.60	610.48	265.96	64
65	430.04	187.18	537.56	233.98	657.00	285.98	65
66	460.34	200.26	575.43	250.33	703.30	305.96	66
67	490.66	213.33	613.34	266.66	749.63	325.90	67
68	537.84	233.83	672.30	292.28	821.70	357.24	68
69	585.00	254.34	731.26	317.94	893.76	388.58	69
70	632.04	274.80	790.04	343.53	965.60	419.84	70
71	679.34	295.18	849.16	368.98	1,037.88	450.98	71
72	726.46	311.06	908.08	388.84	1,109.88	475.24	72
73	831.64	358.60	1,039.56	448.26	1,270.56	547.86	73
74	930.00	404.36	1,162.50	505.46	1,420.83	617.78	74
75	1,023.28	449.26	1,279.10	561.58	1,563.34	686.38	75
76	1,117.20	495.96	1,396.50	619.94	1,706.83	757.70	76
77	1,204.18	541.23	1,505.23	676.54	1,839.70	826.88	77
78	1,287.43	569.08	1,609.28	711.34	1,966.88	869.43	78
79	1,368.66	595.33	1,710.83	744.16	2,091.03	909.53	79
80	1,532.90	666.76	1,916.14	833.46	2,341.94	1,018.66	80
81	1,703.98	741.16	2,129.98	926.46	2,603.30	1,132.34	81
82	1,883.28	819.16	2,354.10	1,023.94	2,877.23	1,251.50	82
83	2,070.80	900.70	2,588.50	1,125.88	3,163.74	1,376.08	83
84	2,266.50	985.84	2,833.13	1,232.30	3,462.73	1,506.14	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.13	17.06	48.90	21.33	59.76	26.04	16-39
40-54	59.28	25.84	74.08	32.30	90.56	39.48	40-54
55	101.94	44.44	127.43	55.56	155.74	67.90	55
56	118.33	51.58	147.90	64.48	180.76	78.83	56
57-59	134.83	58.78	168.53	73.48	205.96	89.80	57-59
60	241.14	105.14	301.43	131.43	368.40	160.63	60
61	276.96	120.14	346.20	150.18	423.14	183.56	61
62	295.24	127.94	369.06	159.93	451.06	195.46	62
63	333.00	144.83	416.26	181.03	508.76	221.24	63
64	367.63	160.16	459.53	200.20	561.64	244.68	64
65	395.64	172.23	494.54	215.26	604.44	263.10	65
66	423.53	184.24	529.40	230.30	647.04	281.48	66
67	451.43	196.26	564.26	245.33	689.66	299.84	67
68	494.83	215.13	618.53	268.90	755.96	328.66	68
69	538.20	234.00	672.76	292.50	822.26	357.50	69
70	581.46	252.83	726.84	316.04	888.36	386.26	70
71	624.98	271.58	781.24	339.46	954.84	414.90	71
72	668.34	286.18	835.44	357.73	1,021.08	437.23	72
73	765.13	329.93	956.38	412.40	1,168.93	504.04	73
74	855.60	372.03	1,069.50	465.03	1,307.16	568.36	74
75	941.43	413.33	1,176.78	516.66	1,438.28	631.46	75
76	1,027.83	456.28	1,284.78	570.34	1,570.28	697.08	76
77	1,107.84	497.93	1,384.80	622.40	1,692.53	760.73	77
78	1,184.43	523.54	1,480.54	654.44	1,809.54	799.86	78
79	1,259.16	547.70	1,573.96	684.63	1,923.74	836.76	79
80	1,410.28	613.43	1,762.84	766.78	2,154.58	937.18	80
81	1,567.66	681.88	1,959.58	852.34	2,395.04	1,041.76	81
82	1,732.63	753.63	2,165.76	942.04	2,647.04	1,151.38	82
83	1,905.14	828.64	2,381.43	1,035.83	2,910.64	1,266.00	83
84	2,085.18	906.98	2,606.48	1,133.73	3,185.70	1,385.66	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.43	14.56	41.78	18.20	51.06	22.26	16-39
40-54	50.64	22.08	63.30	27.60	77.36	33.74	40-54
55	87.10	37.98	108.86	47.46	133.06	58.03	55
56	101.08	44.08	126.36	55.10	154.44	67.34	56
57-59	115.18	50.23	143.98	62.78	175.96	76.73	57-59
60	206.03	89.83	257.53	112.28	314.74	137.23	60
61	236.63	102.64	295.78	128.30	361.50	156.83	61
62	252.24	109.30	315.30	136.63	385.36	166.98	62
63	284.50	123.73	355.63	154.66	434.66	189.03	63
64	314.08	136.83	392.60	171.04	479.84	209.04	64
65	338.03	147.13	422.53	183.90	516.40	224.78	65
66	361.83	157.40	452.28	196.76	552.80	240.48	66
67	385.66	167.68	482.08	209.58	589.20	256.16	67
68	422.74	183.78	528.43	229.74	645.86	280.78	68
69	459.83	199.93	574.76	249.90	702.48	305.43	69
70	496.78	216.00	620.96	270.00	758.96	330.00	70
71	533.96	232.03	667.44	290.03	815.76	354.46	71
72	571.00	244.50	713.76	305.63	872.36	373.54	72
73	653.68	281.86	817.08	352.33	998.66	430.63	73
74	730.98	317.84	913.73	397.28	1,116.76	485.58	74
75	804.30	353.13	1,005.38	441.40	1,228.78	539.50	75
76	878.13	389.83	1,097.64	487.28	1,341.56	595.56	76
77	946.48	425.40	1,183.10	531.76	1,446.00	649.93	77
78	1,011.93	447.30	1,264.88	559.13	1,545.98	683.36	78
79	1,075.76	467.93	1,344.73	584.90	1,643.54	714.88	79
80	1,204.86	524.08	1,506.08	655.10	1,840.76	800.66	80
81	1,339.33	582.56	1,674.16	728.20	2,046.20	890.04	81
82	1,480.24	643.86	1,850.33	804.84	2,261.50	983.68	82
83	1,627.64	707.96	2,034.56	884.96	2,486.68	1,081.60	83
84	1,781.46	774.88	2,226.84	968.60	2,721.68	1,183.84	84

Exhibit II
Kanawha Insurance Company
Forms 80650 1/97, 80880 1/98 and Riders
Proposed Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.525
55-59	1.531
60	1.526
61	1.519
62	1.516
63	1.465
64	1.430
65	1.399
66	1.376
67	1.356
68	1.307
69	1.271
70	1.242
71	1.218
72	1.198
73	1.128
74	1.078
75	1.040
76	1.008
77	0.984
78	0.964
79	0.947
80	0.932
81	0.920
82	0.909
83	0.898
84	0.891

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

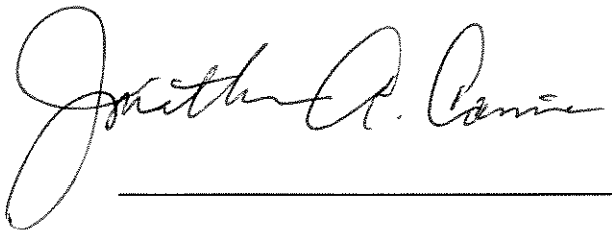
90175 or 93102 - Return of Premium Rider 0.327

KANAWHA INSURANCE COMPANY

CERTIFICATION OF COMPLIANCE WITH VA TITLE 38.2

I, Jonathan A. Canine, am Vice President and Appointed Actuary of the Kanawha Insurance Company and a member of the American Academy of Actuaries.

- The Company has reviewed the enclosed policy endorsements and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.
- Applicable Policy Endorsements include:
  - 17452N
  - 17452C
- Policy Endorsements 17452N and 17452C are used with the following Policy Forms already approved in the state of VA:
  - 80650 1/97 VA
  - 80880 NTQ 1/98 VA



Date: September 3, 2015

Jonathan A. Canine, FSA, MAAA
Vice President and Appointed Actuary
Kanawha Insurance Company
500 W. Main Street, 27th Floor
Louisville, KY 40202
(502) 580-4026

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	37.36	18.69	46.70	23.36	57.07	28.54	16-39
40-54	56.59	28.30	70.74	35.38	86.46	43.25	40-54
55-59	76.74	38.38	95.92	47.97	117.23	58.62	55-59
60	88.03	44.18	110.05	55.23	134.50	67.50	60
61	99.42	49.92	124.27	62.40	151.89	76.27	61
62	110.80	55.66	138.51	69.58	169.28	85.04	62
63	122.99	61.47	153.74	76.83	187.90	93.92	63
64	134.86	67.49	168.58	84.35	206.03	103.10	64
65	146.90	73.42	183.63	91.78	224.43	112.18	65
66	158.77	79.58	198.45	99.49	242.56	121.58	66
67	170.94	85.52	213.68	106.91	261.17	130.67	67
68	191.97	96.05	239.95	120.06	293.28	146.74	68
69	213.12	106.58	266.40	133.22	325.60	162.82	69
70	234.29	117.09	292.85	146.35	357.94	178.88	70
71	255.44	127.62	319.30	159.52	390.26	194.96	71
72	276.64	138.29	345.81	172.85	422.66	211.26	72
73	327.34	159.34	409.17	199.18	500.10	243.46	73
74	378.03	179.26	472.54	224.10	577.55	273.89	74
75	428.74	197.70	535.92	247.12	655.01	302.03	75
76	479.58	214.78	599.47	268.48	732.69	328.14	76
77	530.27	230.58	662.85	288.22	810.14	352.27	77
78	610.05	265.33	762.56	331.66	932.02	405.38	78
79	694.96	302.24	868.70	377.79	1,061.74	461.76	79
80	778.18	338.21	972.72	422.75	1,188.88	516.69	80
81	865.15	376.11	1,081.44	470.14	1,321.74	574.62	81
82	956.45	415.68	1,195.57	519.60	1,461.25	635.07	82
83	1,051.66	457.31	1,314.58	571.65	1,606.70	698.67	83
84	1,151.01	500.61	1,438.75	625.74	1,758.48	764.80	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	24.37	10.62	30.46	13.28	37.23	16.22	16-39
40-54	36.91	16.10	46.14	20.11	56.38	24.59	40-54
55-59	50.05	21.82	62.56	27.28	76.45	33.33	55-59
60	60.27	26.27	75.34	32.85	92.08	40.14	60
61	70.50	30.59	88.13	38.24	107.71	46.74	61
62	80.74	35.04	100.91	43.81	123.34	53.54	62
63	92.90	40.30	116.13	50.38	141.92	61.58	63
64	104.93	45.71	131.15	57.14	160.30	69.84	64
65	117.09	50.96	146.37	63.71	178.88	77.86	65
66	129.25	56.22	161.57	70.29	197.47	85.90	66
67	141.42	61.49	176.77	76.85	216.06	93.94	67
68	162.29	70.56	202.86	88.21	247.95	107.81	68
69	183.17	79.63	228.96	99.55	279.84	121.66	69
70	204.05	88.72	255.06	110.90	311.73	135.54	70
71	225.06	97.79	281.31	122.24	343.84	149.41	71
72	245.94	106.88	307.41	133.60	375.73	163.30	72
73	290.99	126.46	363.74	158.08	444.58	193.22	73
74	336.06	146.21	420.08	182.75	513.42	223.36	74
75	381.12	165.79	476.42	207.25	582.27	253.30	75
76	426.34	185.38	532.91	231.73	651.34	283.22	76
77	471.39	204.98	589.25	256.22	720.19	313.15	77
78	542.32	235.87	677.89	294.85	828.54	360.37	78
79	617.79	268.69	772.24	335.86	943.86	410.48	79
80	691.78	300.66	864.72	375.81	1,056.88	459.33	80
81	769.09	334.35	961.36	417.95	1,174.99	510.82	81
82	850.26	369.52	1,062.82	461.90	1,299.01	564.56	82
83	934.90	406.54	1,168.62	508.18	1,428.30	621.10	83
84	1,023.20	445.02	1,279.01	556.27	1,563.23	679.89	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	22.42	9.78	28.02	12.21	34.24	14.93	16-39
40-54	33.95	14.80	42.45	18.51	51.87	22.62	40-54
55-59	46.03	20.08	57.55	25.09	70.34	30.67	55-59
60	55.46	24.18	69.31	30.22	84.72	36.93	60
61	64.86	28.14	81.07	35.17	99.09	42.99	61
62	74.27	32.24	92.85	40.30	113.47	49.26	62
63	85.47	37.09	106.83	46.35	130.58	56.66	63
64	96.53	42.05	120.66	52.58	147.47	64.26	64
65	107.73	46.88	134.66	58.61	164.58	71.63	65
66	118.91	51.73	148.64	64.66	181.68	79.04	66
67	130.11	56.56	162.64	70.70	198.77	86.42	67
68	149.31	64.91	186.64	81.15	228.11	99.18	68
69	168.51	73.26	210.64	91.58	257.46	111.94	69
70	187.71	81.62	234.66	102.02	286.80	124.69	70
71	207.06	89.97	258.82	112.46	316.32	137.46	71
72	226.26	98.34	282.82	122.91	345.66	150.22	72
73	267.71	116.35	334.64	145.44	409.01	177.76	73
74	309.18	134.51	386.46	168.13	472.35	205.49	74
75	350.64	152.53	438.30	190.67	535.70	233.04	75
76	392.22	170.54	490.29	213.18	599.23	260.56	76
77	433.68	188.58	542.11	235.73	662.58	288.11	77
78	498.93	217.01	623.66	271.25	762.26	331.54	78
79	568.37	247.18	710.46	308.98	868.35	377.65	79
80	636.43	276.59	795.54	345.74	972.34	422.58	80
81	707.55	307.60	884.45	384.51	1,080.99	469.95	81
82	782.24	339.97	977.79	424.96	1,195.09	519.39	82
83	860.10	374.02	1,075.14	467.52	1,314.05	571.41	83
84	941.34	409.42	1,176.69	511.78	1,438.18	625.50	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	19.15	8.35	23.94	10.43	29.26	12.75	16-39
40-54	29.01	12.66	36.27	15.81	44.32	19.33	40-54
55-59	39.33	17.15	49.17	21.44	60.10	26.21	55-59
60	47.38	20.66	59.22	25.82	72.38	31.55	60
61	55.41	24.05	69.26	30.05	84.66	36.74	61
62	63.46	27.55	79.31	34.43	96.94	42.08	62
63	73.02	31.68	91.26	39.60	111.55	48.40	63
64	82.46	35.94	103.09	44.91	126.00	54.90	64
65	92.03	40.06	115.04	50.08	140.61	61.20	65
66	101.60	44.19	126.99	55.25	155.22	67.52	66
67	111.15	48.32	138.94	60.40	169.82	73.82	67
68	127.57	55.46	159.46	69.33	194.88	84.74	68
69	143.97	62.59	179.97	78.24	219.95	95.63	69
70	160.38	69.73	200.46	87.17	245.02	106.53	70
71	176.90	76.86	221.12	96.08	270.26	117.44	71
72	193.30	84.02	241.63	105.01	295.31	128.35	72
73	228.72	99.41	285.90	124.26	349.44	151.87	73
74	264.14	114.91	330.18	143.65	403.55	175.57	74
75	299.57	130.32	374.46	162.90	457.66	199.09	75
76	335.10	145.71	418.86	182.13	511.95	222.61	76
77	370.51	161.10	463.15	201.39	566.06	246.14	77
78	426.26	185.39	532.83	231.74	651.23	283.25	78
79	485.58	211.18	606.98	263.98	741.87	322.64	79
80	543.74	236.30	679.68	295.39	830.72	361.02	80
81	604.51	262.80	755.65	328.51	923.57	401.50	81
82	668.30	290.45	835.39	363.07	1,021.02	443.74	82
83	734.83	319.54	918.54	399.42	1,122.67	488.19	83
84	804.24	349.78	1,005.31	437.23	1,228.70	534.38	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	46.70	23.36	58.38	29.20	71.34	35.68	16-39
40-54	70.74	35.38	88.43	44.23	108.08	54.06	40-54
55-59	95.93	47.98	119.90	59.96	146.54	73.28	55-59
60	110.04	55.23	137.56	69.04	168.13	84.38	60
61	124.28	62.40	155.34	78.00	189.86	95.34	61
62	138.50	69.58	173.14	86.98	211.60	106.30	62
63	153.74	76.84	192.18	96.04	234.88	117.40	63
64	168.58	84.36	210.73	105.44	257.54	128.88	64
65	183.63	91.78	229.54	114.73	280.54	140.23	65
66	198.46	99.48	248.06	124.36	303.20	151.98	66
67	213.68	106.90	267.10	133.64	326.46	163.34	67
68	239.96	120.06	299.94	150.08	366.60	183.43	68
69	266.40	133.23	333.00	166.53	407.00	203.53	69
70	292.86	146.36	366.06	182.94	447.43	223.60	70
71	319.30	159.53	399.13	199.40	487.83	243.70	71
72	345.80	172.86	432.26	216.06	528.33	264.08	72
73	409.18	199.18	511.46	248.98	625.13	304.33	73
74	472.54	224.08	590.68	280.13	721.94	342.36	74
75	535.93	247.13	669.90	308.90	818.76	377.54	75
76	599.48	268.48	749.34	335.60	915.86	410.18	76
77	662.84	288.23	828.56	360.28	1,012.68	440.34	77
78	762.56	331.66	953.20	414.58	1,165.03	506.73	78
79	868.70	377.80	1,085.88	472.24	1,327.18	577.20	79
80	972.73	422.76	1,215.90	528.44	1,486.10	645.86	80
81	1,081.44	470.14	1,351.80	587.68	1,652.18	718.28	81
82	1,195.56	519.60	1,494.46	649.50	1,826.56	793.84	82
83	1,314.58	571.64	1,643.23	714.56	2,008.38	873.34	83
84	1,438.76	625.76	1,798.44	782.18	2,198.10	956.00	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	30.46	13.28	38.08	16.60	46.54	20.28	16-39
40-54	46.14	20.13	57.68	25.14	70.48	30.74	40-54
55-59	62.56	27.28	78.20	34.10	95.56	41.66	55-59
60	75.34	32.84	94.18	41.06	115.10	50.18	60
61	88.13	38.24	110.16	47.80	134.64	58.43	61
62	100.93	43.80	126.14	54.76	154.18	66.93	62
63	116.13	50.38	145.16	62.98	177.40	76.98	63
64	131.16	57.14	163.94	71.43	200.38	87.30	64
65	146.36	63.70	182.96	79.64	223.60	97.33	65
66	161.56	70.28	201.96	87.86	246.84	107.38	66
67	176.78	76.86	220.96	96.06	270.08	117.43	67
68	202.86	88.20	253.58	110.26	309.94	134.76	68
69	228.96	99.54	286.20	124.44	349.80	152.08	69
70	255.06	110.90	318.83	138.63	389.66	169.43	70
71	281.33	122.24	351.64	152.80	429.80	186.76	71
72	307.43	133.60	384.26	167.00	469.66	204.13	72
73	363.74	158.08	454.68	197.60	555.73	241.53	73
74	420.08	182.76	525.10	228.44	641.78	279.20	74
75	476.40	207.24	595.53	259.06	727.84	316.63	75
76	532.93	231.73	666.14	289.66	814.18	354.03	76
77	589.24	256.23	736.56	320.28	900.24	391.44	77
78	677.90	294.84	847.36	368.56	1,035.68	450.46	78
79	772.24	335.86	965.30	419.83	1,179.83	513.10	79
80	864.73	375.83	1,080.90	469.76	1,321.10	574.16	80
81	961.36	417.94	1,201.70	522.44	1,468.74	638.53	81
82	1,062.83	461.90	1,328.53	577.38	1,623.76	705.70	82
83	1,168.63	508.18	1,460.78	635.23	1,785.38	776.38	83
84	1,279.00	556.28	1,598.76	695.34	1,954.04	849.86	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	28.03	12.23	35.03	15.26	42.80	18.66	16-39
40-54	42.44	18.50	53.06	23.14	64.84	28.28	40-54
55-59	57.54	25.10	71.94	31.36	87.93	38.34	55-59
60	69.33	30.23	86.64	37.78	105.90	46.16	60
61	81.08	35.18	101.34	43.96	123.86	53.74	61
62	92.84	40.30	116.06	50.38	141.84	61.58	62
63	106.84	46.36	133.54	57.94	163.23	70.83	63
64	120.66	52.56	150.83	65.73	184.34	80.33	64
65	134.66	58.60	168.33	73.26	205.73	89.54	65
66	148.64	64.66	185.80	80.83	227.10	98.80	66
67	162.64	70.70	203.30	88.38	248.46	108.03	67
68	186.64	81.14	233.30	101.44	285.14	123.98	68
69	210.64	91.58	263.30	114.48	321.83	139.93	69
70	234.64	102.03	293.33	127.53	358.50	155.86	70
71	258.83	112.46	323.53	140.58	395.40	171.83	71
72	282.83	122.93	353.53	153.64	432.08	187.78	72
73	334.64	145.44	418.30	181.80	511.26	222.20	73
74	386.48	168.14	483.08	210.16	590.44	256.86	74
75	438.30	190.66	547.88	238.34	669.63	291.30	75
76	490.28	213.18	612.86	266.48	749.04	325.70	76
77	542.10	235.73	677.64	294.66	828.23	360.14	77
78	623.66	271.26	779.58	339.06	952.83	414.43	78
79	710.46	308.98	888.08	386.23	1,085.44	472.06	79
80	795.54	345.74	994.43	432.18	1,215.43	528.23	80
81	884.44	384.50	1,105.56	480.64	1,351.24	587.44	81
82	977.80	424.96	1,222.24	531.20	1,493.86	649.24	82
83	1,075.13	467.53	1,343.93	584.40	1,642.56	714.26	83
84	1,176.68	511.78	1,470.86	639.73	1,797.73	781.88	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Lifetime Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	23.94	10.44	29.93	13.04	36.58	15.94	16-39
40-54	36.26	15.83	45.34	19.76	55.40	24.16	40-54
55-59	49.16	21.44	61.46	26.80	75.13	32.76	55-59
60	59.23	25.83	74.03	32.28	90.48	39.44	60
61	69.26	30.06	86.58	37.56	105.83	45.93	61
62	79.33	34.44	99.14	43.04	121.18	52.60	62
63	91.28	39.60	114.08	49.50	139.44	60.50	63
64	103.08	44.93	128.86	56.14	157.50	68.63	64
65	115.04	50.08	143.80	62.60	175.76	76.50	65
66	127.00	55.24	158.74	69.06	194.03	84.40	66
67	138.94	60.40	173.68	75.50	212.28	92.28	67
68	159.46	69.33	199.33	86.66	243.60	105.93	68
69	179.96	78.24	224.96	97.80	274.94	119.54	69
70	200.48	87.16	250.58	108.96	306.28	133.16	70
71	221.13	96.08	276.40	120.10	337.83	146.80	71
72	241.63	105.03	302.04	131.26	369.14	160.44	72
73	285.90	124.26	357.38	155.33	436.80	189.84	73
74	330.18	143.64	412.73	179.56	504.44	219.46	74
75	374.46	162.90	468.08	203.63	572.08	248.86	75
76	418.88	182.14	523.58	227.66	639.94	278.26	76
77	463.14	201.38	578.94	251.74	707.58	307.68	77
78	532.83	231.74	666.04	289.68	814.04	354.06	78
79	606.98	263.98	758.73	329.98	927.34	403.30	79
80	679.68	295.38	849.60	369.24	1,038.40	451.28	80
81	755.64	328.50	944.56	410.64	1,154.46	501.88	81
82	835.38	363.06	1,044.24	453.84	1,276.28	554.68	82
83	918.54	399.43	1,148.18	499.28	1,403.34	610.24	83
84	1,005.30	437.23	1,256.64	546.54	1,535.88	667.98	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	64.43	32.24	80.54	40.30	98.45	49.25	16-39
40-54	97.65	48.83	122.05	61.04	149.18	74.61	40-54
55-59	135.92	67.98	169.90	84.98	207.66	103.86	55-59
60	172.40	86.51	215.50	108.14	263.39	132.18	60
61	180.59	90.66	225.73	113.33	275.89	138.51	61
62	189.23	95.06	236.53	118.83	289.10	145.23	62
63	201.84	100.88	252.29	126.10	308.37	154.11	63
64	214.51	107.34	268.14	134.19	327.74	164.00	64
65	227.71	113.82	284.64	142.27	347.89	173.89	65
66	240.98	120.78	301.22	150.99	368.16	184.54	66
67	254.78	127.47	318.48	159.33	389.25	194.74	67
68	276.96	138.58	346.19	173.22	423.14	211.71	68
69	299.76	149.90	374.69	187.38	457.97	229.02	69
70	322.67	161.25	403.33	201.57	492.96	246.37	70
71	345.66	172.69	432.08	215.87	528.11	263.84	71
72	368.85	181.50	461.06	226.88	563.52	277.30	72
73	420.83	206.59	526.05	258.24	642.94	315.63	73
74	472.67	229.74	590.85	287.18	722.14	350.99	74
75	524.51	251.44	655.63	314.30	801.33	384.16	75
76	576.35	273.10	720.43	341.39	880.53	417.25	76
77	628.35	292.91	785.44	366.14	959.98	447.50	77
78	716.61	311.68	895.76	389.58	1,094.82	476.16	78
79	805.02	350.11	1,006.27	437.63	1,229.89	534.90	79
80	901.06	391.60	1,126.32	489.50	1,376.61	598.29	80
81	1,002.35	435.76	1,252.94	544.70	1,531.38	665.76	81
82	1,107.90	481.50	1,384.88	601.89	1,692.62	735.65	82
83	1,218.02	529.65	1,522.51	662.06	1,860.86	809.20	83
84	1,333.10	579.79	1,666.38	724.74	2,036.69	885.79	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.03	18.34	52.53	22.91	64.21	28.00	16-39
40-54	63.68	27.76	79.60	34.70	97.30	42.42	40-54
55-59	88.64	38.66	110.82	48.32	135.44	59.06	55-59
60	118.03	51.46	147.54	64.32	180.34	78.62	60
61	128.06	55.55	160.06	69.44	195.65	84.86	61
62	137.87	59.84	172.34	74.82	210.64	91.44	62
63	152.45	66.14	190.56	82.69	232.90	101.06	63
64	166.90	72.72	208.62	90.90	254.99	111.09	64
65	181.50	79.01	226.88	98.75	277.30	120.70	65
66	196.19	85.34	245.23	106.67	299.73	130.38	66
67	210.77	91.63	263.46	114.54	322.02	139.98	67
68	234.16	101.81	292.69	127.25	357.74	155.54	68
69	257.63	112.02	322.05	140.03	393.60	171.14	69
70	281.02	122.18	351.28	152.72	429.33	186.67	70
71	304.56	132.34	380.69	165.42	465.30	202.19	71
72	327.89	140.29	409.87	175.36	500.94	214.34	72
73	374.11	163.97	467.65	204.96	571.57	250.50	73
74	420.19	187.36	525.25	234.21	641.97	286.24	74
75	466.27	210.88	582.85	263.60	712.37	322.18	75
76	512.35	235.73	640.45	294.66	782.77	360.13	76
77	558.58	260.38	698.22	325.49	853.39	397.81	77
78	637.04	277.07	796.30	346.34	973.26	423.30	78
79	715.63	311.23	894.54	389.04	1,093.33	475.50	79
80	801.01	348.13	1,001.26	435.15	1,223.76	531.86	80
81	891.06	387.38	1,113.82	484.22	1,361.34	591.84	81
82	984.90	428.05	1,231.12	535.06	1,504.69	653.97	82
83	1,082.78	470.85	1,353.47	588.56	1,654.24	719.34	83
84	1,185.09	515.42	1,481.36	644.27	1,810.54	787.44	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	38.66	16.86	48.34	21.07	59.07	25.76	16-39
40-54	58.59	25.54	73.23	31.92	89.50	39.02	40-54
55-59	81.55	35.55	101.94	44.45	124.59	54.32	55-59
60	108.59	47.34	135.74	59.18	165.90	72.34	60
61	117.81	51.10	147.26	63.89	179.98	78.08	61
62	126.85	55.06	158.56	68.82	193.79	84.11	62
63	140.26	60.86	175.31	76.06	214.27	92.98	63
64	153.55	66.90	191.94	83.62	234.59	102.21	64
65	166.98	72.69	208.72	90.85	255.10	111.04	65
66	180.50	78.51	225.62	98.14	275.74	119.95	66
67	193.90	84.30	242.38	105.38	296.26	128.78	67
68	215.42	93.66	269.28	117.07	329.12	143.09	68
69	237.02	103.06	296.27	128.82	362.11	157.46	69
70	258.54	112.40	323.17	140.51	394.99	171.73	70
71	280.19	121.76	350.24	152.19	428.06	186.02	71
72	301.66	129.07	377.07	161.33	460.88	197.18	72
73	344.18	150.85	430.22	188.56	525.84	230.46	73
74	386.58	172.37	483.22	215.47	590.61	263.34	74
75	428.98	194.00	536.21	242.51	655.38	296.40	75
76	471.36	216.86	589.20	271.09	720.14	331.33	76
77	513.89	239.55	642.37	299.44	785.12	365.98	77
78	586.08	254.90	732.61	318.62	895.41	389.44	78
79	658.38	286.34	822.98	357.92	1,005.86	437.46	79
80	736.93	320.27	921.15	400.34	1,125.86	489.31	80
81	819.78	356.40	1,024.72	445.49	1,252.43	544.50	81
82	906.10	393.81	1,132.62	492.26	1,384.32	601.65	82
83	996.16	433.18	1,245.20	541.47	1,521.90	661.79	83
84	1,090.27	474.18	1,362.85	592.74	1,665.70	724.45	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.02	14.40	41.30	18.00	50.46	22.02	16-39
40-54	50.05	21.82	62.58	27.28	76.48	33.34	40-54
55-59	69.68	30.38	87.09	37.97	106.45	46.42	55-59
60	92.77	40.45	115.97	50.56	141.74	61.79	60
61	100.66	43.66	125.81	54.58	153.78	66.70	61
62	108.37	47.04	135.46	58.80	165.57	71.87	62
63	119.82	52.00	149.78	64.99	183.06	79.44	63
64	131.18	57.15	163.98	71.44	200.42	87.31	64
65	142.66	62.10	178.32	77.62	217.95	94.86	65
66	154.21	67.07	192.75	83.84	235.58	102.48	66
67	165.66	72.02	207.09	90.03	253.10	110.03	67
68	184.05	80.02	230.06	100.02	281.18	122.24	68
69	202.50	88.05	253.12	110.06	309.38	134.51	69
70	220.88	96.03	276.10	120.05	337.46	146.72	70
71	239.38	104.02	299.23	130.03	365.71	158.93	71
72	257.73	110.27	322.16	137.84	393.74	168.46	72
73	294.05	128.88	367.57	161.09	449.25	196.90	73
74	330.27	147.26	412.83	184.08	504.58	224.99	74
75	366.50	165.74	458.11	207.18	559.92	253.23	75
76	402.70	185.28	503.39	231.60	615.25	283.06	76
77	439.04	204.66	548.80	255.82	670.77	312.69	77
78	500.72	217.78	625.90	272.22	764.99	332.70	78
79	562.50	244.62	703.10	305.79	859.36	373.74	79
80	629.58	273.62	786.99	342.03	961.87	418.03	80
81	700.37	304.48	875.46	380.59	1,070.02	465.17	81
82	774.13	336.45	967.65	420.56	1,182.69	514.02	82
83	851.06	370.08	1,063.82	462.61	1,300.24	565.41	83
84	931.47	405.12	1,164.34	506.38	1,423.09	618.93	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	80.54	40.30	100.68	50.38	123.06	61.56	16-39
40-54	122.06	61.04	152.56	76.30	186.48	93.26	40-54
55-59	169.90	84.98	212.38	106.23	259.58	129.83	55-59
60	215.50	108.14	269.38	135.18	329.24	165.23	60
61	225.74	113.33	282.16	141.66	344.86	173.14	61
62	236.54	118.83	295.66	148.54	361.38	181.54	62
63	252.30	126.10	315.36	157.63	385.46	192.64	63
64	268.14	134.18	335.18	167.74	409.68	205.00	64
65	284.64	142.28	355.80	177.84	434.86	217.36	65
66	301.23	150.98	376.53	188.74	460.20	230.68	66
67	318.48	159.34	398.10	199.16	486.56	243.43	67
68	346.20	173.23	432.74	216.53	528.93	264.64	68
69	374.70	187.38	468.36	234.23	572.46	286.28	69
70	403.34	201.56	504.16	251.96	616.20	307.96	70
71	432.08	215.86	540.10	269.84	660.14	329.80	71
72	461.06	226.88	576.33	283.60	704.40	346.63	72
73	526.04	258.24	657.56	322.80	803.68	394.54	73
74	590.84	287.18	738.56	358.98	902.68	438.74	74
75	655.64	314.30	819.54	392.88	1,001.66	480.20	75
76	720.44	341.38	900.54	426.74	1,100.66	521.56	76
77	785.44	366.14	981.80	457.68	1,199.98	559.38	77
78	895.76	389.60	1,119.70	486.98	1,368.53	595.20	78
79	1,006.28	437.64	1,257.84	547.04	1,537.36	668.63	79
80	1,126.33	489.50	1,407.90	611.88	1,720.76	747.86	80
81	1,252.94	544.70	1,566.18	680.88	1,914.23	832.20	81
82	1,384.88	601.88	1,731.10	752.36	2,115.78	919.56	82
83	1,522.53	662.06	1,903.14	827.58	2,326.08	1,011.50	83
84	1,666.38	724.74	2,082.98	905.93	2,545.86	1,107.24	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.54	22.93	65.66	28.64	80.26	35.00	16-39
40-54	79.60	34.70	99.50	43.38	121.63	53.03	40-54
55-59	110.80	48.33	138.53	60.40	169.30	73.83	55-59
60	147.54	64.33	184.43	80.40	225.43	98.28	60
61	160.08	69.44	200.08	86.80	244.56	106.08	61
62	172.34	74.80	215.43	93.53	263.30	114.30	62
63	190.56	82.68	238.20	103.36	291.13	126.33	63
64	208.63	90.90	260.78	113.63	318.74	138.86	64
65	226.88	98.76	283.60	123.44	346.63	150.88	65
66	245.24	106.68	306.54	133.34	374.66	162.98	66
67	263.46	114.54	329.33	143.18	402.53	174.98	67
68	292.70	127.26	365.86	159.06	447.18	194.43	68
69	322.04	140.03	402.56	175.04	492.00	213.93	69
70	351.28	152.73	439.10	190.90	536.66	233.34	70
71	380.70	165.43	475.86	206.78	581.63	252.74	71
72	409.86	175.36	512.34	219.20	626.18	267.93	72
73	467.64	204.96	584.56	256.20	714.46	313.13	73
74	525.24	234.20	656.56	292.76	802.46	357.80	74
75	582.84	263.60	728.56	329.50	890.46	402.73	75
76	640.44	294.66	800.56	368.33	978.46	450.16	76
77	698.23	325.48	872.78	406.86	1,066.74	497.26	77
78	796.30	346.34	995.38	432.93	1,216.58	529.13	78
79	894.54	389.04	1,118.18	486.30	1,366.66	594.38	79
80	1,001.26	435.16	1,251.58	543.94	1,529.70	664.83	80
81	1,113.83	484.23	1,392.28	605.28	1,701.68	739.80	81
82	1,231.13	535.06	1,538.90	668.83	1,880.86	817.46	82
83	1,353.48	588.56	1,691.84	735.70	2,067.80	899.18	83
84	1,481.36	644.28	1,851.70	805.34	2,263.18	984.30	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	48.33	21.08	60.43	26.34	73.84	32.20	16-39
40-54	73.24	31.93	91.54	39.90	111.88	48.78	40-54
55-59	101.94	44.44	127.43	55.56	155.74	67.90	55-59
60	135.74	59.18	169.68	73.98	207.38	90.43	60
61	147.26	63.88	184.08	79.86	224.98	97.60	61
62	158.56	68.83	198.20	86.03	242.24	105.14	62
63	175.33	76.08	219.14	95.08	267.84	116.23	63
64	191.94	83.63	239.93	104.53	293.24	127.76	64
65	208.73	90.86	260.90	113.56	318.88	138.80	65
66	225.63	98.14	282.03	122.68	344.68	149.94	66
67	242.38	105.38	302.98	131.73	370.33	160.98	67
68	269.28	117.08	336.60	146.34	411.40	178.86	68
69	296.28	128.83	370.34	161.03	452.64	196.83	69
70	323.18	140.50	403.96	175.64	493.74	214.66	70
71	350.24	152.20	437.80	190.24	535.08	232.53	71
72	377.08	161.34	471.34	201.66	576.10	246.48	72
73	430.23	188.56	537.78	235.70	657.30	288.08	73
74	483.23	215.46	604.03	269.34	738.26	329.18	74
75	536.23	242.50	670.26	303.14	819.23	370.50	75
76	589.20	271.08	736.50	338.86	900.18	414.16	76
77	642.36	299.44	802.96	374.30	981.40	457.48	77
78	732.60	318.63	915.76	398.28	1,119.26	486.80	78
79	822.98	357.93	1,028.73	447.40	1,257.33	546.83	79
80	921.16	400.34	1,151.44	500.43	1,407.33	611.64	80
81	1,024.73	445.50	1,280.90	556.86	1,565.54	680.63	81
82	1,132.63	492.26	1,415.78	615.33	1,730.40	752.06	82
83	1,245.20	541.48	1,556.50	676.84	1,902.38	827.24	83
84	1,362.84	592.73	1,703.56	740.93	2,082.13	905.56	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Ten-Year Pay

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	41.28	18.00	51.63	22.50	63.08	27.53	16-39
40-54	62.56	27.28	78.23	34.10	95.60	41.68	40-54
55-59	87.10	37.98	108.86	47.46	133.06	58.03	55-59
60	115.96	50.56	144.96	63.20	177.18	77.24	60
61	125.83	54.58	157.26	68.23	192.23	83.38	61
62	135.46	58.80	169.33	73.50	206.96	89.84	62
63	149.78	65.00	187.23	81.24	228.83	99.30	63
64	163.98	71.44	204.98	89.30	250.53	109.14	64
65	178.33	77.63	222.90	97.03	272.44	118.58	65
66	192.76	83.84	240.94	104.80	294.48	128.10	66
67	207.08	90.03	258.86	112.54	316.38	137.54	67
68	230.06	100.03	287.58	125.03	351.48	152.80	68
69	253.13	110.06	316.40	137.58	386.73	168.14	69
70	276.10	120.04	345.13	150.06	421.83	183.40	70
71	299.23	130.03	374.04	162.54	457.14	198.66	71
72	322.16	137.84	402.70	172.30	492.18	210.58	72
73	367.56	161.10	459.46	201.36	561.56	246.13	73
74	412.84	184.08	516.04	230.10	630.73	281.24	74
75	458.13	207.18	572.64	258.98	699.90	316.54	75
76	503.38	231.60	629.24	289.50	769.06	353.83	76
77	548.80	255.83	686.00	319.78	838.46	390.86	77
78	625.90	272.23	782.38	340.28	956.24	415.88	78
79	703.13	305.78	878.88	382.24	1,074.20	467.18	79
80	786.98	342.03	983.74	427.54	1,202.34	522.54	80
81	875.46	380.60	1,094.33	475.74	1,337.53	581.46	81
82	967.66	420.56	1,209.56	525.70	1,478.36	642.53	82
83	1,063.83	462.60	1,329.78	578.26	1,625.30	706.76	83
84	1,164.34	506.40	1,455.43	632.98	1,778.86	773.66	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	52.16	26.08	65.20	32.59	79.70	39.84	16-39
40-54	79.02	39.54	98.78	49.41	120.74	60.40	40-54
55	135.92	67.98	169.90	84.98	207.66	103.86	55
56	157.76	78.90	197.20	98.62	241.01	120.54	56
57-59	179.74	89.90	224.69	112.38	274.61	137.36	57-59
60	306.27	153.71	382.83	192.14	467.90	234.83	60
61	339.63	170.51	424.53	213.14	518.88	260.51	61
62	352.37	176.70	440.46	220.88	538.34	269.97	62
63	383.39	192.03	479.23	240.05	585.73	293.39	63
64	410.86	205.60	513.58	256.99	627.71	314.11	64
65	431.63	215.74	539.54	269.68	659.42	329.60	65
66	452.35	226.75	565.44	283.46	691.09	346.43	66
67	474.50	237.41	593.12	296.75	724.93	362.70	67
68	508.93	254.62	636.16	318.29	777.52	389.01	68
69	544.51	272.29	680.64	340.37	831.90	416.00	69
70	580.56	290.16	725.70	362.69	886.96	443.30	70
71	616.83	308.14	771.04	385.18	942.38	470.78	71
72	653.76	321.97	817.20	402.46	998.80	491.90	72
73	748.42	361.47	935.52	451.84	1,143.41	552.26	73
74	836.93	396.67	1,046.14	495.84	1,278.62	606.02	74
75	920.86	428.56	1,151.09	535.71	1,406.88	654.75	75
76	1,005.39	459.68	1,256.74	574.61	1,536.00	702.30	76
77	1,083.66	487.06	1,354.58	608.82	1,655.58	744.11	77
78	1,158.58	512.13	1,448.22	640.14	1,770.05	782.40	78
79	1,231.68	535.74	1,539.62	669.68	1,881.74	818.50	79
80	1,379.49	600.03	1,724.37	750.05	2,107.57	916.72	80
81	1,533.44	666.99	1,916.82	833.74	2,342.77	1,019.01	81
82	1,694.80	737.18	2,118.50	921.47	2,589.28	1,126.24	82
83	1,863.57	810.56	2,329.46	1,013.20	2,847.10	1,238.37	83
84	2,039.66	887.17	2,549.58	1,108.98	3,116.16	1,355.41	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	34.02	14.83	42.53	18.53	51.97	22.66	16-39
40-54	51.54	22.48	64.43	28.10	78.74	34.34	40-54
55	88.64	38.66	110.82	48.32	135.44	59.06	55
56	102.88	44.86	128.61	56.08	157.18	68.53	56
57-59	117.23	51.12	146.53	63.89	179.10	78.10	57-59
60	209.68	91.42	262.11	114.27	320.35	139.68	60
61	240.83	104.48	301.04	130.59	367.95	159.62	61
62	256.74	111.25	320.91	139.06	392.24	169.97	62
63	289.57	125.92	361.95	157.41	442.40	192.38	63
64	319.66	139.26	399.58	174.08	488.38	212.77	64
65	344.03	149.74	430.05	187.18	525.60	228.78	65
66	368.27	160.21	460.34	200.26	562.64	244.77	66
67	392.53	170.66	490.67	213.33	599.70	260.72	67
68	430.27	187.06	537.84	233.82	657.36	285.79	68
69	468.00	203.47	585.01	254.35	715.01	310.86	69
70	505.63	219.84	632.03	274.82	772.48	335.87	70
71	543.47	236.14	679.33	295.18	830.30	360.78	71
72	581.17	248.85	726.46	311.07	887.90	380.19	72
73	665.31	286.88	831.65	358.61	1,016.45	438.29	73
74	744.00	323.49	930.00	404.37	1,136.66	494.22	74
75	818.62	359.41	1,023.28	449.26	1,250.67	549.10	75
76	893.76	396.77	1,117.20	495.95	1,365.46	606.16	76
77	963.34	432.98	1,204.18	541.23	1,471.76	661.50	77
78	1,029.94	455.26	1,287.42	569.07	1,573.50	695.54	78
79	1,094.93	476.26	1,368.66	595.33	1,672.82	727.62	79
80	1,226.32	533.41	1,532.91	666.77	1,873.55	814.93	80
81	1,363.18	592.93	1,703.98	741.17	2,082.64	905.87	81
82	1,506.62	655.33	1,883.28	819.15	2,301.78	1,001.20	82
83	1,656.64	720.56	2,070.80	900.70	2,530.99	1,100.86	83
84	1,813.20	788.67	2,266.50	985.84	2,770.18	1,204.91	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	31.30	13.65	39.12	17.06	47.81	20.83	16-39
40-54	47.42	20.67	59.26	25.84	72.45	31.58	40-54
55	81.55	35.55	101.94	44.45	124.59	54.32	55
56	94.66	41.26	118.32	51.58	144.61	63.06	56
57-59	107.86	47.02	134.82	58.78	164.77	71.84	57-59
60	192.91	84.11	241.14	105.14	294.72	128.50	60
61	221.57	96.11	276.96	120.14	338.51	146.85	61
62	236.19	102.35	295.25	127.94	360.85	156.37	62
63	266.40	115.86	333.01	144.82	407.01	176.99	63
64	294.10	128.13	367.62	160.16	449.31	195.74	64
65	316.51	137.78	395.63	172.21	483.55	210.48	65
66	338.82	147.39	423.52	184.24	517.63	225.18	66
67	361.14	157.01	451.41	196.26	551.73	239.87	67
68	395.86	172.10	494.82	215.12	604.77	262.93	68
69	430.56	187.20	538.21	234.00	657.81	286.00	69
70	465.17	202.26	581.47	252.83	710.69	309.01	70
71	499.98	217.26	624.99	271.57	763.87	331.92	71
72	534.67	228.94	668.35	286.18	816.86	349.78	72
73	612.10	263.94	765.10	329.92	935.14	403.23	73
74	684.48	297.62	855.60	372.02	1,045.73	454.69	74
75	753.14	330.66	941.42	413.33	1,150.62	505.17	75
76	822.26	365.02	1,027.82	456.27	1,256.22	557.66	76
77	886.27	398.34	1,107.84	497.92	1,354.02	608.58	77
78	947.54	418.83	1,184.43	523.55	1,447.63	639.89	78
79	1,007.33	438.16	1,259.17	547.70	1,538.99	669.41	79
80	1,128.22	490.74	1,410.27	613.42	1,723.66	749.74	80
81	1,254.13	545.50	1,567.66	681.87	1,916.03	833.41	81
82	1,386.10	602.90	1,732.61	753.63	2,117.63	921.10	82
83	1,524.11	662.91	1,905.14	828.66	2,328.51	1,012.80	83
84	1,668.14	725.58	2,085.18	906.98	2,548.56	1,108.53	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Current Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	26.74	11.65	33.42	14.56	40.85	17.81	16-39
40-54	40.51	17.66	50.64	22.08	61.89	26.99	40-54
55	69.68	30.38	87.09	37.97	106.45	46.42	55
56	80.86	35.26	101.09	44.08	123.55	53.87	56
57-59	92.14	40.18	115.18	50.22	140.77	61.38	57-59
60	164.82	71.86	206.02	89.82	251.79	109.78	60
61	189.30	82.11	236.62	102.64	289.20	125.46	61
62	201.79	87.44	252.24	109.30	308.29	133.58	62
63	227.60	98.98	284.50	123.73	347.73	151.22	63
64	251.26	109.46	314.08	136.83	383.87	167.23	64
65	270.42	117.70	338.02	147.12	413.12	179.82	65
66	289.46	125.92	361.82	157.41	442.24	192.38	66
67	308.53	134.14	385.66	167.66	471.36	204.93	67
68	338.19	147.02	422.74	183.79	516.69	224.62	68
69	367.86	159.94	459.81	199.92	561.98	244.34	69
70	397.42	172.80	496.77	216.00	607.17	264.00	70
71	427.17	185.62	533.95	232.02	652.61	283.57	71
72	456.80	195.60	571.01	244.50	697.89	298.83	72
73	522.94	225.49	653.66	281.86	798.93	344.50	73
74	584.78	254.27	730.98	317.82	893.41	388.46	74
75	643.44	282.50	804.30	353.12	983.02	431.60	75
76	702.50	311.86	878.11	389.82	1,073.25	476.45	76
77	757.18	340.32	946.48	425.41	1,156.80	519.94	77
78	809.54	357.84	1,011.90	447.30	1,236.78	546.69	78
79	860.61	374.34	1,075.78	467.92	1,314.83	571.90	79
80	963.89	419.26	1,204.86	524.08	1,472.61	640.53	80
81	1,071.46	466.05	1,339.33	582.56	1,636.96	712.03	81
82	1,184.19	515.09	1,480.26	643.87	1,809.20	786.94	82
83	1,302.11	566.37	1,627.65	707.97	1,989.34	865.28	83
84	1,425.17	619.90	1,781.47	774.88	2,177.34	947.07	84

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

Lifetime Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	65.20	32.60	81.50	40.74	99.63	49.80	16-39
40-54	98.78	49.43	123.48	61.76	150.93	75.50	40-54
55	169.90	84.98	212.38	106.23	259.58	129.83	55
56	197.20	98.63	246.50	123.28	301.26	150.68	56
57-59	224.68	112.38	280.86	140.48	343.26	171.70	57-59
60	382.84	192.14	478.54	240.18	584.88	293.54	60
61	424.54	213.14	530.66	266.43	648.60	325.64	61
62	440.46	220.88	550.58	276.10	672.93	337.46	62
63	479.24	240.04	599.04	300.06	732.16	366.74	63
64	513.58	257.00	641.98	321.24	784.64	392.64	64
65	539.54	269.68	674.43	337.10	824.28	412.00	65
66	565.44	283.44	706.80	354.33	863.86	433.04	66
67	593.13	296.76	741.40	370.94	906.16	453.38	67
68	636.16	318.28	795.20	397.86	971.90	486.26	68
69	680.64	340.36	850.80	425.46	1,039.88	520.00	69
70	725.70	362.70	907.13	453.36	1,108.70	554.13	70
71	771.04	385.18	963.80	481.48	1,177.98	588.48	71
72	817.20	402.46	1,021.50	503.08	1,248.50	614.88	72
73	935.53	451.84	1,169.40	564.80	1,429.26	690.33	73
74	1,046.16	495.84	1,307.68	619.80	1,598.28	757.53	74
75	1,151.08	535.70	1,438.86	669.64	1,758.60	818.44	75
76	1,256.74	574.60	1,570.93	718.26	1,920.00	877.88	76
77	1,354.58	608.83	1,693.23	761.03	2,069.48	930.14	77
78	1,448.23	640.16	1,810.28	800.18	2,212.56	978.00	78
79	1,539.60	669.68	1,924.53	837.10	2,352.18	1,023.13	79
80	1,724.36	750.04	2,155.46	937.56	2,634.46	1,145.90	80
81	1,916.80	833.74	2,396.03	1,042.18	2,928.46	1,273.76	81
82	2,118.50	921.48	2,648.13	1,151.84	3,236.60	1,407.80	82
83	2,329.46	1,013.20	2,911.83	1,266.50	3,558.88	1,547.96	83
84	2,549.58	1,108.96	3,186.98	1,386.23	3,895.20	1,694.26	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

4 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	42.53	18.54	53.16	23.16	64.96	28.33	16-39
40-54	64.43	28.10	80.54	35.13	98.43	42.93	40-54
55	110.80	48.33	138.53	60.40	169.30	73.83	55
56	128.60	56.08	160.76	70.10	196.48	85.66	56
57-59	146.54	63.90	183.16	79.86	223.88	97.63	57-59
60	262.10	114.28	327.64	142.84	400.44	174.60	60
61	301.04	130.60	376.30	163.24	459.94	199.53	61
62	320.93	139.06	401.14	173.83	490.30	212.46	62
63	361.96	157.40	452.44	196.76	553.00	240.48	63
64	399.58	174.08	499.48	217.60	610.48	265.96	64
65	430.04	187.18	537.56	233.98	657.00	285.98	65
66	460.34	200.26	575.43	250.33	703.30	305.96	66
67	490.66	213.33	613.34	266.66	749.63	325.90	67
68	537.84	233.83	672.30	292.28	821.70	357.24	68
69	585.00	254.34	731.26	317.94	893.76	388.58	69
70	632.04	274.80	790.04	343.53	965.60	419.84	70
71	679.34	295.18	849.16	368.98	1,037.88	450.98	71
72	726.46	311.06	908.08	388.84	1,109.88	475.24	72
73	831.64	358.60	1,039.56	448.26	1,270.56	547.86	73
74	930.00	404.36	1,162.50	505.46	1,420.83	617.78	74
75	1,023.28	449.26	1,279.10	561.58	1,563.34	686.38	75
76	1,117.20	495.96	1,396.50	619.94	1,706.83	757.70	76
77	1,204.18	541.23	1,505.23	676.54	1,839.70	826.88	77
78	1,287.43	569.08	1,609.28	711.34	1,966.88	869.43	78
79	1,368.66	595.33	1,710.83	744.16	2,091.03	909.53	79
80	1,532.90	666.76	1,916.14	833.46	2,341.94	1,018.66	80
81	1,703.98	741.16	2,129.98	926.46	2,603.30	1,132.34	81
82	1,883.28	819.16	2,354.10	1,023.94	2,877.23	1,251.50	82
83	2,070.80	900.70	2,588.50	1,125.88	3,163.74	1,376.08	83
84	2,266.50	985.84	2,833.13	1,232.30	3,462.73	1,506.14	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

3 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	39.13	17.06	48.90	21.33	59.76	26.04	16-39
40-54	59.28	25.84	74.08	32.30	90.56	39.48	40-54
55	101.94	44.44	127.43	55.56	155.74	67.90	55
56	118.33	51.58	147.90	64.48	180.76	78.83	56
57-59	134.83	58.78	168.53	73.48	205.96	89.80	57-59
60	241.14	105.14	301.43	131.43	368.40	160.63	60
61	276.96	120.14	346.20	150.18	423.14	183.56	61
62	295.24	127.94	369.06	159.93	451.06	195.46	62
63	333.00	144.83	416.26	181.03	508.76	221.24	63
64	367.63	160.16	459.53	200.20	561.64	244.68	64
65	395.64	172.23	494.54	215.26	604.44	263.10	65
66	423.53	184.24	529.40	230.30	647.04	281.48	66
67	451.43	196.26	564.26	245.33	689.66	299.84	67
68	494.83	215.13	618.53	268.90	755.96	328.66	68
69	538.20	234.00	672.76	292.50	822.26	357.50	69
70	581.46	252.83	726.84	316.04	888.36	386.26	70
71	624.98	271.58	781.24	339.46	954.84	414.90	71
72	668.34	286.18	835.44	357.73	1,021.08	437.23	72
73	765.13	329.93	956.38	412.40	1,168.93	504.04	73
74	855.60	372.03	1,069.50	465.03	1,307.16	568.36	74
75	941.43	413.33	1,176.78	516.66	1,438.28	631.46	75
76	1,027.83	456.28	1,284.78	570.34	1,570.28	697.08	76
77	1,107.84	497.93	1,384.80	622.40	1,692.53	760.73	77
78	1,184.43	523.54	1,480.54	654.44	1,809.54	799.86	78
79	1,259.16	547.70	1,573.96	684.63	1,923.74	836.76	79
80	1,410.28	613.43	1,762.84	766.78	2,154.58	937.18	80
81	1,567.66	681.88	1,959.58	852.34	2,395.04	1,041.76	81
82	1,732.63	753.63	2,165.76	942.04	2,647.04	1,151.38	82
83	1,905.14	828.64	2,381.43	1,035.83	2,910.64	1,266.00	83
84	2,085.18	906.98	2,606.48	1,133.73	3,185.70	1,385.66	84

NOTE: Rates for ages 80-84 are available for insureds with Guaranteed Purchase Option rider. This benefit period was issued through age 79 only.

Exhibit II

Kanawha Insurance Company

Forms 80650 1/97, 80880 1/98 and Riders

Long Term Nursing Home Care, Five-Year Pay or To Age 65(whichever is longer)

Annual Premiums for $10.00 per day

Proposed Rates

2 Year Benefit Period

0 DAY ELIMINATION

	PREFERRED		STANDARD		SELECT		
AGE	NH	HHC	NH	HHC	NH	HHC	AGE
16-39	33.43	14.56	41.78	18.20	51.06	22.26	16-39
40-54	50.64	22.08	63.30	27.60	77.36	33.74	40-54
55	87.10	37.98	108.86	47.46	133.06	58.03	55
56	101.08	44.08	126.36	55.10	154.44	67.34	56
57-59	115.18	50.23	143.98	62.78	175.96	76.73	57-59
60	206.03	89.83	257.53	112.28	314.74	137.23	60
61	236.63	102.64	295.78	128.30	361.50	156.83	61
62	252.24	109.30	315.30	136.63	385.36	166.98	62
63	284.50	123.73	355.63	154.66	434.66	189.03	63
64	314.08	136.83	392.60	171.04	479.84	209.04	64
65	338.03	147.13	422.53	183.90	516.40	224.78	65
66	361.83	157.40	452.28	196.76	552.80	240.48	66
67	385.66	167.68	482.08	209.58	589.20	256.16	67
68	422.74	183.78	528.43	229.74	645.86	280.78	68
69	459.83	199.93	574.76	249.90	702.48	305.43	69
70	496.78	216.00	620.96	270.00	758.96	330.00	70
71	533.96	232.03	667.44	290.03	815.76	354.46	71
72	571.00	244.50	713.76	305.63	872.36	373.54	72
73	653.68	281.86	817.08	352.33	998.66	430.63	73
74	730.98	317.84	913.73	397.28	1,116.76	485.58	74
75	804.30	353.13	1,005.38	441.40	1,228.78	539.50	75
76	878.13	389.83	1,097.64	487.28	1,341.56	595.56	76
77	946.48	425.40	1,183.10	531.76	1,446.00	649.93	77
78	1,011.93	447.30	1,264.88	559.13	1,545.98	683.36	78
79	1,075.76	467.93	1,344.73	584.90	1,643.54	714.88	79
80	1,204.86	524.08	1,506.08	655.10	1,840.76	800.66	80
81	1,339.33	582.56	1,674.16	728.20	2,046.20	890.04	81
82	1,480.24	643.86	1,850.33	804.84	2,261.50	983.68	82
83	1,627.64	707.96	2,034.56	884.96	2,486.68	1,081.60	83
84	1,781.46	774.88	2,226.84	968.60	2,721.68	1,183.84	84

Exhibit II
Kanawha Insurance Company
Forms 80650 1/97, 80880 1/98 and Riders
Current Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
				Monthly Direct	0.092

80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
40-54	0.453	72	0.208
55-59	0.346	73	0.191
60	0.313	74	0.179
61	0.286	75	0.169
62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	0.661
55-59	0.665
60	0.662
61	0.657
62	0.655
63	0.622
64	0.599
65	0.578
66	0.563
67	0.550
68	0.518
69	0.494
70	0.475
71	0.459
72	0.446
73	0.400
74	0.367
75	0.342
76	0.321
77	0.305
78	0.292
79	0.281
80	0.271
81	0.263
82	0.256
83	0.249
84	0.244

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

Exhibit II
Kanawha Insurance Company
Forms 80650 1/97, 80880 1/98 and Riders
Proposed Factor Tables

Elimination Period:		Discount Factors:		Mode Factors:	
0 Day	1.000	Marital	0.90	Annual	1.000
30 Day	0.871	Association(5%)	0.95	Semi Annual	0.510
60 Day(Georgia Only)	0.826	Association/Employer(10%)	0.90	Quarterly	0.260
90 Day	0.780			Monthly Bank Draft (PAC)	0.086
				List Bill	0.086
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80710 - Survivorship Rider Factors: (By Age)

Issue Age	Factor	Issue Age	Factor
16-39	0.663	71	0.209
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60	0.313	74	0.179
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62	0.265	76	0.162
63	0.249	77	0.156
64	0.237	78	0.151
65	0.228	79	0.146
66	0.220	80	0.143
67	0.214	81	0.140
68	0.212	82	0.137
69	0.211	83	0.135
70	0.210	84	0.133

80680 or 93072 - Inflation Rider Factors: (By Age)

Issue Age	Factor
16-54	1.525
55-59	1.531
60	1.526
61	1.519
62	1.516
63	1.465
64	1.430
65	1.399
66	1.376
67	1.356
68	1.307
69	1.271
70	1.242
71	1.218
72	1.198
73	1.128
74	1.078
75	1.040
76	1.008
77	0.984
78	0.964
79	0.947
80	0.932
81	0.920
82	0.909
83	0.898
84	0.891

93000 - Nonforfeiture Factors (By Age)

Issue Age	Lifetime	Ten Year	Five Year or to Age 65
16-55	0.220	0.220	0.220
56-59	0.220	0.220	0.146
60-64	0.191	0.191	0.067
65-69	0.164	0.145	0.043
70-74	0.150	0.129	0.031
75-84	0.107	0.099	0.020

90170 or 93087 - Guaranteed Purchase Option Rider (GPO) 0.050

90175 or 93102 - Return of Premium Rider 0.327

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7 AM – 7 PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Adjustment
Long Term Care Insurance Policy #: POLICY NUMBER

Dear Policyholder:

We are contacting you to provide you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Your policy provides valuable coverage for nursing home confinements and other covered services. Your policy is guaranteed renewable. Kanawha cannot cancel your policy regardless of your age, health, or claims history.

Through recent analysis of our business, we have determined there is a need to increase premium rate levels to reflect the future claims expected on your class of policy.

Your rates cannot be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders within your state with a policy similar to yours. Please note that this premium increase complies with all regulatory requirements. No individuals have been singled out for an increase, nor is the increase due to a policyholder's age or changing health.

Your New Premium

Based on your policy, your premium will increase from $X1 to $X2 which will be effective on MM/DD/YYYY. Your premium rate has increased by 90% to compensate for an increase in costs for this policy class.

We are offering various options to help policyholders keep their premium at or close to its current level to help minimize the effect of these premium increases.

Options Available to You

We understand that budgeting for an increased premium can be difficult. There may be options available to help you offset this increase. Your first option is to maintain the full coverage of your current policy by paying your new premium. Other options reduce future premiums in return for decreased future benefits.

Option	Option Description	Your New Premium	Can Premiums increase in the Future?	Benefits	Future Guaranteed Benefit Inflation
1	Maintain full coverage of your current policy.	$X2	Yes	Benefits continue to grow 5% per annum.	5%
2	Convert the Policy to paid-up long term care insurance.	$0	No more premiums are ever due.	Please call Customer Service for an exact calculation. Please see the Non-forfeiture Limit Calculation section for a description of this option.	0%
3	Keep your current premium by agreeing to stop any future increases in benefits from your inflation rider.	$X1	Yes	Benefits stay at current levels. For example, your daily nursing care benefit has increased from $100.00 per day to $201.00 per day and would stay at $201.00.	0%
4	You can choose to reduce Policy Benefits without additional underwriting so that required Premiums do not increase.	Please call customer service for an exact reduced premium quote.	Yes	Daily Benefits are reduced. Future guaranteed inflation of benefits continues.	5%
5	Reduce your Policy Benefit Period and/or increase your Elimination Period.	Please call customer service for an exact reduced premium quote.	Yes	Reducing the Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you. Future guaranteed inflation of benefits continues.	5%

Please call Customer Service at 1-800-260-2162 for more information on any of the options.

You may elect one of the Options provided above within 120 days after a Premium Increase occurs. If you do not elect any of the Options offered above, and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a paid-up status in accordance with Option 2.
If you purchased a non-forfeiture option, you may elect to exercise that option.

Nonforfeiture Limit Calculation

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

Limitations

Benefits available under Option 2 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs, Benefits of Option 2 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Option 2 is effective through your election or by lapse of the policy.

Electronic Payment Methods

If you have authorized payment via monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the above date. If your payment is via a third party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your policy, you do not need to pay the higher premium. We are notifying you of this increase at this time in the event that your premium becomes payable in the future if you are no longer on claim.

Customer Service

Please contact our Customer Service Department toll free at 1-800-260-2162 to discuss the options available to you or any other matters relating to your policy.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Month-Day, Year

Customer Service:
Phone:800-260-2162
Fax: 866-582-6336
M-F: 7 AM - 7 PM CT

Insured Name and
Address

Re: Notice of Long Term Care Insurance Premium Adjustment
LONG TERM CARE INSURANCE POLICY #: XXX
Insured: Name

Dear Policyholder:

We are contacting you to provide you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Your policy provides valuable coverage for nursing home confinements and other covered services. Your policy is guaranteed renewable. Kanawha cannot cancel your policy regardless of your age, health, or claims history.

Through recent analysis of our business, we have determined there is a need to increase premium rate levels to reflect the future claims expected on your class of policy.

Your rates cannot be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders within your state with a policy similar to yours. Please note that this premium increase complies with all regulatory requirements. No individuals have been singled out for an increase, nor is the increase due to a policyholder's age or changing health.

Your New Premium

Based on your policy, your premium will increase from $X1 to $X2 which will be effective on MM/DD/YYYY. Your premium rate has increased by 25% to compensate for an increase in costs for this policy class.

We are offering various options to help policyholders keep their premium at or close to its current level to help minimize the effect of these premium increases.

Options Available to You

We understand that budgeting for an increased premium can be difficult. There may be options available to help you offset this increase. Your first option is to maintain the full coverage of your current policy by paying your new premium. Other options reduce future premiums in return for decreased future benefits.

Option	Option Description	Your New Premium	Can Premiums increase in the Future?	Benefits	Future Guaranteed Benefit Inflation
1	Maintain full coverage of your current policy.	$X2	Yes	Benefits continue to grow 5% per annum.	5%
2	Convert the Policy to paid-up long term care insurance.	$0	No more premiums are ever due.	Please call Customer Service for an exact calculation. Please see the Non-forfeiture Limit Calculation section for a description of this option.	0%
3	You can choose to reduce Policy Benefits without additional underwriting so that required Premiums do not increase.	Please call customer service for an exact reduced premium quote.	Yes	Daily Benefits are reduced. Future guaranteed inflation of benefits continues.	5%
4	Reduce your Policy Benefit Period and/or increase your Elimination Period.	Please call customer service for an exact reduced premium quote.	Yes	Reducing the Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you. Future guaranteed inflation of benefits continues.	5%

Please call Customer Service at 1-800-260-2162 for more information on any of the options.

You may elect one of the Options provided above within 120 days after a Premium Increase occurs. If you do not elect any of the Options offered above, and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a paid-up status in accordance with Option 2.
If you purchased a non-forfeiture option, you may elect to exercise that option.

Nonforfeiture Limit Calculation

The dollar maximum limit of Benefits available under Option 2 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

Limitations

Benefits available under Option 2 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs, Benefits of Option 2 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 2. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Option 2 is effective through your election or by lapse of the policy.

Electronic Payment Methods

If you have authorized payment via monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the above date. If your payment is via a third party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

Policyholders Already on Claim

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your policy, you do not need to pay the higher premium. We are notifying you of this increase at this time in the event that your premium becomes payable in the future if you are no longer on claim.

Customer Service

Please contact our Customer Service Department toll free at 1-800-260-2162 to discuss the options available to you or any other matters relating to your policy.

Sincerely,

Policy Administration

Kanawha Insurance Company
210 South White Street
Lancaster, SC 29720

NAIC No: 65110

Actuarial Memorandum
October 23, 2014

Product	Number
Comprehensive Long-Term Care (Tax Qualified)	80650 1/97 VA
Comprehensive Long-Term Care (Non-Tax Qualified)	80880 NTQ 1/98 VA

These forms were issued in Virginia by Kanawha Insurance Company (Kanawha) from 1997 through 2003. The above forms are no longer marketed in any state.

1. Purpose of Filing

This actuarial memorandum has been prepared for the purpose of supporting a rate increase request on Kanawha's existing long-term care policies. This request for a rate increase is being filed in accordance with the minimum loss ratio requirements. This memorandum may not be suitable for other purposes.

2. Description of Benefits

This is an individually underwritten policy that provides long-term care coverage. This form may also include a survivorship benefit that provides for premiums to become paid up upon the tenth anniversary of the policy if: (1) both the policyholder and the spouse are covered by long-term care policies issued by Kanawha, (2) the spouse dies, and (3) both policies are in-force at the time of the spouse's death.

Forms 80650 1/97 VA (tax qualified [TQ], "LTC2") and 80880 NTQ 1/98 VA (non-tax qualified [NTQ], "NTQ2") provide long-term care benefits for periods of 2, 3, 4 years, or for lifetime. Optional coverage is available with the election of several riders. Riders 80660 1/97 (TQ) and 80900 NTQ 1/98 (NTQ) provide home health care benefits. Riders 80680 1/97 (TQ) and 93072 NTQ 1/98 (NTQ) provide 5% compound inflation protection. Additional applicable riders for this product include, but are not limited to, guaranteed future benefits option increase, return of premium, and nonforfeiture.

All of the above forms are no longer issued. Policies with the guaranteed future benefits option increase still have a limited option to purchase additional coverage.

3. Renewability

These policies are guaranteed renewable for life.

4. Applicability

The proposed rate increase will apply to all existing premium paying policies issued on one of the form numbers listed above. Paid up policies will not be affected by the rate increase as no additional premiums can be collected from such policies. The rate increase will apply to the base forms as well as all applicable options and riders.

5. Actuarial Assumptions

a. Morbidity

Incidence and termination rates used to project incurred claims in the Exhibits in this filing were developed using Milliman's 2011 Long-Term Care guidelines. These assumptions vary by age, product type, care setting, benefit period, elimination period, marital status, and inflation protection option. Utilization rates are projected as a scalar based on historical experience.

Adjustments to the morbidity assumptions were made to reflect Kanawha's actual historical experience and underwriting selection. The following sample of claim costs are applied to in-force insureds with comprehensive coverage, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit, issued at age 52:

Attained Age	No Inflation
52	4.77
57	8.48
62	20.50
67	34.68
72	73.47
77	176.48
82	371.66
87	731.97
92	978.48

Original Pricing Assumption for Morbidity

When these policy forms were originally priced, claim costs were developed using the Society of Actuary's first Long-Term Care Study Intercompany Study, published in 1993. That study consisted primarily of the nursing home claims experience of ten LTC carriers, representing policyholder exposure between 1984 and 1991. The company adjusted claim costs to reflect underwriting selection, home health care benefits, spousal coverage, and the election of riders and GPOs.

Below are examples of annual claim costs by attained age developed at the time of original pricing for these policy forms, for $10 of daily benefit, a 0 day elimination period, and a 4 year lifetime maximum benefit with no inflation protection.

Attained Age	No Inflation
52	3.38
57	8.78
62	18.01
67	43.13
72	102.41
77	245.73
82	331.15
87	408.96
92	455.65

The company monitors the entire block of LTC policies regularly and has requested remedial rate increases as it has become apparent that premiums are not sufficient to cover anticipated future claims. The last rate increase approved in Virginia was implemented in 2010, and that filing reflected exposure through 2008. Since that time, the count of claims incurred across Humana's LTC blocks has increased by 80%, representing a 118% increase in claim amounts. These data continue to indicate that the original pricing morbidity assumptions have contributed to the need for remediation. This is consistent with the comparison between the original pricing claim costs above and the latest, best estimate claim costs.

The best estimate assumptions were developed reflecting claims through 2012. The following tables demonstrate how the latest best estimate assumptions compare to actual experience through December 31, 2012 for all of Humana's LTC products.

Incidence Rates Modeled vs. Actual

Product Type	NH	HHC
Tax Qualified	99.6%	99.8%
Non-Tax Qualified	100.3%	99.8%

Modeled claim termination rates were adjusted with a scalar factor, by type of care setting and duration, to reach an overall actual-to-expected model result of 100%.

Continuance Rates Modeled vs. Actual

	NH	HHC
All durations	100%	100%

b. Lapse

Lapse rates are developed from actual historical experience. A total decrement rate is calculated and mortality is subtracted based on the above assumption such that mortality and lapse combine to equal the historical experience.

The voluntary lapse rates for this product are:

Compound Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	3.13%	3.13%	3.13%	3.13%	3.13%	1.00%	1.00%	1.00%	0.50%
2	2.50%	2.50%	2.50%	2.50%	2.50%	1.00%	1.00%	1.00%	0.50%
3	2.38%	2.38%	2.38%	2.38%	2.38%	1.00%	1.00%	1.00%	0.50%
4	1.88%	1.88%	1.88%	1.88%	1.88%	1.00%	1.00%	1.00%	0.50%
5	1.56%	1.56%	1.56%	1.56%	1.56%	1.00%	1.00%	1.00%	0.50%
6+	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%

No Inflation

	Issue Age								
Duration	37	42	47	52	57	62	67	72	77
1	6.25%	6.25%	6.25%	6.25%	6.25%	2.00%	2.00%	2.00%	1.00%
2	5.00%	5.00%	5.00%	5.00%	5.00%	2.00%	2.00%	2.00%	1.00%
3	4.75%	4.75%	4.75%	4.75%	4.75%	2.00%	2.00%	2.00%	1.00%
4	3.75%	3.75%	3.75%	3.75%	3.75%	2.00%	2.00%	2.00%	1.00%
5	3.13%	3.13%	3.13%	3.13%	3.13%	2.00%	2.00%	2.00%	1.00%
6+	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	1.00%

Original Pricing Assumption for Lapse

When these policy forms were originally priced, lapse rates were deemed appropriate based on industry experience for similar companies with similar products. The following tables show the original pricing lapse assumption:

	Issue Ages				
Duration	40-59	60-64	65-69	70-74	75+
1	25.0%	20.0%	12.0%	10.0%	8.0%
2	16.0%	13.0%	8.0%	5.0%	4.0%
3	11.0%	8.0%	5.0%	5.0%	4.0%
4	9.0%	6.0%	5.0%	5.0%	4.0%
5+					
< AA 65	7.0%	6.0%	5.0%	5.0%	4.0%
AA 65+	6.5%	6.0%	5.0%	5.0%	4.0%

Reports on industry data issued around the time of original pricing, such as the SOA's Long-Term Care Intercompany Study in 1993, are consistent with these assumptions. Reported lapses during the exposure period in those studies were far greater than those which have emerged in recent years. Since the time of initial pricing, lapse rates have declined

significantly industry-wide. The latest best estimate lapse assumptions reflect this reduction in overall lapse rates and late duration lapse rates in particular.

These long-term care policies were priced assuming that premiums earned in early durations would fund claims incurred in later durations. The premium rates originally established were supported by the assumption of voluntary lapses, which reduced expected claims in later years. With this block of business, as with similar blocks industry-wide, these lower lapse rates have had a significant, unfavorable impact on the financial health of these blocks. Lower than anticipated lapse rates are the primary driver of the need for remediation on this block of business.

c. Mortality

Mortality is assumed to be 100% of the 2012 Annuity Basic ANB Male and Female Table.

Original Pricing Assumption for Mortality

This product was originally priced assuming 90% of 1975-80 Select and Ultimate Age Last Birthday, weighted 1/3 Male and 2/3 Female.

The following table compares Male and Female ultimate mortality rates between original pricing mortality and current best estimate assumptions.

Mortality Rates Per Thousand

	Male			Female		
Age	Pricing	Current	Current/Pricing	Pricing	Current	Current/Pricing
62	0.0138	0.0069	0.497	0.0081	0.0049	0.603
67	0.0224	0.0101	0.451	0.0121	0.0078	0.645
72	0.0358	0.0152	0.424	0.0190	0.0120	0.633
77	0.0566	0.0262	0.462	0.0332	0.0195	0.587
82	0.0884	0.0470	0.531	0.0591	0.0361	0.611
87	0.1349	0.0848	0.629	0.0974	0.0702	0.721
92	0.1964	0.1524	0.776	0.1480	0.1192	0.805
97	0.2675	0.2386	0.892	0.2110	0.1997	0.946

Overall terminations on these policies are significantly lower than was anticipated at the time of original pricing. As an example, we originally projected that 15% of those policies issued at age 60 would still be in-force after 20 years. Our current best estimate model projects that over three times that number, or 55%, of those same policies would remain in-force after 20 years.

d. Expenses

Expenses have not been explicitly projected. Originally filed expense assumptions are assumed to remain appropriate. Reductions are made to the renewal commission rates so that the total commissions paid before and after any increase in premium will be similar (i.e., commissions will not be paid on the increased premium).

The above assumptions are based on the experience of Kanawha. These assumptions are based on the nationwide experience of the particular policy forms in this filing and other similar policy forms where appropriate. The above assumptions are deemed reasonable for the particular policy forms in this filing. The assumptions used in this filing are considered best-estimate and do not reflect moderately adverse conditions.

In establishing the assumptions described in this section, the policy design, underwriting, and claims adjudication practices for the above-referenced policy form were taken into consideration.

The company does not currently market any long-term care products.

6. Marketing Method

These plans were individually solicited by agents and independent brokers representing Kanawha Insurance Company.

7. Underwriting Description

These policy forms were fully underwritten based on responses to questions in the application and the use of additional underwriting tools such as telephone interviews, attending physician statements, and/or a face-to-face interview.

8. Premiums

Premiums are unisex and based on issue age. They vary by the amount of benefit purchased and optional benefits selected.

These forms and riders have three underwriting classes: Preferred (most favorable), Standard, and Select (least favorable). Varying premium payment periods are offered and include Lifetime, Ten Year, To-Age-65, and Single Payment.

9. Issue Age Range

These forms were issued to policyholders aged 35 to 79.

10. Area Factors

Area factors are not used for this product.

11. Premium Modalization Rules

The following modal factors and distribution, which are based on nationwide data, are applied to the annual premium. Policies which are paid up as of December 31, 2013 are not reflected in this distribution.

Premium Mode	Modal Factor	Distribution of Policies
Annual	1.000	31.9%
Semi-annual	0.510	6.5%
Quarterly	0.260	8.6%
Monthly	0.092	53.0%

12. Reserves

Active life reserves have not been used in this rate increase analysis. Claim reserves as of December 31, 2013 have been discounted to the incurral date of each respective claim and included in historical incurred claims. A best estimate of the incurred but not reported (IBNR) reserve balance as of December 31, 2013 has been allocated to the 2013 calendar year of incurral and included in historic incurred claims.

13. Trend Assumptions

As this is not medical insurance, an explicit medical cost trend is not included in the projections.

14. Past and Future Policy Experience

Nationwide experience for this policy form is shown in Exhibit I. Historical experience is shown by claim incurral year with associated calendar year loss ratios. A future annual loss ratio is calculated as anticipated incurred claims divided by earned premiums.

A lifetime loss ratio as of December 31, 2013 is calculated as the sum of the accumulated past and discounted future claims divided by the sum of the accumulated past and discounted future earned premium where accumulation and discounting occur at 4.5%.

15. Projected Earned Premiums and Incurred Claims

Exhibit I contains lifetime projections of earned premium and incurred claims based on the current premiums and the filed premium rate increase. Earned premiums and incurred claims for projection years 2014 through 2063 are developed from an asset share model representing actual contracts in-force as of December 31, 2013.

The assumptions described in section 5 for morbidity, voluntary lapse, and mortality are used to project life years, earned premiums, and incurred claims. The projections reflecting the rate increase assume that the increase is effective on each policy's first anniversary on or after January 1, 2015.

16. History of Previous Rate Increases

The following rate increases have been implemented on these policy forms in Virginia:

Year	Rate Increase
2010	60%

17. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

The company is requesting a rate increase of 25% for policies with no inflation option and 90% for policies with the compound inflation option. Projected experience assuming the implementation of this increase is shown in Exhibit I. Exhibit I demonstrates that the expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60%.

Corresponding rate tables are included with this memorandum in Exhibit II. The actual rate increases implemented may vary slightly from those proposed above due to rounding.

18. Average Annual Premium

		Virginia	
Products	Nationwide prior to rate increase	Prior to rate increase	Following the rate increase
LTC2	1,371	1,411	2,312
NTQ2	1,684	1,732	2,965

Premiums vary by form between Virginia policies and those nationwide based on, for example, the mix of business by issue age, benefits selected, GPOs elected, and premium payment mode. Similar rate increases are being requested on policies nationwide.

19. Proposed Effective Date

This rate increase will apply to policies on their next premium payment date following at least a 60-day policyholder notification period following approval.

20. Nationwide Distribution of Business as of December 31, 2013

This distribution is based on the count of in-force insureds.

By Issue Age

Issue Ages	Insureds	Distribution
<40	201	1.0%
40 - 44	320	1.6%
45 - 49	991	5.0%
50 - 54	3,095	15.6%
55 - 59	4,539	22.9%
60 - 64	5,206	26.3%
65 - 69	3,703	18.7%
70 - 74	1,480	7.5%
75+	272	1.4%
Total	19,807	100.0%

By Elimination Period:

Elimination Period	Insureds	Distribution
0	7,019	35.4%
30 – 60 days	6,250	31.6%
90 – 180 days	6,538	33.0%
365 days	0	0.0%
7 days	0	0.0%
Total	19,807	100.0%

By Benefit Period:

Benefit Period	Insureds	Distribution
3 month	0	0.0%
1 - 2 year	882	4.5%
3 year	1,981	10.0%
4 year	4,020	20.3%
5 year	0	0.0%
Lifetime	12,924	65.2%
Total	19,807	100.0%

By Inflation Protection Option:

Inflation Protection	Insureds	Distribution
None	8,152	41.2%
Simple	0	0.0%
Compound	11,655	58.8%
Total	19,807	100.0%

By Premium Payment Option:

Premium Payment	Insureds*	Distribution
Annual	4,817	32.2%
Semi-Annual	969	6.5%
Quarterly	1,292	8.6%
Monthly	7,879	52.7%
Total	14,957	100.0%

**This excludes paid up policies*

By Coverage Type:

Coverage Type	Insureds	Distribution
NH only	1,294	6.5%
Home Health Care	0	0.0%
Comprehensive	18,513	93.5%
Total	19,807	100.0%

By Premium Period:

Premium Period	Insureds	Distribution
Single Pay	187	1.0%
5 Years	47	0.2%
10 Pay	3,015	15.2%
To Age 65	784	4.0%
Lifetime	15,774	79.6%
Total	19,807	100.0%

21. Number of Insureds and Annualized Premium

Based on Kanawha's experience as of December 31, 2013, the number of insureds in-force and the annualized premium that will be affected by this increase are:

Jurisdiction	Premium Paying Insureds	Paid Up Insureds	Annualized Premium
Virginia	632	175	1,292,457
Nationwide	14,957	4,850	29,129,576

22. Additional Ways for Policyholders to Mitigate the Rate Increase

Although we are no longer issuing new policies on these forms, with this rate increase filing we are implementing a new option to allow some policyholders to eliminate their rate increase altogether. For those policyholders who elected 5% compound inflation protection, the company will offer them the option to eliminate this 90% requested rate increase entirely by dropping future increases in their daily benefit.

Over 92% of active policyholders with 5% compound inflation protection have maintained their policies for 10 years or more. This means that those policyholders have a benefit which has already increased at least 63% since their initial purchase. While this action would reduce the policyholder's potential future benefit, we feel that some policyholders with this option may find more value in mitigating this rate increase.

23. Actuarial Certification

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

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" and 18, "Long-Term Care Insurance".

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates are not excessive or unfairly discriminatory and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction. This filing will enhance premium adequacy but may not be sufficient to prevent future rate action.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

I have relied on data and information provided by others to develop this memorandum including, but not limited to, management's view of when a rate change may be considered, the underwriting and claim adjudication process, seriatim in-force data, claim data, and the company's long-term earnings rate. I have not audited or independently verified the data and information provided but have reviewed it for reasonableness.

The basis for contract reserves has been previously filed and there is no anticipation of any changes.

Andrew Besendorf
Actuarial Director
Humana Inc.
October 23, 2014

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%		2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%		1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%		1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%		1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%		1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%		1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%		1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%		1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%		1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%		1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%		1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%		1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%		1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%		1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%		1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%		1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%		1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	25,209,044	51,645,597	204.9%	23,598,367	48,345,812	204.9%	1.00	0.9361
Future	2016	17,862.0	23,571,139	54,822,443	232.6%	21,114,940	49,109,743	232.6%	1.00	0.8958
Experience	2017	17,032.1	21,865,975	58,818,024	269.0%	18,743,981	50,420,066	269.0%	1.00	0.8572
(50 years)	2018	16,188.7	20,161,577	63,421,373	314.6%	16,538,693	52,025,029	314.6%	1.00	0.8203
	2019	15,336.8	18,487,919	68,262,371	369.2%	14,512,708	53,584,820	369.2%	1.00	0.7850
	2020	14,480.7	16,849,730	73,463,013	436.0%	12,657,183	55,183,958	436.0%	1.00	0.7512
	2021	13,620.9	15,292,192	78,563,898	513.8%	10,992,528	56,474,298	513.8%	1.00	0.7188
	2022	12,762.7	13,809,234	83,423,296	604.1%	9,499,071	57,385,064	604.1%	1.00	0.6879
	2023	11,911.2	12,397,286	88,112,162	710.7%	8,160,595	58,000,415	710.7%	1.00	0.6583
	2024	11,069.7	11,062,316	92,549,352	836.6%	6,968,271	58,297,822	836.6%	1.00	0.6299
	2025	10,240.9	9,808,238	97,037,446	989.3%	5,912,262	58,492,747	989.3%	1.00	0.6028
	2026	9,429.9	8,640,655	101,512,896	1174.8%	4,984,172	58,555,486	1174.8%	1.00	0.5768
	2027	8,641.2	7,561,992	105,233,824	1391.6%	4,174,133	58,087,867	1391.6%	1.00	0.5520
	2028	7,879.0	6,574,921	107,848,806	1640.3%	3,472,996	56,967,758	1640.3%	1.00	0.5282
	2029	7,146.8	5,679,453	109,372,185	1925.8%	2,870,807	55,284,628	1925.8%	1.00	0.5055
	2030	6,446.1	4,871,095	110,302,826	2264.4%	2,356,176	53,354,106	2264.4%	1.00	0.4837
	2031	5,779.7	4,147,365	111,706,484	2693.4%	1,919,717	51,706,281	2693.4%	1.00	0.4629
	2032	5,150.5	3,504,801	112,313,402	3204.6%	1,552,430	49,748,525	3204.6%	1.00	0.4429
	2033	4,562.1	2,939,932	110,934,546	3773.4%	1,246,148	47,021,789	3773.4%	1.00	0.4239
	2034	4,015.0	2,448,906	107,598,881	4393.8%	993,317	43,643,925	4393.8%	1.00	0.4056
	2035	3,508.6	2,024,782	102,800,794	5077.1%	785,919	39,902,143	5077.1%	1.00	0.3882
	2036	3,043.2	1,660,836	99,231,476	5974.8%	616,893	36,858,098	5974.8%	1.00	0.3714
	2037	2,620.3	1,351,160	95,069,386	7036.1%	480,257	33,791,531	7036.1%	1.00	0.3554
	2038	2,240.3	1,091,034	88,626,834	8123.2%	371,099	30,145,058	8123.2%	1.00	0.3401
	2039	1,902.1	875,358	80,623,312	9210.3%	284,918	26,241,897	9210.3%	1.00	0.3255
	2040	1,602.7	697,862	71,881,137	10300.2%	217,364	22,388,925	10300.2%	1.00	0.3115
	2041	1,339.7	552,642	65,271,104	11810.7%	164,720	19,454,630	11810.7%	1.00	0.2981
	2042	1,111.9	434,642	59,186,607	13617.3%	123,970	16,881,427	13617.3%	1.00	0.2852
	2043	917.3	339,878	52,185,340	15354.1%	92,767	14,243,540	15354.1%	1.00	0.2729
	2044	752.6	264,663	44,989,524	16998.8%	69,127	11,750,722	16998.8%	1.00	0.2612
	2045	613.8	205,296	38,190,445	18602.6%	51,312	9,545,344	18602.6%	1.00	0.2499
	2046	497.6	158,554	33,253,746	20973.2%	37,922	7,953,552	20973.2%	1.00	0.2392
	2047	401.3	121,847	29,287,782	24036.5%	27,888	6,703,332	24036.5%	1.00	0.2289
	2048	322.4	93,228	25,342,971	27184.0%	20,419	5,550,671	27184.0%	1.00	0.2190
	2049	258.0	71,076	21,497,249	30245.3%	14,897	4,505,620	30245.3%	1.00	0.2096
	2050	205.4	53,955	17,985,298	33334.0%	10,821	3,607,223	33334.0%	1.00	0.2006
	2051	162.4	40,711	15,478,928	38021.4%	7,814	2,970,845	38021.4%	1.00	0.1919
	2052	127.5	30,476	13,442,130	44106.7%	5,597	2,468,828	44106.7%	1.00	0.1837
	2053	99.4	22,623	11,393,322	50362.7%	3,976	2,002,428	50362.7%	1.00	0.1758
	2054	76.9	16,650	9,220,341	55376.0%	2,800	1,550,734	55376.0%	1.00	0.1682
	2055	58.8	12,132	7,211,083	59436.1%	1,953	1,160,578	59436.1%	1.00	0.1609
	2056	44.3	8,730	5,784,217	66257.8%	1,345	890,845	66257.8%	1.00	0.1540
	2057	32.9	6,186	4,634,652	74921.4%	912	683,059	74921.4%	1.00	0.1474
	2058	24.0	4,316	3,565,463	82617.8%	609	502,853	82617.8%	1.00	0.1410
	2059	17.3	2,967	2,583,437	87058.3%	400	348,664	87058.3%	1.00	0.1350
	2060	12.2	2,009	1,782,816	88754.3%	259	230,250	88754.3%	1.00	0.1291
	2061	8.4	1,337	1,244,274	93036.1%	165	153,777	93036.1%	1.00	0.1236
	2062	5.6	875	869,666	99376.8%	103	102,852	99376.8%	1.00	0.1183
	2063	3.7	563	592,704	100000%+	64	67,078	100000%+	1.00	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		271,843,453	2,838,326,172	1044.1%	201,894,407	1,421,455,665	704.1%		
	Lifetime		756,319,834	3,151,404,122	416.7%	875,802,167	1,818,800,961	207.7%		

Exhibit I
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
Historical	1996	8.2	30,088	0	0.0%	65,002	0	0.0%		2.1604
Experience	1997	284.3	200,911	1,381	0.7%	415,359	2,856	0.7%		2.0674
	1998	2,249.2	4,576,673	188,075	4.1%	9,054,247	372,078	4.1%		1.9783
	1999	5,949.0	10,675,799	1,623,442	15.2%	20,210,943	3,073,428	15.2%		1.8932
	2000	10,758.3	18,089,615	5,220,819	28.9%	32,771,721	9,458,202	28.9%		1.8116
	2001	17,306.5	28,241,478	7,092,939	25.1%	48,959,960	12,296,454	25.1%		1.7336
	2002	23,770.1	37,776,605	11,397,031	30.2%	62,670,083	18,907,280	30.2%		1.6590
	2003	25,351.0	37,287,606	16,291,857	43.7%	59,195,072	25,863,759	43.7%		1.5875
	2004	24,702.4	37,466,981	12,563,904	33.5%	56,918,502	19,086,635	33.5%		1.5192
	2005	24,071.3	37,200,203	22,154,766	59.6%	54,079,639	32,207,397	59.6%		1.4537
	2006	23,511.9	36,786,811	17,169,826	46.7%	51,175,763	23,885,705	46.7%		1.3911
	2007	22,948.3	37,254,154	21,015,785	56.4%	49,594,166	27,977,024	56.4%		1.3312
	2008	22,432.5	36,436,947	25,681,440	70.5%	46,417,482	32,715,907	70.5%		1.2739
	2009	21,925.4	34,708,672	28,632,916	82.5%	42,311,781	34,905,100	82.5%		1.2191
	2010	21,408.9	34,609,494	30,016,411	86.7%	40,374,045	35,015,939	86.7%		1.1666
	2011	20,925.1	32,880,340	33,791,185	102.8%	36,705,151	37,721,951	102.8%		1.1163
	2012	20,489.0	30,176,300	39,867,494	132.1%	32,235,946	42,588,601	132.1%		1.0683
	2013	20,030.5	30,072,935	40,368,680	134.2%	30,742,130	41,266,980	134.2%		1.0223
	2014	19,373.8	26,813,292	48,157,310	179.6%	26,229,620	47,109,021	179.6%	1.00	0.9782
Projected	2015	18,676.2	32,903,248	51,645,597	157.0%	30,800,966	48,345,812	157.0%	1.31	0.9361
Future	2016	17,862.0	38,125,689	54,822,443	143.8%	34,152,852	49,109,743	143.8%	1.62	0.8958
Experience	2017	17,032.1	35,537,724	58,818,024	165.5%	30,463,696	50,420,066	165.5%	1.63	0.8572
(50 years)	2018	16,188.7	32,928,048	63,421,373	192.6%	27,011,126	52,025,029	192.6%	1.63	0.8203
	2019	15,336.8	30,346,885	68,262,371	224.9%	23,821,797	53,584,820	224.9%	1.64	0.7850
	2020	14,480.7	27,799,190	73,463,013	264.3%	20,882,200	55,183,958	264.3%	1.65	0.7512
	2021	13,620.9	25,366,393	78,563,898	309.7%	18,234,192	56,474,298	309.7%	1.66	0.7188
	2022	12,762.7	23,033,233	83,423,296	362.2%	15,844,058	57,385,064	362.2%	1.67	0.6879
	2023	11,911.2	20,793,229	88,112,162	423.8%	13,687,281	58,000,415	423.8%	1.68	0.6583
	2024	11,069.7	18,657,494	92,549,352	496.0%	11,752,554	58,297,822	496.0%	1.69	0.6299
	2025	10,240.9	16,633,052	97,037,446	583.4%	10,026,159	58,492,747	583.4%	1.70	0.6028
	2026	9,429.9	14,732,830	101,512,896	689.0%	8,498,309	58,555,486	689.0%	1.71	0.5768
	2027	8,641.2	12,962,167	105,233,824	811.9%	7,154,968	58,087,867	811.9%	1.71	0.5520
	2028	7,879.0	11,328,438	107,848,806	952.0%	5,983,893	56,967,758	952.0%	1.72	0.5282
	2029	7,146.8	9,834,195	109,372,185	1112.2%	4,970,915	55,284,628	1112.2%	1.73	0.5055
	2030	6,446.1	8,474,587	110,302,826	1301.6%	4,099,206	53,354,106	1301.6%	1.74	0.4837
	2031	5,779.7	7,248,251	111,706,484	1541.2%	3,355,043	51,706,281	1541.2%	1.75	0.4629
	2032	5,150.5	6,151,490	112,313,402	1825.8%	2,724,765	49,748,525	1825.8%	1.76	0.4429
	2033	4,562.1	5,180,687	110,934,546	2141.3%	2,195,936	47,021,789	2141.3%	1.76	0.4239
	2034	4,015.0	4,331,524	107,598,881	2484.1%	1,756,939	43,643,925	2484.1%	1.77	0.4056
	2035	3,508.6	3,593,834	102,800,794	2860.5%	1,394,947	39,902,143	2860.5%	1.77	0.3882
	2036	3,043.2	2,957,393	99,231,476	3355.4%	1,098,481	36,858,098	3355.4%	1.78	0.3714
	2037	2,620.3	2,413,094	95,069,386	3939.7%	857,712	33,791,531	3939.7%	1.79	0.3554
	2038	2,240.3	1,953,775	88,626,834	4536.2%	664,547	30,145,058	4536.2%	1.79	0.3401
	2039	1,902.1	1,571,424	80,623,312	5130.6%	511,479	26,241,897	5130.6%	1.80	0.3255
	2040	1,602.7	1,255,642	71,881,137	5724.7%	391,097	22,388,925	5724.7%	1.80	0.3115
	2041	1,339.7	996,442	65,271,104	6550.4%	296,998	19,454,630	6550.4%	1.80	0.2981
	2042	1,111.9	785,177	59,186,607	7538.0%	223,951	16,881,427	7538.0%	1.81	0.2852
	2043	917.3	615,040	52,185,340	8484.9%	167,870	14,243,540	8484.9%	1.81	0.2729
	2044	752.6	479,701	44,989,524	9378.7%	125,292	11,750,722	9378.7%	1.81	0.2612
	2045	613.8	372,679	38,190,445	10247.5%	93,148	9,545,344	10247.5%	1.82	0.2499
	2046	497.6	288,277	33,253,746	11535.4%	68,949	7,953,552	11535.4%	1.82	0.2392
	2047	401.3	221,884	29,287,782	13199.6%	50,784	6,703,332	13199.6%	1.82	0.2289
	2048	322.4	170,034	25,342,971	14904.7%	37,241	5,550,671	14904.7%	1.82	0.2190
	2049	258.0	129,845	21,497,249	16556.1%	27,214	4,505,620	16556.1%	1.83	0.2096
	2050	205.4	98,736	17,985,298	18215.5%	19,803	3,607,223	18215.5%	1.83	0.2006
	2051	162.4	74,635	15,478,928	20739.5%	14,325	2,970,845	20739.5%	1.83	0.1919
	2052	127.5	55,975	13,442,130	24014.7%	10,280	2,468,828	24014.7%	1.84	0.1837
	2053	99.4	41,626	11,393,322	27370.5%	7,316	2,002,428	27370.5%	1.84	0.1758
	2054	76.9	30,694	9,220,341	30039.8%	5,162	1,550,734	30039.8%	1.84	0.1682
	2055	58.8	22,406	7,211,083	32183.6%	3,606	1,160,578	32183.6%	1.85	0.1609
	2056	44.3	16,151	5,784,217	35812.4%	2,488	890,845	35812.4%	1.85	0.1540
	2057	32.9	11,465	4,634,652	40424.4%	1,690	683,059	40424.4%	1.85	0.1474
	2058	24.0	8,012	3,565,463	44503.6%	1,130	502,853	44503.6%	1.86	0.1410
	2059	17.3	5,518	2,583,437	46819.1%	745	348,664	46819.1%	1.86	0.1350
	2060	12.2	3,741	1,782,816	47658.0%	483	230,250	47658.0%	1.86	0.1291
	2061	8.4	2,494	1,244,274	49884.6%	308	153,777	49884.6%	1.87	0.1236
	2062	5.6	1,634	869,666	53213.1%	193	102,852	53213.1%	1.87	0.1183
	2063	3.7	1,053	592,704	56312.8%	119	67,078	56312.8%	1.87	0.1132
	Past		484,476,382	313,077,951	64.6%	673,907,760	397,345,295	59.0%		
	Future		427,360,027	2,838,326,172	664.2%	309,723,835	1,421,455,665	458.9%		
	Lifetime		911,836,408	3,151,404,122	345.6%	983,631,595	1,818,800,961	184.9%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Historical	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%		2.0674
Experience	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%		1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%		1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%		1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%		1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%		1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%		1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%		1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%		1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%		1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%		1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%		1.2739
	2009	9,465.9	15,817,175	18,707,272	118.3%	19,282,006	22,805,194	118.3%		1.2191
	2010	9,158.8	15,586,304	19,077,855	122.4%	18,182,356	22,255,459	122.4%		1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%		1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%		1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%		1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	11,230,358	21,231,917	189.1%	10,512,818	19,875,349	189.1%	1.00	0.9361
Future	2016	6,988.0	10,245,348	21,035,976	205.3%	9,177,745	18,843,950	205.3%	1.00	0.8958
Experience	2017	6,506.9	9,242,506	20,965,023	226.8%	7,922,873	17,971,665	226.8%	1.00	0.8572
(50 years)	2018	6,030.5	8,275,303	20,903,669	252.6%	6,788,294	17,147,437	252.6%	1.00	0.8203
	2019	5,561.7	7,354,095	20,723,006	281.8%	5,772,842	16,267,213	281.8%	1.00	0.7850
	2020	5,104.7	6,485,072	20,430,242	315.0%	4,871,457	15,346,793	315.0%	1.00	0.7512
	2021	4,658.6	5,675,034	19,903,753	350.7%	4,079,400	14,307,468	350.7%	1.00	0.7188
	2022	4,228.3	4,929,712	19,156,093	388.6%	3,391,041	13,177,058	388.6%	1.00	0.6879
	2023	3,816.1	4,248,636	18,229,223	429.1%	2,796,693	11,999,507	429.1%	1.00	0.6583
	2024	3,423.7	3,632,165	17,224,076	474.2%	2,287,939	10,849,629	474.2%	1.00	0.6299
	2025	3,052.4	3,080,924	16,191,942	525.6%	1,857,136	9,760,265	525.6%	1.00	0.6028
	2026	2,704.6	2,591,409	15,114,138	583.2%	1,494,797	8,718,259	583.2%	1.00	0.5768
	2027	2,381.8	2,162,490	13,892,683	642.4%	1,193,670	7,668,602	642.4%	1.00	0.5520
	2028	2,084.3	1,790,635	12,583,037	702.7%	945,847	6,646,596	702.7%	1.00	0.5282
	2029	1,812.5	1,471,946	11,268,628	765.6%	744,028	5,695,981	765.6%	1.00	0.5055
	2030	1,565.8	1,200,759	10,060,669	837.9%	580,814	4,866,403	837.9%	1.00	0.4837
	2031	1,343.9	971,912	8,984,980	924.5%	449,875	4,158,934	924.5%	1.00	0.4629
	2032	1,146.1	780,972	7,934,103	1015.9%	345,927	3,514,362	1015.9%	1.00	0.4429
	2033	971.3	623,361	6,889,114	1105.2%	264,224	2,920,086	1105.2%	1.00	0.4239
	2034	817.9	494,456	5,910,839	1195.4%	200,560	2,397,536	1195.4%	1.00	0.4056
	2035	684.0	389,617	5,042,155	1294.1%	151,230	1,957,113	1294.1%	1.00	0.3882
	2036	568.0	304,914	4,334,092	1421.4%	113,256	1,609,836	1421.4%	1.00	0.3714
	2037	468.6	237,091	3,677,182	1551.0%	84,272	1,307,020	1551.0%	1.00	0.3554
	2038	384.2	183,369	3,055,593	1666.4%	62,370	1,039,313	1666.4%	1.00	0.3401
	2039	313.0	141,164	2,494,723	1767.3%	45,947	812,002	1767.3%	1.00	0.3255
	2040	253.2	108,149	2,019,374	1867.2%	33,685	628,978	1867.2%	1.00	0.3115
	2041	203.4	82,428	1,658,806	2012.4%	24,568	494,422	2012.4%	1.00	0.2981
	2042	162.3	62,528	1,344,795	2150.7%	17,834	383,568	2150.7%	1.00	0.2852
	2043	128.9	47,275	1,068,787	2260.8%	12,903	291,716	2260.8%	1.00	0.2729
	2044	101.7	35,630	833,705	2339.9%	9,306	217,754	2339.9%	1.00	0.2612
	2045	79.8	26,743	650,519	2432.5%	6,684	162,591	2432.5%	1.00	0.2499
	2046	62.3	19,962	519,018	2600.1%	4,774	124,137	2600.1%	1.00	0.2392
	2047	48.3	14,809	412,847	2787.8%	3,389	94,492	2787.8%	1.00	0.2289
	2048	37.3	10,921	323,454	2961.7%	2,392	70,843	2961.7%	1.00	0.2190
	2049	28.7	8,000	246,748	3084.3%	1,677	51,716	3084.3%	1.00	0.2096
	2050	22.0	5,812	190,208	3272.7%	1,166	38,149	3272.7%	1.00	0.2006
	2051	16.7	4,178	150,349	3598.3%	802	28,856	3598.3%	1.00	0.1919
	2052	12.6	2,970	117,591	3959.2%	545	21,597	3959.2%	1.00	0.1837
	2053	9.4	2,087	89,226	4275.6%	367	15,682	4275.6%	1.00	0.1758
	2054	7.0	1,449	63,946	4411.9%	244	10,755	4411.9%	1.00	0.1682
	2055	5.1	993	46,380	4669.4%	160	7,465	4669.4%	1.00	0.1609
	2056	3.7	670	34,368	5131.7%	103	5,293	5131.7%	1.00	0.1540
	2057	2.7	444	24,717	5569.7%	65	3,643	5569.7%	1.00	0.1474
	2058	1.9	289	17,017	5882.8%	41	2,400	5882.8%	1.00	0.1410
	2059	1.3	185	10,954	5918.9%	25	1,478	5918.9%	1.00	0.1350
	2060	0.9	116	7,040	6045.1%	15	909	6045.1%	1.00	0.1291
	2061	0.6	72	4,582	6367.3%	9	566	6367.3%	1.00	0.1236
	2062	0.4	44	2,909	6652.9%	5	344	6652.9%	1.00	0.1183
	2063	0.2	26	1,804	6926.6%	3	204	6926.6%	1.00	0.1132
	Past		230,510,340	198,507,058	86.1%	323,404,528	258,027,784	79.8%		
	Future		100,370,520	358,134,937	356.8%	78,181,928	242,116,462	309.7%		
	Lifetime		330,880,860	556,641,995	168.2%	401,586,456	500,144,245	124.5%		

Exhibit I A - No Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	1.3	4,770	0	0.0%	10,768	0	0.0%		2.2576
	1996	5.6	20,548	0	0.0%	44,391	0	0.0%		2.1604
Historical	1997	217.3	138,181	1,381	1.0%	285,672	2,856	1.0%		2.0674
Experience	1998	1,491.8	3,043,391	188,075	6.2%	6,020,883	372,078	6.2%		1.9783
	1999	3,773.1	6,608,563	1,607,522	24.3%	12,511,035	3,043,289	24.3%		1.8932
	2000	6,315.5	10,275,493	4,734,133	46.1%	18,615,409	8,576,506	46.1%		1.8116
	2001	9,252.5	14,823,533	5,571,803	37.6%	25,698,356	9,659,383	37.6%		1.7336
	2002	11,447.4	17,602,196	9,136,707	51.9%	29,201,435	15,157,482	51.9%		1.6590
	2003	11,564.0	17,296,237	12,021,551	69.5%	27,458,238	19,084,534	69.5%		1.5875
	2004	11,127.1	17,363,085	8,171,826	47.1%	26,377,380	12,414,347	47.1%		1.5192
	2005	10,746.4	17,304,474	14,872,544	85.9%	25,156,306	21,620,897	85.9%		1.4537
	2006	10,411.2	17,003,309	12,303,438	72.4%	23,654,057	17,115,858	72.4%		1.3911
	2007	10,079.8	17,137,240	15,562,263	90.8%	22,813,755	20,717,084	90.8%		1.3312
	2008	9,761.8	16,585,468	17,908,774	108.0%	21,128,434	22,814,211	108.0%		1.2739
	2009	9,465.9	15,817,175	18,707,272	118.3%	19,282,006	22,805,194	118.3%		1.2191
	2010	9,158.8	15,586,304	19,077,855	122.4%	18,182,356	22,255,459	122.4%		1.1666
	2011	8,864.8	15,211,939	15,449,570	101.6%	16,981,470	17,246,744	101.6%		1.1163
	2012	8,588.9	14,255,050	21,485,982	150.7%	15,228,011	22,952,481	150.7%		1.0683
	2013	8,289.9	14,433,385	21,706,361	150.4%	14,754,563	22,189,380	150.4%		1.0223
	2014	7,890.4	12,191,495	21,058,938	172.7%	11,926,110	20,600,526	172.7%	1.00	0.9782
Projected	2015	7,472.7	12,634,152	21,231,917	168.1%	11,826,920	19,875,349	168.1%	1.13	0.9361
Future	2016	6,988.0	12,806,684	21,035,976	164.3%	11,472,181	18,843,950	164.3%	1.25	0.8958
Experience	2017	6,506.9	11,553,132	20,965,023	181.5%	9,903,592	17,971,665	181.5%	1.25	0.8572
(50 years)	2018	6,030.5	10,344,129	20,903,669	202.1%	8,485,367	17,147,437	202.1%	1.25	0.8203
	2019	5,561.7	9,192,619	20,723,006	225.4%	7,216,052	16,267,213	225.4%	1.25	0.7850
	2020	5,104.7	8,106,340	20,430,242	252.0%	6,089,322	15,346,793	252.0%	1.25	0.7512
	2021	4,658.6	7,093,792	19,903,753	280.6%	5,099,250	14,307,468	280.6%	1.25	0.7188
	2022	4,228.3	6,162,139	19,156,093	310.9%	4,238,801	13,177,058	310.9%	1.25	0.6879
	2023	3,816.1	5,310,795	18,229,223	343.2%	3,495,866	11,999,507	343.2%	1.25	0.6583
	2024	3,423.7	4,540,206	17,224,076	379.4%	2,859,924	10,849,629	379.4%	1.25	0.6299
	2025	3,052.4	3,851,155	16,191,942	420.4%	2,321,420	9,760,265	420.4%	1.25	0.6028
	2026	2,704.6	3,239,261	15,114,138	466.6%	1,868,496	8,718,259	466.6%	1.25	0.5768
	2027	2,381.8	2,703,113	13,892,683	514.0%	1,492,087	7,668,602	514.0%	1.25	0.5520
	2028	2,084.3	2,238,293	12,583,037	562.2%	1,182,308	6,646,596	562.2%	1.25	0.5282
	2029	1,812.5	1,839,932	11,268,628	612.4%	930,035	5,695,981	612.4%	1.25	0.5055
	2030	1,565.8	1,500,949	10,060,669	670.3%	726,018	4,866,403	670.3%	1.25	0.4837
	2031	1,343.9	1,214,891	8,984,980	739.6%	562,344	4,158,934	739.6%	1.25	0.4629
	2032	1,146.1	976,215	7,934,103	812.7%	432,409	3,514,362	812.7%	1.25	0.4429
	2033	971.3	779,201	6,889,114	884.1%	330,280	2,920,086	884.1%	1.25	0.4239
	2034	817.9	618,070	5,910,839	956.3%	250,700	2,397,536	956.3%	1.25	0.4056
	2035	684.0	487,021	5,042,155	1035.3%	189,037	1,957,113	1035.3%	1.25	0.3882
	2036	568.0	381,143	4,334,092	1137.1%	141,570	1,609,836	1137.1%	1.25	0.3714
	2037	468.6	296,364	3,677,182	1240.8%	105,340	1,307,020	1240.8%	1.25	0.3554
	2038	384.2	229,211	3,055,593	1333.1%	77,963	1,039,313	1333.1%	1.25	0.3401
	2039	313.0	176,455	2,494,723	1413.8%	57,434	812,002	1413.8%	1.25	0.3255
	2040	253.2	135,186	2,019,374	1493.8%	42,106	628,978	1493.8%	1.25	0.3115
	2041	203.4	103,034	1,658,806	1610.0%	30,710	494,422	1610.0%	1.25	0.2981
	2042	162.3	78,159	1,344,795	1720.6%	22,293	383,568	1720.6%	1.25	0.2852
	2043	128.9	59,093	1,068,787	1808.6%	16,129	291,716	1808.6%	1.25	0.2729
	2044	101.7	44,537	833,705	1871.9%	11,633	217,754	1871.9%	1.25	0.2612
	2045	79.8	33,428	650,519	1946.0%	8,355	162,591	1946.0%	1.25	0.2499
	2046	62.3	24,952	519,018	2080.0%	5,968	124,137	2080.0%	1.25	0.2392
	2047	48.3	18,511	412,847	2230.3%	4,237	94,492	2230.3%	1.25	0.2289
	2048	37.3	13,651	323,454	2369.4%	2,990	70,843	2369.4%	1.25	0.2190
	2049	28.7	10,000	246,748	2467.4%	2,096	51,716	2467.4%	1.25	0.2096
	2050	22.0	7,265	190,208	2618.2%	1,457	38,149	2618.2%	1.25	0.2006
	2051	16.7	5,223	150,349	2878.7%	1,002	28,856	2878.7%	1.25	0.1919
	2052	12.6	3,713	117,591	3167.4%	682	21,597	3167.4%	1.25	0.1837
	2053	9.4	2,609	89,226	3420.5%	458	15,682	3420.5%	1.25	0.1758
	2054	7.0	1,812	63,946	3529.5%	305	10,755	3529.5%	1.25	0.1682
	2055	5.1	1,242	46,380	3735.5%	200	7,465	3735.5%	1.25	0.1609
	2056	3.7	837	34,368	4105.4%	129	5,293	4105.4%	1.25	0.1540
	2057	2.7	555	24,717	4455.8%	82	3,643	4455.8%	1.25	0.1474
	2058	1.9	362	17,017	4706.3%	51	2,400	4706.3%	1.25	0.1410
	2059	1.3	231	10,954	4735.1%	31	1,478	4735.1%	1.25	0.1350
	2060	0.9	146	7,040	4836.1%	19	909	4836.1%	1.25	0.1291
	2061	0.6	90	4,582	5093.8%	11	566	5093.8%	1.25	0.1236
	2062	0.4	55	2,909	5322.3%	6	344	5322.3%	1.25	0.1183
	2063	0.2	33	1,804	5541.3%	4	204	5541.3%	1.25	0.1132
	Past		230,510,340	198,507,058	86.1%	323,404,528	258,027,784	79.8%		
	Future		121,011,482	358,134,937	296.0%	93,431,780	242,116,462	259.1%		
	Lifetime		351,521,822	556,641,995	158.4%	416,836,308	500,144,245	120.0%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Historical	1997	66.9	62,730	0	0.0%	129,686	0	0.0%		2.0674
Experience	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%		1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%		1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%		1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%		1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%		1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%		1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%		1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%		1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%		1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%		1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%		1.2739
	2009	12,459.5	18,891,498	9,925,644	52.5%	23,029,775	12,099,906	52.5%		1.2191
	2010	12,250.2	19,023,190	10,938,555	57.5%	22,191,689	12,760,479	57.5%		1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%		1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%		1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%		1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	13,978,687	30,413,680	217.6%	13,085,549	28,470,463	217.6%	1.00	0.9361
Future	2016	10,874.0	13,325,792	33,786,467	253.5%	11,937,195	30,265,793	253.5%	1.00	0.8958
Experience	2017	10,525.2	12,623,469	37,853,001	299.9%	10,821,108	32,448,401	299.9%	1.00	0.8572
(50 years)	2018	10,158.1	11,886,273	42,517,704	357.7%	9,750,399	34,877,592	357.7%	1.00	0.8203
	2019	9,775.1	11,133,824	47,539,365	427.0%	8,739,866	37,317,606	427.0%	1.00	0.7850
	2020	9,376.0	10,364,658	53,032,771	511.7%	7,785,725	39,837,166	511.7%	1.00	0.7512
	2021	8,962.3	9,617,158	58,660,144	610.0%	6,913,128	42,166,830	610.0%	1.00	0.7188
	2022	8,534.4	8,879,523	64,267,203	723.8%	6,108,030	44,208,006	723.8%	1.00	0.6879
	2023	8,095.1	8,148,650	69,882,939	857.6%	5,363,903	46,000,908	857.6%	1.00	0.6583
	2024	7,645.9	7,430,152	75,325,276	1013.8%	4,680,332	47,448,193	1013.8%	1.00	0.6299
	2025	7,188.5	6,727,314	80,845,504	1201.8%	4,055,126	48,732,482	1201.8%	1.00	0.6028
	2026	6,725.3	6,049,247	86,398,758	1428.3%	3,489,375	49,837,227	1428.3%	1.00	0.5768
	2027	6,259.4	5,399,502	91,341,142	1691.7%	2,980,463	50,419,266	1691.7%	1.00	0.5520
	2028	5,794.7	4,784,287	95,265,769	1991.2%	2,527,150	50,321,162	1991.2%	1.00	0.5282
	2029	5,334.3	4,207,507	98,103,558	2331.6%	2,126,779	49,588,647	2331.6%	1.00	0.5055
	2030	4,880.3	3,670,336	100,242,156	2731.1%	1,775,362	48,487,703	2731.1%	1.00	0.4837
	2031	4,435.8	3,175,453	102,721,504	3234.9%	1,469,842	47,547,347	3234.9%	1.00	0.4629
	2032	4,004.4	2,723,829	104,379,299	3832.1%	1,206,503	46,234,163	3832.1%	1.00	0.4429
	2033	3,590.7	2,316,571	104,045,432	4491.4%	981,924	44,101,702	4491.4%	1.00	0.4239
	2034	3,197.1	1,954,449	101,688,043	5202.9%	792,758	41,246,389	5202.9%	1.00	0.4056
	2035	2,824.7	1,635,165	97,758,639	5978.5%	634,689	37,945,030	5978.5%	1.00	0.3882
	2036	2,475.3	1,355,921	94,897,384	6998.7%	503,637	35,248,262	6998.7%	1.00	0.3714
	2037	2,151.7	1,114,068	91,392,204	8203.5%	395,985	32,484,510	8203.5%	1.00	0.3554
	2038	1,856.2	907,666	85,571,241	9427.6%	308,729	29,105,744	9427.6%	1.00	0.3401
	2039	1,589.1	734,195	78,128,589	10641.4%	238,971	25,429,895	10641.4%	1.00	0.3255
	2040	1,349.5	589,714	69,861,763	11846.7%	183,679	21,759,947	11846.7%	1.00	0.3115
	2041	1,136.3	470,215	63,612,298	13528.4%	140,152	18,960,208	13528.4%	1.00	0.2981
	2042	949.5	372,115	57,841,812	15544.1%	106,136	16,497,860	15544.1%	1.00	0.2852
	2043	788.4	292,603	51,116,553	17469.6%	79,864	13,951,824	17469.6%	1.00	0.2729
	2044	650.9	229,034	44,155,819	19279.2%	59,821	11,532,968	19279.2%	1.00	0.2612
	2045	534.0	178,553	37,539,925	21024.5%	44,628	9,382,752	21024.5%	1.00	0.2499
	2046	435.4	138,592	32,734,729	23619.5%	33,148	7,829,415	23619.5%	1.00	0.2392
	2047	353.0	107,038	28,874,935	26976.3%	24,499	6,608,841	26976.3%	1.00	0.2289
	2048	285.1	82,306	25,019,518	30398.0%	18,027	5,479,828	30398.0%	1.00	0.2190
	2049	229.3	63,076	21,250,501	33690.2%	13,220	4,453,904	33690.2%	1.00	0.2096
	2050	183.4	48,143	17,795,090	36963.1%	9,656	3,569,074	36963.1%	1.00	0.2006
	2051	145.7	36,533	15,328,579	41958.5%	7,012	2,941,989	41958.5%	1.00	0.1919
	2052	114.9	27,506	13,324,539	48441.7%	5,052	2,447,231	48441.7%	1.00	0.1837
	2053	90.0	20,536	11,304,096	55046.1%	3,609	1,986,746	55046.1%	1.00	0.1758
	2054	69.9	15,201	9,156,395	60235.3%	2,557	1,539,979	60235.3%	1.00	0.1682
	2055	53.6	11,139	7,164,703	64319.7%	1,793	1,153,114	64319.7%	1.00	0.1609
	2056	40.6	8,060	5,749,849	71336.7%	1,241	885,552	71336.7%	1.00	0.1540
	2057	30.2	5,742	4,609,935	80281.0%	846	679,417	80281.0%	1.00	0.1474
	2058	22.1	4,026	3,548,446	88130.8%	568	500,453	88130.8%	1.00	0.1410
	2059	15.9	2,782	2,572,483	92455.2%	376	347,185	92455.2%	1.00	0.1350
	2060	11.3	1,892	1,775,776	93844.7%	244	229,340	93844.7%	1.00	0.1291
	2061	7.8	1,265	1,239,693	97964.6%	156	153,211	97964.6%	1.00	0.1236
	2062	5.3	831	866,758	100000%+	98	102,508	100000%+	1.00	0.1183
	2063	3.5	537	590,900	100000%+	61	66,874	100000%+	1.00	0.1132
	Past		253,966,042	114,570,893	45.1%	350,503,232	139,317,512	39.7%		
	Future		171,472,932	2,480,191,235	1446.4%	123,712,479	1,179,339,204	953.3%		
	Lifetime		425,438,974	2,594,762,127	609.9%	474,215,711	1,318,656,715	278.1%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
Nationwide Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	2.6	9,540	0	0.0%	20,610	0	0.0%		2.1604
Historical	1997	66.9	62,730	0	0.0%	129,686	0	0.0%		2.0674
Experience	1998	757.4	1,533,282	0	0.0%	3,033,364	0	0.0%		1.9783
	1999	2,175.9	4,067,236	15,920	0.4%	7,699,908	30,139	0.4%		1.8932
	2000	4,442.8	7,814,122	486,686	6.2%	14,156,312	881,696	6.2%		1.8116
	2001	8,054.0	13,417,946	1,521,136	11.3%	23,261,604	2,637,071	11.3%		1.7336
	2002	12,322.7	20,174,409	2,260,323	11.2%	33,468,648	3,749,798	11.2%		1.6590
	2003	13,787.0	19,991,370	4,270,306	21.4%	31,736,834	6,779,224	21.4%		1.5875
	2004	13,575.3	20,103,896	4,392,078	21.8%	30,541,122	6,672,288	21.8%		1.5192
	2005	13,324.9	19,895,729	7,282,222	36.6%	28,923,333	10,586,500	36.6%		1.4537
	2006	13,100.8	19,783,502	4,866,387	24.6%	27,521,706	6,769,847	24.6%		1.3911
	2007	12,868.5	20,116,913	5,453,522	27.1%	26,780,411	7,259,939	27.1%		1.3312
	2008	12,670.8	19,851,480	7,772,666	39.2%	25,289,048	9,901,696	39.2%		1.2739
	2009	12,459.5	18,891,498	9,925,644	52.5%	23,029,775	12,099,906	52.5%		1.2191
	2010	12,250.2	19,023,190	10,938,555	57.5%	22,191,689	12,760,479	57.5%		1.1666
	2011	12,060.3	17,668,401	18,341,615	103.8%	19,723,681	20,475,207	103.8%		1.1163
	2012	11,900.1	15,921,250	18,381,512	115.5%	17,007,935	19,636,120	115.5%		1.0683
	2013	11,740.6	15,639,550	18,662,319	119.3%	15,987,567	19,077,600	119.3%		1.0223
	2014	11,483.4	14,621,797	27,098,373	185.3%	14,303,510	26,508,495	185.3%	1.00	0.9782
Projected	2015	11,203.5	20,269,096	30,413,680	150.0%	18,974,045	28,470,463	150.0%	1.45	0.9361
Future	2016	10,874.0	25,319,004	33,786,467	133.4%	22,680,671	30,265,793	133.4%	1.90	0.8958
Experience	2017	10,525.2	23,984,592	37,853,001	157.8%	20,560,105	32,448,401	157.8%	1.90	0.8572
(50 years)	2018	10,158.1	22,583,919	42,517,704	188.3%	18,525,759	34,877,592	188.3%	1.90	0.8203
	2019	9,775.1	21,154,266	47,539,365	224.7%	16,605,745	37,317,606	224.7%	1.90	0.7850
	2020	9,376.0	19,692,850	53,032,771	269.3%	14,792,878	39,837,166	269.3%	1.90	0.7512
	2021	8,962.3	18,272,600	58,660,144	321.0%	13,134,943	42,166,830	321.0%	1.90	0.7188
	2022	8,534.4	16,871,093	64,267,203	380.9%	11,605,257	44,208,006	380.9%	1.90	0.6879
	2023	8,095.1	15,482,435	69,882,939	451.4%	10,191,415	46,000,908	451.4%	1.90	0.6583
	2024	7,645.9	14,117,288	75,325,276	533.6%	8,892,630	47,448,193	533.6%	1.90	0.6299
	2025	7,188.5	12,781,897	80,845,504	632.5%	7,704,740	48,732,482	632.5%	1.90	0.6028
	2026	6,725.3	11,493,569	86,398,758	751.7%	6,629,813	49,837,227	751.7%	1.90	0.5768
	2027	6,259.4	10,259,054	91,341,142	890.3%	5,662,880	50,419,266	890.3%	1.90	0.5520
	2028	5,794.7	9,090,145	95,265,769	1048.0%	4,801,585	50,321,162	1048.0%	1.90	0.5282
	2029	5,334.3	7,994,263	98,103,558	1227.2%	4,040,880	49,588,647	1227.2%	1.90	0.5055
	2030	4,880.3	6,973,638	100,242,156	1437.4%	3,373,188	48,487,703	1437.4%	1.90	0.4837
	2031	4,435.8	6,033,360	102,721,504	1702.6%	2,792,699	47,547,347	1702.6%	1.90	0.4629
	2032	4,004.4	5,175,275	104,379,299	2016.9%	2,292,356	46,234,163	2016.9%	1.90	0.4429
	2033	3,590.7	4,401,485	104,045,432	2363.9%	1,865,656	44,101,702	2363.9%	1.90	0.4239
	2034	3,197.1	3,713,454	101,688,043	2738.4%	1,506,240	41,246,389	2738.4%	1.90	0.4056
	2035	2,824.7	3,106,813	97,758,639	3146.6%	1,205,910	37,945,030	3146.6%	1.90	0.3882
	2036	2,475.3	2,576,251	94,897,384	3683.5%	956,911	35,248,262	3683.5%	1.90	0.3714
	2037	2,151.7	2,116,730	91,392,204	4317.6%	752,372	32,484,510	4317.6%	1.90	0.3554
	2038	1,856.2	1,724,565	85,571,241	4961.9%	586,584	29,105,744	4961.9%	1.90	0.3401
	2039	1,589.1	1,394,970	78,128,589	5600.7%	454,045	25,429,895	5600.7%	1.90	0.3255
	2040	1,349.5	1,120,456	69,861,763	6235.1%	348,990	21,759,947	6235.1%	1.90	0.3115
	2041	1,136.3	893,408	63,612,298	7120.2%	266,288	18,960,208	7120.2%	1.90	0.2981
	2042	949.5	707,018	57,841,812	8181.1%	201,658	16,497,860	8181.1%	1.90	0.2852
	2043	788.4	555,946	51,116,553	9194.5%	151,741	13,951,824	9194.5%	1.90	0.2729
	2044	650.9	435,164	44,155,819	10146.9%	113,660	11,532,968	10146.9%	1.90	0.2612
	2045	534.0	339,251	37,539,925	11065.5%	84,793	9,382,752	11065.5%	1.90	0.2499
	2046	435.4	263,324	32,734,729	12431.3%	62,981	7,829,415	12431.3%	1.90	0.2392
	2047	353.0	203,372	28,874,935	14198.1%	46,547	6,608,841	14198.1%	1.90	0.2289
	2048	285.1	156,382	25,019,518	15998.9%	34,251	5,479,828	15998.9%	1.90	0.2190
	2049	229.3	119,845	21,250,501	17731.7%	25,118	4,453,904	17731.7%	1.90	0.2096
	2050	183.4	91,471	17,795,090	19454.3%	18,346	3,569,074	19454.3%	1.90	0.2006
	2051	145.7	69,412	15,328,579	22083.4%	13,322	2,941,989	22083.4%	1.90	0.1919
	2052	114.9	52,262	13,324,539	25495.6%	9,599	2,447,231	25495.6%	1.90	0.1837
	2053	90.0	39,018	11,304,096	28971.6%	6,858	1,986,746	28971.6%	1.90	0.1758
	2054	69.9	28,882	9,156,395	31702.8%	4,858	1,539,979	31702.8%	1.90	0.1682
	2055	53.6	21,164	7,164,703	33852.5%	3,406	1,153,114	33852.5%	1.90	0.1609
	2056	40.6	15,314	5,749,849	37545.7%	2,359	885,552	37545.7%	1.90	0.1540
	2057	30.2	10,910	4,609,935	42253.2%	1,608	679,417	42253.2%	1.90	0.1474
	2058	22.1	7,650	3,548,446	46384.6%	1,079	500,453	46384.6%	1.90	0.1410
	2059	15.9	5,287	2,572,483	48660.6%	713	347,185	48660.6%	1.90	0.1350
	2060	11.3	3,595	1,775,776	49391.9%	464	229,340	49391.9%	1.90	0.1291
	2061	7.8	2,404	1,239,693	51560.3%	297	153,211	51560.3%	1.90	0.1236
	2062	5.3	1,580	866,758	54869.9%	187	102,508	54869.9%	1.90	0.1183
	2063	3.5	1,020	590,900	57933.7%	115	66,874	57933.7%	1.90	0.1132
	Past		253,966,042	114,570,893	45.1%	350,503,232	139,317,512	39.7%		
	Future		306,348,545	2,480,191,235	809.6%	216,292,055	1,179,339,204	545.3%		
	Lifetime		560,314,587	2,594,762,127	463.1%	566,795,287	1,318,656,715	232.7%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest Earned Premium	Without Interest Incurred Claims	Without Interest Loss Ratio	With Interest Earned Premium	With Interest Incurred Claims	With Interest Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	7.8	16,330	0	0.0%	32,306	0	0.0%		1.9783
Experience	1999	25.6	56,678	0	0.0%	107,300	0	0.0%		1.8932
	2000	91.9	200,755	0	0.0%	363,694	0	0.0%		1.8116
	2001	377.1	826,898	575	0.1%	1,433,526	997	0.1%		1.7336
	2002	815.3	1,408,543	1,200	0.1%	2,336,724	1,991	0.1%		1.6590
	2003	981.4	1,489,558	302,199	20.3%	2,364,713	479,749	20.3%		1.5875
	2004	959.8	1,430,242	63,103	4.4%	2,172,772	95,864	4.4%		1.5192
	2005	934.8	1,387,645	257,328	18.5%	2,017,283	374,089	18.5%		1.4537
	2006	919.6	1,380,223	294,652	21.3%	1,920,089	409,903	21.3%		1.3911
	2007	907.5	1,317,868	0	0.0%	1,754,397	0	0.0%		1.3312
	2008	900.8	1,314,905	39,850	3.0%	1,675,074	50,765	3.0%		1.2739
	2009	889.4	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	871.0	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	840.8	1,480,102	1,126,613	76.1%	1,652,275	1,257,666	76.1%		1.1163
	2012	821.4	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	811.1	1,336,213	710,661	53.2%	1,365,947	726,475	53.2%		1.0223
	2014	791.1	1,262,259	1,633,525	129.4%	1,234,782	1,597,966	129.4%	1.00	0.9782
Projected	2015	769.0	1,203,340	1,821,858	151.4%	1,126,455	1,705,454	151.4%	1.00	0.9361
Future	2016	741.3	1,140,601	1,987,400	174.2%	1,021,746	1,780,305	174.2%	1.00	0.8958
Experience	2017	712.5	1,073,851	2,181,632	203.2%	920,528	1,870,141	203.2%	1.00	0.8572
(50 years)	2018	682.7	1,005,597	2,387,978	237.5%	824,899	1,958,876	237.5%	1.00	0.8203
	2019	651.8	936,916	2,601,521	277.7%	735,463	2,042,150	277.7%	1.00	0.7850
	2020	620.1	865,685	2,856,821	330.0%	650,285	2,145,987	330.0%	1.00	0.7512
	2021	587.4	797,357	3,121,244	391.4%	573,167	2,243,652	391.4%	1.00	0.7188
	2022	554.2	732,440	3,381,694	461.7%	503,830	2,326,193	461.7%	1.00	0.6879
	2023	520.6	669,148	3,628,525	542.3%	440,471	2,388,501	542.3%	1.00	0.6583
	2024	486.8	607,953	3,851,037	633.4%	382,956	2,425,809	633.4%	1.00	0.6299
	2025	453.0	548,854	4,103,925	747.7%	330,841	2,473,785	747.7%	1.00	0.6028
	2026	419.2	491,784	4,381,693	891.0%	283,675	2,527,483	891.0%	1.00	0.5768
	2027	385.8	437,336	4,629,069	1058.5%	241,404	2,555,193	1058.5%	1.00	0.5520
	2028	353.1	386,042	4,802,793	1244.1%	203,914	2,536,925	1244.1%	1.00	0.5282
	2029	321.4	338,448	4,881,526	1442.3%	171,076	2,467,477	1442.3%	1.00	0.5055
	2030	290.7	294,496	4,932,207	1674.8%	142,449	2,385,737	1674.8%	1.00	0.4837
	2031	261.2	253,925	5,026,940	1979.7%	117,536	2,326,851	1979.7%	1.00	0.4629
	2032	233.1	216,987	5,098,180	2349.5%	96,113	2,258,207	2349.5%	1.00	0.4429
	2033	206.7	183,766	5,072,053	2760.1%	77,893	2,149,889	2760.1%	1.00	0.4239
	2034	182.2	154,501	4,912,433	3179.5%	62,668	1,992,566	3179.5%	1.00	0.4056
	2035	159.4	128,868	4,635,223	3596.9%	50,020	1,799,163	3596.9%	1.00	0.3882
	2036	138.3	106,475	4,463,350	4191.9%	39,549	1,657,847	4191.9%	1.00	0.3714
	2037	119.2	87,098	4,312,267	4951.1%	30,958	1,532,755	4951.1%	1.00	0.3554
	2038	102.0	70,584	4,071,237	5767.9%	24,008	1,384,769	5767.9%	1.00	0.3401
	2039	86.7	56,790	3,736,484	6579.5%	18,484	1,216,180	6579.5%	1.00	0.3255
	2040	73.2	45,357	3,317,755	7314.7%	14,128	1,033,386	7314.7%	1.00	0.3115
	2041	61.2	35,904	3,016,682	8402.2%	10,701	899,149	8402.2%	1.00	0.2981
	2042	50.8	28,127	2,776,215	9870.4%	8,022	791,842	9870.4%	1.00	0.2852
	2043	41.9	21,828	2,504,857	11475.6%	5,958	683,679	11475.6%	1.00	0.2729
	2044	34.3	16,823	2,197,756	13063.7%	4,394	574,027	13063.7%	1.00	0.2612
	2045	27.9	12,883	1,868,821	14505.9%	3,220	467,094	14505.9%	1.00	0.2499
	2046	22.5	9,787	1,622,167	16574.9%	2,341	387,986	16574.9%	1.00	0.2392
	2047	18.0	7,361	1,435,811	19505.5%	1,685	328,626	19505.5%	1.00	0.2289
	2048	14.2	5,482	1,248,106	22766.7%	1,201	273,363	22766.7%	1.00	0.2190
	2049	11.2	4,052	1,043,501	25751.9%	849	218,708	25751.9%	1.00	0.2096
	2050	8.8	2,970	840,412	28294.9%	596	168,557	28294.9%	1.00	0.2006
	2051	6.8	2,156	691,921	32095.6%	414	132,799	32095.6%	1.00	0.1919
	2052	5.2	1,546	576,398	37288.3%	284	105,863	37288.3%	1.00	0.1837
	2053	3.9	1,094	466,948	42682.3%	192	82,068	42682.3%	1.00	0.1758
	2054	2.9	766	356,727	46573.1%	129	59,997	46573.1%	1.00	0.1682
	2055	2.1	530	262,438	49558.7%	85	42,238	49558.7%	1.00	0.1609
	2056	1.5	361	197,468	54685.2%	56	30,413	54685.2%	1.00	0.1540
	2057	1.1	242	148,495	61336.3%	36	21,885	61336.3%	1.00	0.1474
	2058	0.8	160	108,355	67921.2%	22	15,282	67921.2%	1.00	0.1410
	2059	0.5	103	75,107	72777.8%	14	10,136	72777.8%	1.00	0.1350
	2060	0.4	65	51,370	78475.1%	8	6,634	78475.1%	1.00	0.1291
	2061	0.2	41	35,236	85837.0%	5	4,355	85837.0%	1.00	0.1236
	2062	0.2	25	23,766	94457.8%	3	2,811	94457.8%	1.00	0.1183
	2063	0.1	15	15,696	100000%+	2	1,776	100000%+	1.00	0.1132
	Past		17,646,983	3,885,544	22.0%	23,795,659	4,639,128	19.5%		
	Future		14,248,779	123,394,619	866.0%	10,359,516	60,092,539	580.1%		
	Lifetime		31,895,762	127,280,163	399.1%	34,155,175	64,731,667	189.5%		

Exhibit I
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
Historical	1998	7.8	16,330	0	0.0%	32,306	0	0.0%		1.9783
Experience	1999	25.6	56,678	0	0.0%	107,300	0	0.0%		1.8932
	2000	91.9	200,755	0	0.0%	363,694	0	0.0%		1.8116
	2001	377.1	826,898	575	0.1%	1,433,526	997	0.1%		1.7336
	2002	815.3	1,408,543	1,200	0.1%	2,336,724	1,991	0.1%		1.6590
	2003	981.4	1,489,558	302,199	20.3%	2,364,713	479,749	20.3%		1.5875
	2004	959.8	1,430,242	63,103	4.4%	2,172,772	95,864	4.4%		1.5192
	2005	934.8	1,387,645	257,328	18.5%	2,017,283	374,089	18.5%		1.4537
	2006	919.6	1,380,223	294,652	21.3%	1,920,089	409,903	21.3%		1.3911
	2007	907.5	1,317,868	0	0.0%	1,754,397	0	0.0%		1.3312
	2008	900.8	1,314,905	39,850	3.0%	1,675,074	50,765	3.0%		1.2739
	2009	889.4	1,261,918	421,309	33.4%	1,538,347	513,599	33.4%		1.2191
	2010	871.0	1,361,463	146,259	10.7%	1,588,228	170,620	10.7%		1.1666
	2011	840.8	1,480,102	1,126,613	76.1%	1,652,275	1,257,666	76.1%		1.1163
	2012	821.4	1,376,331	521,796	37.9%	1,470,271	557,411	37.9%		1.0683
	2013	811.1	1,336,213	710,661	53.2%	1,365,947	726,475	53.2%		1.0223
	2014	791.1	1,262,259	1,633,525	129.4%	1,234,782	1,597,966	129.4%	1.00	0.9782
Projected	2015	769.0	1,622,356	1,821,858	112.3%	1,518,699	1,705,454	112.3%	1.35	0.9361
Future	2016	741.3	1,940,155	1,987,400	102.4%	1,737,984	1,780,305	102.4%	1.70	0.8958
Experience	2017	712.5	1,832,359	2,181,632	119.1%	1,570,737	1,870,141	119.1%	1.71	0.8572
(50 years)	2018	682.7	1,721,262	2,387,978	138.7%	1,411,964	1,958,876	138.7%	1.71	0.8203
	2019	651.8	1,608,791	2,601,521	161.7%	1,262,874	2,042,150	161.7%	1.72	0.7850
	2020	620.1	1,490,875	2,856,821	191.6%	1,119,916	2,145,987	191.6%	1.72	0.7512
	2021	587.4	1,377,848	3,121,244	226.5%	990,442	2,243,652	226.5%	1.73	0.7188
	2022	554.2	1,270,468	3,381,694	266.2%	873,927	2,326,193	266.2%	1.73	0.6879
	2023	520.6	1,165,172	3,628,525	311.4%	766,982	2,388,501	311.4%	1.74	0.6583
	2024	486.8	1,062,728	3,851,037	362.4%	669,424	2,425,809	362.4%	1.75	0.6299
	2025	453.0	963,188	4,103,925	426.1%	580,595	2,473,785	426.1%	1.75	0.6028
	2026	419.2	866,451	4,381,693	505.7%	499,794	2,527,483	505.7%	1.76	0.5768
	2027	385.8	773,581	4,629,069	598.4%	427,008	2,555,193	598.4%	1.77	0.5520
	2028	353.1	685,520	4,802,793	700.6%	362,105	2,536,925	700.6%	1.78	0.5282
	2029	321.4	603,299	4,881,526	809.1%	304,951	2,467,477	809.1%	1.78	0.5055
	2030	290.7	526,903	4,932,207	936.1%	254,866	2,385,737	936.1%	1.79	0.4837
	2031	261.2	455,952	5,026,940	1102.5%	211,049	2,326,851	1102.5%	1.80	0.4629
	2032	233.1	390,992	5,098,180	1303.9%	173,187	2,258,207	1303.9%	1.80	0.4429
	2033	206.7	332,226	5,072,053	1526.7%	140,820	2,149,889	1526.7%	1.81	0.4239
	2034	182.2	280,191	4,912,433	1753.2%	113,650	1,992,566	1753.2%	1.81	0.4056
	2035	159.4	234,401	4,635,223	1977.5%	90,983	1,799,163	1977.5%	1.82	0.3882
	2036	138.3	194,215	4,463,350	2298.1%	72,138	1,657,847	2298.1%	1.82	0.3714
	2037	119.2	159,290	4,312,267	2707.2%	56,618	1,532,755	2707.2%	1.83	0.3554
	2038	102.0	129,408	4,071,237	3146.1%	44,016	1,384,769	3146.1%	1.83	0.3401
	2039	86.7	104,358	3,736,484	3580.5%	33,967	1,216,180	3580.5%	1.84	0.3255
	2040	73.2	83,531	3,317,755	3971.9%	26,018	1,033,386	3971.9%	1.84	0.3115
	2041	61.2	66,258	3,016,682	4552.9%	19,749	899,149	4552.9%	1.85	0.2981
	2042	50.8	52,009	2,776,215	5338.0%	14,834	791,842	5338.0%	1.85	0.2852
	2043	41.9	40,436	2,504,857	6194.7%	11,037	683,679	6194.7%	1.85	0.2729
	2044	34.3	31,221	2,197,756	7039.5%	8,154	574,027	7039.5%	1.86	0.2612
	2045	27.9	23,950	1,868,821	7803.1%	5,986	467,094	7803.1%	1.86	0.2499
	2046	22.5	18,224	1,622,167	8901.1%	4,359	387,986	8901.1%	1.86	0.2392
	2047	18.0	13,729	1,435,811	10457.9%	3,142	328,626	10457.9%	1.87	0.2289
	2048	14.2	10,241	1,248,106	12186.9%	2,243	273,363	12186.9%	1.87	0.2190
	2049	11.2	7,582	1,043,501	13763.5%	1,589	218,708	13763.5%	1.87	0.2096
	2050	8.8	5,566	840,412	15100.1%	1,116	168,557	15100.1%	1.87	0.2006
	2051	6.8	4,046	691,921	17103.2%	776	132,799	17103.2%	1.88	0.1919
	2052	5.2	2,905	576,398	19843.1%	534	105,863	19843.1%	1.88	0.1837
	2053	3.9	2,058	466,948	22685.0%	362	82,068	22685.0%	1.88	0.1758
	2054	2.9	1,443	356,727	24724.6%	243	59,997	24724.6%	1.88	0.1682
	2055	2.1	999	262,438	26281.7%	161	42,238	26281.7%	1.89	0.1609
	2056	1.5	682	197,468	28972.5%	105	30,413	28972.5%	1.89	0.1540
	2057	1.1	457	148,495	32469.0%	67	21,885	32469.0%	1.89	0.1474
	2058	0.8	302	108,355	35932.2%	43	15,282	35932.2%	1.89	0.1410
	2059	0.5	195	75,107	38477.6%	26	10,136	38477.6%	1.89	0.1350
	2060	0.4	124	51,370	41463.0%	16	6,634	41463.0%	1.89	0.1291
	2061	0.2	78	35,236	45336.1%	10	4,355	45336.1%	1.89	0.1236
	2062	0.2	48	23,766	49863.8%	6	2,811	49863.8%	1.89	0.1183
	2063	0.1	29	15,696	54663.6%	3	1,776	54663.6%	1.89	0.1132
	Past		17,646,983	3,885,544	22.0%	23,795,659	4,639,128	19.5%		
	Future		23,420,359	123,394,619	526.9%	16,624,058	60,092,539	361.5%		
	Lifetime		41,067,342	127,280,163	309.9%	40,419,717	64,731,667	160.1%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.0	6,882	0	0.0%	13,616	0	0.0%		1.9783
Historical	1999	10.3	23,210	0	0.0%	43,940	0	0.0%		1.8932
Experience	2000	42.9	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	172.3	290,477	575	0.2%	503,576	997	0.2%		1.7336
	2002	327.5	515,944	0	0.0%	855,933	0	0.0%		1.6590
	2003	363.8	541,968	270,600	49.9%	860,389	429,585	49.9%		1.5875
	2004	355.5	531,441	0	0.0%	807,346	0	0.0%		1.5192
	2005	343.5	500,741	129,850	25.9%	727,951	188,769	25.9%		1.4537
	2006	334.4	500,415	19,460	3.9%	696,149	27,072	3.9%		1.3911
	2007	325.6	480,317	0	0.0%	639,416	0	0.0%		1.3312
	2008	322.9	474,578	39,850	8.4%	604,570	50,765	8.4%		1.2739
	2009	317.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	308.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	295.3	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	283.3	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	276.8	445,645	280,880	63.0%	455,562	287,130	63.0%		1.0223
	2014	267.1	402,934	475,158	117.9%	394,162	464,815	117.9%	1.00	0.9782
Projected	2015	256.7	376,883	502,222	133.3%	352,803	470,134	133.3%	1.00	0.9361
Future	2016	243.3	349,209	518,080	148.4%	312,820	464,095	148.4%	1.00	0.8958
Experience	2017	229.8	319,936	538,392	168.3%	274,256	461,521	168.3%	1.00	0.8572
(50 years)	2018	216.3	291,343	554,057	190.2%	238,991	454,497	190.2%	1.00	0.8203
	2019	202.5	263,613	563,985	213.9%	206,932	442,719	213.9%	1.00	0.7850
	2020	188.6	236,808	571,592	241.4%	177,886	429,369	241.4%	1.00	0.7512
	2021	174.7	210,971	576,899	273.4%	151,653	414,694	273.4%	1.00	0.7188
	2022	160.8	186,412	577,752	309.9%	128,229	397,423	309.9%	1.00	0.6879
	2023	147.2	163,399	566,844	346.9%	107,558	373,129	346.9%	1.00	0.6583
	2024	133.9	142,128	545,109	383.5%	89,528	343,370	383.5%	1.00	0.6299
	2025	120.9	122,515	523,054	426.9%	73,850	315,289	426.9%	1.00	0.6028
	2026	108.4	104,521	505,441	483.6%	60,291	291,553	483.6%	1.00	0.5768
	2027	96.5	88,242	481,754	545.9%	48,708	265,923	545.9%	1.00	0.5520
	2028	85.3	73,782	446,370	605.0%	38,973	235,781	605.0%	1.00	0.5282
	2029	74.9	61,158	401,665	656.8%	30,913	203,031	656.8%	1.00	0.5055
	2030	65.3	50,214	359,801	716.5%	24,289	174,038	716.5%	1.00	0.4837
	2031	56.4	40,779	327,632	803.4%	18,876	151,653	803.4%	1.00	0.4629
	2032	48.3	32,743	296,725	906.2%	14,503	131,432	906.2%	1.00	0.4429
	2033	41.1	26,047	262,140	1006.4%	11,040	111,113	1006.4%	1.00	0.4239
	2034	34.8	20,555	225,558	1097.3%	8,338	91,490	1097.3%	1.00	0.4056
	2035	29.1	16,073	190,710	1186.5%	6,239	74,024	1186.5%	1.00	0.3882
	2036	24.2	12,443	166,506	1338.1%	4,622	61,846	1338.1%	1.00	0.3714
	2037	19.9	9,532	145,278	1524.1%	3,388	51,638	1524.1%	1.00	0.3554
	2038	16.3	7,234	123,161	1702.6%	2,460	41,891	1702.6%	1.00	0.3401
	2039	13.2	5,450	100,866	1850.8%	1,774	32,831	1850.8%	1.00	0.3255
	2040	10.6	4,074	80,571	1977.9%	1,269	25,096	1977.9%	1.00	0.3115
	2041	8.4	3,013	66,960	2222.5%	898	19,958	2222.5%	1.00	0.2981
	2042	6.6	2,203	54,918	2492.5%	628	15,664	2492.5%	1.00	0.2852
	2043	5.1	1,595	43,491	2726.1%	435	11,870	2726.1%	1.00	0.2729
	2044	4.0	1,145	33,274	2907.0%	299	8,691	2907.0%	1.00	0.2612
	2045	3.0	813	25,044	3081.2%	203	6,260	3081.2%	1.00	0.2499
	2046	2.2	570	19,498	3417.9%	136	4,663	3417.9%	1.00	0.2392
	2047	1.7	395	15,044	3810.9%	90	3,443	3810.9%	1.00	0.2289
	2048	1.2	269	11,288	4199.2%	59	2,472	4199.2%	1.00	0.2190
	2049	0.9	181	8,057	4460.6%	38	1,689	4460.6%	1.00	0.2096
	2050	0.6	120	5,761	4816.4%	24	1,155	4816.4%	1.00	0.2006
	2051	0.4	78	4,187	5390.5%	15	804	5390.5%	1.00	0.1919
	2052	0.3	50	2,947	5943.7%	9	541	5943.7%	1.00	0.1837
	2053	0.2	31	2,029	6521.3%	5	357	6521.3%	1.00	0.1758
	2054	0.1	19	1,283	6666.8%	3	216	6666.8%	1.00	0.1682
	2055	0.1	12	821	7032.8%	2	132	7032.8%	1.00	0.1609
	2056	0.1	7	528	7602.9%	1	81	7602.9%	1.00	0.1540
	2057	0.0	4	331	8126.5%	1	49	8126.5%	1.00	0.1474
	2058	0.0	2	203	8479.5%	0	29	8479.5%	1.00	0.1410
	2059	0.0	1	122	8976.5%	0	16	8976.5%	1.00	0.1350
	2060	0.0	1	72	9774.3%	0	9	9774.3%	1.00	0.1291
	2061	0.0	0	42	10021.4%	0	5	10021.4%	1.00	0.1236
	2062	0.0	0	24	10890.9%	0	3	10890.9%	1.00	0.1183
	2063	0.0	0	14	9707.1%	0	2	9707.1%	1.00	0.1132
	Past		6,271,010	1,811,076	28.9%	8,488,398	2,218,547	26.1%		
	Future		3,629,506	10,923,261	301.0%	2,787,200	7,052,503	253.0%		
	Lifetime		9,900,517	12,734,337	128.6%	11,275,598	9,271,050	82.2%		

Exhibit I A - No Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

	Calendar Year	Life Years	Without Interest: Earned Premium	Without Interest: Incurred Claims	Without Interest: Loss Ratio	With Interest: Earned Premium	With Interest: Incurred Claims	With Interest: Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.3	1,311	0	0.0%	2,711	0	0.0%		2.0674
	1998	3.0	6,882	0	0.0%	13,616	0	0.0%		1.9783
Historical	1999	10.3	23,210	0	0.0%	43,940	0	0.0%		1.8932
Experience	2000	42.9	61,209	0	0.0%	110,888	0	0.0%		1.8116
	2001	172.3	290,477	575	0.2%	503,576	997	0.2%		1.7336
	2002	327.5	515,944	0	0.0%	855,933	0	0.0%		1.6590
	2003	363.8	541,968	270,600	49.9%	860,389	429,585	49.9%		1.5875
	2004	355.5	531,441	0	0.0%	807,346	0	0.0%		1.5192
	2005	343.5	500,741	129,850	25.9%	727,951	188,769	25.9%		1.4537
	2006	334.4	500,415	19,460	3.9%	696,149	27,072	3.9%		1.3911
	2007	325.6	480,317	0	0.0%	639,416	0	0.0%		1.3312
	2008	322.9	474,578	39,850	8.4%	604,570	50,765	8.4%		1.2739
	2009	317.8	459,105	336,460	73.3%	559,674	410,163	73.3%		1.2191
	2010	308.4	472,484	143,522	30.4%	551,181	167,427	30.4%		1.1666
	2011	295.3	506,092	551,236	108.9%	564,963	615,358	108.9%		1.1163
	2012	283.3	459,192	38,644	8.4%	490,533	41,282	8.4%		1.0683
	2013	276.8	445,645	280,880	63.0%	455,562	287,130	63.0%		1.0223
	2014	267.1	402,934	475,158	117.9%	394,162	464,815	117.9%	1.00	0.9782
Projected	2015	256.7	423,993	502,222	118.5%	396,903	470,134	118.5%	1.13	0.9361
Future	2016	243.3	436,511	518,080	118.7%	391,025	464,095	118.7%	1.25	0.8958
Experience	2017	229.8	399,920	538,392	134.6%	342,820	461,521	134.6%	1.25	0.8572
(50 years)	2018	216.3	364,179	554,057	152.1%	298,739	454,497	152.1%	1.25	0.8203
	2019	202.5	329,517	563,985	171.2%	258,665	442,719	171.2%	1.25	0.7850
	2020	188.6	296,010	571,592	193.1%	222,357	429,369	193.1%	1.25	0.7512
	2021	174.7	263,713	576,899	218.8%	189,566	414,694	218.8%	1.25	0.7188
	2022	160.8	233,015	577,752	247.9%	160,286	397,423	247.9%	1.25	0.6879
	2023	147.2	204,248	566,844	277.5%	134,448	373,129	277.5%	1.25	0.6583
	2024	133.9	177,661	545,109	306.8%	111,910	343,370	306.8%	1.25	0.6299
	2025	120.9	153,143	523,054	341.5%	92,313	315,289	341.5%	1.25	0.6028
	2026	108.4	130,651	505,441	386.9%	75,363	291,553	386.9%	1.25	0.5768
	2027	96.5	110,302	481,754	436.8%	60,885	265,923	436.8%	1.25	0.5520
	2028	85.3	92,228	446,370	484.0%	48,716	235,781	484.0%	1.25	0.5282
	2029	74.9	76,447	401,665	525.4%	38,642	203,031	525.4%	1.25	0.5055
	2030	65.3	62,768	359,801	573.2%	30,361	174,038	573.2%	1.25	0.4837
	2031	56.4	50,974	327,632	642.7%	23,595	151,653	642.7%	1.25	0.4629
	2032	48.3	40,929	296,725	725.0%	18,129	131,432	725.0%	1.25	0.4429
	2033	41.1	32,558	262,140	805.1%	13,800	111,113	805.1%	1.25	0.4239
	2034	34.8	25,694	225,558	877.9%	10,422	91,490	877.9%	1.25	0.4056
	2035	29.1	20,092	190,710	949.2%	7,799	74,024	949.2%	1.25	0.3882
	2036	24.2	15,554	166,506	1070.5%	5,777	61,846	1070.5%	1.25	0.3714
	2037	19.9	11,915	145,278	1219.3%	4,235	51,638	1219.3%	1.25	0.3554
	2038	16.3	9,042	123,161	1362.1%	3,075	41,891	1362.1%	1.25	0.3401
	2039	13.2	6,812	100,866	1480.7%	2,217	32,831	1480.7%	1.25	0.3255
	2040	10.6	5,092	80,571	1582.3%	1,586	25,096	1582.3%	1.25	0.3115
	2041	8.4	3,766	66,960	1778.0%	1,123	19,958	1778.0%	1.25	0.2981
	2042	6.6	2,754	54,918	1994.0%	786	15,664	1994.0%	1.25	0.2852
	2043	5.1	1,994	43,491	2180.8%	544	11,870	2180.8%	1.25	0.2729
	2044	4.0	1,431	33,274	2325.6%	374	8,691	2325.6%	1.25	0.2612
	2045	3.0	1,016	25,044	2464.9%	254	6,260	2464.9%	1.25	0.2499
	2046	2.2	713	19,498	2734.3%	171	4,663	2734.3%	1.25	0.2392
	2047	1.7	493	15,044	3048.7%	113	3,443	3048.7%	1.25	0.2289
	2048	1.2	336	11,288	3359.4%	74	2,472	3359.4%	1.25	0.2190
	2049	0.9	226	8,057	3568.5%	47	1,689	3568.5%	1.25	0.2096
	2050	0.6	150	5,761	3853.1%	30	1,155	3853.1%	1.25	0.2006
	2051	0.4	97	4,187	4312.4%	19	804	4312.4%	1.25	0.1919
	2052	0.3	62	2,947	4755.0%	11	541	4755.0%	1.25	0.1837
	2053	0.2	39	2,029	5217.0%	7	357	5217.0%	1.25	0.1758
	2054	0.1	24	1,283	5333.5%	4	216	5333.5%	1.25	0.1682
	2055	0.1	15	821	5626.3%	2	132	5626.3%	1.25	0.1609
	2056	0.1	9	528	6082.3%	1	81	6082.3%	1.25	0.1540
	2057	0.0	5	331	6501.2%	1	49	6501.2%	1.25	0.1474
	2058	0.0	3	203	6783.6%	0	29	6783.6%	1.25	0.1410
	2059	0.0	2	122	7181.2%	0	16	7181.2%	1.25	0.1350
	2060	0.0	1	72	7819.5%	0	9	7819.5%	1.25	0.1291
	2061	0.0	1	42	8017.1%	0	5	8017.1%	1.25	0.1236
	2062	0.0	0	24	8712.7%	0	3	8712.7%	1.25	0.1183
	2063	0.0	0	14	7765.7%	0	2	7765.7%	1.25	0.1132
	Past		6,271,010	1,811,076	28.9%	8,488,398	2,218,547	26.1%		
	Future		4,389,039	10,923,261	248.9%	3,341,359	7,052,503	211.1%		
	Lifetime		10,660,049	12,734,337	119.5%	11,829,757	9,271,050	78.4%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with No Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	15.3	33,468	0	0.0%	63,360	0	0.0%		1.8932
Experience	2000	49.0	139,546	0	0.0%	252,806	0	0.0%		1.8116
	2001	204.8	536,421	0	0.0%	929,950	0	0.0%		1.7336
	2002	487.8	892,599	1,200	0.1%	1,480,791	1,991	0.1%		1.6590
	2003	617.7	947,590	31,599	3.3%	1,504,324	50,164	3.3%		1.5875
	2004	604.3	898,801	63,103	7.0%	1,365,426	95,864	7.0%		1.5192
	2005	591.3	886,904	127,478	14.4%	1,289,333	185,321	14.4%		1.4537
	2006	585.2	879,808	275,192	31.3%	1,223,940	382,832	31.3%		1.3911
	2007	581.9	837,552	0	0.0%	1,114,981	0	0.0%		1.3312
	2008	577.9	840,328	0	0.0%	1,070,504	0	0.0%		1.2739
	2009	571.6	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	562.6	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	545.5	974,010	575,377	59.1%	1,087,311	642,308	59.1%		1.1163
	2012	538.2	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	534.3	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	524.0	859,325	1,158,367	134.8%	840,619	1,133,152	134.8%	1.00	0.9782
Projected	2015	512.3	826,457	1,319,636	159.7%	773,653	1,235,320	159.7%	1.00	0.9361
Future	2016	498.0	791,391	1,469,319	185.7%	708,926	1,316,211	185.7%	1.00	0.8958
Experience	2017	482.7	753,915	1,643,239	218.0%	646,272	1,408,620	218.0%	1.00	0.8572
(50 years)	2018	466.4	714,254	1,833,920	256.8%	585,908	1,504,379	256.8%	1.00	0.8203
	2019	449.3	673,302	2,037,536	302.6%	528,531	1,599,431	302.6%	1.00	0.7850
	2020	431.4	628,876	2,285,229	363.4%	472,399	1,716,619	363.4%	1.00	0.7512
	2021	412.7	586,387	2,544,345	433.9%	421,514	1,828,958	433.9%	1.00	0.7188
	2022	393.4	546,028	2,803,942	513.5%	375,601	1,928,770	513.5%	1.00	0.6879
	2023	373.4	505,749	3,061,681	605.4%	332,913	2,015,372	605.4%	1.00	0.6583
	2024	353.0	465,825	3,305,929	709.7%	293,428	2,082,440	709.7%	1.00	0.6299
	2025	332.1	426,339	3,580,871	839.9%	256,991	2,158,496	839.9%	1.00	0.6028
	2026	310.8	387,263	3,876,251	1000.9%	223,384	2,235,931	1000.9%	1.00	0.5768
	2027	289.3	349,094	4,147,315	1188.0%	192,696	2,289,270	1188.0%	1.00	0.5520
	2028	267.8	312,259	4,356,423	1395.1%	164,941	2,301,144	1395.1%	1.00	0.5282
	2029	246.5	277,290	4,479,861	1615.6%	140,163	2,264,446	1615.6%	1.00	0.5055
	2030	225.5	244,282	4,572,405	1871.8%	118,160	2,211,699	1871.8%	1.00	0.4837
	2031	204.8	213,146	4,699,308	2204.7%	98,660	2,175,198	2204.7%	1.00	0.4629
	2032	184.8	184,244	4,801,455	2606.0%	81,610	2,126,775	2606.0%	1.00	0.4429
	2033	165.6	157,720	4,809,912	3049.7%	66,853	2,038,776	3049.7%	1.00	0.4239
	2034	147.4	133,946	4,686,875	3499.1%	54,331	1,901,076	3499.1%	1.00	0.4056
	2035	130.2	112,794	4,444,513	3940.4%	43,781	1,725,138	3940.4%	1.00	0.3882
	2036	114.2	94,032	4,296,843	4569.5%	34,927	1,596,000	4569.5%	1.00	0.3714
	2037	99.3	77,566	4,166,988	5372.2%	27,570	1,481,117	5372.2%	1.00	0.3554
	2038	85.7	63,350	3,948,076	6232.1%	21,548	1,342,878	6232.1%	1.00	0.3401
	2039	73.5	51,340	3,635,618	7081.5%	16,710	1,183,349	7081.5%	1.00	0.3255
	2040	62.6	41,284	3,237,184	7841.3%	12,859	1,008,291	7841.3%	1.00	0.3115
	2041	52.8	32,891	2,949,723	8968.3%	9,803	879,191	8968.3%	1.00	0.2981
	2042	44.2	25,924	2,721,297	10497.4%	7,394	776,178	10497.4%	1.00	0.2852
	2043	36.7	20,232	2,461,366	12165.5%	5,522	671,809	12165.5%	1.00	0.2729
	2044	30.3	15,679	2,164,482	13805.1%	4,095	565,337	13805.1%	1.00	0.2612
	2045	24.9	12,070	1,843,777	15275.3%	3,017	460,835	15275.3%	1.00	0.2499
	2046	20.2	9,216	1,602,670	17389.3%	2,204	383,323	17389.3%	1.00	0.2392
	2047	16.3	6,966	1,420,767	20394.9%	1,594	325,182	20394.9%	1.00	0.2289
	2048	13.0	5,213	1,236,818	23724.0%	1,142	270,890	23724.0%	1.00	0.2190
	2049	10.3	3,872	1,035,444	26745.2%	811	217,019	26745.2%	1.00	0.2096
	2050	8.1	2,851	834,651	29280.0%	572	167,402	29280.0%	1.00	0.2006
	2051	6.3	2,078	687,734	33093.7%	399	131,996	33093.7%	1.00	0.1919
	2052	4.9	1,496	573,451	38326.9%	275	105,322	38326.9%	1.00	0.1837
	2053	3.7	1,063	464,919	43740.7%	187	81,712	43740.7%	1.00	0.1758
	2054	2.8	747	355,444	47601.4%	126	59,781	47601.4%	1.00	0.1682
	2055	2.0	518	261,618	50517.0%	83	42,106	50517.0%	1.00	0.1609
	2056	1.5	354	196,940	55609.2%	55	30,331	55609.2%	1.00	0.1540
	2057	1.0	238	148,165	62246.2%	35	21,837	62246.2%	1.00	0.1474
	2058	0.7	157	108,152	68825.3%	22	15,253	68825.3%	1.00	0.1410
	2059	0.5	102	74,985	73629.8%	14	10,120	73629.8%	1.00	0.1350
	2060	0.3	65	51,297	79260.6%	8	6,625	79260.6%	1.00	0.1291
	2061	0.2	41	35,194	86620.7%	5	4,350	86620.7%	1.00	0.1236
	2062	0.1	25	23,742	95194.9%	3	2,808	95194.9%	1.00	0.1183
	2063	0.1	15	15,682	100000%+	2	1,775	100000%+	1.00	0.1132
	Past		11,375,973	2,074,468	18.2%	15,307,261	2,420,581	15.8%		
	Future		10,619,273	112,471,358	1059.1%	7,572,316	53,040,036	700.4%		
	Lifetime		21,995,246	114,545,826	520.8%	22,879,577	55,460,617	242.4%		

Exhibit I C - 5% Compound Inflation
Kanawha Insurance Company
VA Experience Projections with Rate Revision
Long Term Care Policy Form(s) 80650 1/97 VA, 80880 NTQ 1/98 VA

			Without Interest			With Interest				
	Calendar Year	Life Years	Earned Premium	Incurred Claims	Loss Ratio	Earned Premium	Incurred Claims	Loss Ratio	Premium Increase Factor	4.5% Discount Factor
	1994	0.0	0	0	N/A	0	0	N/A		2.3592
	1995	0.0	0	0	N/A	0	0	N/A		2.2576
	1996	0.0	0	0	N/A	0	0	N/A		2.1604
	1997	0.0	0	0	N/A	0	0	N/A		2.0674
	1998	4.8	9,448	0	0.0%	18,691	0	0.0%		1.9783
Historical	1999	15.3	33,468	0	0.0%	63,360	0	0.0%		1.8932
Experience	2000	49.0	139,546	0	0.0%	252,806	0	0.0%		1.8116
	2001	204.8	536,421	0	0.0%	929,950	0	0.0%		1.7336
	2002	487.8	892,599	1,200	0.1%	1,480,791	1,991	0.1%		1.6590
	2003	617.7	947,590	31,599	3.3%	1,504,324	50,164	3.3%		1.5875
	2004	604.3	898,801	63,103	7.0%	1,365,426	95,864	7.0%		1.5192
	2005	591.3	886,904	127,478	14.4%	1,289,333	185,321	14.4%		1.4537
	2006	585.2	879,808	275,192	31.3%	1,223,940	382,832	31.3%		1.3911
	2007	581.9	837,552	0	0.0%	1,114,981	0	0.0%		1.3312
	2008	577.9	840,328	0	0.0%	1,070,504	0	0.0%		1.2739
	2009	571.6	802,813	84,849	10.6%	978,673	103,436	10.6%		1.2191
	2010	562.6	888,979	2,737	0.3%	1,037,047	3,193	0.3%		1.1666
	2011	545.5	974,010	575,377	59.1%	1,087,311	642,308	59.1%		1.1163
	2012	538.2	917,140	483,152	52.7%	979,738	516,129	52.7%		1.0683
	2013	534.3	890,568	429,781	48.3%	910,385	439,345	48.3%		1.0223
	2014	524.0	859,325	1,158,367	134.8%	840,619	1,133,152	134.8%	1.00	0.9782
Projected	2015	512.3	1,198,363	1,319,636	110.1%	1,121,796	1,235,320	110.1%	1.45	0.9361
Future	2016	498.0	1,503,644	1,469,319	97.7%	1,346,958	1,316,211	97.7%	1.90	0.8958
Experience	2017	482.7	1,432,439	1,643,239	114.7%	1,227,917	1,408,620	114.7%	1.90	0.8572
(50 years)	2018	466.4	1,357,083	1,833,920	135.1%	1,113,225	1,504,379	135.1%	1.90	0.8203
	2019	449.3	1,279,275	2,037,536	159.3%	1,004,209	1,599,431	159.3%	1.90	0.7850
	2020	431.4	1,194,865	2,285,229	191.3%	897,559	1,716,619	191.3%	1.90	0.7512
	2021	412.7	1,114,135	2,544,345	228.4%	800,876	1,828,958	228.4%	1.90	0.7188
	2022	393.4	1,037,453	2,803,942	270.3%	713,641	1,928,770	270.3%	1.90	0.6879
	2023	373.4	960,924	3,061,681	318.6%	632,535	2,015,372	318.6%	1.90	0.6583
	2024	353.0	885,067	3,305,929	373.5%	557,513	2,082,440	373.5%	1.90	0.6299
	2025	332.1	810,044	3,580,871	442.1%	488,283	2,158,496	442.1%	1.90	0.6028
	2026	310.8	735,800	3,876,251	526.8%	424,430	2,235,931	526.8%	1.90	0.5768
	2027	289.3	663,279	4,147,315	625.3%	366,122	2,289,270	625.3%	1.90	0.5520
	2028	267.8	593,293	4,356,423	734.3%	313,388	2,301,144	734.3%	1.90	0.5282
	2029	246.5	526,852	4,479,861	850.3%	266,309	2,264,446	850.3%	1.90	0.5055
	2030	225.5	464,135	4,572,405	985.1%	224,505	2,211,699	985.1%	1.90	0.4837
	2031	204.8	404,978	4,699,308	1160.4%	187,455	2,175,198	1160.4%	1.90	0.4629
	2032	184.8	350,063	4,801,455	1371.6%	155,058	2,126,775	1371.6%	1.90	0.4429
	2033	165.6	299,668	4,809,912	1605.1%	127,020	2,038,776	1605.1%	1.90	0.4239
	2034	147.4	254,497	4,686,875	1841.6%	103,228	1,901,076	1841.6%	1.90	0.4056
	2035	130.2	214,310	4,444,513	2073.9%	83,184	1,725,138	2073.9%	1.90	0.3882
	2036	114.2	178,661	4,296,843	2405.0%	66,361	1,596,000	2405.0%	1.90	0.3714
	2037	99.3	147,375	4,166,988	2827.5%	52,383	1,481,117	2827.5%	1.90	0.3554
	2038	85.7	120,366	3,948,076	3280.1%	40,941	1,342,878	3280.1%	1.90	0.3401
	2039	73.5	97,546	3,635,618	3727.1%	31,750	1,183,349	3727.1%	1.90	0.3255
	2040	62.6	78,439	3,237,184	4127.0%	24,432	1,008,291	4127.0%	1.90	0.3115
	2041	52.8	62,492	2,949,723	4720.1%	18,626	879,191	4720.1%	1.90	0.2981
	2042	44.2	49,255	2,721,297	5524.9%	14,049	776,178	5524.9%	1.90	0.2852
	2043	36.7	38,441	2,461,366	6402.9%	10,492	671,809	6402.9%	1.90	0.2729
	2044	30.3	29,790	2,164,482	7265.9%	7,781	565,337	7265.9%	1.90	0.2612
	2045	24.9	22,934	1,843,777	8039.6%	5,732	460,835	8039.6%	1.90	0.2499
	2046	20.2	17,511	1,602,670	9152.2%	4,188	383,323	9152.2%	1.90	0.2392
	2047	16.3	13,236	1,420,767	10734.2%	3,029	325,182	10734.2%	1.90	0.2289
	2048	13.0	9,905	1,236,818	12486.3%	2,169	270,890	12486.3%	1.90	0.2190
	2049	10.3	7,356	1,035,444	14076.4%	1,542	217,019	14076.4%	1.90	0.2096
	2050	8.1	5,416	834,651	15410.5%	1,086	167,402	15410.5%	1.90	0.2006
	2051	6.3	3,948	687,734	17417.7%	758	131,996	17417.7%	1.90	0.1919
	2052	4.9	2,843	573,451	20172.1%	522	105,322	20172.1%	1.90	0.1837
	2053	3.7	2,020	464,919	23021.4%	355	81,712	23021.4%	1.90	0.1758
	2054	2.8	1,419	355,444	25053.3%	239	59,781	25053.3%	1.90	0.1682
	2055	2.0	984	261,618	26587.9%	158	42,106	26587.9%	1.90	0.1609
	2056	1.5	673	196,940	29268.0%	104	30,331	29268.0%	1.90	0.1540
	2057	1.0	452	148,165	32761.1%	67	21,837	32761.1%	1.90	0.1474
	2058	0.7	299	108,152	36223.8%	42	15,253	36223.8%	1.90	0.1410
	2059	0.5	193	74,985	38752.5%	26	10,120	38752.5%	1.90	0.1350
	2060	0.3	123	51,297	41716.1%	16	6,625	41716.1%	1.90	0.1291
	2061	0.2	77	35,194	45589.9%	10	4,350	45589.9%	1.90	0.1236
	2062	0.1	47	23,742	50102.6%	6	2,808	50102.6%	1.90	0.1183
	2063	0.1	29	15,682	54951.2%	3	1,775	54951.2%	1.90	0.1132
	Past		11,375,973	2,074,468	18.2%	15,307,261	2,420,581	15.8%		
	Future		19,031,320	112,471,358	591.0%	13,282,699	53,040,036	399.3%		
	Lifetime		30,407,293	114,545,826	376.7%	28,589,960	55,460,617	194.0%		

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Phone: 800-260-2162
Fax: 866-582-6336

October 23, 2014

Subject: Kanawha Insurance Company
Company NAIC No: 65110
Policy Form Numbers: 80650 1/97 VA, 80880 NTQ 1/98 VA & Riders

Dear Sir or Madam:

The purpose of this rate filing is to request a rate revision on the above referenced form. Based on the experience, an increase has become necessary for the long term care policies referenced in the enclosed filings. These policies refer to Kanawha's second generations of products, hereafter referred to as LTC2. Kanawha is requesting a 25% rate increase on policies without inflation riders and a 90% rate increase on policies with compound inflation riders. Although a rate increase in excess of 100% is currently supportable under loss ratio regulation, to minimize the impact on policy owners to the extent the company can, an increase of only 25-90% is being requested at this time.

As of December 31, 2013, there were 632 policyholders in your state (not including any paid up policies) with a total annualized premium of $1,292,457.

We trust that this submission is in order and look forward to working with you. If you have any questions regarding this filing, please feel free to contact me at (502) 580-2262. Sincerely,

Andrew J. Besendorf III, FSA, MAAA
Actuarial Director

KANAWHA
INSURANCE COMPANY

P.O. Box 12830
Pensacola, FL 32591

Month-Day, Year

Insured Name and
Address

Customer Service:
Phone:800-260-2162
Fax: 866-582-6336
M-F: 7 AM - 7 PM CT

Re: Notice of Long Term Care Insurance Premium Adjustment
LONG TERM CARE INSURANCE POLICY #: XXX
Insured: Name

Dear Policyholder:

We are contacting you to provide you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Your policy provides valuable coverage for nursing home confinements and other covered services. Your policy is guaranteed renewable. Kanawha cannot cancel your policy regardless of your age, health, or claims history.

Through recent analysis of our business, we have determined there is a need to increase premium rate levels to reflect the future claims expected on your class of policy. We sincerely regret taking this action and it is not taken without careful consideration. We understand the sensitive nature of this increase in premium and while we hope that future rate increases will not be required, rates for this policy may be increased in the future.

Your rates cannot be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders within your state with a policy similar to yours. Please note that this premium increase complies with all regulatory requirements. No individuals have been singled out for an increase, nor is the increase due to a policyholder's age or changing health.

Your New Premium

Based on your policy, your premium will increase from $X1 to $X2 which will be effective on MM/DD/YYYY. ***Your premium rate has increased to compensate for an increase in costs for this policy class.***

If you have authorized payment via monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the above date. If your payment is via a third party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your policy, you do not need to pay the higher premium. We are notifying you of this increase at this time in the event that your premium becomes payable in the future if you are no longer on claim.

Options Available to You

We understand that budgeting for an increased premium can be difficult. There may be options available to help offset the premium increase.

- You may maintain the full coverage of your current policy by paying your new premium.
- If you purchased a non-forfeiture option, you may elect to exercise that option.
- Even if you did not purchase a non-forfeiture option, you may be eligible for a non-forfeiture benefit as follows.
    - **Option 1**. You can choose to reduce Policy Benefits without additional underwriting so that required Premiums do not increase. The reduced Policy Benefits provided by Option 1 will be payable for Covered Service incurred on or after the date on which the Substantial Premium Increase would otherwise have occurred.
    - **Option 2.** You can choose to reduce your Benefit Period and/or increase your Elimination Period so that some portion of the required Premium increase may be offset. The reduction in Benefit Period and increase in Elimination Period provided by Option 2 will be payable for Covered Services incurred on or after the date on which the Premium Increase would otherwise have occurred.
    - **Option 3.** You can choose to convert the Policy to paid-up long term care insurance as of the date the Substantial Premium Increase would otherwise have been effective will be paid. Benefits available will be subject to the dollar maximum limit specified in the Nonforfeiture Limit Calculation.

You may elect one of the Options provided above within 120 days after a Premium Increase occurs. If you do not elect any of the Options offered above, and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a paid-up status in accordance with Option 3.

Nonforfeiture Limit Calculation

The dollar maximum limit of Benefits available under Option 3 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

Limitations

Benefits available under Option 3 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs, Benefits of Option 3 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 3. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Option 3 is effective through your election or by lapse of the policy.

Please contact our Customer Service Department toll free at 1-800-260-2162 to discuss the options available to you or any other matters relating to your policy.

Sincerely,

Policy Administration

KANAWHA
INSURANCE COMPANY

P.O Box 12830
Pensacola, FL 32591

DATE

Customer Service:
Phone: 800-260-2162
Fax: 866-582-6336
M-F: 7 AM – 7 PM CT

NAME
ADDRESS
CITY, STATE ZIP

Re: Notice of Long Term Care Insurance Premium Adjustment
Long Term Care Insurance Policy #: POLICY NUMBER

Dear Policyholder:

We are contacting you to provide you with important information about your Kanawha Insurance Company Long Term Care Insurance Policy. Your policy provides valuable coverage for nursing home confinements and other covered services. Your policy is guaranteed renewable. Kanawha cannot cancel your policy regardless of your age, health, or claims history.

Through recent analysis of our business, we have determined there is a need to increase premium rate levels to reflect the future claims expected on your class of policy. We sincerely regret taking this action and it is not taken without careful consideration. We understand the sensitive nature of this increase in premium and while we hope that future rate increases will not be required, rates for this policy may be increased in the future. For this reason, we are offering various options to help policyholders keep their premium at or close to its current level to help minimize the effect of the premium increase.

Your rates cannot be increased due to your increasing age or declining health, but your rates may go up based on the experience of all policyholders within your state with a policy similar to yours. Please note that this premium increase complies with all regulatory requirements. No individuals have been singled out for an increase, nor is the increase due to a policyholder's age or changing health.

Your New Premium

Based on your policy, your premium will increase from $X1 to $X2 which will be effective on MM/DD/YYYY. Your premium rate has increased to compensate for an increase in costs for this policy class.

If you have authorized payment via monthly electronic funds transfer through Kanawha Insurance Company, we will deduct the new premium from your bank account starting on the above date. If your payment is via a third party account or online banking, you must contact your representative or bank prior to the next billing date in order to update the payment amount.

If you are a policyholder on claim and currently do not pay premium due to the Waiver of Premium provision in your policy, you do not need to pay the higher premium. We are notifying you of this increase at this time in the event that your premium becomes payable in the future if you are no longer on claim.

Options Available to You

- We understand that budgeting for an increased premium can be difficult. There may be options available to help you offset this increase.
- Your first option is to maintain the full coverage of your current policy by paying your new premium. Other options reduce future premiums in return for decreased future benefits.

Option	Option Description	Your New Premium	Can Premiums increase in the Future?	Benefits	Future Guaranteed Benefit Inflation
1	Maintain full coverage of your current policy.	$X2	Yes	Benefits continue to grow 5% per annum.	5%
2	Keep your current premium by agreeing to stop any future increases in benefits from your inflation rider.	$X1	Yes	Benefits stay at current levels. For example, your daily nursing care benefit has increased from $100.00 per day to $201.00 per day and would stay at $201.00.	0%
3	Reduce your Policy Benefits.	Please call customer service for an exact reduced premium quote.	Yes	Daily Benefits are reduced. Future guaranteed inflation of benefits continues.	5%
4	Reduce your Policy Benefit Period and/or increase your Elimination Period.	Please call customer service for an exact reduced premium quote.	Yes	Reducing the Benefit Period and/or increasing your Elimination Period reduces the potential future benefits paid to you. Future guaranteed inflation of benefits continues.	5%
5	Convert the Policy to paid-up long term care insurance.	$0	No	Please call Customer Service for an exact calculation. Please see the Non-forfeiture Limit Calculation section for a description of this option.	0%

Please call Customer Service at 1-800-260-2162 for more information on any of the options.

If you decide option 2 is the best option for you, please sign below and return this page.

_____ _____

Signature **Date**

You may elect one of the Options provided above within 120 days after a Premium Increase occurs. If you do not elect any of the Options offered above, and the Policy lapses within 120 days after the Premium Increase, we will convert the Policy to a paid-up status in accordance with Option 5.
If you purchased a non-forfeiture option, you may elect to exercise that option.

Nonforfeiture Limit Calculation
The dollar maximum limit of Benefits available under Option 5 above is the greater of:

- 30 times the Daily Nursing Home Benefit in effect on the due date of the unpaid premium; or
- 100% of the sum of all Premiums paid for the Policy and all attached Riders, including the premiums paid prior to any changes in Benefits.

However, Benefits for a Covered Service while the Policy is premium paying plus Benefits for the same Covered Service while the Policy is paid-up long term care insurance will not exceed the Maximum Days that would be payable if the policy had remained in a premium paying status.

Limitations
Benefits available under Option 5 are not payable while Benefits are being provided under any other provision of the Policy or other Riders attached to the Policy. Subject to the following paragraphs, Benefits of Option 5 will be paid after termination of payments under any other provisions of the Policy or other riders attached to the Policy.

The Benefit Rebuilder provision of the Policy will not rebuild benefits available under Option 5. Any Survivorship Rider, Joint Waiver of Premium Rider, Inflation Protection Rider, Guaranteed Purchase Offer Rider, or Return of Premium Rider which may be attached to the Policy will terminate without value when Option 5 is effective through your election or by lapse of the policy.

Please contact our Customer Service Department toll free at 1-800-260-2162 to discuss the options available to you or any other matters relating to your policy.

Sincerely,

Policy Administration