Filing at a Glance

Company:	The Prudential Insurance Company of America
Product Name:	Individual Long Term Care Insurance
State:	Virginia
TOI:	LTC03I Individual Long Term Care
Sub-TOI:	LTC03I.001 Qualified
Filing Type:	Rate
Date Submitted:	06/08/2016
SERFF Tr Num:	PRUD-130606748
SERFF Status:	Closed-Approved
State Tr Num:	PRUD-130606748
State Status:	Approved
Co Tr Num:	IIGHILTC1(POST)RERATE-RP-VA
Implementation Date Requested:	On Approval
Author(s):	Laura Hughes, Raenonna Prince, Karen Keller
Reviewer(s):	Bobby Toone (primary)
Disposition Date:	02/10/2020
Disposition Status:	Approved
Implementation Date:	

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

General Information

Project Name: ILTC-1 (Post) Re-Rate
Project Number: 5I-2015
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:

Deemer Date: 12/26/2019
Submitted By: Raenonna Prince

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments: Filed Concurrently.
Market Type: Individual
Individual Market Type:
Filing Status Changed: 02/10/2020
State Status Changed: 02/10/2020
Created By: Raenonna Prince
Corresponding Filing Tracking Number: PRUD-130596260
State TOI: LTC03I Individual Long Term Care

Filing Description:
Please refer to the Filing Cover Letter attached to the Supporting Documentation Tab of this filing.

Company and Contact

Filing Contact Information

Keith Burns, Vice President and Actuary
Long Term Care Unit
100 Mulberry Street
Gateway Center 2, 11th Floor
Newark, NJ 07102

keith.burns@prudential.com
402-715-4861 [Phone]

Filing Company Information

The Prudential Insurance
Company of America
751 Broad Street
Newark, NJ 07102-3777
(973) 802-6000 ext. [Phone]

CoCode: 68241
Group Code: 304
Group Name:
FEIN Number: 22-1211670

State of Domicile: New Jersey
Company Type: Life
State ID Number:

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Bobby Toone	02/10/2020	02/10/2020

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Bobby Toone	11/20/2019	11/20/2019
Info has been requested from company	Bobby Toone	11/18/2019	11/18/2019
Info has been requested from company	Bobby Toone	10/15/2019	10/15/2019
Info has been requested from company	Bobby Toone	09/05/2019	09/05/2019
Info has been requested from company	Bobby Toone	07/08/2019	07/08/2019
Info has been requested from company	Bobby Toone	07/03/2019	07/03/2019
Info has been requested from company	Bobby Toone	05/21/2019	05/21/2019
Info has been requested from company	Bobby Toone	02/25/2019	02/25/2019
Info has been requested from company	Bobby Toone	02/04/2019	02/04/2019
Info has been requested from company	Greg Smith	10/30/2018	10/30/2018

Response Letters

Responded By	Created On	Date Submitted
Raenonna Prince	11/26/2019	11/26/2019
Raenonna Prince	11/18/2019	11/18/2019
Raenonna Prince	10/31/2019	10/31/2019
Raenonna Prince	09/27/2019	09/27/2019
Raenonna Prince	08/22/2019	08/22/2019
Raenonna Prince	07/17/2019	07/17/2019
Raenonna Prince	06/20/2019	06/20/2019
Raenonna Prince	05/10/2019	05/10/2019
Raenonna Prince	03/21/2019	03/21/2019
Raenonna Prince	01/18/2019	01/18/2019

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Janet Houser	09/01/2017	09/01/2017
Info has been requested from company	Janet Houser	06/14/2017	06/15/2017
Info has been requested from company	Janet Houser	02/28/2017	03/01/2017
Info has been requested from company	Janet Houser	12/21/2016	12/21/2016
Disapproved	Janet Houser	06/14/2016	06/14/2016

Response Letters

Responded By	Created On	Date Submitted
Raenonna Prince	10/16/2017	10/16/2017
Raenonna Prince	08/03/2017	08/03/2017
Raenonna Prince	04/24/2017	04/24/2017
Raenonna Prince	02/03/2017	02/03/2017
Raenonna Prince	12/05/2016	12/05/2016

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	VA - Post RS ILTC-1 Rate Increase By Benefit Option	Raenonna Prince	06/20/2019	06/20/2019

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Extension Request	Note To Filer	Bobby Toone	07/18/2019	07/18/2019
Re: Request for Extension	Note To Reviewer	Raenonna Prince	07/18/2019	07/18/2019
Request for Extension	Note To Filer	Bobby Toone	04/01/2019	04/01/2019
Re: Request for Extension	Note To Reviewer	Raenonna Prince	04/01/2019	04/01/2019
Extension Request	Note To Filer	Bobby Toone	02/25/2019	02/25/2019
Re: Request for Extension	Note To Reviewer	Raenonna Prince	02/22/2019	02/22/2019
RRS	Reviewer Note	Bobby Toone	10/15/2018	

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Disposition

Disposition Date: 02/10/2020
Implementation Date:
Status: Approved

Comment: In approving this filing, the Company is reminded that pursuant to 14VAC5-200-153 D, it is required to provide updated experience for the next three years comparing the actual results to the results that the Company projected in justifying the rate increase. We would expect this filing to be made no later than 03/25/2021 and to include updated data through the most recent year end.

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):
The Prudential Insurance Company of America	91.500%	91.500%	$319,099	170	$348,569	100.500%	80.500%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Certification of Compliance	Received & Acknowledged	Yes
Supporting Document	Product Checklist	Received & Acknowledged	Yes
Supporting Document (revised)	L&H Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document (revised)	Long Term Care Insurance Rate Request Summary	Received & Acknowledged	Yes
Supporting Document (revised)	Appendix C - Description of Experience Analysis and Assumption Setting	Received & Acknowledged	Yes
Supporting Document	Appendix C - Description of Experience Analysis and Assumption Setting	Withdrawn	No
Supporting Document (revised)	Appendix C - Exhibit 1 - Mortality Details - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Appendix C - Exhibit 1 - Mortality Details - ILTC-1	Withdrawn	No
Supporting Document (revised)	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1	Withdrawn	No
Supporting Document (revised)	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1	Withdrawn	No
Supporting Document	Appendix D - Persistency - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Appendix E - DOB - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Policyholder Notification Letter - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Rate Increase History	Received & Acknowledged	Yes

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Filing Cover Letter	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 12-2-2016	Received & Acknowledged	Yes
Supporting Document	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis	Received & Acknowledged	Yes
Supporting Document	Objection 3.2 - ILTC-1 Post RS	Received & Acknowledged	Yes
Supporting Document	Objection 3.4 - AE LR	Received & Acknowledged	Yes
Supporting Document	Shock Lapse Assumption Support	Received & Acknowledged	Yes
Supporting Document	VA State Rate Basis Template & Appendices - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 2-2-2017	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 4-21-2017	Received & Acknowledged	Yes
Supporting Document	Assumption Comparison - ILTC-1	Received & Acknowledged	Yes
Supporting Document	Attachment 4.1 - Rate Increase History	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 8-3-2017	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 10-13-2017	Received & Acknowledged	Yes
Supporting Document	VA Post RS - Letter of Response - 5-10-2019	Received & Acknowledged	Yes
Supporting Document	VA Post RS - ILTC-1 Rate Increase	Received & Acknowledged	Yes
Supporting Document	Letterof Response (ILTC-1 Post RS) - 6-20-2019	Received & Acknowledged	Yes
Supporting Document	VA - Post RS ILTC-1 Rate Increase By Benefit Option	Received & Acknowledged	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1	Withdrawn	No
Supporting Document	Letter of Response - 8-19-2019	Received & Acknowledged	Yes
Supporting Document	ILTC-1 Post RS Prior Rate Appendix (Nov 2009)	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 9-27-2019	Received & Acknowledged	Yes
Supporting Document	VA - ILTC-1 Post RS 2019.09.05 Objection Attachments	Received & Acknowledged	Yes
Supporting Document	Letter of Response - 10-31-2019	Received & Acknowledged	Yes
Supporting Document (revised)	VA ILTC1 PostRS 2019.10.15 Objection Attachments	Received & Acknowledged	Yes
Supporting Document	VA ILTC1 PostRS 2019.10.15 Objection Attachments	Withdrawn	No
Supporting Document	Letter of Response - 11-26-2019	Received & Acknowledged	Yes

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate (revised)	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	Approved	Yes
Rate (revised)	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	Approved	Yes
Rate (revised)	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	Approved	Yes
Rate (revised)	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	Approved	Yes
Rate (revised)	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	Approved	Yes
Rate (revised)	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	Approved	Yes
Rate	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	Withdrawn	No
Rate	Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	Withdrawn	No
Rate	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	Withdrawn	No
Rate	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	Withdrawn	No

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	11/20/2019
Submitted Date	11/20/2019
Respond By Date	12/20/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: Per our phone conversation on 11/20/2019, please provide the current national cumulative average increase, and what that average would be if all outstanding rate increase requests were approved for the full amount.

Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	11/18/2019
Submitted Date	11/18/2019
Respond By Date	12/02/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- Letter of Response - 10-13-2017 (Supporting Document)

Comments: The response to objection 1 from the objection responses dated October 31, 2019, refers to a file titled VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx. However, the file does not appear in SERFF. Please upload the file in SERFF.

Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/15/2019
Submitted Date	10/15/2019
Respond By Date	11/14/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- Letter of Response - 9-27-2019 (Supporting Document)

Comments: 1. The following questions pertain to the attachment provided in response to objection 3 from the objection responses dated September 27, 2019.

a. Please explain why the future cash flows under the original pricing do not appear to align with the projected experience for 2019 and beyond for the experience projections provided in response to objection 3 from the objection responses dated August 16, 2019. While we would expect there to be differences with how the experience has evolved, the future cash flows under the original pricing show the block of business is projected to contract more quickly than the November 2009 projection. If necessary, please revise the demonstration of the prospective present value calculation so that the projected experience is based on all November 2009 assumptions.

b. Please confirm the projected future cash flows under the original pricing are based on the insured population as of June 30, 2018.

c. Please confirm no shock lapses, benefit buydowns, or adverse selection as a result of the rate increase were reflected in either set of future cash flows. If necessary, please revise the cash flows to exclude the impact of these items.

Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/05/2019
Submitted Date	09/05/2019
Respond By Date	10/05/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

- Letterof Response (ILTC-1 Post RS) - 6-20-2019 (Supporting Document)

Comments: 1. Please revise Appendix C to only include the experience of the policy forms associated with this filing so we may evaluate the appropriateness of the assumptions relative to the experience associated with this filing. Additionally, please revise Appendix C to include an actual-to-expected comparison by policy duration for the mortality assumptions.

2. Please provide quantitative support for the shock lapse and benefit buydown assumptions underlying the most recent experience projections.

3. Please provide the maximum justifiable rate increase for each policyholder cohort for which the proposed rate increase varies (e.g., policies with a limited benefit period and reimbursement benefits) under the prospective present value method. Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated June 20, 2019. Additionally, please provide sufficient quantitative support so that we are able to assess the reasonableness of the calculation.

Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/08/2019
Submitted Date	07/08/2019
Respond By Date	08/23/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. In the objection responses dated June 20, 2019, the Company stated that the experience projections were updated to reflect the impact of benefit reductions due to the requested rate increase. Please state the assumed proportion of policyholders expected to reduce benefits and the average premium offset that benefit reductions are expected to have for policyholders reducing benefits, as well as the average premium offset that benefit reductions are expected to have across all policyholders. Please provide quantitative support for the assumptions underlying the experience projections.

2. The projected incurred claims underlying the experience projections submitted with the objection responses dated May 10, 2019 are significantly higher relative to the experience projections submitted with the objection responses dated February 2, 2017. For example, for calendar year 2025, the May 10, 2019 exhibit shows projected incurred claims of approximately $7.6 million without the rate increase, whereas the February 2, 2017 exhibit shows projected incurred claims of approximately $5.7 million. This difference produces significantly higher loss ratios by calendar year than previously projected. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum unless previously noted (i.e., incorporating benefit reductions into the projections). If not, please explain all assumptions that were revised and provide quantitative support for the assumptions that were revised. If the assumptions are consistent with those described in the actuarial memorandum, please explain why the projected incurred claims have increased significantly. If necessary, please revise the experience projections.

3. Please provide an exhibit similar to Appendix B summarizing the projected experience using the assumptions associated with the most recently approved rate filing so that we may understand how the projected premium and claims differ as a result of changes in the underlying assumptions. Please provide this information separately for each policyholder cohort for which the proposed rate increase varies (e.g., a limited benefit period and reimbursement benefits). Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated May 10, 2019.

Conclusion:

We shall be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should

reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/03/2019
Submitted Date	07/03/2019
Respond By Date	07/17/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: Since the Policyholder Notification Letter from PRUD-130596305 is to be used as the template for this and future individual LTC filings, please withdraw LTC Rate Increase Letter (ILTC1) - Round 5 - 3-4-2016.pdf from the filing.

Also, please submit a statement denoting that the policyholder letter being used can be found in filing PRUD-130596305.

Conclusion:

We shall be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	05/21/2019
Submitted Date	05/21/2019
Respond By Date	06/20/2019

Dear Keith Burns,

Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. The experience projections submitted with the objection responses dated May 10, 2019, are inconsistent with our expectations relative to the experience projections submitted with the objection responses dated February 2, 2017. In particular, the historical experience for the initial years has changed (e.g., the aggregate earned premium amounts are not the same and aggregate paid claims do not match where no claim reserve was previously noted) and the relativity of the present value of future claims with the rate increase and the present value of future claims without the rate increase has changed materially. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum. Please explain why the historical experience does not align where we would reasonably expect it to. If necessary, please revise the experience projections.

2. Please demonstrate that 14VAC5-200-153C2 is satisfied independently for each policyholder cohort for which the proposed rate increase varies (e.g., limited benefit periods).

3. The objection responses dated May 10, 2019, indicate future rate increases are anticipated. Please state the Companys intent with respect to future rate increases for this policy form, including the criteria that may be used to determine as to when another rate increase may be filed and the timing of the next rate increase.

Conclusion:

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

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,

State:	Virginia	**Filing Company:**	The Prudential Insurance Company of America
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual Long Term Care Insurance		
Project Name/Number:	ILTC-1 (Post) Re-Rate/5I-2015		

Bobby Toone

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	02/25/2019
Submitted Date	02/25/2019
Respond By Date	03/27/2019

Dear Keith Burns,

Introduction:

One or more items included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. The proposed rate increase varies based on whether the policyholder has a limited benefit period. Please demonstrate using the most recently available nationwide experience that for the two policyholder cohorts for which the proposed rate increase varies (e.g., limited benefit periods), 14VAC5-200-153 is satisfied independently for each policyholder cohort. The demonstration of whether 14VAC5-200-153 has been satisfied should be consistent with the manner in which the experience was presented in the version of Appendix B and Appendix G associated with the objection responses dated February 2, 2017. Additionally, if more recent experience is used to demonstrate 14VAC5-200-153 is satisfied for each policyholder cohort, please revise Appendix B and Appendix G to reflect the same experience basis.

2. If the proposed rate increase is implemented, what percentage of policyholders for each policyholder cohort (e.g., limited benefit periods) are expected to be offered a contingent benefit upon lapse?

3. Please provide the policy reserves, both nationwide and for Virginia policies only, for the two policyholder cohorts independently (e.g., limited benefit periods), calculated at the interest rate used in the experience projections. The valuation date used for the policy reserves should be consistent with the date through which historical experience is provided in response to objection 1 above.

Conclusion:

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

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	02/04/2019
Submitted Date	02/04/2019
Respond By Date	02/18/2019

Dear Keith Burns,

Introduction:

Thank you for your response, however one or more items included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

Objection 1

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: 14VAC5-100-50 3 requires that a copy of the letter in, "John Doe" fashion, be submitted to indicate how it is intended to be used.

Conclusion:

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

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/30/2018
Submitted Date	10/30/2018
Respond By Date	

Dear Keith Burns,

Introduction:

During our review, we noted the following issues and/or need addition information to continue.

Note, any revisions, modifications, or changes of any type to the filing not specifically requested by us should be brought to our attention upon resubmission and explained in detail.

Objection 1

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: In our mutual efforts to use a template approach on LTC policyholder letters, please reference SERFF filing # PRUD-129708969 and evaluate using approved and appropriate language from form GRP 115128 Policyholder Advance Notification Letter. Your thoughts on this approach are welcome.

Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues noted above. Should you need clarification, please contact me.

Thank you for your courtesy and prompt response.

Greg Smith, Principal Insurance Market Examiner

Sincerely,
Greg Smith

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/01/2017
Submitted Date	09/01/2017
Respond By Date	

Dear Keith Burns,

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) In response to our concern that Virginia's cumulative increase would be significantly higher than the nationwide cumulative percentage, the Company responded that in this round of filing, the Company is striving to obtain equity among all states by reviewing the accumulated rate increase and requesting the remaining unapproved rate increases from prior request. Based on our analysis, the proposed cumulative Virginia rate increase in excess of the approved nationwide cumulative rate change would be approximately 37% higher on the limited reimbursement policies and 44% on the unlimited reimbursement policies. If all the proposed nationwide increases are approved, the percentage would drop to approximately 26% on the limited plans and 30% on the unlimited plans. Again, we ask the Company to address this inequity issue and advise why the Company is not revising the requested rate increases accordingly.

2) Pursuant to 14VAC5-200-153 B 3 b, please disclose how reserves have been incorporated in the this rate increase whenever the rate increase will trigger the contingent benefit upon lapse.

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:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	06/14/2017
Submitted Date	06/15/2017
Respond By Date	

Dear Keith Burns,

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) Attachment 4.1 indicates the Company intended previously to request both a second and a third rate increase. Please advise why the company decided to not pursue the referenced additional requests. Now the Company proposing its rate increase based on what is needed to certify to no future rate increases. Is the company aware that 14VAC5-200-153 B 5 allows companies to request a premium rate increase less than what is necessary to make such certification?

2) It appears that if the proposed rate increase is implemented, the Virginia cumulative increase will be significantly higher than the percentage approved nationwide and raises a number of concerns. Please address this apparent inequity and advise why the company is not revising the requested rate accordingly.

3) Since Form GRP 98179 has been removed from the Rate/Rule Schedule, please update the Long Term Care Insurance Rate Summary accordingly.

4) According to your previous response, the unlimited adjustment factor was added back to form number GRP 98544, GRP 98545, and GRP 98546 although it does not appear on the rate pages. Please advise.

5) It is entirely the Company's decision if it wishes to implement increases over 3 or 4 years. Based on your response, the Company would prefer a 3 year implementation period. If so, the Company will need to attach rate tables for each implementation period to the Rate/Rule Schedule. The Company, however, may wish to submit these closer to the time the filing is approvable.

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:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	02/28/2017
Submitted Date	03/01/2017
Respond By Date	

Dear Keith Burns,

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 regarding the rates.

Objection 1

- Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)
- Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider, [GRP 98180] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider, [GRP 98181] (Rate)

Comments: It appears our objection one was not clear. The rate attachments need to be more specific in regards to what rates apply to which forms by form number.

For forms GRP 98180 and 98181 please expand the heading for each set of adjustment factors to include the form number to which it applies. For example, the automatic simple interest inflation protection factors attached to form 98180 apply to GRP 98544, the automatic compound factor interest factors apply to GRP 98545 and the periodic inflation protection offers apply to GRP 98546.

There are separate concerns regarding GRP 98179 which is addressed in the following objection.

Objection 2

- L&H Actuarial Memorandum (Supporting Document)
- Letter of Response - 2-2-2017 (Supporting Document)

Comments: After reviewing the revised Actuarial Memorandum, GRP 98179 is not included in the memorandum and is not applicable to post stability block of business. If that is correct, this form and all references to it should be removed from this filing wherever such appears. In other words, the rate schedule for GRP 98179 should be withdrawn and the rate pages for GRP 98180 and GRP 98181 should not include the Automatic Simple Interest Inflation Protection adjustment factors which are not applicable to the post stability block. That information would only appear in the SERFF filing for the pre-stability block.

This form should not be included in the Long Term Care Insurance Rate Request Summary as well.

Objection 3

- Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)

Comments: Our objection 1, item 3 remains unresolved. The rates for these forms were previously approved under PRUD-125955126.

A review of that filing indicates rates for these forms provided the base rates before adjustments, adjustment factors for the lifetime maximum (benefit period), adjustments factors for the benefit waiting period, adjustment factors for the Home & Community-based care daily benefit, adjustment factors for the monthly benefit rider (rider only), the adjustment factors for the case benefit rider (rider only), adjustment factors for shortened benefit period nonforfeiture (rider only), adjustment factor (underwriting class) adjustment factors for the premium payment mode, and adjustment factors for the marital status. What is not appearing on the new rates schedules are adjustment factors for the monthly benefit rider (rider only), the cash benefit rider (rider only), and the shortened benefit period nonforfeiture (rider only). Why do these not appear since these were approved under PRUD-125955126?

Lastly, we note the unlimited benefit period for the adjustment factor - lifetime maximum (benefit period) is missing. Please clarify why it was removed.

Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: As we continue our review of the rate filing, please provide the following:

1) An Excel spreadsheet demonstrating the nationwide cumulative increase and the Virginia cumulative increase with updated status of rate increases nationwide. In reviewing the Rate History Chart, it appears as though the second rate increase was not approved in Virginia, and the Company is now filing for the second and third increases combined, with an adjustment to account for a delayed implementation of the second increase. In other words, the 80.5% and the 100.5% increase being requested on the limited reimbursement and unlimited reimbursement policies, respectively, may be equivalent of the originally requested rate increases at the time. Based on our records, SERFF tracking #PRUD-129224714 was submitted on 9/27/2013 and rejected as the Company had indicated it would not seek an increases for at least 36 months after the implementation of a second increase that was to be effective January 1, 2012. Based on the history of rate adjustments on Appendix A, the approved rate increase was implemented in two stages on 5/1/2010 and 5/1/2011. It does not appear the Company filed for a second full increase and it is unclear why the company may be adjusting the increase for the delayed implementation. Please clarify.

2) An Excel spreadsheet demonstrating the premium earned to date.

3) The specific percentage rate increases the company is requesting and when each will be implemented according to the Company's intention is to implement increases as a series of 20% each year that is multiplicatively equivalent to the full increase amount. According to the Actuarial Memorandum, the company was willing to implement the increase over three years.

4) According to the Actuarial Memorandum, the Company was willing to manage these forms to a 96% lifetime loss ratio. Appendix A indicates the Lifetime loss ratio with the increase is 105%. What has changed since the prior rate increase that results in this higher lifetime loss ratio? Is the Company intending to manage to this higher loss ratio in the future?

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:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/21/2016
Submitted Date	12/21/2016
Respond By Date	

Dear Keith Burns,

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

- Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)
- Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)
- Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider, [GRP 98180] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider, [GRP 98181] (Rate)

Comments: Thank you for updating the Rate/Rule Schedule with the rider form numbers. In trying to match the proposed rate schedules with those approved under PRUD-125955126, there are a few discrepancies to be resolved as follows:

1. GRP 98180 and GRP 98181 were approved with adjustment factors based on the policy to which each was attached: GRP 98544, GRP 98545 and GRP 98546. The attached rate schedules in this filing do not provide that policy form identification. Please resolve.

2. GRP 98179 was approved with adjustment factors based on the policy to which it was attached: GRP98544, GRP 98545 and GRP-98546. The attached rate schedule in this filing does not provide that policy form identification. In addition, the new schedule includes benefit periods (3,4, 5 Unlimited) that were not included when the rates were approved. Please resolve.

3. GRP 98544, GRP 98546, and GRP 98545 were approved with monthly or cash benefit riders and a shortened benefit period nonforfeiture rider. Those rates are not in the new rate attachments for these forms. Please resolve.

Objection 2

- L&H Actuarial Memorandum (Supporting Document)
- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Please include all the policy form numbers affected by this rate increase in the summary and memorandum.

Objection 3

Comments: Please refer to Administrative Letter 2012-03, copy attached, which requires all submissions to include certain specific information in the Filing Description section. Please note that a transmittal letter attached as supporting documentation no longer fulfills this requirement. This change will need to be made in future filings or they will be rejected.

Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1.The voluntary lapse assumptions utilized in the experience projections and shown in Exhibit 2 appear to be lower than actual lapse rates for later durations. Please explain how the voluntary lapse assumptions were developed for later durations under this policy form given the lack of experience. Additionally, please specify whether shock lapses have been included in the voluntary lapse experience shown in Exhibit 2 given that multiple rate increases have been implemented for this policy form? If shock lapses are included in Exhibit 2, please quantify the impact of shock lapses by duration.

2. Please explain how the shock lapse assumption was developed.

3. The following questions relate to the experience projections provided in Appendix B and Appendix G:
a. Please revise Appendix C, Exhibit 3 to only include experience associated with policies issued after Virginias rate stabilization regulations were in effect, consistent with the experience shown in Appendix B. Additionally, we would expect the incurred claim estimates shown in Appendix C, Exhibit 3 to be consistent with the incurred claim estimates shown in Appendix B. If there are differences in the incurred claim estimates shown in the revised Appendix C, Exhibit 3 and Appendix B, please explain.
b. Please revise Appendix B and Appendix G so that waiver of premium benefits are treated as a reduction to premium instead of a claims expense. If necessary, please revise the experience projections to reflect any other items noted in response to item 3a, the prior item. Please provide any revised experience projections in an Excel file.

4. Please provide the policy reserves as of July 31, 2015, both nationwide and for Virginia policies only, calculated at the interest rate used in the current experience projections for policies issued under this policy form after rate stabilization regulations were adopted in Virginia so that we may calculate the future loss ratio as the present value of future claims less active life reserves, divided by the present value of future premium.

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

JACQUELINE K. CUNNINGHAM
COMMISSIONER OF INSURANCE
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

COMMONWEALTH OF VIRGINIA

P.O. BOX 1157
RICHMOND, VIRGINIA 23218
TELEPHONE: (804) 371-9741
TDD/VOICE: (804) 371-9206
www.scc.virginia.gov/boi

March 28, 2012

Administrative Letter 2012-03

To: All Insurers Licensed in Virginia and Other Interested Parties

Re: Implementation of Search Options for Rate and Form Submissions and Establishment of Additional Filing Requirements

In accordance with our ongoing efforts to educate and inform Virginia's insurance consumers, we will soon launch a new website function for viewing information about rate and form submissions on file with the Bureau of Insurance (the Bureau). The purpose of this administrative letter is to apprise all carriers and interested parties of the availability of this new function, and to notify carriers of additional filing requirements that will be necessary in order to display clear and succinct information through this new website application. We anticipate this new functionality, which will consist of two separate search options described below, to be available on or around May 1, 2012. **Additional filing requirements described further in this letter are effective immediately.**

The following two search options, which will be accessed through the link also shown below, will be provided to users of this new website function:

www.scc.virginia.gov/boi/SERFFInquiry/

Search Option 1 - Public Access to General Information about Rate and Form Submissions:

General information about submissions filed with the Bureau will be available through this search option, but direct access to the rates or forms will not be included. It will still be necessary to contact the Bureau for copies of publicly available rates and forms.

Search Option 2 - Public Access to PPACA Forms and Rates and Associated Supporting Documentation:

Rates and forms associated with accident and sickness insurance products that are subject to the requirements of the federal Patient Protection Affordable Care Act (PPACA), along with related supporting documentation, will be available for viewing through this option.

Additional Filing Requirements

In order to ensure that there is meaningful information available to the public, additional filing requirements have been established for the Filing Description section in SERFF. Any SERFF submission that does not include a properly completed Filing Description will be ***rejected***. Filings submitted via mail must also contain this information or the submission will be ***rejected***. The required information is listed below:

- *All submissions* filed with the Life and Health Division or the Property and Casualty Division must provide a brief summary of the filing, including a statement describing whether the materials in the filing are new, revisions of existing materials or are additional materials that will be used with previously filed or approved rates or forms in Virginia.

- *All rate submissions* filed with the Life and Health Division involving a rate change must include (i) a statement regarding whether the change is an increase, decrease, or revision of former rates, (ii) the percentage amount(s) of the change(s), (iii) the number of affected policyholders, and (iv) the reason for the proposed change(s).

- *All form submissions* filed with the Life and Health Division must include (i) a description of each form (i.e., form name, title, and edition date) and the intended use of the form, (ii) 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, (iii) to the extent practicable, the SERFF or State Tracking number of the approved form that the new form revises or replaces, or the SERFF or State Tracking number of the approved form(s) with which the new forms will be used, and (iv) a statement as to whether any other regulatory body has withdrawn approval of the form because the form contains one or more provisions that were deemed to be misleading, deceptive or contrary to public policy.

Questions regarding this letter and the filing requirements for submissions to the Life and Health Division may be directed to:

Bob Grissom
Chief Insurance Market Examiner
Life and Health Division
(804) 371-9152
bob.grissom@scc.virginia.gov

Questions regarding this letter and the filing requirements for submissions to the Property and Casualty Division may be directed to:

Rebecca Nichols, CPCU, CIC, CIE, AIC, CCP, ALMI
Principal Insurance Market Examiner
Property and Casualty Division
(804) 371-9331
rebecca.nichols@scc.virginia.gov

Questions regarding the functionality of the search options may be directed to:

Trish Todd, CPCU, AIE, AIC
Senior Insurance Market Examiner
Automated Systems
(804) 371-9195
trish.todd@scc.virginia.gov

Sincerely,

Jacqueline K. Cunningham
Commissioner of Insurance

jkc/tt

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	06/14/2016
Submitted Date	06/14/2016
Respond By Date	

Dear Keith Burns,

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.

Objection 1

- Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)
- Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)
- Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)
- Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)

Comments: According to the Actuarial Memorandum, the rate increase applies to three long term care policies (GRP 98544, GRP 98545, and GRP 98546) and their associated riders. According to Section 5 of the memorandum, the revised rates are applicable to these policy forms and all future periodic inflation protection offers.

The three policy forms noted above were approved under SERFF tracking # PRUD-125955126. Included in that filing were premium adjustment factors for forms GRP 98179, GRP 98180 and GRP 98181. According to Appendix A there are no Virginia policyholders with the Cash/Unlimited or Cash/Limited policy type. If that is the case, rates for GRP 98179 should not be included on the Rate/Rule Schedule for the post stability block. GRP 98180, Monthly Benefit Rider, and GRP 98181 Shortened Benefit Period Nonforfeiture Rider should be included on the Rate/Rule Schedule if any policies have such riders attached to them. Although the factors may not be changing, the premiums for such would increase when applied as a percentage to revised rates for the base policies. As a result, these riders should be included in the "Affected Form Numbers" in the Rate/Rule Schedule and noted in the Actuarial Memorandum.

Please confirm these are all the form numbers and riders that would be affected by this proposed rate increase.

According to the submission, the company is willing implement the increase over a period of 3 years. As a result, the company should attach a rate schedule that reflects the rates for each period to the Rate/Rule Schedule. The company may wish to wait until closer to the approval date, however, to update the filing. Please advise, however, what the percentage rate increase would be for each period.

Objection 2

- L&H Actuarial Memorandum (Supporting Document)

Comments: Since all policies in Virginia were issued on or after October 1, 2003, the rate increase will be reviewed in accordance with the requirements of 14VAC5-200-153. Please amend the Actuarial Certification to include the required certification in accordance with 14VAC5-200-153 B 2 b which states the premium rate filing is in compliance with the provision of this section.

Objection 3

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the following:

1. 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.

2. A loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale with no increases.

3. The reserve basis and justification for the reserve levels provided.

4. An exhibit illustrating an actual to expected analysis based on the original assumptions.

5. Confirmation in your response that support has been provided for all assumptions in sufficient detail to withstand peer review and that all calculations can be recreated. Where appropriate, please provide excel worksheets which will help to expedite our review.

6. A loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.

7. According to your cover letter, these policies were sold nationwide from 1998 through 2004. Since this filing is subject to 14VAC5-200-153 for policies issued on or after October 1, 2003, please confirm there is no pre-stability nationwide experience included in the exhibits. If so, please revise accordingly.

8. As a reminder, for post-stability policies, all present and accumulated values should be used to determine rate increases shall use the maximum valuation interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia as set forth in 14VAC5-200-153-C 4.

Objection 4

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: The Virginia State Corporation Commission 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. As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. Letters must now be submitted as a form to be filed with the state.

With sufficient variability, the letter only needs to be submitted once to be reviewed and filed with the Bureau. Objections regarding the policyholder letter have been addressed in the SERFF tracking # PRUD-130596260. If the company does not wish use the same letter for all filings, the Company may submit a policyholder letter specific to this filing with a different form number and attach it to this filing under Supporting Documentation.

The Long-Term Care Insurance Change Request Form and Frequently Asked Questions Relating to Premium Insurance could also contain sufficient variability to avoid multiple forms if the company wishes to do so. These forms are not required to be filed and should be attached to Supporting Documentation.

In line with this, any forms that will be attached to the policy to reflect changes made in the benefits may be used for all policies with sufficient variability unless the company prefers to use specific forms for each policy. Please advise how the company wishes to proceed with this.

Objection 5

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: The Long Term Care Rate Request Summary Part 1 will eventually be available our website for consumers to review. Please make the following changes in the form:

1) Rather than refer the consumer to Appendix A which may not be easily located by the consumer, please state the average annual premium as $3927 and the average requested increase of 91.5% as stated in Section 15 of the memorandum.

2) Please attach a second page that provides a brief narrative to summarize the key information used to develop the rates including the main drivers of the revised rates in consumer friendly language. This should be fairly high level but provide a sufficient explanation as to the assumptions used and why those assumptions under estimated premiums when the policy was originally priced.

3) Please include all policy forms that will be affected by this rate increase.

Objection 6

- L&H Actuarial Memorandum (Supporting Document)

Comments: The Actuarial Memorandum states this increase applies to all future periodic inflation protection offers. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

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:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/26/2019
Submitted Date	11/26/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to our letter of response attached to the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Per our phone conversation on 11/20/2019, please provide the current national cumulative average increase, and what that average would be if all outstanding rate increase requests were approved for the full amount.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 11-26-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC1) - 11-26-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/18/2019
Submitted Date	11/18/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the "VA ILTC1 Post RS 2019.10.15 Objection Attachments.xlsx" attached to the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- Letter of Response - 10-13-2017 (Supporting Document)

Comments: The response to objection 1 from the objection responses dated October 31, 2019, refers to a file titled VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx. However, the file does not appear in SERFF. Please upload the file in SERFF.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	VA ILTC1 PostRS 2019.10.15 Objection Attachments
Comments:	
Attachment(s):	VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx
Previous Version	
Satisfied - Item:	*VA ILTC1 PostRS 2019.10.15 Objection Attachments*
Comments:	
Attachment(s):	*VA - Post-RS ILTC-1 Rate Increase by benefit option - 6-20-2019.xlsx*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/31/2019
Submitted Date	10/31/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional response material from our Actuary, Meong Kwak. The response material can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- Letter of Response - 9-27-2019 (Supporting Document)

Comments: 1. The following questions pertain to the attachment provided in response to objection 3 from the objection responses dated September 27, 2019.

a. Please explain why the future cash flows under the original pricing do not appear to align with the projected experience for 2019 and beyond for the experience projections provided in response to objection 3 from the objection responses dated August 16, 2019. While we would expect there to be differences with how the experience has evolved, the future cash flows under the original pricing show the block of business is projected to contract more quickly than the November 2009 projection. If necessary, please revise the demonstration of the prospective present value calculation so that the projected experience is based on all November 2009 assumptions.

b. Please confirm the projected future cash flows under the original pricing are based on the insured population as of June 30, 2018.

c. Please confirm no shock lapses, benefit buydowns, or adverse selection as a result of the rate increase were reflected in either set of future cash flows. If necessary, please revise the cash flows to exclude the impact of these items.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 10-31-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC1) - 10-31-2019.pdf

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 10-31-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC1) - 10-31-2019.pdf

Satisfied - Item:	VA ILTC1 PostRS 2019.10.15 Objection Attachments
Comments:	
Attachment(s):	VA - Post-RS ILTC-1 Rate Increase by benefit option - 6-20-2019.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. - Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/27/2019
Submitted Date	09/27/2019

Dear Bobby Toone,

Introduction:

Thank you for you review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional response material from our Actuary, Mr. Meong Kwak. The response material can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- *L&H Actuarial Memorandum (Supporting Document)*
- *Letterof Response (ILTC-1 Post RS) - 6-20-2019 (Supporting Document)*

Comments: 1. Please revise Appendix C to only include the experience of the policy forms associated with this filing so we may evaluate the appropriateness of the assumptions relative to the experience associated with this filing. Additionally, please revise Appendix C to include an actual-to-expected comparison by policy duration for the mortality assumptions.

2. Please provide quantitative support for the shock lapse and benefit buydown assumptions underlying the most recent experience projections.

3. Please provide the maximum justifiable rate increase for each policyholder cohort for which the proposed rate increase varies (e.g., policies with a limited benefit period and reimbursement benefits) under the prospective present value method. Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated June 20, 2019. Additionally, please provide sufficient quantitative support so that we are able to assess the reasonableness of the calculation.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 9-27-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 9-27-2019.pdf

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 9-27-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 9-27-2019.pdf

Satisfied - Item:	VA - ILTC-1 Post RS 2019.09.05 Objection Attachments
Comments:	
Attachment(s):	VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you.

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/22/2019
Submitted Date	08/22/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. In the objection responses dated June 20, 2019, the Company stated that the experience projections were updated to reflect the impact of benefit reductions due to the requested rate increase. Please state the assumed proportion of policyholders expected to reduce benefits and the average premium offset that benefit reductions are expected to have for policyholders reducing benefits, as well as the average premium offset that benefit reductions are expected to have across all policyholders. Please provide quantitative support for the assumptions underlying the experience projections.

2. The projected incurred claims underlying the experience projections submitted with the objection responses dated May 10, 2019 are significantly higher relative to the experience projections submitted with the objection responses dated February 2, 2017. For example, for calendar year 2025, the May 10, 2019 exhibit shows projected incurred claims of approximately $7.6 million without the rate increase, whereas the February 2, 2017 exhibit shows projected incurred claims of approximately $5.7 million. This difference produces significantly higher loss ratios by calendar year than previously projected. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum unless previously noted (i.e., incorporating benefit reductions into the projections). If not, please explain all assumptions that were revised and provide quantitative support for the assumptions that were revised. If the assumptions are consistent with those described in the actuarial memorandum, please explain why the projected incurred claims have increased significantly. If necessary, please revise the experience projections.

3. Please provide an exhibit similar to Appendix B summarizing the projected experience using the assumptions associated with the most recently approved rate filing so that we may understand how the projected premium and claims differ as a result of changes in the underlying assumptions. Please provide this information separately for each policyholder cohort for which the proposed rate increase varies (e.g., a limited benefit period and reimbursement benefits). Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated May 10, 2019.

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 1 - Mortality Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 1 - Mortality Details - ILTC1.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 1 - Mortality Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 1 - Mortality Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 2 - Lapse Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC1.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 1 - Mortality Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 1 - Mortality Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 2 - Lapse Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx* *Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf*
Previous Version	

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 1 - Mortality Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 1 - Mortality Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 2 - Lapse Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx* *Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf*
Previous Version	

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

Satisfied - Item:	Letter of Response - 8-19-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 8-19-2019.pdf

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Description of Experience Analysis and Assumption Setting*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Description of Experience Analysis and Assumption Setting.pdf*

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 1 - Mortality Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 1 - Mortality Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 2 - Lapse Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC1.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx* *Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf*
Previous Version	

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

Satisfied - Item:	Letter of Response - 8-19-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 8-19-2019.pdf

Satisfied - Item:	ILTC-1 Post RS Prior Rate Appendix (Nov 2009)
Comments:	
Attachment(s):	ILTC1 Post-RS Prior Rate Appendix (Nov 2009).xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. - Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State:	Virginia	**Filing Company:**	The Prudential Insurance Company of America
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual Long Term Care Insurance		
Project Name/Number:	ILTC-1 (Post) Re-Rate/5I-2015		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/17/2019
Submitted Date	07/17/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please be advised that the Policyholder Notification Template material has been submitted to the Department for review under SERFF Filing Number PRUD-130596305.

Related Objection 1

Applies To:

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: Since the Policyholder Notification Letter from PRUD-130596305 is to be used as the template for this and future individual LTC filings, please withdraw LTC Rate Increase Letter (ILTC1) - Round 5 - 3-4-2016.pdf from the filing.

Also, please submit a statement denoting that the policyholder letter being used can be found in filing PRUD-130596305.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com
Sincerely,

Sincerely,

Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	06/20/2019
Submitted Date	06/20/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response from our Actuary, Mr. Keith Burns. The letter of response can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. The experience projections submitted with the objection responses dated May 10, 2019, are inconsistent with our expectations relative to the experience projections submitted with the objection responses dated February 2, 2017. In particular, the historical experience for the initial years has changed (e.g., the aggregate earned premium amounts are not the same and aggregate paid claims do not match where no claim reserve was previously noted) and the relativity of the present value of future claims with the rate increase and the present value of future claims without the rate increase has changed materially. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum. Please explain why the historical experience does not align where we would reasonably expect it to. If necessary, please revise the experience projections.

2. Please demonstrate that 14VAC5-200-153C2 is satisfied independently for each policyholder cohort for which the proposed rate increase varies (e.g., limited benefit periods).

3. The objection responses dated May 10, 2019, indicate future rate increases are anticipated. Please state the Companys intent with respect to future rate increases for this policy form, including the criteria that may be used to determine as to when another rate increase may be filed and the timing of the next rate increase.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letterof Response (ILTC-1 Post RS) - 6-20-2019
Comments:	
Attachment(s):	VA - Letter of Response (ILTC-1 Post RS) - 6-20-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/10/2019
Submitted Date	05/10/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional response material from our Actuary, Mr. Meong Kwak.

The response material can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. The proposed rate increase varies based on whether the policyholder has a limited benefit period. Please demonstrate using the most recently available nationwide experience that for the two policyholder cohorts for which the proposed rate increase varies (e.g., limited benefit periods), 14VAC5-200-153 is satisfied independently for each policyholder cohort. The demonstration of whether 14VAC5-200-153 has been satisfied should be consistent with the manner in which the experience was presented in the version of Appendix B and Appendix G associated with the objection responses dated February 2, 2017. Additionally, if more recent experience is used to demonstrate 14VAC5-200-153 is satisfied for each policyholder cohort, please revise Appendix B and Appendix G to reflect the same experience basis.

2. If the proposed rate increase is implemented, what percentage of policyholders for each policyholder cohort (e.g., limited benefit periods) are expected to be offered a contingent benefit upon lapse?

3. Please provide the policy reserves, both nationwide and for Virginia policies only, for the two policyholder cohorts independently (e.g., limited benefit periods), calculated at the interest rate used in the experience projections. The valuation date used for the policy reserves should be consistent with the date through which historical experience is provided in response to objection 1 above.

Changed Items:

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	VA Post RS - Letter of Response - 5-10-2019
Comments:	
Attachment(s):	VA Post RS - Letter of Response (ILTC-1) - 5-10-2019.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	VA Post RS - Letter of Response - 5-10-2019
Comments:	
Attachment(s):	VA Post RS - Letter of Response (ILTC-1) - 5-10-2019.pdf

Satisfied - Item:	VA Post RS - ILTC-1 Rate Increase
Comments:	
Attachment(s):	VA Post-RS ILTC1 Rate Increase.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/21/2019
Submitted Date	03/21/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

We ask that you please refer to the response material in our corresponding SERFF Filing PRUD-130596260. We intend to use the same Policyholder Notification Package material for the ILTC-1 Post Rate Stabilization block of business, so the "John Doe" letter would be the same.

Related Objection 1

Applies To:

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: 14VAC5-100-50 3 requires that a copy of the letter in, "John Doe" fashion, be submitted to indicate how it is intended to be used.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State:	Virginia	**Filing Company:**	The Prudential Insurance Company of America
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual Long Term Care Insurance		
Project Name/Number:	ILTC-1 (Post) Re-Rate/5I-2015		

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/18/2019
Submitted Date	01/18/2019

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

We ask that you please refer to the response material in our corresponding SERFF Filing PRUD-130596260. We intend to use the same Policyholder Notification Package material for the ILTC-1 Post Rate Stabilization block of business.

Related Objection 1

Applies To:

- Policyholder Notification Letter - ILTC-1 (Supporting Document)

Comments: In our mutual efforts to use a template approach on LTC policyholder letters, please reference SERFF filing # PRUD-129708969 and evaluate using approved and appropriate language from form GRP 115128 Policyholder Advance Notification Letter. Your thoughts on this approach are welcome.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/16/2017
Submitted Date	10/16/2017

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response from our Actuary, Ms. Ritu Jain, attached to the Supporting Documentation Tab of this filing.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 10-13-2017
Comments:	
Attachment(s):	VA - Letter of Response - 10-13-2017.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information, please do not hesitate to contact me. Thank you! -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

State:	Virginia	**Filing Company:**	The Prudential Insurance Company of America
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual Long Term Care Insurance		
Project Name/Number:	ILTC-1 (Post) Re-Rate/5I-2015		

Sincerely,

Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/03/2017
Submitted Date	08/03/2017

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response from our Actuary, Ms. Ritu Jain. Additionally, we have included a revised copy of the Long Term Care Insurance Rate Request Summary.

This information can be referenced on the Supporting Documentation Tab of this filing.

Changed Items:

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 8-3-2017.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Summary Insert Page.pdf* *VA (Post) - LTC Rate Summary Request 2-2-2017.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Summary Insert Page.pdf* *VA (Post) - LTC Rate Summary Request 12-2-2016.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 8-3-2017.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Summary Insert Page.pdf* *VA (Post) - LTC Rate Summary Request 2-2-2017.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Summary Insert Page.pdf* *VA (Post) - LTC Rate Summary Request 12-2-2016.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

Satisfied - Item:	Letter of Response - 8-3-2017
Comments:	
Attachment(s):	VA - Letter of Response - 8-3-2017.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/24/2017
Submitted Date	04/24/2017

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional revised material from our Actuary, Mr. Michael Zilberman, This information can be referenced on the Rate Schedule Tab and the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- *Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider, [GRP 98180] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider, [GRP 98181] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)*

Comments: It appears our objection one was not clear. The rate attachments need to be more specific in regards to what rates apply to which forms by form number.

For forms GRP 98180 and 98181 please expand the heading for each set of adjustment factors to include the form number to which it applies. For example, the automatic simple interest inflation protection factors attached to form 98180 apply to GRP 98544, the automatic compound factor interest factors apply to GRP 98545 and the periodic inflation protection offers apply to GRP 98546.

There are separate concerns regarding GRP 98179 which is addressed in the following objection.

Changed Items:

State: *Virginia*
Filing Company: *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

No Form Schedule items changed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Other	Previous State Filing Number: Rate Action Other Explanation: Removed		04/24/2017 By: Raenonna Prince
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*02/03/2017 By: Raenonna Prince*
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*06/08/2016 By: Raenonna Prince*
2	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	GRP 98180	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98180 - Monthly Benefit Rider.pdf,	04/24/2017 By: Raenonna Prince
Previous Version						
2	*Appendix F - Rate Pages - (ILTC-1 Post*	*GRP 98180*	*Revised*	*Previous State Filing Number:*	*Appendix F - Rate Pages (VA ILTC1 Post-*	*12/05/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

	RS) GRP 98180 - Monthly Benefit Rider			*PRUD-125955126 Percent Rate Change Request: 91.5*	*RS) - GRP 98180 - Monthly Benefit Rider.pdf,*	
3	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	GRP 98181	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,	04/24/2017 By: Raenonna Prince
Previous Version						
3	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider*	*GRP 98181*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,*	*12/05/2016 By: Raenonna Prince*

Response 2

Comments:

Please refer to the letter of response and additional revised material from our Actuary, Mr. Michael Zilberman, This information can be referenced on the Rate Schedule Tab and the Supporting Documentation Tab of this filing.

Related Objection 2

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

- Letter of Response - 2-2-2017 (Supporting Document)

Comments: After reviewing the revised Actuarial Memorandum, GRP 98179 is not included in the memorandum and is not applicable to post stability block of business. If that is correct, this form and all references to it should be removed from this filing wherever such appears. In other words, the rate schedule for GRP 98179 should be withdrawn and the rate pages for GRP 98180 and GRP 98181 should not include the Automatic Simple Interest Inflation Protection adjustment factors which are not applicable to the post stability block. That information would only appear in the SERFF filing for the pre-stability block.

This form should not be included in the Long Term Care Insurance Rate Request Summary as well.

Changed Items:

State: *Virginia*
Filing Company: *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

No Form Schedule items changed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Other	Previous State Filing Number: Rate Action Other Explanation: Removed		04/24/2017 By: Raenonna Prince
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*02/03/2017 By: Raenonna Prince*
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*06/08/2016 By: Raenonna Prince*
2	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	GRP 98180	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98180 - Monthly Benefit Rider.pdf,	04/24/2017 By: Raenonna Prince
Previous Version						
2	*Appendix F - Rate Pages - (ILTC-1 Post*	*GRP 98180*	*Revised*	*Previous State Filing Number:*	*Appendix F - Rate Pages (VA ILTC1 Post-*	*12/05/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

	RS) GRP 98180 - Monthly Benefit Rider			*PRUD-125955126 Percent Rate Change Request: 91.5*	*RS) - GRP 98180 - Monthly Benefit Rider.pdf,*	
3	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	GRP 98181	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,	04/24/2017 By: Raenonna Prince
Previous Version						
3	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider*	*GRP 98181*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,*	*12/05/2016 By: Raenonna Prince*

Response 3

Comments:

Please refer to the letter of response from our Actuary, Mr. Michael Zilberman, This information can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 3

Applies To:

- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)*

Comments: Our objection 1, item 3 remains unresolved. The rates for these forms were previously approved under PRUD-125955126.

A review of that filing indicates rates for these forms provided the base rates before adjustments, adjustment factors for the lifetime maximum (benefit period), adjustments factors for the benefit waiting period, adjustment factors for the Home & Community-based care daily benefit, adjustment factors for the monthly benefit rider (rider only), the adjustment factors for the case benefit rider (rider only), adjustment factors for shortened benefit period nonforfeiture (rider only), adjustment factor (underwriting class) adjustment factors for the premium payment mode, and adjustment factors for the marital status. What is not appearing on the new rates schedules are adjustment factors for the monthly benefit rider (rider only), the cash benefit rider (rider only), and the shortened benefit period nonforfeiture (rider only). Why do these not appear since these were approved under PRUD-125955126?

Lastly, we note the unlimited benefit period for the adjustment factor - lifetime maximum (benefit period) is missing. Please clarify why it was removed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please refer to the letter of response and additional revised material from our Actuary, Mr. Michael Zilberman, This information can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 4

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: As we continue our review of the rate filing, please provide the following:

1) An Excel spreadsheet demonstrating the nationwide cumulative increase and the Virginia cumulative increase with updated status of rate increases nationwide. In reviewing the Rate History Chart, it appears as though the second rate increase was not approved in Virginia, and the Company is now filing for the second and third increases combined, with an adjustment to account for a delayed implementation of the second increase. In other words, the 80.5% and the 100.5% increase being requested on the limited reimbursement and unlimited reimbursement policies, respectively, may be equivalent of the originally requested rate increases at the time. Based on our records, SERFF tracking #PRUD-129224714 was submitted on 9/27/2013 and rejected as the Company had indicated it would not seek an increases for at least 36 months after the implementation of a second increase that was to be effective January 1, 2012. Based on the history of rate adjustments on Appendix A, the approved rate increase was implemented in two stages on 5/1/2010 and 5/1/2011. It does not appear the Company filed for a second full increase and it is unclear why the company may be adjusting the increase for the delayed implementation. Please clarify.

2) An Excel spreadsheet demonstrating the premium earned to date.

3) The specific percentage rate increases the company is requesting and when each will be implemented according to the Company's intention is to implement increases as a series of 20% each year that is multiplicatively equivalent to the full increase amount. According to the Actuarial Memorandum, the company was willing to implement the increase over three years.

4) According to the Actuarial Memorandum, the Company was willing to manage these forms to a 96% lifetime loss ratio. Appendix A indicates the Lifetime loss ratio with the increase is 105%. What has changed since the prior rate increase that results in this higher lifetime loss ratio? Is the Company intending to manage to this higher loss ratio in the future?

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

State: *Virginia*
Filing Company: *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

Satisfied - Item:	Assumption Comparison - ILTC-1
Comments:	
Attachment(s):	Assumption Comparison ILTC1.pdf Assumption Comparison ILTC1.xlsx

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf

Satisfied - Item:	Assumption Comparison - ILTC-1
Comments:	
Attachment(s):	Assumption Comparison ILTC1.pdf Assumption Comparison ILTC1.xlsx

Satisfied - Item:	Attachment 4.1 - Rate Increase History
Comments:	
Attachment(s):	Attachment 4.1 - Rate Increase History.pdf Attachment 4.1 - Rate Increase History.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/03/2017
Submitted Date	02/03/2017

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing information.

Response 1

Comments:

Please refer to the letter of response from our Actuary, Ms. Ritu Jain, and revised Appendices F. These documents can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 1

Applies To:

- *Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)*
- *Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider, [GRP 98180] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider, [GRP 98181] (Rate)*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: Thank you for updating the Rate/Rule Schedule with the rider form numbers. In trying to match the proposed rate schedules with those approved under PRUD-125955126, there are a few discrepancies to be resolved as follows:

1. GRP 98180 and GRP 98181 were approved with adjustment factors based on the policy to which each was attached: GRP 98544, GRP 98545 and GRP 98546. The attached rate schedules in this filing do not provide that policy form identification. Please resolve.

2. GRP 98179 was approved with adjustment factors based on the policy to which it was attached: GRP98544, GRP 98545 and GRP-98546. The attached rate schedule in this filing does not provide that policy form identification. In addition, the new schedule includes benefit periods (3,4, 5 Unlimited) that were not included when the rates were approved. Please resolve.

3. GRP 98544, GRP 98546, and GRP 98545 were approved with monthly or cash benefit riders and a shortened benefit period nonforfeiture rider. Those rates are not in the new rate attachments for these forms. Please resolve.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 2-2-2017
Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf

No Form Schedule items changed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	GRP 98544	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,	02/03/2017 By: Raenonna Prince
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation*	*GRP 98544*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation*	*GRP 98544*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
2	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	GRP 98545	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98545 - Automatic Compound Inflation.pdf,	02/03/2017 By: Raenonna Prince
Previous Version						
2	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545*	*GRP 98545*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98545 - Automatic Compound Inflation.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
2	*Appendix F - Rate Pages (ILTC-1 Post*	*GRP 98545*	*Revised*	*Previous State Filing Number:*	*VA (Post) - Appendix F - Rate Pages (ILTC1*	*06/08/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

	RS) GRP 98545 Auto Compound Inflation GRP 98545			*PRUD-125955126 Percent Rate Change Request: 91.5*	*Post-RS) - GRP 98545 Auto Compound Inflation.pdf,*	
3	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	GRP 98546	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,	02/03/2017 By: Raenonna Prince
Previous Version						
3	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation*	*GRP 98546*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
3	*Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation*	*GRP 98546*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
4	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,	02/03/2017 By: Raenonna Prince
Previous Version						
4	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*12/05/2016 By: Raenonna Prince*
Previous Version						
4	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98179 - Cash Benefit*	*06/08/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

				Request: 91.5	Rider.pdf,	

Response 2

Comments:

Please refer to the letter of response from our Actuary, Ms. Ritu Jain, and the revised Actuarial memorandum and Long Term Care Insurance Rate Request Summary Form. These forms can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 2

Applies To:

- L&H Actuarial Memorandum (Supporting Document)
- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Please include all the policy form numbers affected by this rate increase in the summary and memorandum.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Letter of Response - 2-2-2017
Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Letter of Response - 2-2-2017
Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 2-2-2017.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Summary Insert Page.pdf* *VA (Post) - LTC Rate Summary Request 12-2-2016.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please refer to the letter of Response from our Actuary, Ms. Ritu Jain, attached to the Supporting Documentation Tab of this filing.

Related Objection 3

Comments: Please refer to Administrative Letter 2012-03, copy attached, which requires all submissions to include certain specific information in the Filing Description section. Please note that a transmittal letter attached as supporting documentation no longer fulfills this requirement. This change will need to be made in future filings or they will be rejected.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 2-2-2017
Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. These documents can be referenced on the Supporting Documentation Tab of this filing.

Related Objection 4

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: 1.The voluntary lapse assumptions utilized in the experience projections and shown in Exhibit 2 appear to be lower than actual lapse rates for later durations. Please explain how the voluntary lapse assumptions were developed for later durations under this policy form given the lack of experience. Additionally, please specify whether shock lapses have been included in the voluntary lapse experience shown in Exhibit 2 given that multiple rate increases have been implemented for this policy form? If shock lapses are included in Exhibit 2, please quantify the impact of shock lapses by duration.

2. Please explain how the shock lapse assumption was developed.

3. The following questions relate to the experience projections provided in Appendix B and Appendix G:
a. Please revise Appendix C, Exhibit 3 to only include experience associated with policies issued after Virginias rate stabilization regulations were in effect, consistent with the experience shown in Appendix B. Additionally, we would expect the incurred claim estimates shown in Appendix C, Exhibit 3 to be consistent with the incurred claim estimates shown in Appendix B. If there are differences in the incurred claim estimates shown in the revised Appendix C, Exhibit 3 and Appendix B, please explain.
b. Please revise Appendix B and Appendix G so that waiver of premium benefits are treated as a reduction to premium instead of a claims expense. If necessary, please revise the experience projections to reflect any other items noted in response to item 3a, the prior item. Please provide any revised experience projections in an Excel file.

4. Please provide the policy reserves as of July 31, 2015, both nationwide and for Virginia policies only, calculated at the interest rate used in the current experience projections for policies issued under this policy form after rate stabilization regulations were adopted in Virginia so that we may calculate the future loss ratio as the present value of future claims less active life reserves, divided by the present value of future premium.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

Satisfied - Item:	Shock Lapse Assumption Support
Comments:	
Attachment(s):	Shock Lapse Assumption Support.pdf

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

Satisfied - Item:	Shock Lapse Assumption Support
Comments:	
Attachment(s):	Shock Lapse Assumption Support.pdf

Satisfied - Item:	VA State Rate Basis Template & Appendices - ILTC-1
Comments:	
Attachment(s):	VA State Rate Basis Template & Appendices - ILTC1 - post.pdf VA State Rate Basis Template & Appendices - ILTC1 - post.xlsx

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Appendices - ILTC-1 Post-RS.pdf* *Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.xlsx Appendix C - Exhibit 3 - Morbidity Details - ILTC1post.pdf
Previous Version	
Satisfied - Item:	*Appendix C - Exhibit 3 - Morbidity Details - ILTC-1*
Comments:	
Attachment(s):	*VA (Post) - Appendix C - Exhibit 3 - Morbidity Details - ILTC1.pdf*

Satisfied - Item:	Shock Lapse Assumption Support
Comments:	
Attachment(s):	Shock Lapse Assumption Support.pdf

Satisfied - Item:	VA State Rate Basis Template & Appendices - ILTC-1
Comments:	
Attachment(s):	VA State Rate Basis Template & Appendices - ILTC1 - post.pdf VA State Rate Basis Template & Appendices - ILTC1 - post.xlsx

Satisfied - Item:	Letter of Response - 2-2-2017

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Sincerely,
Raenonna Prince

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/05/2016
Submitted Date	12/05/2016

Dear Bobby Toone,

Introduction:

Thank you for your review of the above referenced filing material.

Response 1

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 1

Applies To:

- *Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider, [GRP 98179] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation , [GRP 98544] (Rate)*
- *Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545, [GRP 98545] (Rate)*
- *Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation, [GRP 98546] (Rate)*

Comments: According to the Actuarial Memorandum, the rate increase applies to three long term care policies (GRP 98544, GRP 98545, and GRP 98546) and their associated riders. According to Section 5 of the memorandum, the revised rates are applicable to these policy forms and all future periodic inflation protection offers.

The three policy forms noted above were approved under SERFF tracking # PRUD-125955126. Included in that filing were premium adjustment factors for forms GRP 98179, GRP 98180 and GRP 98181. According to Appendix A there are no Virginia policyholders with the Cash/Unlimited or Cash/Limited policy type. If that is the case, rates for GRP 98179 should not be included on the Rate/Rule Schedule for the post stability block. GRP 98180, Monthly Benefit Rider, and GRP 98181 Shortened Benefit Period Nonforfeiture Rider should be included on the Rate/Rule Schedule if any policies have such riders attached to them. Although the factors may not be changing, the premiums for such would increase when applied as a percentage to revised rates for the base policies. As a result, these riders should be included in the "Affected Form Numbers" in the Rate/Rule Schedule and noted in the Actuarial Memorandum.

Please confirm these are all the form numbers and riders that would be affected by this proposed rate increase.

According to the submission, the company is willing implement the increase over a period of 3 years. As a result, the company should attach a rate schedule that reflects the rates for each period to the Rate/Rule Schedule. The company may wish to wait until closer to the approval date, however, to update the filing. Please advise, however, what the percentage rate increase would be for each period.

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 12-2-2016.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

No Form Schedule items changed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*06/08/2016 By: Raenonna Prince*
2	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	GRP 98544	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
2	*Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation*	*GRP 98544*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
3	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	GRP 98545	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98545 - Automatic Compound Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
3	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation*	*GRP 98545*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98545 Auto Compound*	*06/08/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

	GRP 98545			*Request: 91.5*	*Inflation.pdf,*	
4	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	GRP 98546	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
4	*Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation*	*GRP 98546*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
5	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	GRP 98180	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98180 - Monthly Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince
6	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	GRP 98181	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince

Response 2

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 2

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Since all policies in Virginia were issued on or after October 1, 2003, the rate increase will be reviewed in accordance with the requirements of 14VAC5-200-153. Please amend the Actuarial Certification to include the required certification in accordance with 14VAC5-200-153 B 2 b which states the premium rate filing is in compliance with the provision of this section.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 3

Applies To:

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

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: Please provide the following:

1. 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.

2. A loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale with no increases.

3. The reserve basis and justification for the reserve levels provided.

4. An exhibit illustrating an actual to expected analysis based on the original assumptions.

5. Confirmation in your response that support has been provided for all assumptions in sufficient detail to withstand peer review and that all calculations can be recreated. Where appropriate, please provide excel worksheets which will help to expedite our review.

6. A loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.

7. According to your cover letter, these policies were sold nationwide from 1998 through 2004. Since this filing is subject to 14VAC5-200-153 for policies issued on or after October 1, 2003, please confirm there is no pre-stability nationwide experience included in the exhibits. If so, please revise accordingly.

8. As a reminder, for post-stability policies, all present and accumulated values should be used to determine rate increases shall use the maximum valuation interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia as set forth in 14VAC5-200-153-C 4.

Changed Items:

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 4

Applies To:

- *Policyholder Notification Letter - ILTC-1 (Supporting Document)*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: The Virginia State Corporation Commission 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. As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. Letters must now be submitted as a form to be filed with the state.

With sufficient variability, the letter only needs to be submitted once to be reviewed and filed with the Bureau. Objections regarding the policyholder letter have been addressed in the SERFF tracking # PRUD-130596260. If the company does not wish use the same letter for all filings, the Company may submit a policyholder letter specific to this filing with a different form number and attach it to this filing under Supporting Documentation.

The Long-Term Care Insurance Change Request Form and Frequently Asked Questions Relating to Premium Insurance could also contain sufficient variability to avoid multiple forms if the company wishes to do so. These forms are not required to be filed and should be attached to Supporting Documentation.

In line with this, any forms that will be attached to the policy to reflect changes made in the benefits may be used for all policies with sufficient variability unless the company prefers to use specific forms for each policy. Please advise how the company wishes to proceed with this.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 5

Applies To:

- Long Term Care Insurance Rate Request Summary (Supporting Document)

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: The Long Term Care Rate Request Summary Part 1 will eventually be available our website for consumers to review. Please make the following changes in the form:

1) Rather than refer the consumer to Appendix A which may not be easily located by the consumer, please state the average annual premium as $3927 and the average requested increase of 91.5% as stated in Section 15 of the memorandum.

2) Please attach a second page that provides a brief narrative to summarize the key information used to develop the rates including the main drivers of the revised rates in consumer friendly language. This should be fairly high level but provide a sufficient explanation as to the assumptions used and why those assumptions under estimated premiums when the policy was originally priced.

3) Please include all policy forms that will be affected by this rate increase.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 12-2-2016.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please refer to the letter of response and additional response material from our Actuary, Ms. Ritu Jain. The response material can be referenced on the Rate Schedule and Supporting Documentation Tabs of this filing.

Related Objection 6

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Comments: The Actuarial Memorandum states this increase applies to all future periodic inflation protection offers. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedule Item Changes	
Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf Act Memo - Revised Rates ILTC1 Post-RS - VA.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf* *VA (Post) - Appendices - ILTC-1 Post-RS.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 12-2-2016.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*VA (Post) - LTC Rate Summary Request 6-8-2016.pdf*

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

No Form Schedule items changed.

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
1	*Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider*	*GRP 98179*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98179 - Cash Benefit Rider.pdf,*	*06/08/2016 By: Raenonna Prince*
2	Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	GRP 98544	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
2	*Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation*	*GRP 98544*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
3	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	GRP 98545	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98545 - Automatic Compound Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
3	*Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation*	*GRP 98545*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98545 Auto Compound*	*06/08/2016 By: Raenonna Prince*

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule Item Changes

	GRP 98545			*Request: 91.5*	*Inflation.pdf,*	
4	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	GRP 98546	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,	12/05/2016 By: Raenonna Prince
Previous Version						
4	*Appendix F - rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation*	*GRP 98546*	*Revised*	*Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5*	*VA (Post) - Appendix F - Rate Pages (ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,*	*06/08/2016 By: Raenonna Prince*
5	Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	GRP 98180	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98180 - Monthly Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince
6	Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	GRP 98181	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,	12/05/2016 By: Raenonna Prince

Conclusion:

We trust this information satisfies the Department's concerns. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. - Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

State:	Virginia	**Filing Company:**	The Prudential Insurance Company of America
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual Long Term Care Insurance		
Project Name/Number:	ILTC-1 (Post) Re-Rate/5I-2015		

Sincerely,

Raenonna Prince

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Amendment Letter

Submitted Date: 06/20/2019

Comments:

Please refer to the VA - Post RS ILTC-1 Rate Increase By Benefit Option spreadsheet attached to the Supporting Documentation Tab of this filing.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

Supporting Document Schedule Item Changes	
Satisfied - Item:	VA - Post RS ILTC-1 Rate Increase By Benefit Option
Comments:	
Attachment(s):	VA - Post-RS ILTC-1 Rate Increase by benefit option - 6-20-2019.xlsx

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Note To Filer

Created By:

Bobby Toone on 07/18/2019 01:56 PM

Last Edited By:

Bobby Toone

Submitted On:

05/21/2020 09:25 AM

Subject:

Extension Request

Comments:

An extension to 8/23/2019 is granted.

Note To Reviewer

Created By:

Raenonna Prince on 07/18/2019 01:14 PM

Last Edited By:

Bobby Toone

Submitted On:

05/21/2020 09:25 AM

Subject:

Re: Request for Extension

Comments:

Mr. Toone:

To complete the response material associated with the Department's letter of objection dated July 8, 2019, we are requesting an extension date of August 23, 2019.

Please advise is this request for an extension is possible. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19025
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

State:	*Virginia*	**Filing Company:**	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Note To Filer

Created By:

Bobby Toone on 04/01/2019 02:57 PM

Last Edited By:

Bobby Toone

Submitted On:

06/27/2019 07:56 AM

Subject:

Request for Extension

Comments:

An extension until 06/21/2019 is fine.

Note To Reviewer

Created By:

Raenonna Prince on 04/01/2019 11:01 AM

Last Edited By:

Bobby Toone

Submitted On:

06/27/2019 07:56 AM

Subject:

Re: Request for Extension

Comments:

Mr. Toone,

In view of the Department's upcoming Public Hearing scheduled for May 21, 2019, our Actuarial Department would like to suspend the activity on this filing until after the hearing. The reasoning behind this is we hope to gain more insight on the Department's needs for approving rate increase filings and perhaps adjust our filings to better align with those needs.

Please advise if this is possible and if so, we would like to request an extension date of June 21, 2019.

Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae
Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Note To Filer

Created By:

Bobby Toone on 02/25/2019 10:26 AM

Last Edited By:

Bobby Toone

Submitted On:

06/27/2019 07:56 AM

Subject:

Extension Request

Comments:

The request for an extension until 03/22/2019 is granted.

Note To Reviewer

Created By:

Raenonna Prince on 02/22/2019 11:21 AM

Last Edited By:

Bobby Toone

Submitted On:

06/27/2019 07:56 AM

Subject:

Re: Request for Extension

Comments:

Mr. Toone:

To complete the response material associated with the Department's letter of We are requesting an extension date of 2/4/2019, we are requesting an extension date of March 22, 2019.

Please advise is this request for an extension is possible. Should you be in need of any additional information, please do not hesitate to contact me. Thank you. -Rae

Raenonna L. Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
2101 Welsh Road, LTC Unit
Dresher, PA 19044
Voice: 215-658-6281| Cell: 215-990-7186
Fax: 888-294-6332
E-Mail: Raenonna.prince@ prudential.com

Reviewer Note

Created By:

Bobby Toone on 10/15/2018 04:06 PM

Last Edited By:

Bobby Toone

Submitted On:

05/21/2020 09:25 AM

Subject:

RRS

Comments:

RRS1
RRS1-Narrative
RRS2

Reset Form

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

Company Name and NAIC Number: The Prudential Insurance Company of America - 304-68241

SERFF Tracking Number: PRUD-130606748

Effective Date: Upon Approval

Revised Rates

Average Annual Premium Per Member: Please refer to Appendix A

Average Requested Percentage Rate Change Per Member: Please refer to Appendix A

Minimum Requested Percentage Rate Change Per Member: 80.5%

Maximum Requested Percentage Rate Change Per Member: 100.5%

Number of Policy Holders Affected : 170

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

Form#	"Product Name"(if applicable)
GRP 98544	Simple Inflation Policy
GRP 98545	Automatic Compound Inflation Policy
GRP 98546	Periodic Inflation Policy

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.

There are many factors that were assumed at the time of original pricing. Some of these factors can include, but are not limited to;

1. **The number of policy holders that will voluntarily or involuntarily drop their coverage.**
2. **The length and number of claims expected to be paid in the future.**
3. **The interest rates needed for investments to reach sufficient levels of reserves.**

This rate increase in needed mainly due to the underestimated percent of policyholders who drop their coverage. Due to the lower than expected lapse and mortality rates assumed at original pricing, much higher amounts of claims will need to be paid out than initially foreseen. These premium increases will ensure that Prudential remains solvent and capable of paying all future claims for all policyholders.

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

Company Name and NAIC Number: The Prudential Ins. Co. of America – 68241

SERFF Tracking Number: PRUD-130606748

Disposition: Approved

Approval Date: 2/10/2020

Revised Rates

Average Annual Premium Per Member: $2,188/ Unlimited Benefits - $1,903/ Limited Benefits

Average Requested Percentage Rate Change Per Member: 80.5%/Limited Benefit - 100.5% Unlimited Benefit

Minimum Requested Percentage Rate Change Per Member: 80.5%/Limited Benefit - 100.5% Unlimited Benefit

Maximum Requested Percentage Rate Change Per Member: 80.5%/Limited Benefit - 100.5% Unlimited Benefit

Number of Policy Holders Affected: 170

Prudential] (the Company) requested a 80.5% increase on their Limited Benefit policies and 100.5% for their Lifetime Benefit policies for their individual long-term care insurance forms GRP 98544, GRP 98545, GRP 98546, GRP 98180, and GRP 98181. As the forms were issued in Virginia from 10/2003 – 7/2004, the experience was reviewed based on the rules in effect at the time of issue. For policies issued after 10/1/2003, they were reviewed according to the requirements of 14VAC5-200-153 (post-rate stability).

The Bureau of Insurance's (the Bureau) consulting actuary reviewed the filing and indicated that the rate increase will result in lifetime loss ratios more than the original target for this block (60%vs.105%). Therefore, the requested rate increase was approved.

This document is intended to explain the decision made by the Bureau of Insurance and it is only a summary of the Bureau's review. 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.

This increase will impact approximately 170 insureds (82 with Limited Benefit plans and 88 with Lifetime Benefit plans) in Virginia. Even with this increase, the Company advised that they intend to increase rates further on this block unless the actual experience improves. The primary reasons for the rate increase are that policyholders are living longer and keeping their policies in force longer, which has resulted in more claims being filed than the Company anticipated when the policy was originally priced. The Company determined that a premium increase is necessary to reflect that future claims are expected to be significantly higher on these policies than originally expected or priced and to ensure that sufficient funds are available to pay claims.

The Company has stated that if the requested premium increase is implemented and the underlying assumptions with a 10% load for moderately adverse conditions are realized, no further premium rate schedule increases are anticipated.

The Company is offering all policyholders options to reduce the premium increase by reducing their coverage. These reductions could be in the form of lower daily benefits, a shorter benefit period, a longer elimination period, the termination of riders or any combination of these reductions, or a paid-up policy equal to the sum of premiums paid. Specific options are included in the letter sent to all policyholders notifying them of the rate increase and may be discussed directly with the company by calling its customer service department.

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.asp

This document is intended to explain the decision made by the Bureau of Insurance and it is only a summary of the Bureau's review. 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.

State:	*Virginia*	***Filing Company:***	*The Prudential Insurance Company of America*
TOI/Sub-TOI:	*LTC03I Individual Long Term Care/LTC03I.001 Qualified*		
Product Name:	*Individual Long Term Care Insurance*		
Project Name/Number:	*ILTC-1 (Post) Re-Rate/5I-2015*		

Post Submission Update Request Processed On 12/05/2016

Status:	Allowed
Created By:	Raenonna Prince
Processed By:	Janet Houser
Comments:	

General Information:

Field Name	Requested Change	Prior Value
Corresponding Filing Tracking Number	PRUD-130596260	

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 28.600%
Effective Date of Last Rate Revision: 05/01/2011
Filing Method of Last Filing: SERFF
SERFF Tracking Number of Last Filing:

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):
The Prudential Insurance Company of America	91.500%	91.500%	$319,099	170	$348,569	100.500%	80.500%

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Appendix F - Rate Pages (ILTC-1 Post-RS) GRP 98179 Cash Benefit Rider	GRP 98179	Other	Previous State Filing Number: Rate Action Other Explanation: Removed	
2		Appendix F - Rate Pages (ILTC-1 Posr RS) GRP 98544 - Simple Inflation	GRP 98544	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98544 - Simple Inflation.pdf,
3		Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98545 Auto Compound Inflation GRP 98545	GRP 98545	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98545 - Automatic Compound Inflation.pdf,
4		Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98546 - Periodic Inflation	GRP 98546	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Copy of Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98546 - Periodic Inflation.pdf,
5		Appendix F - Rate Pages - (ILTC-1 Post RS) GRP 98180 - Monthly Benefit Rider	GRP 98180	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98180 - Monthly Benefit Rider.pdf,
6		Appendix F - Rate Pages (ILTC-1 Post RS) GRP 98181 - Non Forfeiture Benefit Rider	GRP 98181	Revised	Previous State Filing Number: PRUD-125955126 Percent Rate Change Request: 91.5	Appendix F - Rate Pages (VA ILTC1 Post-RS) - GRP 98181 - Nonforfeiture Benefit Rider.pdf,

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

GRP 98544

VIRGINIA POST-RS BASE RATES BEFORE ADJUSTMENTS Gross Annual Preferred Single Premium Per $10.00 of Institutional Care Daily Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily $1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period	
Age	Automatic Simple Inflation GRP 98544
18-30	64.82
31	68.14
32	71.62
33	75.27
34	79.13
35	83.16
36	87.40
37	91.87
38	96.57
39	101.50
40	106.69
41	110.57
42	114.60
43	118.77
44	123.10
45	127.60
46	132.25
47	137.07
48	142.07
49	147.25
50	152.61
51	161.75
52	171.44
53	181.73
54	192.63
55	204.15
56	216.40
57	229.36
58	243.10
59	257.68
60	273.13
61	290.14
62	308.20
63	327.39
64	347.81
65	369.47
66	404.03
67	441.85
68	483.18
69	528.40
70	577.83
71	637.81
72	704.00
73	777.07
74	857.70
75	946.72
76	1,049.68
77	1,163.83
78	1,290.39
79	1,430.70
80	1,586.29
81	1,712.67
82	1,849.13
83	1,996.44
84	2,155.51
85	2,327.24

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

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

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

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

GRP 98544

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

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

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

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

GRP 98545

VIRGINIA POST-RS BASE RATES BEFORE ADJUSTMENTS Gross Annual Preferred Single Premium Per $10.00 of Institutional Care Daily Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily $1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period	
Age	Automatic Compound Inflation GRP 98545
18-30	85.47
31	89.46
32	93.64
33	98.05
34	102.63
35	107.43
36	112.47
37	117.74
38	123.25
39	129.02
40	135.07
41	139.40
42	143.86
43	148.46
44	153.19
45	158.12
46	163.17
47	168.41
48	173.79
49	179.34
50	185.08
51	195.97
52	207.48
53	219.69
54	232.61
55	246.29
56	260.77
57	276.11
58	292.32
59	309.50
60	327.72
61	344.72
62	362.61
63	381.41
64	401.22
65	422.05
66	458.74
67	498.60
68	541.95
69	589.06
70	640.27
71	701.84
72	769.38
73	843.39
74	924.48
75	1,013.42
76	1,116.68
77	1,230.49
78	1,355.84
79	1,494.00
80	1,646.23
81	1,770.61
82	1,904.44
83	2,048.35
84	2,203.15
85	2,369.62

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

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

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

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

GRP 98545

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

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

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

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

GRP 98546

VIRGINIA POST-RS BASE RATES BEFORE ADJUSTMENTS Gross Annual Preferred Single Premium Per $10.00 of Institutional Care Daily Benefit Home & Community-Based Care Daily Benefit: 75% of Institutional Care Daily Benefit $1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 100-Day Calendar Day Benefit Waiting Period	
Age	Periodic Inflation GRP 98546
18-30	44.08
31	46.03
32	48.07
33	50.22
34	52.42
35	54.75
36	57.18
37	59.71
38	62.34
39	65.12
40	68.01
41	70.20
42	72.43
43	74.75
44	77.15
45	79.62
46	82.16
47	84.82
48	87.52
49	90.34
50	93.23
51	98.64
52	104.37
53	110.41
54	116.82
55	123.61
56	130.77
57	138.35
58	146.39
59	154.89
60	163.86
61	175.55
62	188.04
63	201.47
64	215.81
65	231.20
66	255.91
67	283.29
68	313.58
69	347.14
70	384.27
71	429.21
72	479.39
73	535.47
74	598.10
75	668.05
76	749.47
77	840.81
78	943.27
79	1,058.22
80	1,187.18
81	1,291.10
82	1,404.13
83	1,527.05
84	1,660.73
85	1,806.10

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

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

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

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

GRP 98546

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

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

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

Virginia Post-RS Rates
December 1, 2016

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors
GRP 98180

Automatic Compound Interest Inflation Protection - GRP 98545

Select only one (if any) of the following three Home & Community Based Care Options: Monthly, Cash, or Cash Indemnity Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.065	0.062	0.069	0.062	0.046	0.046
50%	0.094	0.099	0.097	0.089	0.082	0.080
100%	0.042	0.033	0.039	0.040	0.041	0.052

Periodic Inflation Protection Offers - GRP 98546

Select only one (if any) of the following three Home & Community Based Care Options: Monthly, Cash, or Cash Indemnity Rider						
ADJUSTMENT FACTORS – MONTHLY BENEFIT RIDER (RIDER ONLY)						
HHC % of Institutional Benefit	Ages					
	18-39	40-49	50-59	60-69	70-79	80+
75%	0.077	0.092	0.107	0.108	0.084	0.071
50%	0.089	0.101	0.104	0.097	0.089	0.088
100%	0.053	0.069	0.088	0.092	0.071	0.062

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors
GRP 98181

Automatic Compound Interest Inflation Protection - GRP 98545

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

Periodic Inflation Protection Offers - GRP 98546

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

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Supporting Document Schedules

Satisfied - Item:	Certification of Compliance
Comments:	
Attachment(s):	VA - Certification of Compliance - 6-8-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	Product Checklist
Comments:	
Attachment(s):	VA Checklist - 6-8-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	VA (Post) - Appendices - ILTC-1 Post-RS.pdf VA (Post) - Actuarial Memoransum - Revised Rates ILTC1 Post-RS - 6-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	Rate Summary Insert Page.pdf VA (Post) - LTC Rate Summary Request 8-3-2017.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Appendix C - Description of Experience Analysis and Assumption Setting
Comments:	
Attachment(s):	Appendix C - Description of Experience Analysis and Assumption Setting.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 1 - Mortality Details - ILTC.pdf

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 2 - Lapse Details - ILTC.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-1
Comments:	
Attachment(s):	Appendix C - Exhibit 3 - Morbidity Details - ILTC.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Appendix D - Persistency - ILTC-1
Comments:	
Attachment(s):	VA (Post) - Appendix D - Persistency - ILTC-1.pdf
Item Status:	Received & Acknowledged
Status Date:	06/14/2016

Satisfied - Item:	Appendix E - DOB - ILTC-1
Comments:	
Attachment(s):	VA (Post) - Appendix E - DOB - ILTC-1.pdf
Item Status:	Received & Acknowledged
Status Date:	06/14/2016

Satisfied - Item:	Policyholder Notification Letter - ILTC-1
Comments:	
Attachment(s):	LTC Rate Increase Letter (ILTC1) - Round 5 - 3-4-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	06/15/2017

Satisfied - Item:	Rate Increase History
Comments:	
Attachment(s):	VA (Post) - Rate Increase History - ILTC-1.pdf VA (Post) - Rate Increase History - ILTC-1.xls

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Item Status:	Received & Acknowledged
Status Date:	06/14/2016

Satisfied - Item:	Filing Cover Letter
Comments:	
Attachment(s):	VA (Post) - Filing Cover Letter - 6-8-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	06/14/2016

Satisfied - Item:	Letter of Response - 12-2-2016
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 12-2-2016.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	Objection 3.1 - VA Appendices - ILTC-1 Post RS - Proposed Rate Basis
Comments:	
Attachment(s):	Objection 3.1 - VA Appendices - ILTC1 Post-RS - Proposed Rate Basis.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	Objection 3.2 - ILTC-1 Post RS
Comments:	
Attachment(s):	Objection 3.2 - ILTC1 - Post-RS.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	Objection 3.4 - AE LR
Comments:	
Attachment(s):	Objection 3.4 - AE LR.pdf
Item Status:	Received & Acknowledged
Status Date:	12/20/2016

Satisfied - Item:	Shock Lapse Assumption Support
Comments:	
Attachment(s):	Shock Lapse Assumption Support.pdf
Item Status:	Received & Acknowledged

State: *Virginia* **Filing Company:** *The Prudential Insurance Company of America*
TOI/Sub-TOI: *LTC03I Individual Long Term Care/LTC03I.001 Qualified*
Product Name: *Individual Long Term Care Insurance*
Project Name/Number: *ILTC-1 (Post) Re-Rate/5I-2015*

Status Date:	02/06/2017

Satisfied - Item:	VA State Rate Basis Template & Appendices - ILTC-1
Comments:	
Attachment(s):	VA State Rate Basis Template & Appendices - ILTC1 - post.pdf VA State Rate Basis Template & Appendices - ILTC1 - post.xlsx
Item Status:	Received & Acknowledged
Status Date:	02/06/2017

Satisfied - Item:	Letter of Response - 2-2-2017
Comments:	
Attachment(s):	VA - Letter of Response - 2-2-2017.pdf
Item Status:	Received & Acknowledged
Status Date:	02/06/2017

Satisfied - Item:	Letter of Response - 4-21-2017
Comments:	
Attachment(s):	VA (Post) - Letter of Response - 4-21-2017.pdf
Item Status:	Received & Acknowledged
Status Date:	06/15/2017

Satisfied - Item:	Assumption Comparison - ILTC-1
Comments:	
Attachment(s):	Assumption Comparison ILTC1.pdf Assumption Comparison ILTC1.xlsx
Item Status:	Received & Acknowledged
Status Date:	06/15/2017

Satisfied - Item:	Attachment 4.1 - Rate Increase History
Comments:	
Attachment(s):	Attachment 4.1 - Rate Increase History.pdf Attachment 4.1 - Rate Increase History.xlsx
Item Status:	Received & Acknowledged
Status Date:	06/15/2017

Satisfied - Item:	Letter of Response - 8-3-2017
Comments:	
Attachment(s):	VA - Letter of Response - 8-3-2017.pdf

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letter of Response - 10-13-2017
Comments:	
Attachment(s):	VA - Letter of Response - 10-13-2017.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	VA Post RS - Letter of Response - 5-10-2019
Comments:	
Attachment(s):	VA Post RS - Letter of Response (ILTC-1) - 5-10-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	VA Post RS - ILTC-1 Rate Increase
Comments:	
Attachment(s):	VA Post-RS ILTC1 Rate Increase.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letterof Response (ILTC-1 Post RS) - 6-20-2019
Comments:	
Attachment(s):	VA - Letter of Response (ILTC-1 Post RS) - 6-20-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	VA - Post RS ILTC-1 Rate Increase By Benefit Option
Comments:	
Attachment(s):	VA - Post-RS ILTC-1 Rate Increase by benefit option - 6-20-2019.xlsx
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letter of Response - 8-19-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 8-19-2019.pdf
Item Status:	Received & Acknowledged

State: Virginia **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Status Date:	02/10/2020

Satisfied - Item:	ILTC-1 Post RS Prior Rate Appendix (Nov 2009)
Comments:	
Attachment(s):	ILTC1 Post-RS Prior Rate Appendix (Nov 2009).xlsx
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letter of Response - 9-27-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC-1) - 9-27-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	VA - ILTC-1 Post RS 2019.09.05 Objection Attachments
Comments:	
Attachment(s):	VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letter of Response - 10-31-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC1) - 10-31-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	VA ILTC1 PostRS 2019.10.15 Objection Attachments
Comments:	
Attachment(s):	VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

Satisfied - Item:	Letter of Response - 11-26-2019
Comments:	
Attachment(s):	VA (Post RS) - Letter of Response (ILTC1) - 11-26-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	02/10/2020

State: Virginia
Filing Company: The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-1 (Post) Re-Rate/5I-2015

Attachment VA (Post) - Rate Increase History - ILTC-1.xls is not a PDF document and cannot be reproduced here.

Attachment VA State Rate Basis Template & Appendices - ILTC1 - post.xlsx is not a PDF document and cannot be reproduced here.

Attachment Assumption Comparison ILTC1.xlsx is not a PDF document and cannot be reproduced here.

Attachment Attachment 4.1 - Rate Increase History.xlsx is not a PDF document and cannot be reproduced here.

Attachment VA - Post-RS ILTC-1 Rate Increase by benefit option - 6-20-2019.xlsx is not a PDF document and cannot be reproduced here.

Attachment ILTC1 Post-RS Prior Rate Appendix (Nov 2009).xlsx is not a PDF document and cannot be reproduced here.

Attachment VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx is not a PDF document and cannot be reproduced here.

Attachment VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx is not a PDF document and cannot be reproduced here.

Virginia Certification of Compliance

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.

Keith Burns

Signature

Keith Burns

Print Name

June 8, 2016

Date

Vice President and Actuary

Title

Review Requirements Checklist
INDIVIDUAL LONG-TERM CARE INSURANCE

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
General Filing Requirements		
Transmittal Letter	14 VAC 5-100-40	**For Paper Filings:** Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.
	14 VAC 5-100-40 1	Forms submitted and described in transmittal letter must have a number that consists of digits, letters, or a combination of both.
	14 VAC 5-100-40 2	Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.
	14 VAC 5-100-40 3	Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.
	14 VAC 5-100-40 5	Description of market for which the form is intended.
	14 VAC 5-100-40 6	**For Paper Filings:** At least one copy of each form must be included in the filing. A duplicate copy of forms must be submitted if the company wants a "stamped" copy of forms for its records. A stamped self-addressed return envelope is required. The letter of transmittal must be addressed to: State Corporation Commission, Bureau of Insurance, P. O. Box 1157, Richmond, VA 23218.
	Administrative Letter 1983-7	Must include the name and NAIC number of the company for which the filing is made.
Additional SERFF Filing Requirements	***Administrative Letter 2012-03***	***Additional SERFF filing requirements must be met as specified below for life and health forms and rate filings. Failure to provide the applicable information will result in a "rejected" filing.***
General Information – Filing Description		(i) Description of each form by name, title, edition date, other; and intended use.
		(ii) Identification of changes in benefits and premiums (previously approved or filed forms). [Place changed contract provisions (red-lined or highlighted) in Supporting Documentation].
		(iii) Identification of SERFF or state tracking number for the previously approved or filed form for which the new form revises, replaces, or is intended to be used.
		(iv) A statement as to whether any other regulatory body has withdrawn approval of the form because the form contains one or more provisions that were deemed to be misleading, deceptive or contrary to public policy.
HELP TIP:		If a form or rate filing is submitted as new in Virginia, but was previously disapproved or withdrawn in Virginia, please provide details such as the tracking information, form number, and the date that the form or rate filing was disapproved or withdrawn, if available.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
Rate Changes		(i) Specify the number of affected policyholders.
		(ii) Provide the reason(s) for the proposed change(s).
		(iii) Include a statement regarding an increase, decrease, revision of former rates.
		(iv) Specify the percentage amount(s) of the change(s).
Forms		
Form number	14 VAC 5-100-50 1	Form number must appear in lower left-hand corner of first page of each form.
Company name & address	14 VAC 5-100-50 2	Full and proper corporate name (including "Inc.") must prominently appear on cover sheet of all policies and other forms. Home office address of insurer must prominently appear on each policy.
Final form	14 VAC 5-100-50 3	Form must be submitted in the final form in which it will be issued and completed in "John Doe" fashion to indicate its intended use.
Application	14 VAC 5-100-50 4	Any form, which is to be issued with an attached application, must be filed with a copy of the application completed in "John Doe" fashion to indicate its intended use. (If application was previously approved, advise date of approval.)
Type Size	14 VAC 5-100-50 5	Individual Accident and Sickness forms must be printed with type size of at least ten-point type. All other forms must be printed with type size of at least eight-point.
Arbitration	§ 38.2-312	Contract may not deprive courts of Virginia jurisdiction in actions against insurer. Arbitration may not be binding.
Fraud Notice	§ 38.2-316 D 1	Title 38.2 of the Insurance Code does not define "Insurance Fraud." Any notice regarding insurance fraud is in non-compliance with this section of the Code. Variations in a notice warning of consequences of making fraudulent statements are acceptable. The notice may disclose that it does not apply in Virginia or may disclose states where applicable.
Readability Certification	14 VAC 5-110-60	Readability certification is required as described in the regulation.
Entire Consideration	§ 38.2-3500 A 1	The entire consideration is expressed in the policy.
Effective-Termination Time	§ 38.2-3500 A 2	The time (clock time) the policy becomes effective and terminates is expressed in the policy.
DMAS Payor of Last Resort	§ 38.2-3500 A 7	Every accident and health policy must contain a statement indicating the Department of Medical Assistance Services as the payor of last resort.
Definition of Eligible Family members	§ 38.2-3500 C	The definition establishes that eligible dependent children may not be required to live in the household as the policyowner.
Handicapped Child Coverage	§ 38.2-3409	Upon termination due to age, coverage will be continued for: (1) persons incapable of self-sustaining employment by reason of intellectual disability or physical handicap; and (2) chiefly dependent on the insured for support and maintenance. Additional premium may be charged based upon class of risks.
Renewal Provision	14 VAC 200-70 A & 14 VAC 5-200-60 A	The regulation specifies the content of the renewability provision. The renewal provision must be either guaranteed renewable or noncancellable.
LTC Caution Notice	14 VAC 5-200-80 C 2	Required language **in bold print**.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
30-Day Free Look	§ 38.2-5208 A	
Notice to Buyer	14 VAC 5-200-170 A 3	Required language.
General Provisions		
Contents of Policy	38.2-305 A	Parties to policy named; subject of insurance; risks insured against; time insurance takes effect; statement of the premium.
Entire Contract	§ 38.2-3503 1	The provision defines the contents of the entire contract.
Grace Period	§ 38.2-3503 3	The provision defines the grace period and length of the various acceptable grace periods.
	14 VAC 5-200-65 A 3	The policy must specify an additional 30 days for an unintentional lapse of coverage.
Reinstatement	§ 38.2-3503 4	
	14 VAC 5-200-65 B	The regulation provides for an extended reinstatement period in the event of policy lapse due to cognitive impairment.
Notice of Claim	§ 38.2-3503 5	
Claim Forms	§ 38.2-3503 6	
Proof of Loss	§ 38.2-3503 7	
Time Payment of Claims	§ 38.2-3503 8	The provision specifies **when** benefits will be paid.
Payment of Claims	§ 38.2-3503 9	The provision specifies **to whom** benefits will be paid
Physical Examinations and Autopsy	§ 38.2-3503 10	
Legal Actions	§ 38.2-3503 11	
Change of Beneficiary	§ 38.2-3503 12	(For payment to beneficiaries, see Payment of Claims provision-§ 38.2-3503 9.)
Incontestability	§ 38.2-5209	The provision contains specific incontestability language for long-term care insurance.
Age Limit	§ 38.2-3513 A	If the policy establishes an age-limit after which coverage will no longer be effective, and if the date falls within a period for which a premium is accepted by the insurer or the insurer accepts a premium after the date, the coverage provided by the policy will continue in force until the end of the period for which the premium has been accepted.
	§ 38.2-3513 B	If the age of the insured has been misstated and the policy would not have been issued according to the correct age of the insured, the policy would not have become effective or would have ceased prior to the acceptance of the premium, then the liability of the insurer shall be limited to the refund of the premium paid for the period not covered by the policy.
Optional Provisions		
Change of Occupation	§ 38.2-3504 1	
Misstatement of Age	§ 38.2-3504 2	
Other Insurance in this Company	§ 38.2-3504 3	
Insurance with Other Company	§ 38.2-3504 4	
Insurance with Other Company	§ 38.2-3504 5	
Unpaid Premiums	§ 38.2-3504 7	
Conformity with State Statutes	§ 38.2-3504 9	Must use “resides” language

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
Illegal Occupation	§ 38.2-3504 10	
Intoxicants and Narcotics	§ 38.2-3504 11	
Prohibited Provisions		
	§ 38.2-5203	Specified provisions prohibited in a long-term care policy.
	§ 38.2-5205 A	Prior institutionalization may not be a requirement to receive benefits.
	14 VAC 5-200-190	Preexisting conditions and waiting periods may not be used in replacement policies.
Subrogation	§ 38.2-3405 A	No policy shall contain a provision regarding subrogation of any person's right to recovery for personal injuries from a third person.
Liability Insurance	§ 38.2-3405 B	Benefits may not be reduced due to benefits payable due to benefits provided by a liability insurance contract.
Workers' Compensation	§ 38.2-3405 D	The statute discusses exceptions to exclusions due to benefits payable under workers' compensation.
Minimum Standards for Home Health Care	14 VAC 5-200-90	The minimum standards include prohibited exclusions and restrictions regarding home health care benefits.
LTC Policy Requirements		
Duration of Benefits	§ 38.2-5200	Coverage must be provided for a minimum of 12 months.
Refund of Premium for Cancellation or Termination of Policy	§ 38.2-5202.1	Provides for the termination of the policy by the **insured** and for cancellation of the policy by the **insurer**, except when coverage is for the duration of life and premium is a single installment payment.
Preexisting Condition	§ 38.2-5204	Defines look-back period and limitation period for preexisting conditions.
	14 VAC 5-200-70 D	If policy includes limitations due to a preexisting condition, such limitations must be included labeled as "Preexisting Condition Limitations."
Limitations or Conditions on Eligibility for Benefits	§ 38.2-5205 B 14 VAC 5-200-187	Permissible benefit triggers and requirements.
Definitions	14 VAC 5-200-50	Certain terms defined.
UCR defined	14 VAC 5-200-70 C	The term must be defined If benefits are based on usual, reasonable and customary charges.
Limitations and Exclusions	14 VAC 5-200-60 B	
	§ 38.2-3504 11	Intoxicants and narcotics
Extension of benefits	14 VAC 5-200-60 C	
Right to Reduce Coverage and Lower Premiums	14 VAC 5-200-183	The policy shall include a provision that allows the policyholder to reduce coverage and lower the premium.
Nonforfeiture Benefit Requirement	14 VAC 5-200-185 B	Offer made to the policyholder. Refer to the regulation for specifics.
Contingent Benefit Upon Lapse	14 VAC 5-200-185 C	If the offer of the nonforfeiture benefit is declined, the contingent benefit upon lapse shall be provided.
Required to Offer Inflation Protection	14 VAC 5-200-100 A	

REVIEW REQUIREMENTS	REFERENCE	COMMENTS
Signed Acceptance for Riders and Amendments	14 VAC 5-200-70 B	All riders and/or endorsements that added to a policy after the date of issue that reduces, restricts, or eliminates benefits in the policy will require signed acceptance. Also, where a separate premium is charged for a rider or endorsement, the premium will be set forth in the policy, rider, or endorsement.
LTC Personal Suitability Worksheet	14 VAC 5-200-175-C 2	The LTC personal suitability worksheet must be submitted with the policy.
Disclosures		
	§ 38.2-5207 1; 14 VAC 5-200-200	The statute requires that an outline of coverage be provided to the insured. The statute also specifies the information that should be included in the outline.
	§ 38.2-5207 4; 14 VAC 5-200-70 H	A tax-qualified plan must be definitively identified as such.
	14 VAC 5-200-70 I	A non-tax-qualified plan must be identified as such.
	14 VAC 5-200-75 D	Any reference to a premium increase shall disclose that notice of premium increase shall be at least 60 days prior to the increase.
Policies that include issue ages of 65 or higher	14 VAC 5-170-150 E 1	Any policy marketed to persons age 65 or older must contain a notice that discloses that the policy is not a Medicare supplement policy or certificate.
Rates		
	§ 38.2-5206	
	14 VAC 5-200-150	The regulation specifies the expected loss ratio.
	14 VAC 5-130-60 A and 130-60 B; 14 VAC 5-200-77	The regulation specifies rate filing and actuarial memorandum requirements.

Access to Administrative Letters, Administrative Orders, Regulations and Laws is available at:
http://www.scc.virginia.gov/boi/laws.aspx

The Life and Health Division, Forms and Rates Section reviews individual long-term care insurance. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

Review Requirements Checklist
INDIVIDUAL LONG-TERM CARE INSURANCE

I hereby certify that I have reviewed the attached individual long-term care filing and determined that it is in compliance with the individual long-term care checklist.

Signed: Digitally signed by Keith Burns, ASA, MAA, Vice President and Actuary
DN: cn=Keith Burns, ASA, MAA, Vice President and Actuary, o=The Prudential Insurance Company of America, ou=Long Term Care, email=keith.burns@prudential.com, c=US
Date: 2016.06.08 20:56:47 -04'00'

Name (please print): Keith Burns, ASA, MAAA

Company Name: The Prudential Insurance Company of America

Date: June 8, 2016 Phone No: ( ) 402-715-4861 FAX No: ( ) 888-294-6332

E-Mail Address: keith.burns@prudential.com

Appendix A
The Prudential Insurance Company of America
ILTC1
Policies issued on or after 10/01/2003

Virginia

Requested Rate Increase for Cash / Unlimited BP Policies = N/A
Requested Rate Increase for Cash / Limited BP Policies = N/A
Requested Rate Increase for Reimbursement / Unlimited BP Policies = 100.5%
Requested Rate Increase for Reimbursement / Limited BP Policies = 80.5%

10 Average Annual Premium

	Virginia	Nationwide
Without Increase	$2,050	$2,333
With Increase	$3,927	$4,403

15 Satisfaction of Loss Ratio Requirements

Rate Stability Requirement		
1) Total Incurred Claims		144,215,996
58% of initial premium	53,343,704	
85% of increased premium	38,929,297	
2) Sum of 58%/85% Premium		92,273,000
Is 1 greater than 2?		Yes

18 Lifetime Loss Ratio

Policy type	Without Increase	With Increase
All	137%	105%
Cash / Unlimited	31%	28%
Cash / Limited	242%	155%
Reimbursement / Unlimited	172%	125%
Reimbursement / Limited	106%	84%

19 History of Rate Adjustments

Cash Policies:
28% Implemented on 5/1/2010
5.4% Implemented on 5/1/2011
Reimbursement Policies:
18% Implemented on 5/1/2010
5.9% Implemented on 5/1/2011

20 Number of Policyholders and Annualized Premium as of June 30, 2015

Policy Type	Virginia	Nationwide
All	170	1,714
Cash / Unlimited	0	1
Cash / Limited	0	5
Reimbursement / Unlimited	88	743
Reimbursement / Limited	82	965

Policy Type	Virginia	Nationwide
All	$348,569	$3,999,076
Cash / Unlimited	$0	$7,951
Cash / Limited	$0	$22,149
Reimbursement / Unlimited	$192,506	$1,763,764
Reimbursement / Limited	$156,063	$2,205,212

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies issued on or after 10/01/2003
Virginia Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	0	0	0	0	0%
2000	0	0	0	0	0%
2001	0	0	0	0	0%
2002	0	0	0	0	0%
2003	1,455,362	0	0	0	0%
2004	4,131,246	16,399	0	16,399	0%
2005	4,432,737	4,964	0	4,964	0%
2006	4,277,427	133,462	0	133,462	3%
2007	4,159,310	23,331	0	23,331	1%
2008	4,005,352	4,653	0	4,653	0%
2009	3,821,845	896,006	117,727	1,013,733	27%
2010	4,241,830	1,560,069	913,175	2,473,244	58%
2011	4,288,891	764,978	345,630	1,110,609	26%
2012	4,372,195	811,289	677,447	1,488,735	34%
2013	4,102,885	417,769	1,121,440	1,539,209	38%
2014	3,968,602	314,782	1,120,189	1,434,971	36%
2015*	1,890,380	0	909,828	909,828	48%

Projections without Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	1,998,888	1,205,238	60%
2016	3,900,797	2,584,620	66%
2017	3,769,585	2,860,377	76%
2018	3,634,354	3,165,757	87%
2019	3,495,978	3,494,333	100%
2020	3,355,421	3,840,174	114%
2021	3,213,482	4,215,384	131%
2022	3,070,762	4,613,127	150%
2023	2,927,575	5,014,016	171%
2024	2,786,616	5,432,422	195%
2025	2,650,381	5,899,367	223%
2026	2,514,967	6,381,055	254%
2027	2,380,463	6,877,638	289%
2028	2,247,313	7,379,410	328%
2029	2,116,085	7,882,760	373%
2030	1,986,968	8,369,924	421%
2031	1,860,468	8,843,971	475%
2032	1,736,914	9,295,108	535%
2033	1,616,520	9,709,287	601%
2034	1,499,542	10,082,122	672%
2035	1,386,089	10,416,859	752%
2036	1,276,335	10,751,289	842%
2037	1,170,379	11,069,900	946%
2038	1,068,550	11,280,867	1056%
2039	971,172	11,390,025	1173%
2040	878,426	11,401,230	1298%
2041	790,719	11,328,133	1433%
2042	708,289	11,176,906	1578%
2043	631,311	10,931,640	1732%
2044	559,891	10,585,854	1891%
2045	493,961	10,159,175	2057%
2046	433,633	9,681,520	2233%
2047	378,823	9,177,479	2423%
2048	329,387	8,653,298	2627%
2049	285,098	8,097,382	2840%
2050	245,616	7,544,898	3072%
2051	210,692	7,015,058	3330%
2052	180,000	6,509,508	3616%
2053	153,204	6,039,893	3942%
2054 and later	806,223	68,715,051	8523%

Projections with Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	1,998,888	1,205,238	60%
2016	5,024,054	2,622,116	52%
2017	6,760,463	2,955,271	44%
2018	6,632,956	3,257,482	49%
2019	6,382,969	3,577,806	56%
2020	6,128,950	3,914,023	64%
2021	5,872,316	4,277,626	73%
2022	5,614,138	4,661,904	83%
2023	5,354,982	5,048,511	94%
2024	5,099,742	5,451,406	107%
2025	4,852,999	5,900,324	122%
2026	4,607,593	6,362,198	138%
2027	4,363,660	6,837,125	157%
2028	4,122,010	7,316,068	177%
2029	3,883,661	7,795,676	201%
2030	3,648,974	8,258,633	226%
2031	3,418,854	8,707,835	255%
2032	3,193,904	9,133,913	286%
2033	2,974,524	9,523,821	320%
2034	2,761,186	9,873,791	358%
2035	2,554,114	10,186,794	399%
2036	2,353,619	10,499,518	446%
2037	2,159,890	10,796,696	500%
2038	1,973,543	10,989,722	557%
2039	1,795,180	11,084,573	617%
2040	1,625,158	11,085,148	682%
2041	1,464,223	11,004,500	752%
2042	1,312,819	10,848,600	826%
2043	1,171,288	10,602,380	905%
2044	1,039,839	10,259,994	987%
2045	918,379	9,840,398	1071%
2046	807,117	9,372,387	1161%
2047	705,919	8,879,579	1258%
2048	614,535	8,368,066	1362%
2049	532,565	7,826,832	1470%
2050	459,408	7,289,641	1587%
2051	394,615	6,774,974	1717%
2052	337,595	6,284,483	1862%
2053	287,745	5,829,522	2026%
2054 and later	1,525,719	66,171,169	4337%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	64,684,834	11,798,037	18%	64,684,834	11,798,037	18%
Present Value of Future to 6/30/2015	41,956,454	134,341,153	320%	73,086,242	132,417,959	181%
Total Values	106,641,287	146,139,189	137%	137,771,075	144,215,996	105%
(Discounted at 4.5%)						

Projected Loss Ratio without Rate Increase		Projected Loss Ratio with Rate Increase	
Overall	137%	Overall	105%
Cash / Unlimited BP Policies	31%	Cash / Unlimited BP Policies	28%
Cash / Limited BP Policies	242%	Cash / Limited BP Policies	155%
Reimbursement / Unlimited BP Policies	172%	Reimbursement / Unlimited BP Policies	125%
Reimbursement / Limited BP Policies	106%	Reimbursement / Limited BP Policies	84%
Minimum Lifetime Loss Ratio	60%		

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies issued on or after 10/01/2003
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	0	0	0	0	0%
2000	0	0	0	0	0%
2001	0	0	0	0	0%
2002	0	0	0	0	0%
2003	50,530	0	0	0	0%
2004	306,942	4,213	0	4,213	1%
2005	361,319	0	0	0	0%
2006	354,378	0	0	0	0%
2007	340,308	0	0	0	0%
2008	325,345	1,617	0	1,617	0%
2009	313,112	74,482	83,157	157,639	50%
2010	315,237	86,134	231,433	317,567	101%
2011	331,096	0	0	0	0%
2012	341,543	0	0	0	0%
2013	325,266	82,845	132,524	215,369	66%
2014	325,334	0	0	0	0%
2015*	155,823	0	0	0	0%

Projections without Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	173,364	68,780	40%
2016	341,065	150,792	44%
2017	333,337	172,081	52%
2018	325,243	197,123	61%
2019	316,793	225,902	71%
2020	308,014	257,253	84%
2021	298,922	292,151	98%
2022	289,543	329,603	114%
2023	279,868	370,029	132%
2024	270,106	415,470	154%
2025	260,554	467,592	179%
2026	250,789	522,570	208%
2027	240,785	580,380	241%
2028	230,578	641,452	278%
2029	220,223	707,944	321%
2030	209,739	776,066	370%
2031	199,169	846,863	425%
2032	188,533	918,711	487%
2033	177,868	991,441	557%
2034	167,212	1,064,001	636%
2035	156,589	1,131,734	723%
2036	146,023	1,199,818	822%
2037	135,546	1,264,699	933%
2038	125,221	1,317,315	1052%
2039	115,108	1,361,874	1183%
2040	105,247	1,391,331	1322%
2041	95,708	1,408,239	1471%
2042	86,556	1,415,208	1635%
2043	77,850	1,405,289	1805%
2044	69,635	1,384,495	1988%
2045	61,928	1,351,083	2182%
2046	54,768	1,310,315	2392%
2047	48,169	1,264,268	2625%
2048	42,133	1,211,936	2876%
2049	36,652	1,154,573	3150%
2050	31,698	1,087,463	3431%
2051	27,256	1,018,373	3736%
2052	23,301	949,411	4075%
2053	19,802	880,108	4444%
2054 and later	91,375	7,381,095	8078%

Projections with Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	173,364	68,780	40%
2016	441,021	150,846	34%
2017	602,448	171,816	29%
2018	598,224	196,483	33%
2019	582,852	224,806	39%
2020	566,883	255,585	45%
2021	550,343	289,788	53%
2022	533,276	326,416	61%
2023	515,665	365,865	71%
2024	497,894	410,154	82%
2025	480,505	460,912	96%
2026	462,716	514,355	111%
2027	444,480	570,428	128%
2028	425,861	629,575	148%
2029	406,957	693,904	171%
2030	387,803	759,684	196%
2031	368,474	827,947	225%
2032	349,010	897,117	257%
2033	329,477	967,062	294%
2034	309,945	1,036,749	334%
2035	290,458	1,101,648	379%
2036	271,060	1,166,816	430%
2037	251,810	1,228,829	488%
2038	232,824	1,278,905	549%
2039	214,209	1,321,162	617%
2040	196,042	1,348,799	688%
2041	178,450	1,364,301	765%
2042	161,553	1,370,225	848%
2043	145,461	1,359,858	935%
2044	130,256	1,339,040	1028%
2045	115,976	1,306,106	1126%
2046	102,689	1,266,128	1233%
2047	90,425	1,221,121	1350%
2048	79,190	1,170,116	1478%
2049	68,971	1,114,324	1616%
2050	59,720	1,049,202	1757%
2051	51,411	982,237	1911%
2052	44,000	915,448	2081%
2053	37,433	848,381	2266%
2054 and later	173,155	7,104,895	4103%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	5,036,186	845,259	17%	5,036,186	845,259	17%
Present Value of Future to 6/30/2015	4,073,058	13,727,172	337%	7,184,595	13,377,949	186%
Total Values	9,109,244	14,572,431	160%	12,220,781	14,223,207	116%
(Discounted at 4.5%)						

Projected Loss Ratio without Rate Increase		Projected Loss Ratio with Rate Increase	
Overall	160%	Overall	116%
Cash / Unlimited BP Policies	0%	Cash / Unlimited BP Policies	0%
Cash / Limited BP Policies	0%	Cash / Limited BP Policies	0%
Reimbursement / Unlimited BP Policies	191%	Reimbursement / Unlimited BP Policies	133%
Reimbursement / Limited BP Policies	121%	Reimbursement / Limited BP Policies	93%

May 19, 2016
Actuarial Memorandum Supporting Rate Revision for The Prudential Insurance Company of America Individual Long-Term Care Insurance Plan Virginia – Policies issued on or after 10/01/2003

1. Scope and Purpose

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

Product Name	Form Number	Issue Dates in Virginia
ILTC1, Simple Inflation	GRP 98544	10/2003 – 7/2004
ILTC1, Compound Inflation	GRP 98545	10/2003 – 7/2004
ILTC1, Periodic Inflation Option	GRP 98546	10/2003 – 7/2004
ILTC1, Monthly Benefit Rider	GRP 98180	10/2008 – 7/2004
ILTC1, Non Forfeiture Benefit Rider	GRP 98181	10/2008 – 7/2004

Some riders may not be available in all states. This rate filing is not intended to be used for other purposes.

The department approved a rate increase (SERFF Tracking number: PRUD-125955126) for these policy forms on 2/1/2010. At the time, an actuarial certification as noted below was provided in the response to objection letter dated 12/3/2009.

Upon approval of these rate increases, the resulting nationwide lifetime loss ratio is projected to be 96%. Any additional future rate increases in Virginia, beyond the second increase, could not attempt to recover lost premium resulting from Prudential's willingness to manage these forms to a 96% lifetime loss ratio."

These revisions are necessary because the current best estimate projections of the nationwide lifetime loss ratios are significantly worse than the expected loss ratios and have exceeded the loss ratio certification previously provided. The higher lifetime loss ratios are due to adverse morbidity and persistency experience. The lifetime loss ratio after the requested rate increases is projected to be 96%.

Prudential is willing to implement this proposed rate increase over a period of three years in order to help mitigate the impact to the policyholders.

Upon approval of this rate revision, Prudential will communicate to policyholders their options to reduce the impact of the rate increase. There will also be opportunities for almost all policyholders to keep the premium at or below the same level that they were paying prior to

the rate revision. These options will include increasing the elimination period, reducing the lifetime maximum, reducing the daily benefit, eliminating optional riders, and a contingent non-forfeiture option that we will be offering to all policyholders regardless of their age or rate increase amount.

Please refer to Section 22 for a description of the information contained in each Appendix.

2. Description of Benefits

The policies issued on these forms are referred as the "ILTC1" product series. This product was individually underwritten and provides comprehensive long-term care coverage for care received in a nursing home, assisted living facility, or hospice in addition to home and community-based care. This product is intended to be Tax Qualified Long Term Care Insurance Contracts as defined by the internal revenue code section 7702B(b).

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

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

There are several optional riders that were sold with this product, including a cash benefit option and a monthly benefit option. The cash benefit option allows the insured to choose to receive benefits for Home and Community-Based Care as a cash benefit rather than as reimbursement. No formal services are required to receive a cash benefit. Policies with the cash benefit option are referred to as "Cash Plans" and plans without the cash benefit option are referred to as "Reimbursement Plans". The monthly benefit option provides benefits for Home and Community-Based Care on a monthly basis such that any or all of the benefits for Home and Community-Based Care can be used within the time frames that meet the insured's needs.

3. Renewability Clause

This product is a Guaranteed Renewable, Individual Long Term Care policy.

4. Marketing Method

This plan was marketed to individuals by licensed agents.

5. Applicability

The revised rates contained in this memorandum will be applicable to in-force policies, as these policy forms are no longer sold in the market, and all future periodic inflation protection offers. The revised premium rate schedules can be found in Appendix F.

6. Actuarial Assumptions

The actuarial assumptions used to project the future premiums and claims are described in this section. Appendix C provides further details of the experience studies conducted that were used to develop the actuarial assumptions. The current assumptions, developed in 2015, are Prudential's best estimate expectations of future experience. These assumptions are the basis for the assumptions being used in the company's internal cash flow testing. The projection includes an explicit 10% moderately adverse experience load to claims.

Morbidity

The best estimate morbidity assumptions were developed based on a combination of the Prudential's historical claim experience, the Milliman 2011 *Long Term Care Guidelines (Guidelines)* and judgment. The *Guidelines* reflect over 15.3 million life years of exposure and $10.5 billion of incurred claims and the experience and judgment of Milliman actuaries. The policy design and coverages, the underwriting applied at the time, and the claim adjudication process were all considered when setting the claim cost assumptions. The claim cost assumptions reflect Prudential's current best estimate of future morbidity, including morbidity improvement of 1% per year through 2035. The assumptions do not include any adverse selection from the rate increase or loads for moderately adverse experience.

Mortality

The mortality assumptions were developed from a mortality study conducted on the Prudential's experience and judgment. The best estimate mortality assumption is the Annuity 2000 Basic Table on a sex distinct basis with mortality selection factors, mortality attained age factors and mortality improvement. The mortality selection factors vary by issue age and

duration and start at 0.25 in duration 1 and grade up to an ultimate factor by duration 30. The ultimate factor varies by issue age and ranges from 0.90 at the younger ages to 1.05 at the older ages. A set of mortality attained age factors is also applied that lowers the mortality by 10% for attained ages 60 and under and grades to an increase of 10% in mortality by age 100. Mortality improvement of 0.6% per year through 2035 is assumed. The assumptions do not include any loads for moderately adverse experience.

Lapses

The voluntary lapse assumptions were developed from a policy persistency study conducted on the Company's experience and judgment. Lapse rates are combined with mortality rates to derive the total termination rate. In addition, the projections also terminate a policy if the insured exhausts their benefits. We assumed all remaining policies would terminate at attained age 120. The lapse assumptions represent the best estimate expectations of future experience and do not include any provisions for adverse experience. Lastly, the projections include an annual shock lapse rate of 2.0% assumed over the first two years of implementation. Voluntary lapse rates are shown below and vary by policy duration.

Voluntary Lapse Rates – Lifetime Pay				
Duration	Single – No Inflation	Single – Inflation	Married – No Inflation	Married – Inflation
1	9.50%	8.00%	6.00%	4.00%
2	6.50%	6.00%	4.00%	3.00%
3	5.50%	4.50%	3.50%	3.00%
4	5.00%	3.50%	3.00%	2.50%
5	4.50%	3.00%	2.50%	1.80%
6	3.50%	3.00%	2.00%	1.50%
7	3.00%	3.00%	1.75%	1.50%
8	2.75%	2.00%	1.75%	1.30%
9	2.75%	1.75%	1.75%	1.00%
10-20	2.75%	1.75%	1.75%	0.75%
21+	2.50%	1.50%	1.50%	0.50%

NOTE: No inflation includes plans without inflation and GPO.

Voluntary Lapse Rates – Limited Pay			
Duration	10 Pay	Premium Reduction at Age 65	Paid Up at Age 65
1	3.50%	4.50%	5.00%
2	2.50%	3.50%	4.50%
3	1.50%	3.00%	3.50%
4	1.00%	2.50%	2.50%
5	0.50%	2.00%	2.00%
6	0.50%	2.00%	2.00%
7	0.50%	1.50%	1.50%
8	0.50%	1.50%	1.50%
9	0.00%	1.50%	1.50%
10-20	0.00%	1.50%	1.25%
21+	0.00%	1.25%*	1.00%**

*Starting at age 55, grade into 1.0% ultimate lapse rate by attained age 65.
**Starting at age 55, grade into 0.0% ultimate lapse rate by attained age 65.

Appendix D contains a comparison of the actual total termination rates to both the original pricing assumptions and current assumptions.

Interest Rate

An annual interest rate of 4.5% was used to calculate the lifetime loss ratio in the supporting appendices. This was determined based on the predominant number of certificates issued in years that the maximum statutory valuation rate was 4.5%.

Expenses

The need for a rate increase is based on the lifetime loss ratio being in excess of the minimum loss ratio. Expenses do not directly impact the lifetime loss ratio and therefore are not used as justification for the rate increase. As such, expenses are not being projected and are not included in this filing.

7. Premium Classes

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

schedules included in Appendix F.

8. Issue Age Range

This product was available for issue ages up to 84. Premiums are based on issue age.

9. Area Factors

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

10. Average Annual Premium

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

11. Modal Premium Factors

Modal loads are required because of the varied expenses incurred by the Company and the effect of interest and persistency. The modal premium factors will remain unchanged from the current factors.

12. Claim Liability and Reserve

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

13. Active Life Reserves

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

14. Trend Assumption

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

15. Requested Rate Increase and Demonstration of Satisfaction of Loss Ratio Requirements

Prudential is requesting an average premium increase of 91.5%. These rate increases vary depending on whether the policyholder has benefit periods that are limited (2, 3, 4 or 5 years) or unlimited as well as if the policyholder has reimbursement benefits or cash rider.

Policy Type	ILTC1
Limited Benefit / Reimbursement	80.5%
Limited Lifetime Max / Cash	N/A
Unlimited Lifetime Max / Reimbursement	100.5%
Unlimited Lifetime Max / Cash	N/A
Average	91.5%

Prudential is willing to implement this proposed rate increase over a period of three years in order to help mitigate the impact to the policyholders.

Satisfaction of the loss ratio requirement is demonstrated in Appendix A. The demonstration is based on a 58% loss ratio on the initial premium and an 85% loss ratio on the increased premium. This approach requires that the sum of the historical and projected future incurred claims must exceed the sum of 58% of the initial premium and 85% of the increased premium.

16. Distribution of Business

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of June 30, 2015 to project future experience. Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

17. Experience – Past and Future

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

Historical experience is shown by claim incurral year.

18. Lifetime Loss Ratio

The anticipated nationwide lifetime loss ratios, both without a rate increase and with the requested rate increase, are shown in Appendix A. The development of these nationwide lifetime loss ratios, are shown in Appendix B and Appendix G.

The rate increase is assumed effective July 1, 2016 in our projections.

19. History of Rate Adjustments

See Appendix A for a history of rate increases on inforce policyholders with this policy form in this state.

20. Number of Policyholders

The current number of policyholders as of June 30, 2015 can be found in Appendix A.

21. Proposed Effective Date

This rate revision will be implemented following state approval and a minimum of a 75 day notification to the certificate holder. Implementation will be no earlier than October 1, 2016.

22. Summary of Appendices

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

Appendix B contains historical and projected nationwide experience for all policies issued under this form. The appendix also includes the projected lifetime loss ratios both without and with the proposed increase. The projection includes an explicit 10% moderately adverse experience load to claims.

Appendix C contains three exhibits that show our actual to expected lapse, mortality and morbidity experience.

Appendix D contains a breakdown of our current persistency assumptions.

Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

Appendix F contains the premium rate pages associated with this filing.

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

23. Relationship of Renewal Premium to New Business Premium.

Prudential is no longer selling any new Long-Term Care business. Therefore, the comparison of renewal premium rates after the rate increase to the Company's current new business premium rate schedule is not applicable.

24. Actuarial Certification

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

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

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

In forming my opinion, I have used actuarial assumptions and actuarial methods as I considered necessary. I have relied on projection information provided by Dan Nitz, FSA, MAAA. He is an Actuary at Milliman who used data and assumptions that were developed and supplied by Prudential in developing these projections. The pricing assumptions are consistent with Prudential's best estimates at the time of this filing. The projection includes an explicit 10% load for moderately adverse experience.

The premium rates are not excessive or unfairly discriminatory. If the requested premium increase is implemented and the underlying assumptions with a 10% load for moderately adverse conditions are realized, no further premium rate schedule increases are anticipated.

Sincerely,

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care
May 19, 2016

There are many factors that were assumed at the time of original pricing. Some of these factors can include, but are not limited to;

1. **The number of policy holders that will voluntarily or involuntarily drop their coverage.**
2. **The length and number of claims expected to be paid in the future.**
3. **The interest rates needed for investments to reach sufficient levels of reserves.**

This rate increase in needed mainly due to the underestimated percent of policyholders who drop their coverage. Due to the lower than expected lapse and mortality rates assumed at original pricing, much higher amounts of claims will need to be paid out than initially foreseen. These premium increases will ensure that Prudential remains solvent and capable of paying all future claims for all policyholders.

Reset Form

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

Company Name and NAIC Number: The Prudential Insurance Company of America - 304-68241

SERFF Tracking Number: PRUD-130606748

Effective Date: Upon Approval

Revised Rates

Average Annual Premium Per Member: Please refer to Appendix A

Average Requested Percentage Rate Change Per Member: Please refer to Appendix A

Minimum Requested Percentage Rate Change Per Member: 80.5%

Maximum Requested Percentage Rate Change Per Member: 100.5%

Number of Policy Holders Affected : 170

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

Form#	"Product Name"(if applicable)
GRP 98544	Simple Inflation Policy
GRP 98545	Automatic Compound Inflation Policy
GRP 98546	Periodic Inflation Policy

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.

Appendix C
The Prudential Insurance Company of America
Description of Experience Analysis and Assumption Setting

Mortality Study

The total mortality rate assumptions are can be broken into in three distinct parts: (1) a base rate industry mortality table, (2) selection factors created to adjust the table based on Prudential experience, and (3) a mortality improvement factor. The best estimate assumption is applied at the policy level. The industry table rates are attained age and male/female based. The Prudential experience based selection factors vary by issue age, gender and duration of the policy. The improvement assumption varies by calendar year. The selection factor assumptions are developed separately for individual and group products, but base rate table and improvement factors are the same for both products.

The 2Q 2018 best estimate mortality assumption was developed using the most recent 5 years of data and a 95% confidence interval test based on the 2017 Best Estimate assumptions as the expected. The assumption was changed if it falls outside the 95% CI. The test was performed at the product and gender level. The selection factors grade to 105% at duration 30 and later consistent with 2Q 17 best estimate assumptions.

Mortality improvement is a factor that is applied to the mortality rate that has been adjusted by selection factors. It is intended to reflect the notion that the probability of death for a given age will decrease over time, as the population as a whole is living longer, indicating an improvement in mortality. The rate will level out after 20 years into the projection.

The future expected mortality assumptions were developed based on this historical actual experience and judgment. Based on our analysis, the 2012 IAM Basic Table on an ALB basis matched actual experience the closest, with some adjustments, i.e. ultimate selection factors.

Voluntary Lapse Study

A voluntary lapse study was also conducted on the Company's actual experience using data through September 30, 2017. Voluntary lapse rates were calculated based on actual lapses using experience in years 7/1/2014 – 6/30/2017 with lapses reported through 9/30/2017. Voluntary lapses are studied using actual terminations. The impact of shock lapses that occur due to rate increases were removed from the voluntary lapse study to ensure that the lapse experience was not overstated. The future expected voluntary lapse assumptions were developed based on the historical actual experience and judgment. The expected lapse rates vary by policy duration, attained age and select business segments.

Morbidity Study

The morbidity experience on disabled lives (i.e., in claim status) is of critical importance, as it also plays a crucial role in shaping our base morbidity experience on active lives as well as informing our judgment on morbidity improvement. Morbidity is comprised of several assumptions, including utilization, fitting factors, claim cost guidelines, and cost of care inflation.

For 2Q 2018, a deep dive on our disabled life assumptions was performed. For the disabled lives analysis, more granularity has been included for site of care where it now matches the granularity of the active life reserves, Additionally, the analysis has led to the conclusion that there are significant differences in utilization by claim duration. We refined the claim continuance assumptions by claim duration and updated the termination rates by site of care and key benefit plans. We performed an iterative analysis of a claim retrospective test by the different drivers of morbidity and along different slices of the business (active, inactive pending, IBNR/CBER) along with the experience-based study of terminations. In the end we created a curve using actuarial judgment that fit well to our experience and produced a better fit to our retrospective tests.

The morbidity study used for active lives modeling was conducted on the Company's nationwide actual experience on incurred claims through Dec 31, 2017 with claims run out through Dec 31, 2017. The approach used to develop best estimate morbidity assumptions was to start with a set of baseline expected claims and review the experience along several key demographic and benefit characteristics. The primary focus to develop fitting factors was to match historical incurred claims to expected incurred claims.

Actual claim incidence is determined by counting each claim. A claim is considered to have begun as of the date the policyholder was determined to be benefit eligible. Paid claims are discounted back to the claim incurred date. The claim reserves are discounted from valuation date to the claim incurred date. Both paid claims and claim reserves have a 7.5% load applied to reflect waiver of premium. The claim reserves do not include an LAE load or an explicit margin. Actual incurred claims are calculated by adding together the present value of paid claims and claim reserves (including IBNR). In the development of the fitting factors, waiver of premium was excluded from both the actual claims and expected claims.

The baseline expected incurred claims were developed from Milliman's 2014 LTC Guidelines (*Guidelines*). Given the large size of the data supporting the *Guidelines*, it was viewed as a credible starting point for the analysis. Also, a composite factor was developed for the business based on the distribution by state and the area adjustment factors from the *Guidelines*. The best estimate assumptions do not include an assumption for morbidity improvement.

The process of developing fitting factors, starting with the baseline expected, generally followed the following steps:

- Review experience by issue year and product to determine if the baseline selection factors used are appropriate

- Review experience by issue age, gender, marital status and / or underwriting type

- Review experience by key benefit and demographic characteristics

It should be noted that many of the factors are related to each other. The fitting factors are Prudential adjustments to the 2014 Milliman Cost of Care Guidelines. The guidelines are a set of claim costs based on Milliman's slice of industry wide LTC insurance claims of $25 Billion. The guidelines include base assumptions, but they are customized to a given company based on characteristics such as underwriting and product design.

The Prudential Insurance Company of America
Appendix C - Exhiibit 1
Mortality Study
Experience by Policy Duration
ILTC

Duration	Actual Exposures	Actual Morality	Current Best Estimate	Actual/Best Estimate
1-5	120,596	242	338	72%
6-10	150,139	851	978	87%
11-15	138,526	1,981	1,979	100%
16-19	12,171	314	293	107%
Total	421,431	3,388	3,588	94%

Notes:
1) Prudential's experience study was performed using mortality data from 7/1/2012 – 6/30/2017, with deaths reported through 9/30/2017.
2) Best Estimate Mortality Rate uses 2012 IAM Basic Mortality Table, with mortality selection factors, and 1% improvement per year through 2038

The Prudential Insurance Company of America
Appendix C - Exhibit 2
Lapse Study
Experience by Policy Duration
ILTC

Duration	Actual Exposures	Number of Lapses	Number of Best Estimate Lapses	Actual Lapse Rate	Best Estimate Lapse Rate	Actual/Best Estimate
1	0	0	0			
2	8	1	0	11.9%	3.6%	333.0%
3	4,865	190	130	3.9%	2.7%	145.8%
4	14,482	312	300	2.2%	2.1%	103.8%
5	20,343	436	374	2.1%	1.8%	116.6%
6	19,538	318	352	1.6%	1.8%	90.4%
7	14,356	174	186	1.2%	1.3%	93.8%
8	12,524	184	163	1.5%	1.3%	112.6%
9	11,997	154	147	1.3%	1.2%	104.9%
10	11,029	98	116	0.9%	1.1%	84.2%
11	10,495	113	114	1.1%	1.1%	99.3%
12	12,670	143	140	1.1%	1.1%	102.3%
13	15,503	168	171	1.1%	1.1%	98.2%
14	14,304	114	140	0.8%	1.0%	81.6%
15	10,219	94	90	0.9%	0.9%	104.3%
16	5,293	41	48	0.8%	0.9%	86.2%
17	2,013	17	18	0.8%	0.9%	93.1%
18	530	3	5	0.6%	0.9%	60.5%
19	4	0	0	0.0%	1.1%	0.0%
Grand Total	180,173	2,560	2,494	1.4%	1.4%	102.6%

Notes:
1) Actual lapse rates using July 2014 - June 2017 data were observed.
2) Shock lapses have been removed from both actual and best estimate values.
3) Best Estimate Lapse Rate is the assumption used in the current projection assumption

The Prudential Insurance Company of America
Appendix C - Exhibit 3
Claim Study
Experience by Calendar Year
ILTC

Incurred Yr	Actual Paid Claims (in $MM)	DLR Reserve (in $MM)	Actual Incurred Claims (in $MM)	Best Estimate Incurred Claims (in $MM)	Actual to Best Estimate
<=2005	25.18	2.18	27.36	41.31	66.2%
2006	17.12	1.73	18.84	20.59	91.5%
2007	26.88	3.65	30.54	26.01	117.4%
2008	31.95	2.46	34.41	31.88	107.9%
2009	37.61	3.88	41.49	38.21	108.6%
2010	37.26	6.87	44.13	45.07	97.9%
2011	42.34	8.42	50.77	53.49	94.9%
2012	52.02	15.68	67.70	59.49	113.8%
2013	44.41	15.67	60.08	68.57	87.6%
2014	48.77	26.39	75.16	78.45	95.8%
2015	44.00	47.67	91.67	89.36	102.6%
2016	32.18	65.56	97.75	99.83	97.9%
2017	18.86	108.32	127.18	111.70	113.9%
2018	0.63	53.60	54.23	62.33	87.0%
Grand Total	459.21	362.09	821.30	826.28	99.4%

Notes:
1) Experience is through June 30, 2018
2) Paid claims represent the present value of paid claims discounted to the claim incurred date
3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date
4) Best Estimate Claims is based on Milliman's 2014 LTC Guidelines with 2018 Prudential experience fitting factors
5) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and best estimate).
6) This exhibit excludes waiver of premium and return of premium benefits in both actual and best estimate results.
7) Morbidity improvement has been removed from the Best Estimate Incurred Claims

Appendix D
The Prudential Insurance Company of America
Policy Persistency Comparison
Nationwide Experience
ILTC1

			Actual Results		Original Pricing Assumptions				Current Assumptions		
Policy Duration	Total Lives		Total Terminations		Lapse	Mortality	Total Terminations		Lapse	Mortality	Total Terminations
1	38,421		6.4%		12.2%	0.9%	13.1%		5.4%	0.2%	5.5%
2	35,969		4.6%		10.2%	1.0%	11.1%		3.9%	0.3%	4.1%
3	34,305		3.6%		8.5%	1.1%	9.6%		3.5%	0.4%	3.8%
4	33,060		2.7%		7.3%	1.2%	8.5%		2.9%	0.4%	3.3%
5	32,144		2.5%		6.0%	1.3%	7.3%		2.3%	0.5%	2.8%
6	31,329		2.5%		5.7%	1.4%	7.1%		1.9%	0.6%	2.6%
7	30,541		3.2%		5.0%	1.5%	6.5%		1.9%	0.7%	2.6%
8	29,564		3.0%		5.0%	1.7%	6.6%		1.6%	0.9%	2.4%
9	28,658		3.2%		5.0%	1.9%	6.8%		1.3%	1.0%	2.3%
10	27,709		3.3%		5.0%	2.0%	7.0%		1.2%	1.1%	2.3%
11	26,457		2.9%		5.0%	2.2%	7.2%		1.2%	1.3%	2.4%
12	21,679		3.2%		5.0%	2.4%	7.4%		1.2%	1.4%	2.6%
13	10,774		3.7%		4.9%	2.9%	7.8%		1.2%	1.8%	3.0%
14	4,671		3.9%		4.8%	3.3%	8.2%		1.2%	2.2%	3.4%
15	1,541		4.3%		4.8%	3.7%	8.5%		1.2%	2.5%	3.8%
16	21		0.0%		4.7%	5.2%	9.9%		1.2%	3.6%	4.8%

Notes:

1) The "Actual Results" are the historical total policy termination rates observed by the Company.
2) The "Original Pricing Assumptions" are those assumptions originally used to price the product.
   The mortality assumptions are based on the 1983 GAM Table.
   The lapse assumptions vary by inflation type and issue age. The original ultimate lapse rate starting in duration 8 ranged from 4.0% to 6.0% (for lifetime pay).
3) The "Current Assumptions" are those used in the projection for the current rate filing.
   The mortality assumptions are based on the Annuity 2000 table, with selection factors, mortality attained age factors, and 0.6% mortality improvement per year (from year 2000)
   The lapse assumptions vary by premium payment option, inflation and marital status. The current ultimate lapse rate starting in duration 21 ranges from 0.5% to 2.5%.
4) Experience is through June 30, 2015 and only includes lifetime pay policies (excludes limited pay policies).

Appendix E
The Prudential Insurance Company of America
Distribution of Inforce Business as of June 30, 2015
ILTC1

	Count	% of Count	Premium	% of Premium
Issue Year				
1999	812	3.3%	1,997,080	3.3%
2000	2,675	10.9%	6,549,246	10.7%
2001	4,772	19.4%	11,875,087	19.4%
2002	8,219	33.5%	20,854,788	34.1%
2003	7,316	29.8%	18,044,000	29.5%
2004	763	3.1%	1,779,890	2.9%
Total	24,557	100.0%	61,100,091	100.0%

Issue Age				
<30	153	0.6%	152,593	0.2%
30-34	262	1.1%	286,652	0.5%
35-39	505	2.1%	688,197	1.1%
40-44	1,166	4.7%	1,982,962	3.2%
45-49	2,441	9.9%	4,521,047	7.4%
50-54	4,780	19.5%	9,949,930	16.3%
55-59	5,371	21.9%	12,928,152	21.2%
60-64	4,934	20.1%	13,330,912	21.8%
65-69	3,106	12.6%	9,648,047	15.8%
70-74	1,413	5.8%	5,613,820	9.2%
75-79	379	1.5%	1,773,483	2.9%
80+	47	0.2%	224,297	0.4%
Total	24,557	100.0%	61,100,091	100.0%

Average Issue Age 56.9

Appendix E
The Prudential Insurance Company of America
Distribution of Inforce Business as of June 30, 2015
ILTC1

	Count	% of Count	Premium	% of Premium
Attained Age				
<30	1	0.0%	997	0.0%
30-34	30	0.1%	32,005	0.1%
35-39	58	0.2%	59,789	0.1%
40-44	143	0.6%	138,254	0.2%
45-49	358	1.5%	434,938	0.7%
50-54	760	3.1%	1,163,970	1.9%
55-59	1,503	6.1%	2,681,818	4.4%
60-64	3,356	13.7%	6,514,566	10.7%
65-69	5,149	21.0%	11,394,739	18.6%
70-74	5,110	20.8%	12,942,261	21.2%
75-79	4,406	17.9%	12,337,596	20.2%
80+	3,683	15.0%	13,399,159	21.9%
Total	24,557	100.0%	61,100,091	100.0%
Average Attained Age	70.1			
Gender				
Male	10,141	41.3%	25,667,343	42.0%
Female	14,416	58.7%	35,432,749	58.0%
Total	24,557	100.0%	61,100,091	100.0%
Inflation Option				
None	172	0.7%	371,881	0.6%
GPO	4,560	18.6%	13,132,624	21.5%
5% Simple Lifetime	5,662	23.1%	13,596,535	22.3%
5% Compound Lifetime	14,163	57.7%	33,999,051	55.6%
Total	24,557	100.0%	61,100,091	100.0%
Elimination Period				
0-Day	3,438	14.0%	9,152,426	15.0%
30-Day	3,333	13.6%	8,640,822	14.1%
60-Day	3,572	14.5%	8,793,592	14.4%
100-Day	14,214	57.9%	34,513,252	56.5%
Total	24,557	100.0%	61,100,091	100.0%

Appendix E
The Prudential Insurance Company of America
Distribution of Inforce Business as of June 30, 2015
ILTC1

	Count	% of Count	Premium	% of Premium
Benefit Period*				
3 Years	5,145	21.0%	11,058,831	18.1%
5 Years	8,015	32.6%	18,964,594	31.0%
Lifetime	11,397	46.4%	31,076,666	50.9%
Total	24,557	100.0%	61,100,091	100.0%

*Benefit Period grouped to nearest primary election

Premium Period				
Lifetime	24,557	100.0%	61,100,091	100.0%
Limited	0	0.0%	0	0.0%
Total	24,557	100.0%	61,100,091	100.0%
Home Health Reimbursement Level				
50%	1,305	5.3%	2,867,685	4.7%
75%	2,488	10.1%	5,812,661	9.5%
100%	20,764	84.6%	52,419,745	85.8%
Total	24,557	100.0%	61,100,091	100.0%
Spousal Discount Status				
Single	4,836	19.7%	14,182,828	23.2%
Married - 1 Buy	3,598	14.7%	9,824,492	16.1%
Married - 2 Buy	16,123	65.7%	37,092,772	60.7%
Total	24,557	100.0%	61,100,091	100.0%
Cash Benefit Option				
Cash	7,884	32.1%	22,528,760	36.9%
Reimbursement	16,673	67.9%	38,571,332	63.1%
Total	24,557	100.0%	61,100,091	100.0%
Benefit Measure				
Daily	4,983	20.3%	11,446,590	18.7%
Monthly	19,574	79.7%	49,653,501	81.3%
Total	24,557	100.0%	61,100,091	100.0%
Non-Forfeiture Option				
Yes	502	2.0%	1,391,773	2.3%
No	24,055	98.0%	59,708,318	97.7%
Total	24,557	100.0%	61,100,091	100.0%

The Prudential Insurance Company of America
Long-Term Care Customer Service Center
P.O. Box 8519
Philadelphia, PA, 19176-8519

[DATE]

[FIRST NAME LAST NAME]
[STREET ADDRESS]
[CITY, STATE ZIP CODE]

Re: Policy Number: [XXXXXXXXXX]
Prudential Long-Term Care Insurance Policy
Notice of Premium Increase

Dear [MR/MS LAST NAME]:

We are writing to inform you that we are increasing the premium for the above-referenced long-term care insurance policy. The premium increase for your policy is [XX%]. Your [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX] will change to [$XXXX.XX]. This increase will take effect on [MM/DD/YYYY].[1] [IF STATE APPROVED INCREASES OVER MULTIPLE YEARS: We are writing to inform you that we are increasing the premium for the above-referenced long term care insurance policy in multiple stages. The initial premium increase for your policy is [XX%]. Your [monthly, quarterly, semiannual, annual] premium payment will change from [$XXXX.XX] to [$XXXX.XX]. This increase will take effect on [MM/DD/YYYY]. A subsequent rate increase for your policy will be [XX%]. This will take effect no earlier than one year from the current rate increase effective date. Another subsequent rate increase for your policy will be [XX%]. This will take effect no earlier than two years from the current rate increase effective date.[1]]

DRAFT

We have filed this premium rate increase with state insurance regulators and are implementing this premium increase in accordance with the terms and conditions of your policy, and in accordance with applicable laws. Please read this letter carefully and in its entirety. Please also refer to the enclosed document entitled *Frequently Asked Questions*, which provides more information about this premium increase. If you have other questions or concerns after reviewing this letter, **please call our Long-Term Care Customer Service Center at 800-732-0416**.

[IF DIRECT BILL: You will see this change reflected in the statement preceding the effective date of the new premium rate.] [IF EFT: Since you pay premium via electronic funds transfer ("EFT"), please be aware the withdrawal preceding the effective date of the new premium rate will automatically reflect the new amount.]

[IF AT MINIMUM: Because your policy benefits are already at the lowest level we offer, we are unable to offer you the option of reducing your coverage in order to offset the amount of your premium increase.]

[IF NOT AT MINIMUM: If you continue to pay your premium at the increased rate listed above, the coverage provided under your Policy will remain the same. In the alternative, we have set forth a number of options below that will allow you to reduce the amount that your premium increases by electing to reduce the amount of coverage you receive under your policy. We urge you to consider each of these options carefully.]

---

[1] The premium amounts cited in this letter do not reflect any benefit changes that may already be pending at this time. Your actual premium may be different due to rounding.

Options to Reduce the Impact of the Premium Rate Increase

You may reduce your initial Daily Maximum amount from [$XXX] to [$YYY] (because your policy has an inflation protection provision, your corresponding *inflated* Daily Maximum amount will decrease from [$XXX] to [$YYY]). This means that the maximum benefit that you could receive under the policy for each day you receive benefits under the policy will be reduced to the amount stated above. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX].[2] Please note that by reducing your Daily Maximum amount, you will also be reducing the total amount of benefits payable under your policy (Lifetime Maximum), unless your policy has an unlimited Lifetime Maximum. Before making any decision to reduce your Daily Maximum amount, please consider the current and future cost of care in the geographic area where you anticipate receiving care, and the amount you expect to be able to pay for care from your own assets and savings. Please visit the [Silverbrick] website for cost of care information: [http://www.silverbrick.com].

You may reduce your Lifetime Maximum benefit amount by changing the number of years used to calculate such benefits from [X years][unlimited] to [Y] years. This means that your Lifetime Maximum shown in a dollar amount will be recalculated to a lower dollar amount using the number of years shown above. You will be provided with a new Schedule of Benefits page to your policy showing this lower Lifetime Maximum as a dollar amount. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX. XX].

[IF INSURED UNDER CASH BENEFIT RIDER: You may drop your Cash Benefit Rider. This means that if you are determined to be eligible to receive benefits under your policy, you will be reimbursed for covered expenses up to the Daily Maximum Benefit for Home Health Care rather than receive a monthly cash amount as provided under the Cash Benefit Rider. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX].

OR You may elect to replace your Cash Benefit Rider with the Cash Indemnity Rider. The Cash Indemnity Rider will pay the full daily benefit for Home and Community-Based Care only for the days that **formal** services are received and proof of receipt of such services is provided to Prudential. Formal services means services from a licensed provider. This is different from the Cash Benefit Rider, which permits payment of the full daily benefit for Home and Community-Based Care upon satisfaction of the Benefit Eligibility Criteria, regardless of whether formal or informal services were received. If you elect this Cash Indemnity Rider, this means that your Cash Benefit Rider would terminate. The Cash Indemnity Rider is a less expensive option than the Cash Benefit Rider. If you elect to replace your Cash Benefit Rider with the Cash Indemnity Rider, you will have 30 days to review the new Rider. If you are not satisfied with the terms and conditions of this option, we will reinstate your Cash Benefit Rider if you make such a request in writing during these 30 days. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX].]

[IF INSURED UNDER CASH INDEMNITY BENEFIT RIDER: You may drop your Cash Indemnity Rider. This means that if you are determined to be eligible to receive benefits under your policy, you will be reimbursed for covered expenses up to the Daily Maximum Benefit for Home Health Care rather than receive the full daily benefit for Home and Community-Based Care for the days that formal services are received and proof of receipt of such services is provided to Prudential. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX].]

DRAFT

[2] The Daily Maximum amounts are subject to any applicable state and/or partnership regulatory minimum benefit requirements.

[IF INSURED UNDER MONTHLY BENEFIT RIDER: You may drop your Monthly Benefit Rider. This means that if you are determined to be eligible to receive benefits under your policy, you will be reimbursed for covered expenses up to the Daily Maximum Benefit for Home Health Care rather than up to the monthly maximum amount under the Monthly Benefit Rider. This change will result in a new [monthly, quarterly, semiannual, annual] premium payment of [$XXXX.XX].]

Please note that the premium charges set forth above relate to your election of just one option. If you wish to elect more than one option, please call us at 800-732-0416 so we can tell you what your new premium will be. Please also note there may be additional options available to you. Our dedicated Long Term Care Customer Service Center staff will be able to provide you with information about the complete range of options available to you. In the event you would like to make any change, please complete the attached *Long-Term Care Insurance Change Request Form* and return it to the address noted on the form.

[IF NFO: As an alternative to the options described above, you may exercise a right under your non-forfeiture rider to change your policy to paid-up status. If you elect this option, no further premium payments will be due under the policy, and your Benefit Waiting Period and Daily Maximum benefit will remain the same, but your Lifetime Maximum benefit will be reduced. The following policy riders will automatically terminate: Shared Care Benefit, Joint Waiver of Premiums Benefit, and Survivor Waiver of Premiums Benefit (if applicable). If you wish to consider this option and would like to know the amount of your reduced Lifetime Maximum benefit, please contact our Customer Service Center at 800-732-0416. You can elect this option by checking the appropriate box on the enclosed *Long Term Care Insurance Change Request Form*. If you do not submit a *Long Term Care Insurance Change Request Form* or contact our Customer Service Center and coverage lapses because you do not pay the full increased premium, your policy will automatically be converted to paid-up status with reduced benefits. If you convert to this status, the amount of your reduced benefits can be provided to you in writing.]

Or, if NFO is not an option,

[IF CNFO: As an alternative to the options described above, you may exercise a contingent non-forfeiture right to change your policy to paid-up status. If you elect this option, no further premium payments will be due under the policy, and your Benefit Waiting Period and Daily Maximum benefit will remain the same, but your Lifetime Maximum benefit will be reduced. The following policy riders will automatically terminate: Shared Care Benefit, Joint Waiver of Premiums Benefit, and Survivor Waiver of Premiums Benefit (if applicable). If you wish to consider this option and would like to know the amount of your reduced Lifetime Maximum benefit, please contact our Customer Service Center at 800-732-0416. You can elect this option within 120 days of the implementation of the premium increase by checking the appropriate box on the enclosed *Long Term Care Insurance Change Request Form*. If you do not submit a *Long Term Care Insurance Change Request Form* or contact our Customer Service Center and coverage lapses because you do not pay the full increase premium, your policy will automatically be converted to paid-up status with reduced benefits. If you convert to this status, the amount of your reduced benefits can be provided to you in writing.]

We understand this premium increase impacts you financially, but we hope you will continue to appreciate the value of your long-term care insurance coverage. We decided to increase premium rates after thoroughly evaluating the factors that impact premium rates. The premiums we charge you are impacted by a number of things, including assumptions we make about the amount of claims we expect to pay under policies like yours and other factors. After conducting an extensive review of all these factors, we determined that a premium increase is necessary to continue to provide the quality insurance coverage that you have come to expect.

[IF ADDITIONAL INCREASE IS *CERTAIN:* We anticipate that an additional premium increase will be necessary in the future, but we do not presently know the date or amount of any future increase.]

DRAFT

[IF ADDITIONAL INCREASE IS *POSSIBLE*: It is possible that, as we continue to regularly review the factors that impact premium rates, another increase may be needed in the future.]

In the event that a future increase becomes necessary, you will receive another advance notification of the effective date of any such increase. We will continue to monitor the factors that impact premiums to determine if our assumptions are consistent with actual experience.

If you have questions or concerns after reviewing this letter, **please call our Long-Term Care Customer Service Center at 800-732-0416**. We have a dedicated team ready to assist you Monday through Friday.

We appreciate having you as a customer and we look forward to continuing to serve you.

Sincerely,

Long Term Care Insurance Customer Service Center

[cc: Insurance Producer FIRST NAME LAST NAME]

DRAFT

The Prudential Insurance Company of America
Long-Term Care Customer Service Center
P.O. Box 8519
Philadelphia, PA, 19176-8519
Fax: 877-773-9515

Policy Number: [XXXXXXXXXXXX]
Policyholder name: [FIRST NAME LAST NAME]

Please complete and return by mail or facsimile number shown above.

LONG-TERM CARE INSURANCE CHANGE REQUEST FORM

Dear Policyholder:

This form may be used to make changes to your Long-Term Care insurance coverage to reduce the impact of your premium increase. Before making any changes, we strongly encourage you to review your policy and to call our Long Term Care Customer Service Center at 800-732-0416 Monday through Friday, in order to discuss the complete range of options available to you, and how your selection of each option will affect (1) the amount of premium you will be required to pay, and (2) your coverage.

Please indicate your change(s) by checking and completing the options below.
NOTE: If you check more than one option, you should call us for the actual new premium amounts since those shown here and in the letter to which this form is attached will change.

- ❑ Decrease my Daily Maximum amount from [$XXX] to [$YYY] (my corresponding *inflated* Daily Maximum amount would decrease from [$XXX] to [$YYY]).

- ❑ Decrease my Lifetime Maximum benefit amount by changing the number of years used to calculate such benefits from [X years][unlimited] to [Y] years.

- ❑ [IF INSURED UNDER CASH BENEFIT RIDER Drop my Cash Benefit Rider and convert my Policy to a daily reimbursement plan.

- ❑ [Replace my Cash Benefit Rider with the Cash Indemnity Rider. I understand that by replacing my Cash Benefit Rider with the Cash Indemnity Rider that the Cash Indemnity Rider will pay the full daily benefit for Home and Community-Based Care only for the days that **formal** services are received and proof of receipt of such services is provided to Prudential. Formal services means services from a licensed provider. I will no longer have the option to receive a monthly cash payment of the full daily benefit for Home and Community-Based Care upon satisfaction of the Benefit Eligibility Criteria, regardless of whether formal or informal services were received. Furthermore, I understand that my Cash Benefit Rider will terminate.]

- ❑ [IN INSURED UNDER CASH INDEMNITY RIDER Drop my Cash Indemnity Rider and convert my Policy to a daily reimbursement plan.]

- ❑ [IF INSURED UNDER MONTHLY BENEFIT RIDER Drop my Monthly Benefit Rider and convert my Policy to a daily reimbursement plan.]

- ❑ [IF NFO: I wish to exercise the non-forfeiture option. I understand that by doing so, no further premium payments will be due under my policy and my Benefit Waiting Period and Daily Maximum benefit will remain the same, but my Lifetime Maximum benefit will be reduced, and I

DRAFT

will not be eligible for any additional inflation protection increases because my policy will be on paid-up status. I understand that if I elect this option, I cannot elect any of the other options shown on this form.]

- ❑ [IF CNFO: I wish to exercise the contingent non-forfeiture option. I understand that I can only make this election within the 120 day period following the due date of my increased premium, and that I must continue paying premium up until that due date. I further understand that by making this election, no further premium payments will be due under my policy and my Benefit Waiting Period and Daily Maximum benefit will remain the same, but my Lifetime Maximum benefit will be reduced, and I will not be eligible for any additional inflation protection increases because my policy will be on paid-up status. I understand that if I elect this option, I cannot elect any of the other options shown on this form.]

- ❑ I wish to do the following. I understand that someone from the Long Term Care Customer Service Center may call me to clarify my wishes or explain if the change requested can be made.

I understand the policy change(s) that I have selected above will reduce my current benefits, depending upon the option(s) selected. I acknowledge that Prudential has made the Long Term Care Customer Service Center available for me to discuss these option(s). I affirm that these selection(s) are made voluntarily and that I am under no obligation to make them. I agree that any change(s) will become effective on the date set by The Prudential Insurance Company of America upon receipt of this request.

_____ _____

Signature of Policyholder [for policy #XXXXXX] Date Signed

DRAFT

Frequently Asked Questions Relating to Premium Increase

Question: Why are you raising long-term care insurance premium rates?
[IF THIS IS FIRST INCREASE: **Answer:** After careful review and analysis of the class of long term care insurance policies like yours (called ILTC1), we have determined that ILTC1 policies need a rate increase. The premiums we charge you are impacted by a number of things, including assumptions we make about the amount of claims we expect to pay under policies like yours and other factors. As has been the case for many other long-term care insurers, some of our assumptions about the factors that impact premiums, although based on the best information then available, were later demonstrated to be inconsistent with actual experience. A premium increase is needed to help ensure that future premiums, in combination with existing reserves, will be adequate to pay future benefits on all ILTC1 policies.]

[IF THIS IS NOT FIRST INCREASE: **Answer:** We continue to review and analyze the class of long term care insurance policies like yours (called ILTC1). We currently project that claim payments under all ILTC1 policies will exceed our expectations when we previously implemented the rate increase on these policies. In addition, we have also seen that other assumptions that impacted our premium rates continue to be inconsistent with our actual experience. A premium increase is therefore needed to help ensure that future premiums, in combination with existing reserves, will be adequate to pay future benefits on all ILTC1 policies.]

Question: What allows you to raise premiums on these policies?
Answer: Each policy describes our right to increase the premium we charge for the insurance. Generally, this can be found in both the "Renewability" provision and the "Changes in Premiums" provision.

Question: Will you raise premiums on these policies again?
Answer: [IF ADDITIONAL INCREASE IS *CERTAIN:* We anticipate that an additional premium increase will be necessary in the future, but we do not presently know the date or amount of any future increase.]
[IF ADDITIONAL INCREASE IS *POSSIBLE:* It is possible that, as we continue to regularly review the factors that impact premium rates, another increase may be needed in the future.]

In the event that a future increase becomes necessary, you will receive another advance notification of the effective date of any such increase. We will continue to monitor the factors that impact premiums to determine if our assumptions are consistent with actual experience.

Question: When will this premium increase become effective?
Answer: The increase will become effective on the first premium due date following implementation of the rate increase in the state in which your policy was issued. That date is set forth in the letter to which this Frequently Asked Questions form was attached.

Question: Who is impacted by this action?
Answer: Policyholders like you who purchased the Prudential Long Term Care℠ Insurance series of products (ILTC1), which were sold between 1998 and 2004.

Question: What options do I have to mitigate the impact of the premium increase?
Answer: You may keep the policy you have with all of its current features by paying the new premium rate. If you would like to explore options to reduce or eliminate the impact of the premium increase, among other things you may choose to decrease policy benefits (Lifetime Maximum, Daily Maximum), replace the Cash Benefit Rider with the Cash Indemnity Rider or remove an optional Cash Benefit, Cash Indemnity, Monthly Benefit or other rider. A dedicated customer service line has been established to address policyholder questions and requests for benefit changes, and to discuss other available options to help reduce your premium. The dedicated customer service line (800-732-0416) is available Monday through Friday. A Change Request Form is included with this letter if you wish to modify your policy.

DRAFT

Question: What will happen to my premium if I am currently on Waiver of Premium?
Answer: If you are currently not paying premiums under the Waiver of Premium provision in your policy, you will not be immediately affected by this rate increase. Should you cease to be eligible under the Waiver of Premium provision, the rate increase will be effective on your next premium due date.

DRAFT

	Cumulative Approved				Third Increase							
					Requested				Approved			
	ILTC1				ILTC1				ILTC1			
	Limited		Unlimited		Limited		Unlimited		Limited		Unlimited	
	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb
Alabama	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Alaska	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Arizona	120.1%	75.2%	135.3%	94.7%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Arkansas	54.9%	42.8%	54.9%	42.8%	45.0%	35.0%	55.0%	50.0%	21.0%	21.0%	21.0%	21.0%
California - Pre-RS	28.0%	18.0%	28.0%	18.0%	45.0%	35.0%	55.0%	50.0%				
California - Post-RS	18.0%	18.0%	18.0%	18.0%	45.0%	35.0%	55.0%	50.0%				
Colorado	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Connecticut	0.0%	0.0%	0.0%	0.0%	45.0%	35.0%	55.0%	50.0%				
District of Columbia	21.0%	21.0%	21.0%	21.0%	45.0%	35.0%	55.0%	50.0%	10.0%	10.0%	10.0%	10.0%
Delaware	48.1%	48.1%	48.1%	48.1%	32.0%	32.0%	32.0%	32.0%	15.0%	15.0%	15.0%	15.0%
Florida	54.8%	54.8%	54.8%	54.8%	45.0%	35.0%	55.0%	50.0%	20.7%	20.7%	20.7%	20.7%
Georgia	48.1%	37.9%	48.1%	37.9%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Guam	0.0%	0.0%	0.0%	0.0%	45.0%	35.0%	55.0%	50.0%				
Hawaii	85.6%	59.3%	98.4%	76.8%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	49.8%
Idaho	80.8%	49.3%	84.0%	56.1%	45.0%	35.0%	55.0%	50.0%	13.0%	10.0%	15.0%	15.0%
Illinois	69.0%	39.2%	69.0%	39.2%	45.0%	35.0%	55.0%	50.0%				
Indiana	57.7%	45.4%	57.7%	45.4%	45.0%	35.0%	55.0%	50.0%	12.5%	12.5%	12.5%	12.5%
Iowa	63.9%	52.8%	63.9%	52.8%	45.0%	35.0%	55.0%	50.0%	17.7%	17.7%	17.7%	17.7%
Kansas	25.4%	19.9%	25.4%	19.9%	45.0%	35.0%	55.0%	50.0%				
Kentucky	94.3%	60.1%	94.3%	60.1%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Louisiana	47.2%	29.8%	53.6%	35.7%	45.0%	35.0%	55.0%	50.0%	15.0%	10.0%	20.0%	15.0%
Maine	102.8%	74.1%	111.2%	67.1%	45.0%	35.0%	55.0%	50.0%	20.0%	25.0%	25.0%	20.0%
Maryland	52.1%	52.1%	52.1%	52.1%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Massachusetts	10.0%	10.0%	10.0%	10.0%	45.0%	35.0%	55.0%	50.0%				
Michigan	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Minnesota	28.0%	18.0%	28.0%	18.0%	45.0%	35.0%	55.0%	50.0%				
Mississippi	95.3%	84.4%	95.3%	84.4%	45.0%	35.0%	55.0%	50.0%	25.0%	25.0%	25.0%	25.0%
Missouri	108.9%	75.9%	120.3%	91.5%	45.0%	35.0%	55.0%	50.0%	33.8%	26.3%	41.1%	37.5%
Montana	91.6%	64.3%	99.4%	74.1%	45.0%	35.0%	55.0%	50.0%	23.0%	18.0%	28.0%	25.0%
Nebraska	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Nevada	122.9%	66.1%	138.3%	84.5%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
New Hampshire	69.0%	39.2%	69.0%	39.2%	45.0%	35.0%	55.0%	50.0%				
New Jersey	131.6%	81.6%	142.8%	101.8%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	52.0%	50.0%
New Mexico	47.2%	35.7%	47.2%	35.7%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
New York	17.7%	17.7%	17.7%	17.7%	45.0%	35.0%	55.0%	50.0%	10.0%	10.0%	10.0%	10.0%
North Carolina - Pre-RS	91.4%	59.3%	104.6%	77.0%	45.0%	35.0%	55.0%	50.0%	13.3%	14.4%	21.1%	27.1%
North Carolina - Post-RS	91.4%	59.3%	104.6%	77.0%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
North Dakota	57.3%	47.9%	57.3%	47.9%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Ohio	77.4%	53.2%	85.9%	60.1%	45.0%	35.0%	55.0%	50.0%	5.0%	10.0%	10.0%	15.0%
Oklahoma	56.3%	47.5%	56.3%	47.5%	45.0%	35.0%	55.0%	50.0%	25.0%	25.0%	25.0%	25.0%
Oregon	79.5%	61.5%	79.5%	61.5%	45.0%	35.0%	55.0%	50.0%	32.3%	32.3%	32.3%	32.3%
Pennsylvania	102.7%	66.9%	102.7%	66.9%	45.0%	35.0%	55.0%	50.0%	20.0%	20.0%	20.0%	20.0%
Rhode Island	28.0%	18.0%	28.0%	18.0%	45.0%	35.0%	55.0%	50.0%				
South Carolina	84.3%	67.1%	84.3%	67.1%	45.0%	35.0%	55.0%	50.0%	20.0%	20.0%	20.0%	20.0%
South Dakota	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Tennessee	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Texas - Pre-RS	40.4%	27.7%	40.4%	27.7%	59.0%	37.0%	69.0%	51.0%				
Texas - Post-RS	0.0%	0.0%	0.0%	0.0%	123.0%	75.0%	138.0%	93.0%				
Utah	85.6%	59.3%	98.4%	77.0%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Vermont	0.0%	0.0%	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%				
Virginia - Pre-RS	34.9%	25.0%	34.9%	25.0%	45.0%	35.0%	55.0%	50.0%				
Virginia - Post-RS	34.9%	25.0%	34.9%	25.0%	45.0%	35.0%	55.0%	50.0%				
Washington	139.4%	88.0%	155.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
West Virginia	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Wyoming	145.0%	88.0%	161.9%	108.9%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Wisconsin	114.4%	78.4%	129.2%	98.2%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%

	Second Increase							
	Requested				Approved			
	ILTC1				ILTC1			
	Limited		Unlimited		Limited		Unlimited	
	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb
Alabama	32%	18%	32%	18%	32%	18%	32%	18%
Alaska	32%	18%	32%	18%	32%	18%	32%	18%
Arizona	32%	18%	32%	18%	32%	18%	32%	18%
Arkansas	32%	18%	32%	18%				
California - Pre-RS	32%	18%	32%	18%				
California - Post-RS	32%	18%	32%	18%	18%	18%	18%	18%
Colorado	32%	18%	32%	18%				
Connecticut	32%	18%	32%	18%				
District of Columbia	10%	10%	10%	10%	10%	10%	10%	10%
Delaware	32%	18%	32%	18%	12%	12%	12%	12%
Florida	23%	23%	23%	23%	17%	17%	17%	17%
Georgia	32%	18%	32%	18%	15%	9%	15%	9%
Guam	32%	18%	32%	18%				
Hawaii	32%	18%	32%	18%				
Idaho	32%	18%	32%	18%	25%	15%	25%	15%
Illinois	32%	18%	32%	18%	32%	18%	32%	18%
Indiana	32%	18%	32%	18%	10%	10%	10%	10%
Iowa	32%	18%	32%	18%	18%	10%	18%	10%
Kansas	32%	18%	32%	18%	10%	10%	10%	10%
Kentucky	32%	18%	32%	18%	32%	18%	32%	18%
Louisiana	32%	18%	32%	18%				
Maine	32%	18%	32%	18%	32%	18%	32%	18%
Maryland	32%	18%	32%	18%	15%	15%	15%	15%
Massachusetts	32%	18%	32%	18%	10%	10%	10%	10%
Michigan	32%	18%	32%	18%	32%	18%	32%	18%
Minnesota	32%	18%	32%	18%				
Mississippi	32%	18%	32%	18%	25%	25%	25%	25%
Missouri	32%	18%	32%	18%	22%	18%	22%	18%
Montana	32%	18%	32%	18%	32%	18%	32%	18%
Nebraska	32%	18%	32%	18%	32%	18%	32%	18%
Nevada	32%	18%	32%	18%	23%	23%	23%	23%
New Hampshire	32%	18%	32%	18%	32%	18%	32%	18%
New Jersey	32%	18%	32%	18%	32%	18%	32%	18%
New Mexico	32%	18%	32%	18%				
New York	32%	18%	32%	18%	7%	7%	7%	7%
North Carolina - Pre-RS	32%	18%	32%	18%	32%	18%	32%	18%
North Carolina - Post-RS	32%	18%	32%	18%	32%	18%	32%	18%
North Dakota	32%	18%	32%	18%	20%	18%	20%	18%
Ohio	32%	18%	32%	18%	32%	18%	32%	18%
Oklahoma	32%	18%	32%	18%	25%	18%	25%	18%
Oregon	32%	18%	32%	18%	19%	12%	19%	12%
Pennsylvania	32%	18%	32%	18%	30%	17%	30%	17%
Rhode Island	32%	18%	32%	18%				
South Carolina	32%	18%	32%	18%	20%	18%	20%	18%
South Dakota	32%	18%	32%	18%	32%	18%	32%	18%
Tennessee	32%	18%	32%	18%	32%	18%	32%	18%
Texas - Pre-RS	32%	18%	32%	18%	20%	13%	20%	13%
Texas - Post-RS	69%	39%	69%	39%				
Utah	32%	18%	32%	18%				
Vermont	32%	18%	32%	18%				
Virginia - Pre-RS	32%	18%	32%	18%				
Virginia - Post-RS	32%	18%	32%	18%				
Washington	32%	18%	32%	18%	29%	18%	29%	18%
West Virginia	32%	18%	32%	18%	32%	18%	32%	18%
Wyoming	32%	18%	32%	18%	32%	18%	32%	18%
Wisconsin	32%	18%	32%	18%	32%	18%	32%	18%

	First Increase							
	Requested				Approved			
	ILTC1				ILTC1			
	Limited		Unlimited		Limited		Unlimited	
	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb
Alabama	28%	18%	28%	18%	28%	18%	28%	18%
Alaska	28%	18%	28%	18%	28%	18%	28%	18%
Arizona	28%	18%	28%	18%	15%	10%	15%	10%
Arkansas	28%	18%	28%	18%	28%	18%	28%	18%
California - Pre-RS	28%	18%	28%	18%	28%	18%	28%	18%
California - Post-RS	28%	18%	28%	18%				
Colorado	28%	18%	28%	18%				
Connecticut	28%	18%	28%	18%				
District of Columbia	28%	18%	28%	18%				
Delaware	28%	18%	28%	18%	15%	15%	15%	15%
Florida	28%	18%	28%	18%	9%	9%	9%	9%
Georgia	28%	18%	28%	18%	12%	10%	12%	10%
Guam	28%	18%	28%	18%				
Hawaii	28%	18%	28%	18%	28%	18%	28%	18%
Idaho	28%	18%	28%	18%	28%	18%	28%	18%
Illinois	28%	18%	28%	18%	28%	18%	28%	18%
Indiana	28%	18%	28%	18%	28%	18%	28%	18%
Iowa	28%	18%	28%	18%	18%	18%	18%	18%
Kansas	28%	18%	28%	18%	14%	9%	14%	9%
Kentucky	28%	18%	28%	18%	28%	18%	28%	18%
Louisiana	28%	18%	28%	18%	28%	18%	28%	18%
Maine	28%	18%	28%	18%	28%	18%	28%	18%
Maryland	28%	18%	28%	18%	15%	15%	15%	15%
Massachusetts	28%	18%	28%	18%				
Michigan	28%	18%	28%	18%	28%	18%	28%	18%
Minnesota	28%	18%	28%	18%	28%	18%	28%	18%
Mississippi	28%	18%	28%	18%	25%	18%	25%	18%
Missouri	28%	18%	28%	18%	28%	18%	28%	18%
Montana	28%	18%	28%	18%	18%	18%	18%	18%
Nebraska	28%	18%	28%	18%	28%	18%	28%	18%
Nevada	28%	18%	28%	18%	25%		25%	
New Hampshire	28%	18%	28%	18%	28%	18%	28%	18%
New Jersey	28%	18%	28%	18%	21%	14%	21%	14%
New Mexico	28%	18%	28%	18%	28%	18%	28%	18%
New York	28%	18%	28%	18%				
North Carolina - Pre-RS	28%	18%	28%	18%	28%	18%	28%	18%
North Carolina - Post-RS	28%	18%	28%	18%				
North Dakota	28%	18%	28%	18%	14%	9%	14%	9%
Ohio	28%	18%	28%	18%	28%	18%	28%	18%
Oklahoma	28%	18%	28%	18%				
Oregon	28%	18%	28%	18%	14%	9%	14%	9%
Pennsylvania	28%	18%	28%	18%	30%	19%	30%	19%
Rhode Island	28%	18%	28%	18%	28%	18%	28%	18%
South Carolina	28%	18%	28%	18%	28%	18%	28%	18%
South Dakota	28%	18%	28%	18%	28%	18%	28%	18%
Tennessee	28%	18%	28%	18%	28%	18%	28%	18%
Texas - Pre-RS	28%	18%	28%	18%	17%	13%	17%	13%
Texas - Post-RS	28%	18%	28%	18%				
Utah	28%	18%	28%	18%	28%	18%	28%	18%
Vermont	28%	18%	28%	18%				
Virginia - Pre-RS	28%	18%	28%	18%	35%	25%	35%	25%
Virginia - Post-RS	28%	18%	28%	18%	35%	25%	35%	25%
Washington	28%	18%	28%	18%	28%	18%	28%	18%
West Virginia	28%	18%	28%	18%	28%	18%	28%	18%
Wyoming	28%	18%	28%	18%	28%	18%	28%	18%
Wisconsin	28%	18%	28%	18%	12%	12%	12%	12%

Keith Burns, ASA, MAAA
Vice President and Actuary
Financial Management

The Prudential Insurance Company of America
Long Term Care Unit
100 Mulberry Street
Gateway Center 2, 11th Floor
Newark, NJ 07102
Tel 402 715-4861
keith.burns@prudential.com

June 8, 2016

The Honorable Jacqueline K. Cunningham
Commissioner of Insurance
Virginia State Corporation Commission
Bureau of Insurance
1300 East Main Street
Richmond, VA 23219

Re: The Prudential Insurance Company of America
NAIC #304-68241
Individual Long Term Care Insurance
Form Numbers: GRP 98544, GRP 98545 & GRP 98546

Dear Commissioner Cunningham:

We enclose for your review a long-term care insurance rate schedule change. We are requesting the approval of a premium rate increase for the above referenced forms. This rate revision is a follow-up request meant to recover rate revisions that were not approved in Virginia. Approval of this request would bring Virginia's premiums in line with states that have approved full amounts in the past.

Forms GRP 98544, GRP 98545 and GRP 98546 (ILTC 1) were previously approved by the Department on December 8, 1998 and were sold nationwide during the period of 1998 through 2004. This product is currently not being marketed in any state.

Some of Prudential's pricing assumptions for this series of forms, although based on the best information then available, were not consistent with our emerging experience. In view of these results, we are requesting proposing an average rate increase of 68.3% for the forms GRP 98544, GRP 98545 and GRP 98546, et al in the state of Virginia.

Policy	No Cash Rider	No Cash Rider w/Unlimited Lifetime Maximum	Cash Rider	Cash Rider w/ Unlimited Lifetime Maximum
GRP 98544	80.5%	100.5%	N/A	N/A
GRP 98545	80.5%	100.5%	N/A	N/A
GRP 98546	80.5%	100.5%	N/A	N/A

To help mitigate the impact of the proposed rate increase, Prudential is willing to implement this rate increase over a period of 3 years.

The rate increase is needed to help ensure that future premiums, in combination with existing reserves, will be adequate to fund anticipated claims. We have tried to keep these increases as low as reasonably possible in the hope of minimizing the impact on our policyholders. We will continue to monitor the performance of this block of business after this rate action. It is likely that as we continue to regularly review the experience of these policies, another increase may be needed in the future.

The deterioration of experience relative to pricing has contributed to the need to strengthen Prudential's reserves depleting surplus. On a statutory basis, the LTC business holds $1.6 billion in Asset Adequacy Testing reserves as of December 31, 2014. In addition, in 2012, Prudential's LTC business went into GAAP loss recognition incurring a pre-tax charge of $639 million.

The requested rate increases will not restore original profit margins, but will help Prudential avoid additional losses as well as further depletion of its surplus. The increases will also help maintain equity within Prudential's policyholder population as deferring rate increases will only increase the size of needed future rate increases.

The proposed premium rates will be effective on each policy's first modal premium due date that is on or after the state increase effective date established by Prudential following state approval. The earliest increase, once approval is provided, will be no earlier than 75 days from the date of approval, so that Prudential can provide sixty days advance notice of the rate increase to insureds.

We understand that a premium increase may be difficult for our policyholders to absorb. Consequently, Prudential is prepared to offer a number of options to enable the premium an insured is paying to remain the same such as reducing their benefit period, decreasing their Daily Benefit Maximum, or dropping rider(s) (e.g. optional coverage). Additionally, as an alternative, our policyholders may also exercise their rights under a non-forfeiture benefit rider or the policy's contingent non-forfeiture provision.

Furthermore, policyholders with the Cash Benefit Rider (GRP 114973) will be given the opportunity to convert to a Cash Indemnity Rider. This policy amendment has been submitted under corresponding SERFF filing PRUD-130596260.

The following items are included with this submission:

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

Correspondence: Please correspond directly with my associate concerning this filing.

Raenonna Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
P. O. Box 7907
Philadelphia, PA 19101-7907

Voice: (800) 732-0416 or (215) 658-6281
Fax: (888) 294-6332
e-mail: raenonna.prince@prudential.com

Very truly yours,

Keith Burns

Keith Burns, ASA, MAAA
Vice President and Actuary

Enclosures

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Date: December 2, 2016
To: Janet Houser
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated June 14, 2016
ILTC-1 (Post) Re-Rate

Dear Ms. Houser,

This is in response to your questions on June 14, 2016.

Objection 1
Comments:
According to the Actuarial Memorandum, the rate increase applies to three long term care policies (GRP 98544, GRP 98545, and GRP 98546) and their associated riders. According to Section 5 of the memorandum, the revised rates are applicable to these policy forms and all future periodic inflation protection offers.

The three policy forms noted above were approved under SERFF tracking # PRUD-125955126. Included in that filing were premium adjustment factors for forms GRP 98179, GRP 98180 and GRP 98181. According to Appendix A there are no Virginia policyholders with the Cash/Unlimited or Cash/Limited policy type. If that is the case, rates for GRP 98179 should not be included on the Rate/Rule Schedule for the post stability block. GRP 98180, Monthly Benefit Rider, and GRP 98181 Shortened Benefit Period Nonforfeiture Rider should be included on the Rate/Rule Schedule if any policies have such riders attached to them. Although the factors may not be changing, the premiums for such would increase when applied as a percentage to revised rates for the base policies. As a result, these riders should be included in the "Affected Form Numbers" in the Rate/Rule Schedule and noted in the Actuarial Memorandum.

Please confirm these are all the form numbers and riders that would be affected by this proposed rate increase.

According to the submission, the company is willing implement the increase over a period of 3 years. As a result, the company should attach a rate schedule that reflects the rates for each period to the Rate/Rule Schedule. The company may wish to wait until closer to the approval date, however, to update the filing. Please advise, however, what the percentage rate increase would be for each period.

In the case of multi-year implementation, we would prefer to cap each year's rate increase at 20%, and implement an amount each year that is multiplicatively equivalent to the full increase amount. This information can be referenced on the Rate Schedule Tab of this filing.

Objection 2
Comments:
Since all policies in Virginia were issued on or after October 1, 2003, the rate increase will be reviewed in accordance with the requirements of 14VAC5-200-153. Please amend the Actuarial Certification to include

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

the required certification in accordance with 14VAC5-200-153 B 2 b which states the premium rate filing is in compliance with the provision of this section.

The section 25 of the actuarial memorandum has been revised to include the language below:

"To the best of my knowledge and judgment, the rate filing is in compliance with applicable laws and regulations of this Commonwealth. The premiums rates associated with this filing are adequate in relation to the benefits provided."

Objection 3
Comments:
Please provide the following:

1. 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 view the attachment titled Objection 3.1 for the requested information.

2. A loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale with no increases.

Please view the attachment titled Objection 3.2 for the requested information.

3. The reserve basis and justification for the reserve levels provided.

Our Premium deficiency reserve (PDR) is calculated per SSAP No. 54, Paragraph 18. The calculation uses gross premium valuation (GPV) method with the projected gross premium income and liability cash flow. The projection is done in PolySystems HealthDelphi based on best estimate assumptions with overhead expensed included. The discount rate is based the best estimate future asset returns.

The assumptions used in our deficiency reserve and cash flow testing are consistent with those used in rerate projections, with the exception of a margin that is included in cash flow testing for conservatism. Also note that for cash flow testing, in lieu of a single investment rate we generate interest scenarios that include the New York 7 as well as certain company-specific scenarios and investment strategies to project investment performance. The company uses the worst of these scenarios to determine the final deficiency, which we deem to be more conservative than using a single investment rate.

4. An exhibit illustrating an actual to expected analysis based on the original assumptions.

Please view the attachment titled Objection 3.4 for the requested information.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

5. Confirmation in your response that support has been provided for all assumptions in sufficient detail to withstand "peer" review and that all calculations can be recreated. Where appropriate, please provide excel worksheets which will help to expedite our review.

A morbidity study was conducted on the Company's nationwide actual experience. The approach used to develop best estimate morbidity assumptions was to start with a set of baseline expected incurred claims and review the experience along several key demographic and benefit characteristics. The study focused primarily on incurred claims. Fitting factors were then developed to match historical incurred claims to expected incurred claims. The baseline expected incurred claims were developed from Milliman's 2011 LTC Guidelines (Guidelines). The 2011 Guidelines reflect over 15.3 million life years of exposure and $10.5 billion of incurred claims and the experience and judgment of Milliman actuaries. The policy design and coverages, the underwriting used at the time, and the claim adjudication process were all considered when establishing the base line assumptions. Given the large size of the data supporting the Guidelines, it was viewed as a whole as a credible starting point for the analysis.

Included in the baseline was a 1% per year morbidity improvement assumption in the historical expected claims, with 2011 as the assumed base year. This morbidity improvement is assumed to continue into the future through 2035. Also, a composite factor was developed for the business based on the distribution by state and the area adjustment factors from the Guidelines.

The process of developing fitting factors, starting with the baseline expected, generally followed the following steps:

- Review experience by issue year and product to determine if the baseline selection factors used are appropriate
- Review experience by issue age, gender, marital status and / or underwriting type
- Review experience by key benefit and demographic characteristics

It should be noted that many of the factors are related to each other, so some fitting involved an iterative process of cycling back to prior steps. Also, the credibility of each specific segment was considered, along with judgment, in setting the specific fitting factors. Thus, no one rigid credibility formula was used in setting the fitting factors.

Based on the review of the experience, several fitting factors were developed. All individual experience was pooled together to develop the factors. The last step was to develop fitting factors specifically for each product. The factors are listed below. The file, 'Objection 3 - Morbidity Details.xlsx', contains the comparison of actual claim experience through June 30, 2015 to the current assumptions for each fitting factor. Please note that as some of the experience "cuts" shown below are not fully credible, the actual-to-expected will not exactly match 100% after applying the fitting factors. Also, as the factors were developed for all individual business, the exhibits are based on combined individual experience. The morbidity fitting factors are as follows:

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Factor 1. Benefit Type/Period Adjustment

The baseline assumptions do not include any adjustment for policies that receive cash benefits as opposed to expense reimbursement. Based on the Company's experience, policies with cash benefits and/or lifetime benefit periods tend to use their benefits much more often than expense reimbursement.

Benefit Period Adjustment Factors – Individual	
Benefit Period / Reimbursement	Factor
Non-Lifetime / Expense Reimbursement	1.00
Non-Lifetime / Cash Benefits	1.55
Lifetime / Expense Reimbursement	1.20
Lifetime / Cash Benefits	1.90

Factor 2. Issue Age Adjustment

Experience was reviewed by issue age. The morbidity was worse for older issue ages. Adjustment factors were developed to reflect that emerging experience.

Issue Age Adjustments – Individual	
Issue Age	Factor
<=59	0.95
60 to 69	1.30
70+	1.30

Factor 3. Marital Adjustment

Experience was reviewed by marital status. In the early durations, the experience was better for married insureds, but wore off over time. The adjustment factors that were developed reflect that pattern.

Marital Savings Adjustment Factors – Individual		
Policy Duration	Married 1-Insured (M1)	Married 2-Insured (M2)
1	1.00	0.87
2	1.00	0.87
3	1.00	0.87
4	1.00	0.87
5	1.00	0.89
6	1.00	0.91
7	1.00	0.93
8	1.00	0.95
9	1.00	0.98
10+	1.00	1.00

Prudential

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Factor 4. Home Health Care Percentage Adjustments

Experience was reviewed by home health percentage. Plans with a higher reimbursement for home health care experienced worse morbidity results.

Home Health Care Adjustment Factors - Individual	
Home Health Care Percent	Factor
50%	0.90
75%	0.94
100%	1.00
150%	1.12

Factor 5. Product Factor Adjustments

The last fitting factor was an overall factor for each product by duration.

Product Factors – Individual					
Duration	ILTC1	ILTC2	ILTC3	ILTC3R	ILTC4
1	0.836	1.150	1.003	1.003	0.983
2	0.836	1.150	1.003	1.003	0.983
3	0.855	1.150	1.003	1.003	0.983
4	0.865	1.150	1.003	1.003	0.983
5	0.875	1.150	1.003	1.003	0.983
6	0.895	1.150	1.003	1.003	0.983
7	0.904	1.150	1.003	1.003	0.983
8	0.924	1.150	1.003	1.003	0.983
9	0.924	1.150	1.003	1.003	0.983
10+	0.934	1.150	1.003	1.003	0.983

Overall, the assumptions can be judged to be a good fit based on how the experience matches the assumptions when viewed by policy duration, attained age and calendar year. Appendix C, Exhibit 3 of the original rate increase filing showed that comparison. As the block is not fully credible at each split, it is expected that the actual-to-expected (A:E) ratios will vary slightly. Overall, the A:E ratios are reasonably close to 100% and are fairly consistent by policy duration, attained age and calendar year.

The voluntary lapse and mortality assumptions are detailed in the actuarial memorandum, and additional details of our actual to expected experience can be found in Appendix C and Appendix D.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

6. A loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.

Please view the attachment titled Objection 3.2 for the requested information. This exhibit summarizes nationwide experience by starting with original pricing assumptions. A projection using the detailed original morbidity assumptions on a seriatim basis is not readily available. As an alternative, we calculated expected claims by multiplying earned premium times the original expected loss ratios on a durational basis. The projected premium using original persistency was done on a seriatim basis. The historical information uses actual historical premium. For 'Exhibit 1.a', the incurred claims are a proxy for the original expected incurred claims (they are calculated by multiplying the premium by the original expected loss ratios on a durational basis).

7. According to your cover letter, these policies were sold nationwide from 1998 through 2004. Since this filing is subject to 14VAC5-200-153 for policies issued on or after October 1, 2003, please confirm there is no pre-stability nationwide experience included in the exhibits. If so, please revise accordingly.

I confirm that all policies included in the nationwide experience were issued on or after Virginia's rate stability approval date.

8. As a reminder, for post-stability policies, all present and accumulated values should be used to determine rate increases shall use the maximum valuation interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia as set forth in 14VAC5-200-153-C 4.

An annual interest rate of 4.5% was used to calculate the lifetime loss ratio in the supporting appendices. This was determined based on the predominant number of certificates issued in years that the maximum statutory valuation rate was 4.5%.

Objection 4
Comments:
The Virginia State Corporation Commission 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. As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. Letters must now be submitted as a form to be filed with the state.

With sufficient variability, the letter only needs to be submitted once to be reviewed and filed with the Bureau. Objections regarding the policyholder letter have been addressed in the SERFF tracking # PRUD-130596260. If the company does not wish use the same letter for all filings, the Company may submit a policyholder letter specific to this filing with a different form number and attach it to this filing under Supporting Documentation.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

The Long-Term Care Insurance Change Request Form and Frequently Asked Questions Relating to Premium Insurance could also contain sufficient variability to avoid multiple forms if the company wishes to do so. These forms are not required to be filed and should be attached to Supporting Documentation.

In line with this, any forms that will be attached to the policy to reflect changes made in the benefits may be used for all policies with sufficient variability unless the company prefers to use specific forms for each policy. Please advise how the company wishes to proceed with this.

Please be advised that the above forms can be referenced under our corresponding rate filing under SERFF Number PRUD-130596260.

Objection 5
Comments:
The Long Term Care Rate Request Summary Part 1 will eventually be available our website for consumers to review. Please make the following changes in the form:

1) Rather than refer the consumer to Appendix A which may not be easily located by the consumer, please state the average annual premium as $3927 and the average requested increase of 91.5% as stated in Section 15 of the memorandum.

The affected policy forms are referenced on the Long Term Care Rate Request Summary.

2) Please attach a second page that provides a brief narrative to summarize the key information used to develop the rates including the main drivers of the revised rates in consumer friendly language. This should be fairly high level but provide a sufficient explanation as to the assumptions used and why those assumptions under estimated premiums when the policy was originally priced.

At the request of the Department, we have added a narrative to page 2 of the Rate Summary.

3) Please include all policy forms that will be affected by this rate increase.

The affected policy forms are referenced on the Long Term Care Rate Request Summary.

Objection 6
Comments:
The Actuarial Memorandum states this increase applies to all future periodic inflation protection offers. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

Prudential is not offering a landing spot at this time. Instead, the policyholder can opt to reduce their inflation protection to a lower level, at which point their premium would be recalculated based on the rating

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

cells used at issue, with the option to buy back any previously accumulated inflation benefit at the price it would have been at original issue.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Digitally signed by Ritu Jain, ASA, MAAA
DN: cn=Ritu Jain, ASA, MAAA, o=The Prudential Insurance Company of America, ou=LTC Actuarial, email=ritu.jain@prudential.com, c=US
Date: 2016.12.05 08:10:59 -05'00'

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies issued on or after 10/01/2003
Virginia Rate Basis - Proposed Rate Since Inception
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	3,427,813	0	0	0	0%
2004	9,756,007	16,399	0	16,399	0%
2005	10,472,303	4,964	0	4,964	0%
2006	10,102,138	133,462	0	133,462	1%
2007	9,819,419	23,331	0	23,331	0%
2008	9,455,698	4,653	0	4,653	0%
2009	9,021,061	896,006	117,727	1,013,733	11%
2010	8,143,830	1,560,069	913,175	2,473,244	30%
2011	8,184,362	764,978	345,630	1,110,609	14%
2012	8,275,257	811,289	677,447	1,488,735	18%
2013	7,748,636	417,769	1,121,440	1,539,209	20%
2014	7,500,587	314,782	1,120,189	1,434,971	19%
2015*	3,574,526	0	909,828	909,828	25%

Projections***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	3,779,233	1,313,475	35%
2016	7,377,595	2,800,190	38%
2017	7,132,853	3,081,137	43%
2018	6,880,570	3,392,415	49%
2019	6,622,317	3,726,255	56%
2020	6,360,022	4,076,684	64%
2021	6,094,827	4,455,656	73%
2022	5,827,976	4,856,188	83%
2023	5,560,028	5,259,158	95%
2024	5,296,064	5,679,108	107%
2025	5,040,838	6,147,025	122%
2026	4,786,894	6,628,453	138%
2027	4,534,341	7,123,486	157%
2028	4,284,014	7,622,703	178%
2029	4,036,989	8,122,610	201%
2030	3,793,647	8,605,163	227%
2031	3,554,930	9,073,378	255%
2032	3,321,476	9,517,491	287%
2033	3,093,718	9,923,905	321%
2034	2,872,165	10,288,693	358%
2035	2,657,063	10,614,952	399%
2036	2,448,741	10,940,915	447%
2037	2,247,404	11,250,672	501%
2038	2,053,701	11,451,891	558%
2039	1,868,265	11,550,797	618%
2040	1,691,472	11,551,454	683%
2041	1,524,104	11,467,464	752%
2042	1,366,627	11,305,051	827%
2043	1,219,398	11,048,511	906%
2044	1,082,640	10,691,751	988%
2045	956,262	10,254,526	1072%
2046	840,481	9,766,843	1162%
2047	735,160	9,253,315	1259%
2048	640,041	8,720,290	1362%
2049	554,709	8,156,288	1470%
2050	478,544	7,596,495	1587%
2051	411,079	7,060,173	1717%
2052	351,701	6,549,040	1862%
2053	299,784	6,074,932	2026%
2054 and later	1,589,813	68,956,996	4337%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims. No shock lapse is applied to projected experience.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	140,767,540	11,798,037	8%
Present Value of Future to 6/30/2015	79,768,836	138,096,294	173%
Total Values	220,536,376	149,894,331	68%
(Discounted at 4.5%)			
Projected Loss Ratio without Rate Increase			
Overall			68%
Cash / Unlimited BP Policies			26%
Cash / Limited BP Policies			223%
Reimbursement / Unlimited BP Policies			81%
Reimbursement / Limited BP Policies			55%
Minimum Lifetime Loss Ratio			60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies issued on or after 10/01/2003
Proposed Rate Since Inception
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	120,562	0	0	0	0%
2004	732,670	4,213	0	4,213	1%
2005	862,020	0	0	0	0%
2006	845,653	0	0	0	0%
2007	812,048	0	0	0	0%
2008	776,206	1,617	0	1,617	0%
2009	746,891	74,482	83,157	157,639	21%
2010	612,333	86,134	231,433	317,567	52%
2011	639,061	0	0	0	0%
2012	653,020	0	0	0	0%
2013	620,845	82,845	132,524	215,369	35%
2014	621,050	0	0	0	0%
2015*	297,385	0	0	0	0%

Projections***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	332,074	79,875	24%
2016	653,413	172,982	26%
2017	638,756	194,965	31%
2018	623,410	204,755	33%
2019	607,390	234,270	39%
2020	590,749	266,346	45%
2021	573,513	301,988	53%
2022	555,727	340,159	61%
2023	537,375	381,268	71%
2024	518,856	427,422	82%
2025	500,734	480,317	96%
2026	482,196	536,010	111%
2027	463,193	594,444	128%
2028	443,791	656,080	148%
2029	424,090	723,118	171%
2030	404,130	791,668	196%
2031	383,987	862,804	225%
2032	363,704	934,887	257%
2033	343,348	1,007,776	294%
2034	322,994	1,080,397	334%
2035	302,686	1,148,028	379%
2036	282,472	1,215,940	430%
2037	262,412	1,280,563	488%
2038	242,626	1,332,748	549%
2039	223,227	1,376,784	617%
2040	204,296	1,405,585	688%
2041	185,963	1,421,739	765%
2042	168,354	1,427,913	848%
2043	151,585	1,417,109	935%
2044	135,740	1,395,415	1028%
2045	120,858	1,361,095	1126%
2046	107,012	1,319,433	1233%
2047	94,232	1,272,531	1350%
2048	82,524	1,219,379	1478%
2049	71,875	1,161,238	1616%
2050	62,235	1,093,374	1757%
2051	53,576	1,023,590	1911%
2052	45,853	953,990	2081%
2053	39,009	884,099	2266%
2054 and later	180,445	7,404,018	4103%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims. No shock lapse is applied to projected experience.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	11,070,682	845,259	8%
Present Value of Future to 6/30/2015	7,832,328	13,978,962	178%
Total Values	18,903,010	14,824,220	78%
(Discounted at 4.5%)			
Projected Loss Ratio without Rate Increase			
Overall			78%
Cash / Unlimited BP Policies			0%
Cash / Limited BP Policies			0%
Reimbursement / Unlimited BP Policies			90%
Reimbursement / Limited BP Policies			63%

Exhibit 1
The Prudential Insurance Company of America
Illustrative Experience Exhibit
Nationwide Experience - Policies issued on or after 10/01/2003
ILTC1

Exhibit 1.a

Lapse: Original
Mortality: Original
Morbidity: Original
Historical Premium: Actual (Virginia Rate Basis)
Historical Incurred Claims: Actual
Projected Premium: Original Rate Basis

Calendar Year	Earned Premium	Incurred Claims	Incurred Loss Ratio
1999	-	-	N/A
2000	-	-	N/A
2001	-	-	N/A
2002	-	-	N/A
2003	1,455,362	-	0%
2004	4,131,246	16,399	0%
2005	4,432,737	4,964	0%
2006	4,277,427	133,462	3%
2007	4,159,310	23,331	1%
2008	4,005,352	4,653	0%
2009	3,821,845	1,013,733	27%
2010	4,241,830	2,473,244	58%
2011	4,288,891	1,110,609	26%
2012	4,372,195	1,488,735	34%
2013	4,102,885	1,539,209	38%
2014	3,968,602	1,434,971	36%
2015	1,890,380	909,828	48%
2015	1,577,984	1,864,007	118%
2016	2,961,535	4,009,900	135%
2017	2,718,634	4,166,673	153%
2018	2,489,003	4,310,238	173%
2019	2,272,388	4,459,836	196%
2020	2,068,527	4,615,035	223%
2021	1,877,150	4,726,932	252%
2022	1,698,000	4,763,944	281%
2023	1,530,799	4,772,788	312%
2024	1,375,241	4,783,072	348%
2025	1,231,000	4,796,036	390%
2026	1,097,736	4,760,961	434%
2027	975,092	4,647,131	477%
2028	862,672	4,505,150	522%
2029	760,055	4,366,462	574%
2030	666,791	4,234,377	635%
2031	582,408	4,062,946	698%
2032	506,410	3,824,059	755%
2033	438,288	3,555,585	811%
2034	377,519	3,276,770	868%
2035	323,576	2,989,984	924%
2036	275,930	2,701,702	979%
2037	234,059	2,416,897	1033%
2038	197,458	2,140,121	1084%
2039	165,639	1,875,391	1132%
2040	138,142	1,628,362	1179%
2041	114,528	1,404,090	1226%
2042	94,378	1,203,389	1275%
2043	77,303	1,025,132	1326%
2044	62,937	868,040	1379%
2045	50,942	730,722	1434%
2046	41,007	611,767	1492%
2047	32,842	509,588	1552%
2048	26,184	422,559	1614%
2049	20,797	349,072	1678%
2050	16,466	287,466	1746%
2051	13,009	236,216	1816%
2052	10,261	193,798	1889%
2053	8,088	161,628	1998%
2054	6,373	138,631	2175%
2055	5,024	120,248	2394%
2056	3,961	104,344	2634%
2057	3,123	90,556	2899%
2058	2,464	78,633	3191%
2059	1,944	68,267	3512%
2060	1,533	59,265	3865%
2061	1,209	51,419	4253%
2062	952	44,571	4681%
2063	749	38,600	5151%
2064	589	33,379	5668%
2065	463	28,863	6236%
2066	363	24,899	6860%
2067	284	21,446	7545%
2068	222	18,437	8298%
2069	174	15,830	9124%
2070	135	13,583	10032%
2071	106	11,637	11028%
2072	82	9,879	12120%
2073	63	8,376	13319%
2074	48	7,066	14632%
2075	37	5,931	16078%
2076	28	4,992	17663%
2077	21	4,130	19408%
2078	16	3,286	20756%
2079	12	2,486	21216%
2080	9	1,820	21216%
2081	6	1,264	21216%
2082	4	893	21216%
2083	3	641	21216%
2084	2	414	21216%
2085	1	306	21216%
Total - Values as of 6/30/2015 using a 4.5% interest rate			
Past	64,684,834	11,798,037	18%
Future	22,167,699	64,652,329	292%
Lifetime	86,852,532	76,450,366	88%
Total - Values as of 6/30/2015 using original interest rate (7.0%)			
Past	75,664,701	12,829,951	17%
Future	19,332,112	51,573,923	267%
Lifetime	94,996,813	64,403,875	68%

Notes:
1) Historical Experience: Historical earned premium and incurred claims are on an actual basis. Historic
2) Projected Experience: Original pricing assumptions and original premium scale. No moderately adver
3) Original Discount Rate: used for discounting of incurred claims but no impact on the claims themselve
4) Policies issued on or after 10/01/2003 are included.

Exhibit 2
The Prudential Insurance Company of America
Illustrative Experience Exhibit
Virginia Experience - Policies issued on or after 10/01/2003
ILTC1

	Exhibit 2.a		
	Lapse: Original Mortality: Original Morbidity: Original Historical Premium: Actual Historical Incurred Claims: Actual Projected Premium: Original Rate Basis		
Calendar Year	Earned Premium	Incurred Claims	Incurred Loss Ratio
1999	-	-	N/A
2000	-	-	N/A
2001	-	-	N/A
2002	-	-	N/A
2003	50,530	-	0%
2004	306,942	4,213	1%
2005	361,319	-	0%
2006	354,378	-	0%
2007	340,308	-	0%
2008	325,345	1,617	0%
2009	313,112	157,639	50%
2010	315,237	317,567	101%
2011	331,096	-	0%
2012	341,543	-	0%
2013	325,266	215,369	66%
2014	325,334	-	0%
2015	155,823	-	0%
2015	137,049	157,210	115%
2016	259,052	341,815	132%
2017	240,183	359,392	150%
2018	222,203	375,354	169%
2019	205,082	392,351	191%
2020	188,796	410,275	217%
2021	173,324	426,369	246%
2022	158,651	435,903	275%
2023	144,763	441,571	305%
2024	131,649	447,552	340%
2025	119,302	453,825	380%
2026	107,713	457,451	425%
2027	96,876	453,280	468%
2028	86,780	444,479	512%
2029	77,413	435,747	563%
2030	68,759	427,242	621%
2031	60,802	416,322	685%
2032	53,521	397,973	744%
2033	46,889	374,696	799%
2034	40,880	349,894	856%
2035	35,462	323,420	912%
2036	30,600	295,994	967%
2037	26,261	268,142	1021%
2038	22,406	240,368	1073%
2039	19,001	213,152	1122%
2040	16,012	187,085	1168%
2041	13,405	162,872	1215%
2042	11,145	140,822	1264%
2043	9,202	120,905	1314%
2044	7,543	103,065	1366%
2045	6,139	87,221	1421%
2046	4,962	73,306	1477%
2047	3,983	61,199	1536%
2048	3,178	50,770	1597%
2049	2,520	41,864	1661%
2050	1,988	34,335	1727%
2051	1,560	28,013	1796%
2052	1,219	22,749	1867%
2053	947	18,534	1956%
2054	733	15,452	2108%
2055	564	13,070	2317%
2056	431	10,982	2546%
2057	327	9,161	2797%
2058	246	7,571	3074%
2059	184	6,207	3377%
2060	135	5,021	3710%
2061	98	4,007	4075%
2062	71	3,164	4475%
2063	50	2,447	4916%
2064	35	1,863	5398%
2065	23	1,392	5927%
2066	16	1,036	6507%
2067	10	726	7143%
2068	7	526	7847%
2069	4	363	8613%
2070	3	240	9455%
2071	2	163	10392%
2072	1	109	11431%
2073	1	65	12574%
2074	0	36	13832%
2075	0	21	15215%
2076	0	20	16737%
2077	0	2	18410%
2078	-	-	N/A
2079	-	-	N/A
2080	-	-	N/A
2081	-	-	N/A
2082	-	-	N/A
2083	-	-	N/A
2084	-	-	N/A
2085	-	-	N/A
Total - Values as of 6/30/2015 using a 4.5% interest rate			
Past	5,036,186	845,259	17%
Future	2,058,754	6,169,969	300%
Lifetime	7,094,940	7,015,228	99%
Total - Values as of 6/30/2015 using original interest rate (7.0%)			
Past	5,872,719	940,017	16%
Future	1,781,337	4,851,388	272%
Lifetime	7,654,056	5,791,406	76%

Notes:
1) Historical Experience: Historical earned premium and incurred claims are on an actual basis.
2) Projected Experience: Original pricing assumptions and original premium scale. No moderately adver
3) Original Discount Rate: used for discounting of incurred claims but no impact on the claims themselv
4) Policies issued on or after 10/01/2003 are included.

Exhibit 2: Durational Experience - Nationwide Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Nationwide Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2003	2003	1	-	1,455,362	0%	1,455,362	10%	147,902	0%
Total			-	1,455,362	0%	1,455,362		147,902	0%
2004	2004	1	16,399	1,611,300	1%	1,611,300	10%	163,749	10%
	2003	2	-	2,519,946	0%	2,519,946	13%	323,974	0%
Total			16,399	4,131,246	0%	4,131,246		487,723	3%
2005	2005	1	-	7,363	0%	7,363	10%	748	0%
	2004	2	4,455	2,059,011	0%	2,059,011	13%	264,714	2%
	2003	3	508	2,366,363	0%	2,366,363	19%	455,631	0%
Total			4,964	4,432,737	0%	4,432,737		721,093	1%

Exhibit 2: Durational Experience - Nationwide Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Nationwide Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2006	2006	1	-	1,382	0%	1,382	10%	140	0%
	2005	2	-	15,550	0%	15,550	13%	1,999	0%
	2004	3	133,462	1,987,679	7%	1,987,679	19%	382,717	35%
	2003	4	-	2,272,817	0%	2,272,817	27%	609,328	0%
Total			133,462	4,277,427	3%	4,277,427		994,185	13%
2007	2007	1	-	5,962	0%	5,962	10%	606	0%
	2006	2	-	4,405	0%	4,405	13%	566	0%
	2005	3	-	15,620	0%	15,620	19%	3,008	0%
	2004	4	22,413	1,931,855	1%	1,931,855	27%	517,919	4%
	2003	5	918	2,201,468	0%	2,201,468	34%	752,566	0%
Total			23,331	4,159,310	1%	4,159,310		1,274,665	2%
2008	2008	1	-	112	0%	112	10%	11	0%
	2007	2	-	8,433	0%	8,433	13%	1,084	0%
	2006	3	-	4,388	0%	4,388	19%	845	0%
	2005	4	-	5,081	0%	5,081	27%	1,362	0%
	2004	5	1,975	1,870,164	0%	1,870,164	34%	639,311	0%
	2003	6	2,678	2,117,175	0%	2,117,175	42%	882,295	0%
Total			4,653	4,005,352	0%	4,005,352		1,524,908	0%
2009	2009	1	-	2,170	0%	2,170	10%	221	0%
	2008	2	-	2,433	0%	2,433	13%	313	0%
	2007	3	-	5,214	0%	5,214	19%	1,004	0%
	2006	4	-	3,507	0%	3,507	27%	940	0%
	2005	5	205,393	5,058	4061%	5,058	34%	1,729	11879%
	2004	6	73,155	1,792,188	4%	1,792,188	42%	746,863	10%
	2003	7	735,185	2,011,275	37%	2,011,275	50%	1,005,693	73%
Total			1,013,733	3,821,845	27%	3,821,845		1,756,762	58%

Exhibit 2: Durational Experience - Nationwide Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Nationwide Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2010	2010	1	-	-	-	-	10%	-	-
	2009	2	-	3,275	0%	2,664	13%	342	0%
	2008	3	-	1,760	0%	1,432	19%	276	0%
	2007	4	-	5,985	0%	4,868	27%	1,305	0%
	2006	5	-	2,926	0%	2,380	34%	814	0%
	2005	6	-	3,944	0%	3,209	42%	1,337	0%
	2004	7	1,142,107	1,964,203	58%	1,597,748	50%	798,918	143%
	2003	8	1,331,137	2,259,737	59%	1,838,145	59%	1,090,441	122%
Total			2,473,244	4,241,830	58%	3,450,445		1,893,432	131%
2011	2011	1	-	-	-	-	10%	-	-
	2010	2	-	-	-	-	13%	-	-
	2009	3	-	3,499	0%	2,829	19%	545	0%
	2008	4	-	1,870	0%	1,512	27%	405	0%
	2007	5	-	6,098	0%	4,930	34%	1,685	0%
	2006	6	-	3,242	0%	2,621	42%	1,092	0%
	2005	7	-	4,254	0%	3,439	50%	1,720	0%
	2004	8	799,154	1,993,115	40%	1,611,495	59%	955,985	84%
	2003	9	311,455	2,276,813	14%	1,840,873	69%	1,276,675	24%
Total			1,110,609	4,288,891	26%	3,467,700		2,238,108	50%
2012	2012	1	-	133	0%	106	10%	11	0%
	2011	2	-	-	-	-	13%	-	-
	2010	3	-	-	-	-	19%	-	-
	2009	4	-	3,048	0%	2,443	27%	655	0%
	2008	5	-	-	-	-	34%	-	-
	2007	6	-	5,969	0%	4,784	42%	1,994	0%
	2006	7	-	3,109	0%	2,492	50%	1,246	0%
	2005	8	-	2,139	0%	1,715	59%	1,017	0%
	2004	9	815,441	2,037,300	40%	1,632,813	69%	1,132,382	72%
	2003	10	673,295	2,320,496	29%	1,859,783	80%	1,495,686	45%
Total			1,488,735	4,372,195	34%	3,504,135		2,632,990	57%

Exhibit 2: Durational Experience - Nationwide Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Nationwide Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2013	2013	1	-	1,889	0%	1,511	10%	154	0%
	2012	2	-	-	-	-	13%	-	-
	2011	3	-	-	-	-	19%	-	-
	2010	4	-	-	-	-	27%	-	-
	2009	5	-	3,008	0%	2,406	34%	822	0%
	2008	6	-	692	0%	553	42%	231	0%
	2007	7	-	6,161	0%	4,928	50%	2,464	0%
	2006	8	-	1,265	0%	1,012	59%	600	0%
	2005	9	-	2,111	0%	1,688	69%	1,171	0%
	2004	10	1,139,095	1,875,216	61%	1,499,783	80%	1,206,165	94%
	2003	11	400,115	2,212,543	18%	1,769,575	93%	1,653,048	24%
Total			1,539,209	4,102,885	38%	3,281,456		2,864,655	54%
2014	2014	1	-	-	-	-	10%	-	-
	2013	2	-	956	0%	765	13%	98	0%
	2012	3	-	-	-	-	19%	-	-
	2011	4	-	-	-	-	27%	-	-
	2010	5	-	-	-	-	34%	-	-
	2009	6	-	3,031	0%	2,424	42%	1,010	0%
	2008	7	-	-	-	-	50%	-	-
	2007	8	-	6,209	0%	4,966	59%	2,946	0%
	2006	9	-	1,275	0%	1,020	69%	707	0%
	2005	10	-	2,127	0%	1,701	80%	1,368	0%
	2004	11	641,391	1,810,753	35%	1,448,244	93%	1,352,876	47%
	2003	12	793,579	2,144,252	37%	1,714,976	109%	1,863,258	43%
Total			1,434,971	3,968,602	36%	3,174,095		3,222,264	45%
2015	2015	1	-	-	-	-	10%	-	-
	2014	2	-	-	-	-	13%	-	-
	2013	3	-	-	-	-	19%	-	-
	2012	4	-	-	-	-	27%	-	-
	2011	5	-	-	-	-	34%	-	-
	2010	6	-	-	-	-	42%	-	-
	2009	7	-	1,484	0%	1,187	50%	594	0%
	2008	8	-	-	-	-	59%	-	-
	2007	9	71,012	2,854	2488%	2,283	69%	1,583	4485%
	2006	10	-	624	0%	499	80%	402	0%
	2005	11	-	1,042	0%	833	93%	778	0%
	2004	12	212,054	864,987	25%	691,829	109%	751,647	28%
	2003	13	626,762	1,019,388	61%	815,322	126%	1,025,823	61%
Total			909,828	1,890,380	48%	1,511,954		1,780,827	51%

Durational Totals

Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Expected Incurred Claims	Actual to Expected
1	16,399	3,085,673	1%	3,085,268	313,542	5%
2	4,455	4,614,008	0%	4,613,206	593,091	1%
3	133,970	4,384,522	3%	4,383,524	844,025	16%
4	22,413	4,224,162	1%	4,222,082	1,131,915	2%
5	208,286	4,088,722	5%	4,086,406	1,396,927	15%
6	75,833	3,926,242	2%	3,922,954	1,634,822	5%
7	1,877,293	3,990,487	47%	3,621,069	1,810,634	104%
8	2,130,291	4,262,466	50%	3,457,332	2,050,989	104%
9	1,197,907	4,320,353	28%	3,478,677	2,412,518	50%
10	1,812,389	4,198,463	43%	3,361,767	2,703,621	67%
11	1,041,506	4,024,338	26%	3,218,652	3,006,703	35%
12	1,005,633	3,009,238	33%	2,406,805	2,614,905	38%
13	626,762	1,019,388	61%	815,322	1,025,823	61%
Total	10,153,138	49,148,062	21%	44,673,064	21,539,514	47%

Exhibit 2: Durational Experience - Virginia Only Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Virginia Only Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2003	2003	1	-	50,530	0%	50,530	10%	5,135	0%
Total			-	50,530	0%	50,530		5,135	0%
2004	2004	1	4,213	207,091	2%	207,091	10%	21,046	20%
	2003	2	-	99,851	0%	99,851	13%	12,837	0%
Total			4,213	306,942	1%	306,942		33,883	12%
2005	2005	1	-	-	-	-	10%	-	-
	2004	2	-	266,194	0%	266,194	13%	34,223	0%
	2003	3	-	95,125	0%	95,125	19%	18,316	0%
Total			-	361,319	0%	361,319		52,539	0%

Exhibit 2: Durational Experience - Virginia Only Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Virginia Only Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2006	2006	1	-	-	-	-	10%	-	-
	2005	2	-	-	-	-	13%	-	-
	2004	3	-	261,821	0%	261,821	19%	50,412	0%
	2003	4	-	92,557	0%	92,557	27%	24,814	0%
Total			-	354,378	0%	354,378		75,226	0%
2007	2007	1	-	-	-	-	10%	-	-
	2006	2	-	-	-	-	13%	-	-
	2005	3	-	-	-	-	19%	-	-
	2004	4	-	249,986	0%	249,986	27%	67,020	0%
	2003	5	-	90,322	0%	90,322	34%	30,876	0%
Total			-	340,308	0%	340,308		97,896	0%
2008	2008	1	-	-	-	-	10%	-	-
	2007	2	-	-	-	-	13%	-	-
	2006	3	-	-	-	-	19%	-	-
	2005	4	-	-	-	-	27%	-	-
	2004	5	1,617	238,103	1%	238,103	34%	81,395	2%
	2003	6	-	87,243	0%	87,243	42%	36,357	0%
Total			1,617	325,345	0%	325,345		117,752	1%
2009	2009	1	-	-	-	-	10%	-	-
	2008	2	-	-	-	-	13%	-	-
	2007	3	-	-	-	-	19%	-	-
	2006	4	-	-	-	-	27%	-	-
	2005	5	-	-	-	-	34%	-	-
	2004	6	-	230,100	0%	230,100	42%	95,890	0%
	2003	7	157,639	83,011	190%	83,011	50%	41,508	380%
Total			157,639	313,112	50%	313,112		137,398	115%

Exhibit 2: Durational Experience - Virginia Only Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Virginia Only Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2010	2010	1	-	-	-	-	10%	-	-
	2009	2	-	-	-	-	13%	-	-
	2008	3	-	-	-	-	19%	-	-
	2007	4	-	-	-	-	27%	-	-
	2006	5	-	-	-	-	34%	-	-
	2005	6	-	-	-	-	42%	-	-
	2004	7	317,567	233,438	136%	189,964	50%	94,987	334%
	2003	8	-	81,799	0%	66,566	59%	39,489	0%
Total			317,567	315,237	101%	256,529		134,476	236%
2011	2011	1	-	-	-	-	10%	-	-
	2010	2	-	-	-	-	13%	-	-
	2009	3	-	-	-	-	19%	-	-
	2008	4	-	-	-	-	27%	-	-
	2007	5	-	-	-	-	34%	-	-
	2006	6	-	-	-	-	42%	-	-
	2005	7	-	-	-	-	50%	-	-
	2004	8	-	244,479	0%	197,764	59%	117,319	0%
	2003	9	-	86,617	0%	70,066	69%	48,592	0%
Total			-	331,096	0%	267,830		165,911	0%
2012	2012	1	-	-	-	-	10%	-	-
	2011	2	-	-	-	-	13%	-	-
	2010	3	-	-	-	-	19%	-	-
	2009	4	-	-	-	-	27%	-	-
	2008	5	-	-	-	-	34%	-	-
	2007	6	-	-	-	-	42%	-	-
	2006	7	-	-	-	-	50%	-	-
	2005	8	-	-	-	-	59%	-	-
	2004	9	-	247,850	0%	198,853	69%	137,908	0%
	2003	10	-	93,693	0%	75,172	80%	60,455	0%
Total			-	341,543	0%	274,025		198,363	0%

Exhibit 2: Durational Experience - Virginia Only Experience - Policies issued on or after 10/01/2003

Company: The Prudential Insurance Company of America
Policy Form(s): ILTC1 Product
Experience Base: Virginia Only Experience - Policies issued on or after 10/01/2003

Experience Year	Issue Year	Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Durational Expected Loss Ratio	Expected Incurred Claims	Actual to Expected
2013	2013	1	-	-	-	-	10%	-	-
	2012	2	-	-	-	-	13%	-	-
	2011	3	-	-	-	-	19%	-	-
	2010	4	-	-	-	-	27%	-	-
	2009	5	-	-	-	-	34%	-	-
	2008	6	-	-	-	-	42%	-	-
	2007	7	-	-	-	-	50%	-	-
	2006	8	-	-	-	-	59%	-	-
	2005	9	-	-	-	-	69%	-	-
	2004	10	215,369	234,466	92%	187,610	80%	150,881	143%
	2003	11	-	90,800	0%	72,654	93%	67,870	0%
Total			215,369	325,266	66%	260,265		218,751	98%
2014	2014	1	-	-	-	-	10%	-	-
	2013	2	-	-	-	-	13%	-	-
	2012	3	-	-	-	-	19%	-	-
	2011	4	-	-	-	-	27%	-	-
	2010	5	-	-	-	-	34%	-	-
	2009	6	-	-	-	-	42%	-	-
	2008	7	-	-	-	-	50%	-	-
	2007	8	-	-	-	-	59%	-	-
	2006	9	-	-	-	-	69%	-	-
	2005	10	-	-	-	-	80%	-	-
	2004	11	-	234,431	0%	187,582	93%	175,229	0%
	2003	12	-	90,903	0%	72,737	109%	79,026	0%
Total			-	325,334	0%	260,319		254,256	0%
2015	2015	1	-	-	-	-	10%	-	-
	2014	2	-	-	-	-	13%	-	-
	2013	3	-	-	-	-	19%	-	-
	2012	4	-	-	-	-	27%	-	-
	2011	5	-	-	-	-	34%	-	-
	2010	6	-	-	-	-	42%	-	-
	2009	7	-	-	-	-	50%	-	-
	2008	8	-	-	-	-	59%	-	-
	2007	9	-	-	-	-	69%	-	-
	2006	10	-	-	-	-	80%	-	-
	2005	11	-	-	-	-	93%	-	-
	2004	12	-	111,672	0%	89,355	109%	97,081	0%
	2003	13	-	44,150	0%	35,327	126%	44,448	0%
Total			-	155,823	0%	124,683		141,529	0%

Durational Totals

Calendar Duration	Incurred Claims	Actual Earned Premium	Loss Ratio	Original Earned Premium	Expected Incurred Claims	Actual to Expected
1	4,213	257,622	2%	257,622	26,181	16%
2	-	366,045	0%	366,045	47,060	0%
3	-	356,946	0%	356,946	68,728	0%
4	-	342,543	0%	342,543	91,834	0%
5	1,617	328,424	0%	328,424	112,271	1%
6	-	317,343	0%	317,343	132,247	0%
7	475,206	316,449	150%	272,975	136,495	348%
8	-	326,278	0%	264,330	156,808	0%
9	-	334,467	0%	268,919	186,500	0%
10	215,369	328,160	66%	262,782	211,336	102%
11	-	325,231	0%	260,236	243,099	0%
12	-	202,576	0%	162,092	176,107	0%
13	-	44,150	0%	35,327	44,448	0%
Total	696,405	3,846,234	18%	3,495,585	1,633,115	43%

Lapse – Shock Lapse

Prudential

Shock Lapse Experience Study

Round 1 ILTC1	States with no rate increase		States with rate increase (Ave. increase = 13.5%)		
Calendar Year	**Total Lives**	**Lapse Rate**	**Total Lives**	**Lapse Rate**	**Difference**
2009	4,250	1.2%	25,168	3.0%	1.9%
2010	4,155	1.2%	24,130	1.9%	0.7%
Total	**8,405**	**1.2%**	**49,298**	**2.5%**	**1.3%**

Round 2 ILTC1	States with no rate increase		States with rate increase (Ave. increase = 14.3%)		
Calendar Year	**Total Lives**	**Lapse Rate**	**Total Lives**	**Lapse Rate**	**Difference**
2012	3,229	0.9%	23,202	2.0%	1.1%
2013	1,902	0.9%	12,587	1.4%	0.5%
Total	**5,131**	**0.9%**	**35,789**	**1.8%**	**0.9%**

Round 2 ILTC2	States with no rate increase		States with rate increase (Ave. increase = 8.2%)		
Calendar Year	**Total Lives**	**Lapse Rate**	**Total Lives**	**Lapse Rate**	**Difference**
2012	5,053	1.1%	9,920	2.5%	1.4%
2013	3,182	1.4%	5,638	1.8%	0.4%
Total	**8,235**	**1.2%**	**15,558**	**2.3%**	**1.0%**

The estimated shock lapse is approximately 1%.

Shock Lapse Assumption

The shock lapse assumption varies by the amount of premium rate increase.

Average rate increase	Recommended shock lapse assumption
30% +	2.0%
20% - 29.99%	1.6%
15% - 19.99%	1.3%
10% - 14.99%	1.1%
5% - 9.99%	1.0%
2% - 4.99%	0.5%
0% - 1.99%	0.0%

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience
Virginia Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	0	0	0	0	0%
2000	0	0	0	0	0%
2001	0	0	0	0	0%
2002	0	0	0	0	0%
2003	1,455,362	0	0	0	0%
2004	4,130,615	15,768	0	15,768	0%
2005	4,432,546	4,773	0	4,773	0%
2006	4,272,294	128,328	0	128,328	3%
2007	4,158,413	22,434	0	22,434	1%
2008	4,005,173	4,474	0	4,474	0%
2009	3,782,855	861,544	113,199	974,744	26%
2010	4,146,705	1,500,067	878,053	2,378,120	57%
2011	4,246,175	735,556	332,337	1,067,893	25%
2012	4,314,936	780,085	651,391	1,431,476	33%
2013	4,043,685	401,701	1,078,308	1,480,009	37%
2014	3,913,411	302,675	1,077,105	1,379,779	35%
2015*	1,855,386	0	874,834	874,834	47%

Projections without Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	1,909,537	1,115,887	58%
2016	3,718,418	2,402,240	65%
2017	3,579,977	2,670,768	75%
2018	3,437,710	2,969,112	86%
2019	3,293,427	3,291,782	100%
2020	3,147,665	3,632,418	115%
2021	3,000,825	4,002,727	133%
2022	2,853,861	4,396,225	154%
2023	2,708,046	4,794,487	177%
2024	2,565,583	5,211,389	203%
2025	2,427,799	5,676,785	234%
2026	2,291,595	6,157,684	269%
2027	2,157,238	6,654,414	308%
2028	2,025,331	7,157,427	353%
2029	1,896,445	7,663,120	404%
2030	1,770,906	8,153,862	460%
2031	1,648,949	8,632,452	524%
2032	1,530,871	9,089,066	594%
2033	1,416,919	9,509,686	671%
2034	1,307,228	9,889,808	757%
2035	1,201,622	10,232,392	852%
2036	1,099,575	10,574,529	962%
2037	1,001,399	10,900,920	1089%
2038	908,536	11,120,852	1224%
2039	820,912	11,239,765	1369%
2040	738,363	11,261,168	1525%
2041	660,981	11,198,395	1694%
2042	588,934	11,057,552	1878%
2043	522,487	10,822,816	2071%
2044	461,582	10,487,545	2272%
2045	405,866	10,071,079	2481%
2046	355,256	9,603,144	2703%
2047	309,509	9,108,166	2943%
2048	268,462	8,592,373	3201%
2049	231,929	8,044,213	3468%
2050	199,396	7,498,679	3761%
2051	170,600	6,974,966	4088%
2052	145,287	6,474,795	4457%
2053	123,119	6,009,808	4881%
2054 and later	610,800	68,519,627	11218%

Projections with Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	1,909,537	1,115,887	58%
2016	4,788,566	2,369,276	49%
2017	6,418,741	2,567,101	40%
2018	6,272,280	2,849,160	45%
2019	6,011,324	3,158,794	53%
2020	5,747,568	3,485,668	61%
2021	5,481,753	3,841,017	70%
2022	5,215,574	4,218,618	81%
2023	4,951,375	4,600,790	93%
2024	4,693,147	5,000,849	107%
2025	4,443,278	5,447,443	123%
2026	4,196,140	5,908,914	141%
2027	3,952,185	6,385,575	162%
2028	3,712,532	6,868,267	185%
2029	3,478,228	7,353,530	211%
2030	3,249,871	7,824,446	241%
2031	3,027,872	8,283,701	274%
2032	2,812,802	8,721,867	310%
2033	2,605,089	9,125,495	350%
2034	2,404,999	9,490,260	395%
2035	2,212,213	9,819,003	444%
2036	2,025,752	10,147,318	501%
2037	1,846,228	10,460,523	567%
2038	1,676,315	10,671,570	637%
2039	1,515,878	10,785,678	712%
2040	1,364,614	10,806,216	792%
2041	1,222,674	10,745,980	879%
2042	1,090,418	10,610,826	973%
2043	968,349	10,385,574	1073%
2044	856,371	10,063,848	1175%
2045	753,841	9,664,208	1282%
2046	660,606	9,215,177	1395%
2047	576,233	8,740,196	1517%
2048	500,439	8,245,241	1648%
2049	432,898	7,719,227	1783%
2050	372,679	7,195,732	1931%
2051	319,300	6,693,177	2096%
2052	272,313	6,213,213	2282%
2053	231,101	5,767,012	2495%
2054 and later	1,154,968	65,751,434	5693%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	64,231,063	11,344,266	18%	64,231,063	11,344,266	18%
Present Value of Future to 6/30/2015	38,591,569	130,976,268	339%	67,053,870	125,794,617	188%
Total Values	102,822,632	142,320,534	138%	131,284,933	137,138,883	104%
(Discounted at 4.5%)						

Projected Loss Ratio without Rate Increase		Projected Loss Ratio with Rate Increase	
Overall	138%	Overall	104%
Cash / Unlimited BP Policies	29%	Cash / Unlimited BP Policies	26%
Cash / Limited BP Policies	256%	Cash / Limited BP Policies	165%
Reimbursement / Unlimited BP Policies	175%	Reimbursement / Unlimited BP Policies	126%
Reimbursement / Limited BP Policies	106%	Reimbursement / Limited BP Policies	83%
Minimum Lifetime Loss Ratio	60%		

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
1999	0	0	0	0	0%
2000	0	0	0	0	0%
2001	0	0	0	0	0%
2002	0	0	0	0	0%
2003	50,530	0	0	0	0%
2004	306,780	4,051	0	4,051	1%
2005	361,319	0	0	0	0%
2006	354,378	0	0	0	0%
2007	340,308	0	0	0	0%
2008	325,283	1,555	0	1,555	0%
2009	307,049	71,617	79,959	151,576	49%
2010	303,023	82,821	222,532	305,352	101%
2011	331,096	0	0	0	0%
2012	341,543	0	0	0	0%
2013	316,983	79,658	127,427	207,086	65%
2014	325,334	0	0	0	0%
2015*	155,823	0	0	0	0%

Projections without Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	170,061	65,477	39%
2016	334,054	143,780	43%
2017	325,657	164,401	50%
2018	316,815	188,695	60%
2019	307,561	216,671	70%
2020	297,994	247,233	83%
2021	288,099	281,328	98%
2022	277,951	318,011	114%
2023	267,555	357,717	134%
2024	257,047	402,410	157%
2025	246,687	453,724	184%
2026	236,179	507,960	215%
2027	225,533	565,128	251%
2028	214,754	625,628	291%
2029	203,843	691,564	339%
2030	192,930	759,257	394%
2031	182,025	829,719	456%
2032	171,165	901,343	527%
2033	160,360	973,933	607%
2034	149,671	1,046,460	699%
2035	139,188	1,114,334	801%
2036	128,837	1,182,632	918%
2037	118,666	1,247,820	1052%
2038	108,831	1,300,925	1195%
2039	99,307	1,346,072	1355%
2040	90,179	1,376,263	1526%
2041	81,470	1,394,001	1711%
2042	73,190	1,401,842	1915%
2043	65,448	1,392,886	2128%
2044	58,208	1,373,068	2359%
2045	51,484	1,340,638	2604%
2046	45,283	1,300,831	2873%
2047	39,601	1,255,701	3171%
2048	34,438	1,204,242	3497%
2049	29,782	1,147,703	3854%
2050	25,623	1,081,388	4220%
2051	21,909	1,013,027	4624%
2052	18,619	944,729	5074%
2053	15,731	876,037	5569%
2054 and later	68,091	7,357,811	10806%

Projections with Requested Rate Increase***

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	170,061	65,477	39%
2016	431,983	141,808	33%
2017	588,652	158,020	27%
2018	582,813	181,072	31%
2019	565,963	207,918	37%
2020	548,542	237,245	43%
2021	530,518	269,962	51%
2022	512,023	305,164	60%
2023	493,065	343,265	70%
2024	473,894	386,153	81%
2025	454,986	435,394	96%
2026	435,799	487,438	112%
2027	416,348	542,297	130%
2028	396,639	600,352	151%
2029	376,677	663,624	176%
2030	356,702	728,583	204%
2031	336,726	796,199	236%
2032	316,822	864,929	273%
2033	297,001	934,586	315%
2034	277,380	1,004,183	362%
2035	258,125	1,069,315	414%
2036	239,098	1,134,854	475%
2037	220,390	1,197,408	543%
2038	202,286	1,248,367	617%
2039	184,737	1,291,691	699%
2040	167,905	1,320,662	787%
2041	151,832	1,337,683	881%
2042	136,536	1,345,208	985%
2043	122,217	1,336,614	1094%
2044	108,812	1,317,596	1211%
2045	96,346	1,286,477	1335%
2046	84,838	1,248,277	1471%
2047	74,275	1,204,970	1622%
2048	64,664	1,155,590	1787%
2049	55,983	1,101,336	1967%
2050	48,218	1,037,700	2152%
2051	41,275	972,101	2355%
2052	35,114	906,562	2582%
2053	29,697	840,645	2831%
2054 and later	128,815	7,060,555	5481%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015
** Projected 2015 Experience - 7/1/2015 through 12/31/2015
***Projections include a 10% moderately adverse experience load to claims.

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	5,003,676	812,749	16%	5,003,676	812,749	16%
Present Value of Future to 6/30/2015	3,842,464	13,496,578	351%	6,764,488	12,957,841	192%
Total Values	8,846,140	14,309,326	162%	11,768,164	13,770,590	117%
(Discounted at 4.5%)						

Projected Loss Ratio without Rate Increase		Projected Loss Ratio with Rate Increase	
Overall	162%	Overall	117%
Cash / Unlimited BP Policies	0%	Cash / Unlimited BP Policies	0%
Cash / Limited BP Policies	0%	Cash / Limited BP Policies	0%
Reimbursement / Unlimited BP Policies	194%	Reimbursement / Unlimited BP Policies	135%
Reimbursement / Limited BP Policies	122%	Reimbursement / Limited BP Policies	93%

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Date: February 2, 2017

To: Janet Houser
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated December 21, 2016
ILTC-1 Post-RS Re-Rate

Ms. Houser,

This is in response to your questions on December 21, 2016.

Objection 1

Thank you for updating the Rate/Rule Schedule with the rider form numbers. In trying to match the proposed rate schedules with those approved under PRUD-125955126, there are a few discrepancies to be resolved as follows:

1. GRP 98180 and GRP 98181 were approved with adjustment factors based on the policy to which each was attached: GRP 98544, GRP 98545 and GRP 98546. The attached rate schedules in this filing do not provide that policy form identification. Please resolve.

Please be advised that we have added the Policy Form numbers GRP 98544, GRP 98545 and GRP 98546 to the first page of their applicable Appendix F.

2. GRP 98179 was approved with adjustment factors based on the policy to which it was attached: GRP98544, GRP 98545 and GRP-98546. The attached rate schedule in this filing does not provide that policy form identification. In addition, the new schedule includes benefit periods (3,4, 5 Unlimited) that were not included when the rates were approved. Please resolve.

Please be advised that we have added the Policy Form numbers GRP 98544, GRP 98545 and GRP 98546 to the first page of their applicable Appendix F. Additionally, we have revised the benefit period section by removing "unlimited." We apologize for this oversight and thank the Department for bringing this matter to our attention.

3. GRP 98544, GRP 98546, and GRP 98545 were approved with monthly or cash benefit riders and a shortened benefit period nonforfeiture rider. Those rates are not in the new rate attachments for these forms. Please resolve.

Please be advised that we have added the Policy Form numbers GRP 98544, GRP 98545 and GRP 98546 to the first page of their applicable Appendix F.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Objection 2

Please include all the policy form numbers affected by this rate increase in the summary and memorandum.

As requested, we have added all the policy form numbers to both Actuarial Memorandum and the Long Term Care Insurance Rate Request Summary.

Objection 3

Please refer to Administrative Letter 2012-03, copy attached, which requires all submissions to include certain specific information in the "Filing Description" section. Please note that a transmittal letter attached as supporting documentation no longer fulfills this requirement. This change will need to be made in future filings or they will be rejected.

Please be advised that we have taken note of Administrative Letter 2012-03 and will value the SERFF Filing Description section of all future filings.

Objection 4

1. The voluntary lapse assumptions utilized in the experience projections and shown in Exhibit 2 appear to be lower than actual lapse rates for later durations. Please explain how the voluntary lapse assumptions were developed for later durations under this policy form given the lack of experience. Additionally, please specify whether shock lapses have been included in the voluntary lapse experience shown in Exhibit 2 given multiple rate increases have been implemented for this policy form? If shock lapses are included in Exhibit 2, please quantify the impact of shock lapses by duration.

Please note that the differences you're seeing between the "Current" voluntary lapse rates and the actual and implied ones are because the actual rates include shock lapse, which is not practical to show by duration.

The development of the 2015 ILTC ultimate voluntary lapse rates was based on the then-current ultimate lapse rate assumptions less the estimated impact of shock lapses. Prior to implementing the 2015 best estimate update, the ultimate lapse assumptions were based on observing the weighted average experience from inception through October 31, 2012. The average was based on experience durations 8 and above and were studied separately by marital status and inflation. The resulting ultimate lapse rates varied between 1.5% to 3.5% depending on inflation and marital status.

For the first time in 2015, Prudential attempted to quantify the impact of shock lapse from rate increases and to remove the impact from our analysis of voluntary lapse rates. At the time of the analysis, rate increases were implemented for ILTC1 and ILTC2 which were first issued in 1999 and 2002 respectively. Therefore, the policies that have been impacted by rate increases (and therefore, shock lapse) are policies primarily in these later durations. The magnitude of the shock lapse was quantified by analyzing rate increases and assuming:
"Shock Lapse" ≈ "Lapse rates in states where we implemented a rate increase" - "Lapse rates in states where we did not implement a rate increase". The results indicated that the shock lapse was approximately 1%.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

In the current lapse rate table for ILTC, the ultimate voluntary lapse rates start around duration 8. We confirmed in duration 9+, there was no exposure from ILTC 3 and ILTC 4. Therefore, we subtracted out the full 1% for shock lapse from durations 9+. The impact of these changes was a reduction in the ILTC weighted average ultimate lapse rates from 2% to 1%. This adjustment to the ultimate lapse rates was the most significant update made for 2015 lapse assumptions. The resulting recommendation is much more consistent with what we see in the industry.

2. Please explain how the shock lapse assumption was developed.

Please see the attached "Shock Lapse Assumption Support.pptx" and the response to Objection 4-1 above for detail on how the shock lapse assumptions was developed. Please note that the shock lapse rates listed here are annual, and are compounded over the course of two years in our projections. The shock lapse rates vary by the amount of rate increase.

3. The following questions relate to the experience projections provided in Appendix B and Appendix G:

a. Please revise Appendix C, Exhibit 3 to only include experience associated with policies issued after Virginia's rate stabilization regulations were in effect, consistent with the experience shown in Appendix B. Additionally, we would expect the incurred claim estimates shown in Appendix C, Exhibit 3 to be consistent with the incurred claim estimates shown in Appendix B. If there are differences in the incurred claim estimates shown in the revised Appendix C, Exhibit 3 and Appendix B, please explain.

A revised version of Appendix C, Exhibit 3 has been attached. The incurred claims match those of the revised Appendix B, as expected.

b. Please revise Appendix B and Appendix G so that waiver of premium benefits are treated as a reduction to premium instead of a claims expense. If necessary, please revise the experience projections to reflect any other items noted in response to item 3a, the prior item. Please provide any revised experience projections in an Excel file.

A revised version of Appendix B and G has been attached in Excel format.

4. Please provide the policy reserves as of July 31, 2015, both nationwide and for Virginia policies only, calculated at the interest rate used in the current experience projections for policies issued under this policy form after rate stabilization regulations being adopted in Virginia so that we may calculate the future loss ratio as the present value of future claims less active life reserves, divided by the present value of future premium.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Please note that the valuation date of this filing is June 30, 2015. As of that date, policy reserves for ILTC1 were $955,177,153 nationwide and $28,044,542 for Virginia. The rates used for calculation are dependent on the dates the policies were issued, with a weighted average discount rate of 4.3%. We apologize that we cannot provide these reserves for post-RS policies at 4.5%, since it would be prohibitively time-consuming and resource-intensive.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Digitally signed by Ritu Jain, ASA, MAAA
DN: cn=Ritu Jain, ASA, MAAA, o=The Prudential Insurance Company of America, ou=LTC Actuarial, email=ritu.jain@prudential.com, c=US
Date: 2017.02.03 16:57:19 -05'00'

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care

Michael Zilberman, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)716-4225
michael.zilberman@prudential.com

Date: April 21, 2017

To: Janet Houser
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated March 1, 2017
ILTC1 Post-RS Re-Rate

Dear Ms. Houser,

This is in response to your Letter of Objection on March 1, 2017. I work with Keith Burns and Ritu Jain at Prudential.

1. **It appears our objection one was not clear. The rate attachments need to be more specific in regards to what rates apply to which forms by form number.**

   For forms GRP 98180 and 98181 please expand the heading for each set of adjustment factors to include the form number to which it applies. For example, the automatic simple interest inflation protection factors attached to form 98180 apply to GRP 98544, the automatic compound factor interest factors apply to GRP 98545 and the periodic inflation protection offers apply to GRP 98546.

   There are separate concerns regarding GRP 98179 which is addressed in the following objection.

   I apologize for the confusion. The exhibits for these forms have been reattached with each table labeled in accordance with the form number it corresponds to.

2. **After reviewing the revised Actuarial Memorandum, GRP 98179 is not included in the memorandum and is not applicable to post stability block of business. If that is correct, this form and all references to it should be removed from this filing wherever such appears. In other words, the rate schedule for GRP 98179 should be withdrawn and the rate pages for GRP 98180 and GRP 98181 should not include the Automatic Simple Interest Inflation Protection adjustment factors which are not applicable to the post stability block. That information would only appear in the SERFF filing for the pre-stability block.**

   This form should not be included in the Long Term Care Insurance Rate Request Summary as well.

   At the Department's request, we have removed the Rate Schedule Pages for form GRP 98179 from the Rate Schedule Tab of this filing. Additionally, we have revised the Rate Schedule Pages for forms GRP 98180 and GRP 98181 by removing all referenced to Automatic Simple Inflation Protection.

Michael Zilberman, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)716-4225
michael.zilberman@prudential.com

3. **Our objection 1, item 3 remains unresolved. The rates for these forms were previously approved under PRUD-125955126.**

A review of that filing indicates rates for these forms provided the base rates before adjustments, adjustment factors for the lifetime maximum (benefit period), adjustments factors for the benefit waiting period, adjustment factors for the Home & Community-based care daily benefit, adjustment factors for the monthly benefit rider (rider only), the adjustment factors for the case benefit rider (rider only), adjustment factors for shortened benefit period nonforfeiture (rider only), adjustment factor (underwriting class) adjustment factors for the premium payment mode, and adjustment factors for the marital status. What is not appearing on the new rates schedules are adjustment factors for the monthly benefit rider (rider only), the cash benefit rider (rider only), and the shortened benefit period nonforfeiture (rider only). Why do these not appear since these were approved under PRUD-125955126?

Lastly, we note the unlimited benefit period for the adjustment factor - lifetime maximum (benefit period) is missing. Please clarify why it was removed.

Please see the attached rider rates, with tables corresponding to form numbers GRP 98544, GRP 98545 and GRP 98546 for each rider. The removal of the Unlimited adjustment factor was unintended, and has been added back in. I apologize for the confusion.

4.1 **An Excel spreadsheet demonstrating the nationwide cumulative increase and the Virginia cumulative increase with updated status of rate increases nationwide. In reviewing the Rate History Chart, it appears as though the second rate increase was not approved in Virginia, and the Company is now filing for the second and third increases combined, with an adjustment to account for a delayed implementation of the second increase. In other words, the 80.5% and the 100.5% increase being requested on the limited reimbursement and unlimited reimbursement policies, respectively, may be equivalent of the originally requested rate increases at the time. Based on our records, SERFF tracking #PRUD-129224714 was submitted on 9/27/2013 and rejected as the Company had indicated it would not seek an increases for at least 36 months after the implementation of a second increase that was to be effective January 1, 2012. Based on the history of rate adjustments on Appendix A, the approved rate increase was implemented in two stages on 5/1/2010 and 5/1/2011. It does not appear the Company filed for a second full increase and it is unclear why the company may be adjusting the increase for the delayed implementation. Please clarify.**

Please see Attachment 4.1 for the requested information. Please note that Prudential is not adjusting the rate increase for delayed implementation. Rather, the additional rate increase the department is the additional amount required to certify to no future rate increases, as per the department's certification requirements. If the requested premium increase is implemented and the underlying assumptions with a 10% load for moderately adverse conditions are realized, no further premium rate schedule increases are anticipated.

Michael Zilberman, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)716-4225
michael.zilberman@prudential.com

4.2 An Excel spreadsheet demonstrating the premium earned to date.

The earned premium by calendar year is shown in Appendix B, with total accumulated earned premium to date shown at the bottom of the exhibit. Please see the formulas below for detail on how the earned premium is calculated.

$$Earned\ Premium_t = Paid\ Premium_t + (Unearned\ Premium\ Reserve_t - Unearned\ Premium\ Reserve_{t-1})$$

$$Paid\ Premium_t = l_x(t-1) \times (modal\ premium) \times (modal\ indicator)$$

$$l_x(t) = l_x(t-1) \times (1 - q_x^D(t)) \times (1 - q_x^W(t))$$

Where:

- $l_x(t)$ is the number of lives at time t.
- x is the issue age of the policy.
- $q_x^D(t)$ is the mortality rate for time t.
- $q_x^W(t)$ is the voluntary lapse rate for time t.*
- $Paid\ Premium_t$ is the paid premium in month t.
- modal indicator is a flag used to indicate if a premium is paid during the month, based on the bill mode of the policy.
- $Earned\ Premium_t$ is the earned premium in month t.
- $Unearned\ Premium\ Reserve_t$ is the unearned premium reserve in month t.

*Note: Policies that exhaust benefits are also decremented from the population.

4.3 The specific percentage rate increases the company is requesting and when each will be implemented according to the Company's intention is to implement increases as a series of 20% each year that is multiplicatively equivalent to the full increase amount. According to the Actuarial Memorandum, the company was willing to implement the increase over three years.

The company's intention is to spread out the rate increase in a way that burdens the policyholder as little as possible. Given the magnitude of the rate increase request, we now recognize that each year's increase would have to be slightly higher than 20%. Ideally, we would like to implement in accordance with the table below, which is actuarially equivalent to the full rate increase.

Michael Zilberman, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)716-4225
michael.zilberman@prudential.com

	Year 1	Year 2	Year 3
Reimbursement/Unlimited	26.1%	26.1%	26.1%
Reimbursement/Limited	21.8%	21.8%	21.8%

Alternatively, if the department would prefer an approach that caps the rate increase at 20% per year as previously specified, we would implement over four years in accordance with the following table:

	Year 1	Year 2	Year 3	Year 4
Reimbursement/Unlimited	20.0%	20.0%	20.0%	4.5%
Reimbursement/Limited	20.0%	20.0%	20.0%	16.0%

Please note that in additional to spreading out the rate increase, the company intends to offer a contingent nonforfeiture option to every policyholder affected by the rate increase, regardless of age or rate increase amount.

4.4 According to the Actuarial Memorandum, the Company was willing to manage these forms to a 96% lifetime loss ratio. Appendix A indicates the Lifetime loss ratio with the increase is 105%. What has changed since the prior rate increase that results in this higher lifetime loss ratio? Is the Company intending to manage to this higher loss ratio in the future?

At the time of the last rate increase, Prudential intended to manage these forms to a 96% lifetime loss ratio. Experience has deteriorated substantially since then, and the company recognizes that the increases required to return to that loss ratio may be prohibitively burdensome on our policyholders. As a compromise, we are willing to manage our business to a 105% loss ratio with this rate increase and certify to no future rate increases under a 10% margin for moderately adverse experience.

To give a better sense of how assumptions have changed since the referenced filing, an assumption comparison has been attached.

I hope the Department finds the response satisfactory. The Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Digitally signed by Michael Zilberman, ASA, MAAA
DN: cn=Michael Zilberman, ASA, MAAA, o=The Prudential Insurance Company of America, ou=LTC Unit, email=michael.zilberman@prudential.com, c=US
Date: 2017.04.24 14:43:29 -04'00'

Michael Zilberman, ASA, MAAA
Associate Actuary
Prudential Long Term Care

Assumption Comparison
The Prudential Insurance Company of America
Assumption Comparison
Nationwide Experience

ILTC1

Incremental Assumption Update	Assumptions in First Rate Increase Filing	Current Rate Increase Filing
Morbidity	2002 Milliman Claim Cost Guidelines, adjusted for company experience. Company experience based on then current experience data (2005-2007 ILTC Claim Cost Experience). No morbidity improvement assumed.	Morbidity assumptions were developed based on a combination of the Prudential's historical claim experience, the Milliman 2011 Long Term Care Guidelines and judgment. Assumptions reflect Prudential's current best estimate of future morbidity, including morbidity improvement of 1% per year through 2035. Relative to 2012 assumptions, 2015 assumptions assume lower future utilization.
Lapse	Company experience lapse rates based on then current experience data (1990-2007) Varies by issue age, duration, and premium paying period. Ultimate lapse rate of 1.5% in most cases.	Company experience lapse rates based on the current experienced data (1999-June 2015). Ultimate lapse rate of 0.5-2.5% for lifetime pay policies
Mortality	1994 GAM with company experience selection factors based on then current experience data (1990-2007). Selection factors start at 0.40 in policy duration 1 grading to 1.0 by duration 9. No mortality improvement assumed.	Annuity 2000 Basic Mortality Table with selection factors, attained age factors, and mortality improvement of 0.6% per year through 2035.

	Cumulative Approved				Status of Current Requests								Third Increase							
	Approved				Requested				Approved So Far				Requested				Approved			
	ILTC1				ILTC1				ILTC1				ILTC1				ILTC1			
	Limited		Unlimited		Limited		Unlimited		Limited		Unlimited		Limited		Unlimited		Limited		Unlimited	
	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb
Alabama	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Alaska	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Arizona	120.1%	75.2%	135.3%	94.7%	11.3%	7.3%	11.3%	7.3%					45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Arkansas	85.9%	71.3%	85.9%	71.3%	58.2%	31.7%	69.1%	46.3%	20.0%	20.0%	20.0%	20.0%	45.0%	35.0%	55.0%	50.0%	21.0%	21.0%	21.0%	21.0%
California - Pre-RS	28.0%	18.0%	28.0%	18.0%	129.7%	91.2%	145.5%	112.4%					45.0%	35.0%	55.0%	50.0%				
California - Post-RS	18.0%	18.0%	18.0%	18.0%	147.1%	89.6%	164.1%	110.6%					45.0%	35.0%	55.0%	50.0%				
Colorado	45.0%	35.0%	55.0%	50.0%	69.0%	39.2%	69.0%	39.2%					45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Connecticut	18.0%	18.0%	18.0%	18.0%	113.5%	113.5%	113.5%	113.5%	18.0%	18.0%	18.0%	18.0%	45.0%	35.0%	55.0%	50.0%				
District of Columbia	33.1%	33.1%	33.1%	33.1%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	45.0%	35.0%	55.0%	50.0%	10.0%	10.0%	10.0%	10.0%
Delaware	70.3%	70.3%	70.3%	70.3%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	32.0%	32.0%	32.0%	32.0%	15.0%	15.0%	15.0%	15.0%
Florida	54.8%	54.8%	54.8%	54.8%									45.0%	35.0%	55.0%	50.0%	20.7%	20.7%	20.7%	20.7%
Georgia	65.9%	54.4%	65.9%	54.4%	65.4%	36.3%	76.8%	51.5%	12.0%	12.0%	12.0%	12.0%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Guam													45.0%	35.0%	55.0%	50.0%				
Hawaii	85.6%	59.3%	98.4%	76.8%	32.0%	18.0%	32.0%	18.2%					45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	49.8%
Idaho	145.0%	87.9%	161.9%	108.9%	35.5%	25.9%	42.3%	33.8%	35.5%	25.9%	42.3%	33.9%	45.0%	35.0%	55.0%	50.0%	13.0%	10.0%	15.0%	15.0%
Illinois	69.0%	39.2%	69.0%	39.2%									45.0%	35.0%	55.0%	50.0%				
Indiana	81.3%	67.2%	81.3%	67.2%	55.4%	29.3%	66.1%	43.7%	15.0%	15.0%	15.0%	15.0%	45.0%	35.0%	55.0%	50.0%	12.5%	12.5%	12.5%	12.5%
Iowa	93.2%	80.1%	93.2%	80.1%	49.5%	23.0%	59.8%	36.7%	17.9%	17.9%	17.9%	17.9%	45.0%	35.0%	55.0%	50.0%	17.7%	17.7%	17.7%	17.7%
Kansas	97.3%	88.6%	97.3%	88.6%	134.4%	88.2%	150.6%	109.0%	57.3%	57.3%	57.3%	57.3%	45.0%	35.0%	55.0%	50.0%				
Kentucky	145.8%	102.6%	145.8%	102.6%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Louisiana	76.6%	55.8%	84.3%	62.8%	66.4%	44.8%	70.5%	53.9%	20.0%	20.0%	20.0%	20.0%	45.0%	35.0%	55.0%	50.0%	15.0%	10.0%	20.0%	15.0%
Maine	102.8%	74.1%	111.2%	67.1%	20.9%	8.0%	24.1%	25.0%					45.0%	35.0%	55.0%	50.0%	20.0%	25.0%	25.0%	20.0%
Maryland	52.1%	52.1%	52.1%	52.1%	15.0%	15.0%	15.0%	15.0%					15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Massachusetts	10.0%	10.0%	10.0%	10.0%	75.0%	75.0%	75.0%	75.0%					45.0%	35.0%	55.0%	50.0%				
Michigan	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Minnesota	114.5%	97.8%	114.5%	97.8%	75.0%	59.3%	75.0%	75.0%	67.6%	67.6%	67.6%	67.6%	45.0%	35.0%	55.0%	50.0%				
Mississippi	144.1%	88.1%	144.1%	108.9%	25.0%	2.0%	25.0%	13.3%	25.0%	2.0%	25.0%	13.3%	45.0%	35.0%	55.0%	50.0%	25.0%	25.0%	25.0%	25.0%
Missouri	108.9%	75.9%	120.3%	91.5%									45.0%	35.0%	55.0%	50.0%	33.8%	26.3%	41.1%	37.5%
Montana	91.6%	64.3%	99.4%	74.1%	27.9%	14.4%	31.4%	20.0%					45.0%	35.0%	55.0%	50.0%	23.0%	18.0%	28.0%	25.0%
Nebraska	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Nevada	145.0%	88.0%	161.9%	108.9%	13.2%	9.9%	13.2%	9.9%	9.9%	13.2%	9.9%	13.2%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
New Hampshire	133.2%	92.2%	133.2%	92.2%	50.0%	50.0%	50.0%	50.0%	38.0%	38.0%	38.0%	38.0%	45.0%	35.0%	55.0%	50.0%				
New Jersey	131.6%	81.6%	142.8%	101.8%	3.5%	3.5%	7.9%	5.8%					45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	52.0%	50.0%
New Mexico	63.4%	50.6%	63.4%	50.6%	66.4%	38.5%	77.9%	53.9%	11.0%	11.0%	11.0%	11.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
New York	17.7%	17.7%	17.7%	17.7%	108.1%	59.7%	122.5%	77.5%					45.0%	35.0%	55.0%	50.0%	10.0%	10.0%	10.0%	10.0%
North Carolina - Pre-RS	91.4%	59.3%	104.6%	77.0%									45.0%	35.0%	55.0%	50.0%	13.3%	14.4%	21.1%	27.1%
North Carolina - Post-RS	91.4%	59.3%	104.6%	77.0%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
North Dakota	57.3%	70.1%	57.3%	70.1%		27.1%		41.2%		15.0%		15.0%	45.0%	35.0%	55.0%	50.0%	15.0%	15.0%	15.0%	15.0%
Ohio	104.0%	76.1%	113.7%	84.1%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	45.0%	35.0%	55.0%	50.0%	5.0%	10.0%	10.0%	15.0%
Oklahoma	71.9%	62.3%	71.9%	62.3%	41.6%	27.4%	67.6%	56.8%	10.0%	10.0%	10.0%	10.0%	45.0%	35.0%	55.0%	50.0%	25.0%	25.0%	25.0%	25.0%
Oregon	145.0%	88.0%	161.9%	108.8%	36.5%	16.4%	45.9%	29.3%	36.5%	16.4%	45.9%	29.3%	45.0%	35.0%	55.0%	50.0%	32.3%	32.3%	32.3%	32.3%
Pennsylvania	143.2%	87.9%	143.2%	100.3%	20.9%	12.6%	29.2%	25.1%	20.0%	12.6%	20.0%	20.0%	45.0%	35.0%	55.0%	50.0%	20.0%	20.0%	20.0%	20.0%
Rhode Island	28.0%	18.0%	28.0%	18.0%									45.0%	35.0%	55.0%	50.0%				
South Carolina	121.2%	88.0%	121.2%	100.5%	32.9%	12.5%	42.1%	25.0%	20.0%	12.5%	20.0%	20.0%	45.0%	35.0%	55.0%	50.0%	20.0%	20.0%	20.0%	20.0%
South Dakota	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Tennessee	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Texas - Pre-RS	145.0%	87.7%	161.9%	108.7%	74.5%	47.2%	86.5%	63.6%	74.5%	47.0%	86.5%	63.5%	59.0%	37.0%	69.0%	51.0%				
Texas - Post-RS	193.7%	125.3%	213.8%	150.4%	193.7%	125.3%	213.8%	150.4%	193.7%	125.3%	213.8%	150.4%	123.0%	75.0%	138.0%	93.0%				
Utah	85.6%	59.3%	98.4%	77.0%	32.0%	18.0%	32.0%	18.0%					45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Vermont					145.0%	88.0%	161.9%	108.9%					10.0%	10.0%	10.0%	10.0%				
Virginia - Pre-RS	34.9%	25.0%	34.9%	25.0%	81.6%	50.4%	94.1%	67.1%					45.0%	35.0%	55.0%	50.0%				
Virginia - Post-RS	34.9%	25.0%	34.9%	25.0%		80.5%		100.5%					45.0%	35.0%	55.0%	50.0%				
Washington	139.4%	88.0%	155.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
West Virginia	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Wyoming	145.0%	88.0%	161.9%	108.9%									45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%
Wisconsin	145.0%	88.1%	161.9%	108.9%	14.3%	5.4%	14.3%	5.4%	14.3%	5.4%	14.3%	5.4%	45.0%	35.0%	55.0%	50.0%	45.0%	35.0%	55.0%	50.0%

	Second Increase								First Increase							
	Requested				Approved				Requested				Approved			
	ILTC1				ILTC1				ILTC1				ILTC1			
	Limited		Unlimited		Limited		Unlimited		Limited		Unlimited		Limited		Unlimited	
	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb	Cash	Reimb
Alabama	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Alaska	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Arizona	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	15%	10%	15%	10%
Arkansas	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
California - Pre-RS	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
California - Post-RS	32%	18%	32%	18%	18%	18%	18%	18%	28%	18%	28%	18%				
Colorado	32%	18%	32%	18%					28%	18%	28%	18%				
Connecticut	32%	18%	32%	18%					28%	18%	28%	18%				
District of Columbia	10%	10%	10%	10%	10%	10%	10%	10%	28%	18%	28%	18%				
Delaware	32%	18%	32%	18%	12%	12%	12%	12%	28%	18%	28%	18%	15%	15%	15%	15%
Florida	23%	23%	23%	23%	17%	17%	17%	17%	28%	18%	28%	18%	9%	9%	9%	9%
Georgia	32%	18%	32%	18%	15%	9%	15%	9%	28%	18%	28%	18%	12%	10%	12%	10%
Guam	32%	18%	32%	18%					28%	18%	28%	18%				
Hawaii	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
Idaho	32%	18%	32%	18%	25%	15%	25%	15%	28%	18%	28%	18%	28%	18%	28%	18%
Illinois	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Indiana	32%	18%	32%	18%	10%	10%	10%	10%	28%	18%	28%	18%	28%	18%	28%	18%
Iowa	32%	18%	32%	18%	18%	10%	18%	10%	28%	18%	28%	18%	18%	18%	18%	18%
Kansas	32%	18%	32%	18%	10%	10%	10%	10%	28%	18%	28%	18%	14%	9%	14%	9%
Kentucky	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Louisiana	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
Maine	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Maryland	32%	18%	32%	18%	15%	15%	15%	15%	28%	18%	28%	18%	15%	15%	15%	15%
Massachusetts	32%	18%	32%	18%	10%	10%	10%	10%	28%	18%	28%	18%				
Michigan	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Minnesota	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
Mississippi	32%	18%	32%	18%	25%	25%	25%	25%	28%	18%	28%	18%	25%	18%	25%	18%
Missouri	32%	18%	32%	18%	22%	18%	22%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Montana	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	18%	18%	18%	18%
Nebraska	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Nevada	32%	18%	32%	18%	23%	23%	23%	23%	28%	18%	28%	18%	25%		25%	
New Hampshire	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
New Jersey	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	21%	14%	21%	14%
New Mexico	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
New York	32%	18%	32%	18%	7%	7%	7%	7%	28%	18%	28%	18%				
North Carolina - Pre-RS	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
North Carolina - Post-RS	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%				
North Dakota	32%	18%	32%	18%	20%	18%	20%	18%	28%	18%	28%	18%	14%	9%	14%	9%
Ohio	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Oklahoma	32%	18%	32%	18%	25%	18%	25%	18%	28%	18%	28%	18%				
Oregon	32%	18%	32%	18%	19%	12%	19%	12%	28%	18%	28%	18%	14%	9%	14%	9%
Pennsylvania	32%	18%	32%	18%	30%	17%	30%	17%	28%	18%	28%	18%	30%	19%	30%	19%
Rhode Island	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
South Carolina	32%	18%	32%	18%	20%	18%	20%	18%	28%	18%	28%	18%	28%	18%	28%	18%
South Dakota	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Tennessee	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Texas - Pre-RS	32%	18%	32%	18%	20%	13%	20%	13%	28%	18%	28%	18%	17%	13%	17%	13%
Texas - Post-RS	69%	39%	69%	39%					28%	18%	28%	18%				
Utah	32%	18%	32%	18%					28%	18%	28%	18%	28%	18%	28%	18%
Vermont	32%	18%	32%	18%					28%	18%	28%	18%				
Virginia - Pre-RS	32%	18%	32%	18%					28%	18%	28%	18%	35%	25%	35%	25%
Virginia - Post-RS	32%	18%	32%	18%					28%	18%	28%	18%	35%	25%	35%	25%
Washington	32%	18%	32%	18%	29%	18%	29%	18%	28%	18%	28%	18%	28%	18%	28%	18%
West Virginia	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Wyoming	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	28%	18%	28%	18%
Wisconsin	32%	18%	32%	18%	32%	18%	32%	18%	28%	18%	28%	18%	12%	12%	12%	12%

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Date: August 3, 2017

To: Janet Houser
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated June 14th, 2017
ILTC1-Post Re-Rate

Dear Janet Houser

This is in response to your questions on June 14th, 2017.

1) **Attachment 4.1 indicates the Company intended previously to request both a second and a third rate increase. Please advise why the company decided to not pursue the referenced additional requests. Now the Company proposing its rate increase based on what is needed to certify to no future rate increases. Is the company aware that 14VAC5-200-153 B 5 allows companies to request a premium rate increase less than what is necessary to make such certification?**

   For ILTC1 product, the Department approved a previous rate increase submitted under PRUD-125955126, State tracking number: 7/30839 approved on February 1, 2010. The implementation schedule for the above-mentioned approval was over two phases and the second phase was implemented on May 1, 2011. Additionally, there was a moratorium of no future rate increase of 36 months after the implementation of the second rate increase. While a second round could have been filed during 2014, due to plans to file in conjunction with the rest of the states, we decided to file at a later time.

   Despite our ability to request an increase less than required to proide actuarial certification, we have decided not to make any changes to the requested rate increase at this time.

2) **It appears that if the proposed rate increase is implemented, the Virginia cumulative increase will be significantly higher than the percentage approved nationwide and raises a number of concerns. Please address this apparent inequity and advise why the company is not revising the requested rate accordingly.**

   In the states in which we committed to providing an actuarial certification, we requested an additional 20% for all benefit types, but the same higher amount was requested in all such states.

   During this round of filing, we are striving to obtain equity among all states by reviewing the accumulated rate increase and requesting the remaining unapproved rate increases from prior request.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

3) **Since Form GRP 98179 has been removed from the Rate/Rule Schedule, please update the Long Term Care Insurance Rate Summary accordingly.**

   Please be advised that we have revised the Long Term Care Rate Summary by removing reverence to form GRP 98179. The revised form can be referenced on the Supporting Documentation Tab of this filing.

4) **According to your previous response, the unlimited adjustment factor was added back to form number GRP 98544, GRP 98545, and GRP 98546 although it does not appear on the rate pages. Please advise.**

   Please see the revised rate pages with the unlimited adjustment factor included in it. It was removed inadvertently.

5) **It is entirely the Company's decision if it wishes to implement increases over 3 or 4 years. Based on your response, the Company would prefer a 3 year implementation period. If so, the Company will need to attach rate tables for each implementation period to the Rate/Rule Schedule. The Company, however, may wish to submit these closer to the time the filing is approvable.**

   That is correct. We will provide the implementation rate pages to the Department upon request.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Ritu Jain, ASA, MAAA,
Director and Actuary

Digitally signed by Ritu Jain, ASA, MAAA, Director and Actuary
DN: cn=Ritu Jain, ASA, MAAA, Director and Actuary, o=The Prudential Insurance Company of America, ou=LTC Actuarial Unit, email=ritu.jain@prudential.com, c=US
Date: 2017.08.03 09:06:14 -04'00'

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

Date: October 13, 2017

To: Janet Houser
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated September 1st, 2017
ILTC1-Post Re-Rate

Dear Janet Houser

This is in response to your questions on September 1st, 2017.

1)In response to our concern that Virginia's cumulative increase would be significantly higher than the nationwide cumulative percentage, the Company responded that in this round of filing, the Company is striving to obtain equity among all states by reviewing the accumulated rate increase and requesting the remaining unapproved rate increases from prior request. Based on our analysis, the proposed cumulative Virginia rate increase in excess of the approved nationwide cumulative rate change would be approximately 37% higher on the limited reimbursement policies and 44% on the unlimited reimbursement policies. If all the proposed nationwide increases are approved, the percentage would drop to approximately 26% on the limited plans and 30% on the unlimited plans. Again, we ask the Company to address this inequity issue and advise why the Company is not revising the requested rate increases accordingly.

At the time of initial filing submission in Virginia, during 2016, for states where an actuarial certification of no future rate increase was included, an additional 20% was added to the nationwide rate increase requested amounts. In the table below, we have included a sample calculation of Virginia vs a typical state that does not require an actuarial certification of no future rate increases. For the latter, a 20% rate increase was planned during 2018.

ILTC1, Limited Reimb						
					Cumulative Rate Request	
		Prior Rate Revision Request	Filed Rate Request	Planned Rate Request in 2018	At Time of Filing	By 2018
	Planned Rate Increase	88%		20%	88%	126%
	Virginia	25%	81%		126%	126%
ILTC1, Unlimited Reimb						
					Cumulative Rate Request	
		Prior Rate Revision Request	Filed Rate Request	Planned Rate Request in 2018	At Time of Filing	By 2018
	Planned Rate Increase	109%		20%	109%	151%
	Virginia	25%	101%		151%	151%

Ritu Jain, ASA, MAAA
Prudential Long Term Care
100 Mulberry St.
2 Gateway Center, 11th Floor
Newark, NJ 07102
Tel (973)548-6459
ritu.jain@prudential.com

The total cumulative rate increase request in Virginia would then be very similar for all states by benefit type. As part of the rate increase strategy, we are striving to obtain equity among all states by reviewing the accumulated rate increase and requesting the remaining unapproved rate increases from planned requests.

Regarding the concern that it that Prudential on average has requested larger increases in Virginia than other states, it appears that the Department is using average rate increase requested in rate increase history chart provided with March 2017 objection response to calculate the proposed nationwide increases. Please note due to regulatory rate increase caps in some states, a smaller amount was requested than nationwide. However, the overall rate revision strategy for those states remains unchanged where we plan to request additional rate increases during follow-up rounds. Since March 2017, additional follow up rate increase requests have been submitted in some of those states and subsequently received approvals which may or may not have been included in the rate increase history provided. Therefore, the rate information provided should be used for point in time status only.

2)Pursuant to 14VAC5-200-153 B 3 b, please disclose how reserves have been incorporated in the this rate increase whenever the rate increase will trigger the contingent benefit upon lapse.

Active life reserves are held for policies that have triggered the contingent benefit upon lapse due to rate increases. These reserves are used to back the reduced paid up policies that are issued with the lifetime maximum benefit based on the premiums paid less claims paid throughout the life of the policy.

Regarding the potential for future policyholders to trigger the contingent benefit upon lapse, the assumptions used to support this filing includes an annual shock lapse rate of 2.0% assumed over two years of implementation. The shock lapse percentage vary by amount of rate increase request. At this time, there is no additional assumption or benefit projections for the contingent benefit upon laps, however, it would add to the future incurred claims thus increasing our anticipated lifetime loss ratio, if included.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Ritu Jain, ASA, MAAA,
Director and Actuary

Digitally signed by Ritu Jain, ASA, MAAA, Director and Actuary
DN: cn=Ritu Jain, ASA, MAAA, Director and Actuary, o=The Prudential Insurance Company of America, ou=LTC Actuarial Unit, email=ritu.jain@prudential.com, c=US
Date: 2017.10.16 10:47:27 -04'00'

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care

Meong Kwak
Associate Actuary

The Prudential Insurance Company of America
Long Term Care Unit
2101 Welsh Rd.
Dresher, PA 19125
Tel (215)784-2959
meong.kwak@prudential.com

Date: May 10, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated February 25th, 2019
ILTC1-PostRS Re-Rate

Dear Mr. Toone

This is in response to your questions on February 25th, 2019.

1) The proposed rate increase varies based on whether the policyholder has a limited benefit period. Please demonstrate using the most recently available nationwide experience that for the two policyholder cohorts for which the proposed rate increase varies (e.g., limited benefit periods), 14VAC5-200-153 is satisfied independently for each policyholder cohort. The demonstration of whether 14VAC5-200-153 has been satisfied should be consistent with the manner in which the experience was presented in the version of Appendix B and Appendix G associated with the objection responses dated February 2, 2017. Additionally, if more recent experience is used to demonstrate 14VAC5-200-153 is satisfied for each policyholder cohort, please revise Appendix B and Appendix G to reflect the same experience basis.

Please see attached file "VA Post-RS ILTC1 Rate Increase.pdf." Appendix B and G have been updated with experience through June 30, 2018. Please be aware, that Prudential's experience has continued to deteriorate. The updated appendices reflect the deterioration, but we have not adjusted the rate increase request at this time. Given the situation, the actuarial certification found in section 24 of the Actuarial Memorandum, and shown below, is no longer applicable.

If the requested premium increase is implemented and the underlying assumptions with a 10% load for moderately adverse conditions are realized, no further premium rate schedule increases are anticipated.

2) If the proposed rate increase is implemented, what percentage of policyholders for each policyholder cohort (e.g., limited benefit periods) are expected to be offered a contingent benefit upon lapse?

A non-forfeiture benefit option is given to all policyholders. Please see sample policyholder notification letter for more detail.

3) Please provide the policy reserves, both nationwide and for Virginia policies only, for the two policyholder cohorts independently (e.g., limited benefit periods), calculated at the interest rate used in the experience projections. The valuation date used for the policy reserves should be consistent with the date through which historical experience is provided in response to objection 1 above.

See table below for requested policy reserves for both nationwide and Virginia.

Meong Kwak
Associate Actuary

The Prudential Insurance Company of America
Long Term Care Unit
2101 Welsh Rd.
Dresher, PA 19125
Tel (215)784-2959
meong.kwak@prudential.com

Benefit Cohort	Nationwide	Virginia
Cash/Unlimited	41,281	-
Cash/Limited	626,286	-
Reimbursement/Unlimited	45,906,568	5,405,989
Reimbursement/Limited	38,769,450	3,505,649

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Meong Kwak,
Actuarial Associate

Digitally signed by Meong Kwak, Actuarial Associate
DN: cn=Meong Kwak, Actuarial Associate, o=The Prudential of America, ou=LTC Unit, email=meong.kwak@prudential.com, c=US
Date: 2019.05.10 13:51:08 -04'00'

Meong Kwak
Associate Actuary
Prudential Long Term Care

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	400,379	0	0	0	0%
2004	4,126,587	16,932	0	16,932	0%
2005	4,493,640	5,131	0	5,131	0%
2006	4,365,274	189,266	0	189,266	4%
2007	4,227,935	23,166	0	23,166	1%
2008	4,106,802	4,795	0	4,795	0%
2009	4,021,216	1,032,155	107,119	1,139,274	28%
2010	4,516,357	1,849,516	985,507	2,835,023	63%
2011	4,462,173	1,234,529	400,364	1,634,894	37%
2012	4,554,862	1,755,858	226,337	1,982,195	44%
2013	4,398,094	1,298,971	1,148,423	2,447,394	56%
2014	4,092,806	1,281,923	104,399	1,386,322	34%
2015	3,976,689	595,258	365,785	961,043	24%
2016	4,001,998	703,790	2,044,028	2,747,818	69%
2017	3,918,808	820,948	3,922,745	4,743,692	121%
2018*	1,850,421	19,993	1,788,241	1,808,234	98%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	1,681,329	1,739,606	103%
2019	3,288,249	3,852,459	117%
2020	3,180,096	4,339,137	136%
2021	3,070,729	4,885,262	159%
2022	2,958,425	5,484,654	185%
2023	2,843,395	6,119,217	215%
2024	2,726,406	6,809,173	250%
2025	2,608,119	7,576,387	290%
2026	2,488,051	8,385,646	337%
2027	2,366,490	9,246,826	391%
2028	2,243,705	10,148,278	452%
2029	2,120,107	11,091,259	523%
2030	1,995,906	12,034,445	603%
2031	1,871,631	12,981,761	694%
2032	1,747,751	13,907,742	796%
2033	1,624,669	14,776,323	909%
2034	1,503,517	15,601,817	1038%
2035	1,385,670	16,351,150	1180%
2036	1,271,778	16,999,136	1337%
2037	1,162,306	17,514,078	1507%
2038	1,057,634	17,833,401	1686%
2039	957,800	17,985,142	1878%
2040	862,510	17,978,093	2084%
2041	772,269	17,789,870	2304%
2042	687,471	17,422,586	2534%
2043	608,453	16,886,299	2775%
2044	535,440	16,202,127	3026%
2045	468,332	15,396,500	3288%
2046	407,250	14,517,765	3565%
2047	352,170	13,603,815	3863%
2048	302,990	12,696,488	4190%
2049	259,458	11,766,358	4535%
2050	221,111	10,852,189	4908%
2051	187,642	9,981,129	5319%
2052	158,668	9,175,692	5783%
2053	133,783	8,471,348	6332%
2054	112,583	8,014,495	7119%
2055	94,599	7,576,800	8009%
2056	79,383	7,137,287	8991%
2057+	393,497	71,899,949	18272%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	1,681,329	1,739,606	103%
2019	3,514,220	3,817,284	109%
2020	4,981,762	3,937,972	79%
2021	5,007,683	4,357,553	87%
2022	4,826,743	4,881,699	101%
2023	4,641,356	5,434,986	117%
2024	4,452,743	6,035,302	136%
2025	4,261,969	6,702,098	157%
2026	4,068,219	7,404,216	182%
2027	3,871,929	8,150,814	211%
2028	3,673,523	8,931,139	243%
2029	3,473,632	9,746,429	281%
2030	3,272,585	10,560,520	323%
2031	3,071,213	11,376,834	370%
2032	2,870,266	12,173,823	424%
2033	2,670,399	12,919,600	484%
2034	2,473,447	13,626,958	551%
2035	2,281,670	14,267,096	625%
2036	2,096,119	14,818,260	707%
2037	1,917,563	15,253,880	795%
2038	1,746,636	15,519,058	889%
2039	1,583,410	15,638,872	988%
2040	1,427,434	15,621,422	1094%
2041	1,279,541	15,447,384	1207%
2042	1,140,385	15,118,906	1326%
2043	1,010,538	14,644,160	1449%
2044	890,383	14,042,188	1577%
2045	779,799	13,336,116	1710%
2046	679,002	12,567,923	1851%
2047	587,977	11,770,695	2002%
2048	506,575	10,980,373	2168%
2049	434,402	10,171,305	2341%
2050	370,731	9,376,957	2529%
2051	315,075	8,620,705	2736%
2052	266,818	7,922,016	2969%
2053	225,301	7,311,295	3245%
2054	189,866	6,914,614	3642%
2055	159,751	6,534,886	4091%
2056	134,230	6,153,993	4585%
2057+	669,191	61,901,236	9250%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	86,661,318	26,523,332	31%	86,661,318	26,523,332	31%
Present Value of Future to 6/30/2018	34,596,185	206,434,499	597%	53,635,436	181,042,295	338%
Total Values	121,257,503	232,957,831	192%	140,296,753	207,565,627	148%
(Discounted at 4.5%)						

Minimum Lifetime Loss Ratio 60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	13,913	0	0	0	0%
2004	321,087	4,336	0	4,336	1%
2005	379,832	0	0	0	0%
2006	372,596	0	0	0	0%
2007	359,392	0	0	0	0%
2008	344,119	1,656	0	1,656	0%
2009	350,502	135,562	95,172	230,734	66%
2010	380,223	140,986	298,867	439,852	116%
2011	358,504	0	0	0	0%
2012	363,330	0	0	0	0%
2013	381,258	233,259	113,008	346,267	91%
2014	356,275	0	0	0	0%
2015	347,799	0	0	0	0%
2016	344,811	0	0	0	0%
2017	356,166	35,289	171,197	206,486	58%
2018*	176,714	0	140,314	140,314	79%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	166,624	133,743	80%
2019	328,233	303,878	93%
2020	320,043	351,428	110%
2021	311,989	406,372	130%
2022	303,586	468,240	154%
2023	294,810	537,158	182%
2024	285,694	614,755	215%
2025	276,296	702,910	254%
2026	266,542	797,316	299%
2027	256,419	898,780	351%
2028	245,914	1,009,254	410%
2029	235,048	1,129,289	480%
2030	223,839	1,252,713	560%
2031	212,320	1,381,348	651%
2032	200,527	1,513,114	755%
2033	188,507	1,644,972	873%
2034	176,379	1,777,205	1008%
2035	164,309	1,900,139	1156%
2036	152,377	2,011,755	1320%
2037	140,660	2,108,127	1499%
2038	129,237	2,181,218	1688%
2039	118,146	2,239,308	1895%
2040	107,370	2,272,818	2117%
2041	96,987	2,280,399	2351%
2042	87,063	2,264,217	2601%
2043	77,663	2,218,557	2857%
2044	68,836	2,158,325	3135%
2045	60,597	2,079,345	3431%
2046	53,000	1,987,884	3751%
2047	46,062	1,887,939	4099%
2048	39,790	1,783,874	4483%
2049	34,174	1,675,973	4904%
2050	29,174	1,557,866	5340%
2051	24,767	1,437,242	5803%
2052	20,914	1,319,291	6308%
2053	17,574	1,208,400	6876%
2054	14,702	1,143,433	7778%
2055	12,246	1,073,574	8767%
2056	10,153	998,373	9833%
2057+	40,979	6,743,422	16456%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	166,624	133,743	80%
2019	351,359	300,838	86%
2020	505,998	316,528	63%
2021	513,805	359,686	70%
2022	500,163	413,915	83%
2023	485,914	474,220	98%
2024	471,106	542,033	115%
2025	455,832	618,981	136%
2026	439,970	701,244	159%
2027	423,495	789,525	186%
2028	406,387	885,524	218%
2029	388,674	989,716	255%
2030	370,386	1,096,666	296%
2031	351,573	1,207,966	344%
2032	332,294	1,321,864	398%
2033	312,621	1,435,689	459%
2034	292,749	1,549,688	529%
2035	272,953	1,655,416	606%
2036	253,362	1,751,142	691%
2037	234,103	1,833,596	783%
2038	215,307	1,895,787	881%
2039	197,033	1,944,940	987%
2040	179,258	1,972,773	1101%
2041	162,110	1,978,136	1220%
2042	145,698	1,962,990	1347%
2043	130,128	1,922,372	1477%
2044	115,486	1,869,231	1619%
2045	101,798	1,799,963	1768%
2046	89,154	1,720,005	1929%
2047	77,589	1,632,856	2105%
2048	67,113	1,542,273	2298%
2049	57,714	1,448,466	2510%
2050	49,331	1,345,932	2728%
2051	41,927	1,241,311	2961%
2052	35,442	1,139,089	3214%
2053	29,810	1,043,040	3499%
2054	24,956	986,672	3954%
2055	20,799	926,128	4453%
2056	17,251	861,026	4991%
2057+	69,565	5,808,950	8350%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	7,291,125	1,768,164	24%	7,291,125	1,768,164	24%
Present Value of Future to 6/30/2018	3,730,203	23,455,332	629%	5,860,026	20,482,962	350%
Total Values	11,021,328	25,223,496	229%	13,151,151	22,251,126	169%
(Discounted at 4.5%)						

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies with Cash Payment and Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	486	0	0	0	0%
2004	2,907	0	0	0	0%
2005	2,907	0	0	0	0%
2006	2,907	0	0	0	0%
2007	2,907	0	0	0	0%
2008	2,907	0	0	0	0%
2009	3,236	0	0	0	0%
2010	4,548	0	0	0	0%
2011	4,911	0	0	0	0%
2012	4,957	0	0	0	0%
2013	6,994	0	0	0	0%
2014	5,865	0	0	0	0%
2015	6,761	0	0	0	0%
2016	7,543	0	0	0	0%
2017	22,849	31,952	177,609	209,561	917%
2018*	0	0	0	0	0%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	8,565	77364658%
2019	0	17,219	82841442%
2020	0	17,014	89656274%
2021	0	16,446	95837321%
2022	0	15,018	97853661%
2023	0	13,593	100265552%
2024	0	12,115	102449430%
2025	0	10,657	104709408%
2026	0	9,138	106012108%
2027	0	7,340	102312029%
2028	0	5,814	99234662%
2029	0	4,521	96260181%
2030	0	3,438	92947364%
2031	0	2,567	89901548%
2032	0	1,941	90015300%
2033	0	1,458	91661585%
2034	0	1,068	93297062%
2035	0	762	94967446%
2036	0	530	96522978%
2037	0	355	96981590%
2038	0	235	97867867%
2039	0	156	98858343%
2040	0	103	99846927%
2041	0	68	100845396%
2042	0	45	101853850%
2043	0	30	102038582%
2044	0	18	99939569%
2045	0	10	99939569%
2046	0	6	99939569%
2047	0	3	99939569%
2048	0	2	99939569%
2049	0	1	99939569%
2050	0	1	99939569%
2051	0	0	99939569%
2052	0	0	99939569%
2053	0	0	96652908%
2054	0	0	53308150%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	8,565	77364658%
2019	0	17,219	82841442%
2020	0	17,014	89656274%
2021	0	16,446	95837321%
2022	0	15,018	97853661%
2023	0	13,593	100265552%
2024	0	12,115	102449430%
2025	0	10,657	104709408%
2026	0	9,138	106012108%
2027	0	7,340	102312029%
2028	0	5,814	99234662%
2029	0	4,521	96260181%
2030	0	3,438	92947364%
2031	0	2,567	89901548%
2032	0	1,941	90015300%
2033	0	1,458	91661585%
2034	0	1,068	93297062%
2035	0	762	94967446%
2036	0	530	96522978%
2037	0	355	96981590%
2038	0	235	97867867%
2039	0	156	98858343%
2040	0	103	99846927%
2041	0	68	100845396%
2042	0	45	101853850%
2043	0	30	102038582%
2044	0	18	99939569%
2045	0	10	99939569%
2046	0	6	99939569%
2047	0	3	99939569%
2048	0	2	99939569%
2049	0	1	99939569%
2050	0	1	99939569%
2051	0	0	99939569%
2052	0	0	99939569%
2053	0	0	96652908%
2054	0	0	53308150%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	105,588	218,991	207%	105,588	218,991	207%
Present Value of Future to 6/30/2018	0	120,291	93601798%	0	120,291	93601798%
Total Values	105,588	339,283	321%	105,588	339,283	321%
(Discounted at 4.5%)						

Minimum Lifetime Loss Ratio 60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies with Cash Payment and Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	0	0	0	0	0%
2004	0	0	0	0	0%
2005	0	0	0	0	0%
2006	0	0	0	0	0%
2007	0	0	0	0	0%
2008	0	0	0	0	0%
2009	0	0	0	0	0%
2010	0	0	0	0	0%
2011	0	0	0	0	0%
2012	0	0	0	0	0%
2013	0	0	0	0	0%
2014	0	0	0	0	0%
2015	0	0	0	0	0%
2016	0	0	0	0	0%
2017	0	0	0	0	0%
2018*	0	0	0	0	0%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	0	0%
2019	0	0	0%
2020	0	0	0%
2021	0	0	0%
2022	0	0	0%
2023	0	0	0%
2024	0	0	0%
2025	0	0	0%
2026	0	0	0%
2027	0	0	0%
2028	0	0	0%
2029	0	0	0%
2030	0	0	0%
2031	0	0	0%
2032	0	0	0%
2033	0	0	0%
2034	0	0	0%
2035	0	0	0%
2036	0	0	0%
2037	0	0	0%
2038	0	0	0%
2039	0	0	0%
2040	0	0	0%
2041	0	0	0%
2042	0	0	0%
2043	0	0	0%
2044	0	0	0%
2045	0	0	0%
2046	0	0	0%
2047	0	0	0%
2048	0	0	0%
2049	0	0	0%
2050	0	0	0%
2051	0	0	0%
2052	0	0	0%
2053	0	0	0%
2054	0	0	0%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	0	0%
2019	0	0	0%
2020	0	0	0%
2021	0	0	0%
2022	0	0	0%
2023	0	0	0%
2024	0	0	0%
2025	0	0	0%
2026	0	0	0%
2027	0	0	0%
2028	0	0	0%
2029	0	0	0%
2030	0	0	0%
2031	0	0	0%
2032	0	0	0%
2033	0	0	0%
2034	0	0	0%
2035	0	0	0%
2036	0	0	0%
2037	0	0	0%
2038	0	0	0%
2039	0	0	0%
2040	0	0	0%
2041	0	0	0%
2042	0	0	0%
2043	0	0	0%
2044	0	0	0%
2045	0	0	0%
2046	0	0	0%
2047	0	0	0%
2048	0	0	0%
2049	0	0	0%
2050	0	0	0%
2051	0	0	0%
2052	0	0	0%
2053	0	0	0%
2054	0	0	0%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	0	0	0%	0	0	0%
Present Value of Future to 6/30/2018	0	0	0%	0	0	0%
Total Values	0	0	0%	0	0	0%
(Discounted at 4.5%)						

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies with Reimbursement Payment and Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	170,893	0	0	0	0%
2004	1,700,634	4,336	0	4,336	0%
2005	1,841,777	525	0	525	0%
2006	1,774,375	0	0	0	0%
2007	1,716,301	0	0	0	0%
2008	1,663,737	3,139	0	3,139	0%
2009	1,616,341	211,177	95,172	306,349	19%
2010	1,919,105	1,403,371	985,507	2,388,878	124%
2011	1,862,496	968,555	400,364	1,368,919	73%
2012	1,870,166	689,514	105,663	795,177	43%
2013	1,883,711	805,369	1,035,416	1,840,785	98%
2014	1,709,989	303,794	0	303,794	18%
2015	1,683,264	243,843	0	243,843	14%
2016	1,774,632	457,504	1,415,027	1,872,531	106%
2017	1,732,444	281,111	1,831,971	2,113,082	122%
2018*	850,100	1,006	711,606	712,612	84%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	783,067	862,433	110%
2019	1,539,545	1,922,321	125%
2020	1,500,760	2,188,344	146%
2021	1,461,595	2,494,198	171%
2022	1,421,104	2,837,426	200%
2023	1,379,274	3,208,235	233%
2024	1,336,287	3,619,620	271%
2025	1,292,398	4,086,844	316%
2026	1,247,176	4,590,963	368%
2027	1,200,593	5,137,571	428%
2028	1,152,663	5,717,765	496%
2029	1,103,369	6,332,849	574%
2030	1,052,724	6,963,218	661%
2031	1,000,811	7,611,319	761%
2032	947,783	8,255,511	871%
2033	893,827	8,880,367	994%
2034	839,432	9,496,814	1131%
2035	785,369	10,085,123	1284%
2036	731,930	10,626,825	1452%
2037	679,398	11,082,291	1631%
2038	628,046	11,417,300	1818%
2039	577,957	11,652,852	2016%
2040	529,158	11,801,723	2230%
2041	481,938	11,838,586	2456%
2042	436,576	11,748,069	2691%
2043	393,320	11,533,311	2932%
2044	352,374	11,199,368	3178%
2045	313,919	10,774,081	3432%
2046	278,119	10,297,049	3702%
2047	245,089	9,786,453	3993%
2048	214,881	9,279,797	4319%
2049	187,475	8,738,209	4661%
2050	162,808	8,185,598	5028%
2051	140,789	7,648,019	5432%
2052	121,295	7,150,577	5895%
2053	104,157	6,721,929	6454%
2054	89,181	6,477,253	7263%
2055	76,169	6,227,214	8176%
2056	64,917	5,959,655	9180%
2057+	343,918	65,237,581	18969%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	783,067	862,433	110%
2019	1,660,515	1,905,250	115%
2020	2,474,890	1,990,037	80%
2021	2,517,298	2,229,888	89%
2022	2,447,560	2,531,437	103%
2023	2,375,516	2,856,183	120%
2024	2,301,480	3,215,698	140%
2025	2,225,891	3,623,492	163%
2026	2,148,005	4,062,810	189%
2027	2,067,775	4,538,659	219%
2028	1,985,225	5,042,769	254%
2029	1,900,327	5,576,367	293%
2030	1,813,101	6,122,239	338%
2031	1,723,691	6,682,605	388%
2032	1,632,362	7,238,786	443%
2033	1,539,433	7,777,048	505%
2034	1,445,750	8,307,160	575%
2035	1,352,638	8,811,878	651%
2036	1,260,600	9,275,279	736%
2037	1,170,124	9,663,343	826%
2038	1,081,681	9,946,199	920%
2039	995,412	10,142,503	1019%
2040	911,366	10,263,736	1126%
2041	830,040	10,287,908	1239%
2042	751,913	10,201,919	1357%
2043	677,413	10,008,464	1477%
2044	606,892	9,712,211	1600%
2045	540,662	9,337,481	1727%
2046	479,003	8,918,639	1862%
2047	422,116	8,471,687	2007%
2048	370,089	8,028,934	2169%
2049	322,887	7,556,604	2340%
2050	280,403	7,075,391	2523%
2051	242,481	6,607,754	2725%
2052	208,905	6,175,406	2956%
2053	179,388	5,802,963	3235%
2054	153,596	5,589,630	3639%
2055	131,185	5,371,983	4095%
2056	111,806	5,139,521	4597%
2057+	592,329	56,167,502	9482%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	36,138,979	14,672,781	41%	36,138,979	14,672,781	41%
Present Value of Future to 6/30/2018	17,685,360	130,874,898	740%	28,851,029	114,678,100	397%
Total Values	53,824,339	145,547,678	270%	64,990,008	129,350,881	199%
(Discounted at 4.5%)						

Minimum Lifetime Loss Ratio 60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies with Reimbursement Payment and Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	7,698	0	0	0	0%
2004	174,546	4,336	0	4,336	2%
2005	203,675	0	0	0	0%
2006	200,116	0	0	0	0%
2007	195,550	0	0	0	0%
2008	185,985	0	0	0	0%
2009	195,875	135,562	95,172	230,734	118%
2010	221,598	140,986	298,867	439,852	198%
2011	195,590	0	0	0	0%
2012	199,419	0	0	0	0%
2013	198,056	0	0	0	0%
2014	197,893	0	0	0	0%
2015	191,895	0	0	0	0%
2016	190,542	0	0	0	0%
2017	203,730	35,289	171,197	206,486	101%
2018*	101,881	0	140,314	140,314	138%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	92,013	70,982	77%
2019	182,027	161,293	89%
2020	178,415	187,656	105%
2021	175,013	219,115	125%
2022	171,450	255,515	149%
2023	167,708	297,308	177%
2024	163,786	345,543	211%
2025	159,700	401,384	251%
2026	155,401	462,395	298%
2027	150,867	529,708	351%
2028	146,089	604,682	414%
2029	141,057	687,326	487%
2030	135,768	774,333	570%
2031	130,222	867,230	666%
2032	124,429	964,880	775%
2033	118,404	1,065,232	900%
2034	112,195	1,169,750	1043%
2035	105,899	1,271,108	1200%
2036	99,552	1,365,920	1372%
2037	93,198	1,452,983	1559%
2038	86,879	1,525,664	1756%
2039	80,609	1,592,620	1976%
2040	74,398	1,646,291	2213%
2041	68,291	1,678,990	2459%
2042	62,326	1,697,020	2723%
2043	56,537	1,693,251	2995%
2044	50,962	1,679,058	3295%
2045	45,643	1,650,181	3615%
2046	40,617	1,607,506	3958%
2047	35,911	1,555,477	4331%
2048	31,541	1,497,777	4749%
2049	27,515	1,432,876	5208%
2050	23,844	1,352,876	5674%
2051	20,524	1,264,699	6162%
2052	17,550	1,173,709	6688%
2053	14,908	1,084,475	7274%
2054	12,581	1,033,317	8213%
2055	10,548	974,352	9238%
2056	8,783	908,375	10343%
2057+	35,083	6,053,863	17256%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	92,013	70,982	77%
2019	196,329	159,720	81%
2020	294,222	169,422	58%
2021	301,425	194,473	65%
2022	295,287	226,492	77%
2023	288,842	263,197	91%
2024	282,088	305,495	108%
2025	275,051	354,394	129%
2026	267,646	407,718	152%
2027	259,838	466,456	180%
2028	251,608	531,792	211%
2029	242,942	603,707	248%
2030	233,832	679,266	290%
2031	224,281	759,805	339%
2032	214,304	844,375	394%
2033	203,927	931,174	457%
2034	193,233	1,021,473	529%
2035	182,390	1,108,852	608%
2036	171,458	1,190,384	694%
2037	160,515	1,265,126	788%
2038	149,632	1,327,307	887%
2039	138,833	1,384,472	997%
2040	128,135	1,430,076	1116%
2041	117,617	1,457,466	1239%
2042	107,344	1,472,167	1371%
2043	97,374	1,468,000	1508%
2044	87,772	1,454,855	1658%
2045	78,611	1,429,057	1818%
2046	69,955	1,391,390	1989%
2047	61,850	1,345,737	2176%
2048	54,322	1,295,278	2384%
2049	47,389	1,238,660	2614%
2050	41,066	1,169,069	2847%
2051	35,349	1,092,488	3091%
2052	30,226	1,013,554	3353%
2053	25,677	936,206	3646%
2054	21,669	891,767	4115%
2055	18,166	840,633	4628%
2056	15,126	783,496	5180%
2057+	60,424	5,215,429	8631%

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	4,002,511	1,334,082	33%	4,002,511	1,334,082	33%
Present Value of Future to 6/30/2018	2,226,696	16,493,007	741%	3,645,206	14,394,517	395%
Total Values	6,229,207	17,827,089	286%	7,647,717	15,728,599	206%
(Discounted at 4.5%)						

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies with Cash Payment and Non-Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	2,561	0	0	0	0%
2004	23,846	0	0	0	0%
2005	23,767	0	0	0	0%
2006	23,432	0	0	0	0%
2007	24,246	0	0	0	0%
2008	24,246	0	0	0	0%
2009	22,989	0	0	0	0%
2010	27,558	9,064	0	9,064	33%
2011	26,329	0	0	0	0%
2012	25,851	0	0	0	0%
2013	25,347	0	0	0	0%
2014	25,865	0	0	0	0%
2015	24,680	0	0	0	0%
2016	24,335	0	0	0	0%
2017	53,360	181,624	452,831	634,455	1189%
2018*	4,694	0	0	0	0%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	4,468	25,733	576%
2019	8,772	55,202	629%
2020	8,542	58,657	687%
2021	8,298	59,977	723%
2022	8,038	61,296	763%
2023	7,761	62,698	808%
2024	7,467	64,297	861%
2025	7,157	66,195	925%
2026	6,825	66,559	975%
2027	6,472	67,808	1048%
2028	6,099	69,490	1139%
2029	5,706	71,716	1257%
2030	5,295	73,965	1397%
2031	4,870	74,670	1533%
2032	4,437	75,628	1705%
2033	3,999	76,429	1911%
2034	3,566	77,292	2168%
2035	3,145	77,548	2466%
2036	2,745	75,932	2766%
2037	2,375	74,444	3135%
2038	2,033	71,058	3495%
2039	1,721	67,551	3925%
2040	1,440	63,934	4441%
2041	1,192	60,132	5046%
2042	978	55,927	5719%
2043	795	48,460	6093%
2044	639	41,293	6461%
2045	506	34,661	6845%
2046	395	28,661	7255%
2047	303	23,362	7699%
2048	231	18,565	8048%
2049	173	14,406	8339%
2050	127	10,883	8597%
2051	90	7,962	8830%
2052	62	5,625	9034%
2053	42	3,792	9050%
2054	27	2,598	9512%
2055	17	1,735	9996%
2056	11	1,143	10602%
2057+	17	2,021	12050%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	4,468	25,733	576%
2019	8,772	55,202	629%
2020	8,542	58,657	687%
2021	8,298	59,977	723%
2022	8,038	61,296	763%
2023	7,761	62,698	808%
2024	7,467	64,297	861%
2025	7,157	66,195	925%
2026	6,825	66,559	975%
2027	6,472	67,808	1048%
2028	6,099	69,490	1139%
2029	5,706	71,716	1257%
2030	5,295	73,965	1397%
2031	4,870	74,670	1533%
2032	4,437	75,628	1705%
2033	3,999	76,429	1911%
2034	3,566	77,292	2168%
2035	3,145	77,548	2466%
2036	2,745	75,932	2766%
2037	2,375	74,444	3135%
2038	2,033	71,058	3495%
2039	1,721	67,551	3925%
2040	1,440	63,934	4441%
2041	1,192	60,132	5046%
2042	978	55,927	5719%
2043	795	48,460	6093%
2044	639	41,293	6461%
2045	506	34,661	6845%
2046	395	28,661	7255%
2047	303	23,362	7699%
2048	231	18,565	8048%
2049	173	14,406	8339%
2050	127	10,883	8597%
2051	90	7,962	8830%
2052	62	5,625	9034%
2053	42	3,792	9050%
2054	27	2,598	9512%
2055	17	1,735	9996%
2056	11	1,143	10602%
2057+	17	2,021	12050%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	528,503	675,895	128%	528,503	675,895	128%
Present Value of Future to 6/30/2018	88,184	1,066,482	1209%	88,184	1,066,482	1209%
Total Values	616,687	1,742,377	283%	616,687	1,742,377	283%
(Discounted at 4.5%)						

Minimum Lifetime Loss Ratio 60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies with Cash Payment and Non-Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	0	0	0	0	0%
2004	0	0	0	0	0%
2005	0	0	0	0	0%
2006	0	0	0	0	0%
2007	0	0	0	0	0%
2008	0	0	0	0	0%
2009	0	0	0	0	0%
2010	0	0	0	0	0%
2011	0	0	0	0	0%
2012	0	0	0	0	0%
2013	0	0	0	0	0%
2014	0	0	0	0	0%
2015	0	0	0	0	0%
2016	0	0	0	0	0%
2017	0	0	0	0	0%
2018*	0	0	0	0	0%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	0	0%
2019	0	0	0%
2020	0	0	0%
2021	0	0	0%
2022	0	0	0%
2023	0	0	0%
2024	0	0	0%
2025	0	0	0%
2026	0	0	0%
2027	0	0	0%
2028	0	0	0%
2029	0	0	0%
2030	0	0	0%
2031	0	0	0%
2032	0	0	0%
2033	0	0	0%
2034	0	0	0%
2035	0	0	0%
2036	0	0	0%
2037	0	0	0%
2038	0	0	0%
2039	0	0	0%
2040	0	0	0%
2041	0	0	0%
2042	0	0	0%
2043	0	0	0%
2044	0	0	0%
2045	0	0	0%
2046	0	0	0%
2047	0	0	0%
2048	0	0	0%
2049	0	0	0%
2050	0	0	0%
2051	0	0	0%
2052	0	0	0%
2053	0	0	0%
2054	0	0	0%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	0	0	0%
2019	0	0	0%
2020	0	0	0%
2021	0	0	0%
2022	0	0	0%
2023	0	0	0%
2024	0	0	0%
2025	0	0	0%
2026	0	0	0%
2027	0	0	0%
2028	0	0	0%
2029	0	0	0%
2030	0	0	0%
2031	0	0	0%
2032	0	0	0%
2033	0	0	0%
2034	0	0	0%
2035	0	0	0%
2036	0	0	0%
2037	0	0	0%
2038	0	0	0%
2039	0	0	0%
2040	0	0	0%
2041	0	0	0%
2042	0	0	0%
2043	0	0	0%
2044	0	0	0%
2045	0	0	0%
2046	0	0	0%
2047	0	0	0%
2048	0	0	0%
2049	0	0	0%
2050	0	0	0%
2051	0	0	0%
2052	0	0	0%
2053	0	0	0%
2054	0	0	0%
2055	0	0	0%
2056	0	0	0%
2057+	0	0	0%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	0	0	0%	0	0	0%
Present Value of Future to 6/30/2018	0	0	0%	0	0	0%
Total Values	0	0	0%	0	0	0%
(Discounted at 4.5%)						

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience - Policies with Reimbursement Payment and Non-Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	226,439	0	0	0	0%
2004	2,399,200	12,596	0	12,596	1%
2005	2,625,190	4,606	0	4,606	0%
2006	2,564,560	189,266	0	189,266	7%
2007	2,484,481	23,166	0	23,166	1%
2008	2,415,913	1,656	0	1,656	0%
2009	2,378,650	820,978	11,947	832,925	35%
2010	2,565,145	437,081	0	437,081	17%
2011	2,568,438	265,974	0	265,974	10%
2012	2,653,888	1,066,344	120,674	1,187,018	45%
2013	2,482,043	493,602	113,008	606,610	24%
2014	2,351,087	978,129	104,399	1,082,527	46%
2015	2,261,985	351,415	365,785	717,200	32%
2016	2,195,488	246,286	629,001	875,287	40%
2017	2,110,154	326,261	1,460,334	1,786,595	85%
2018*	995,627	18,987	1,076,635	1,095,621	110%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	893,793	842,875	94%
2019	1,739,932	1,857,717	107%
2020	1,670,795	2,075,122	124%
2021	1,600,836	2,314,641	145%
2022	1,529,283	2,570,913	168%
2023	1,456,360	2,834,691	195%
2024	1,382,653	3,113,142	225%
2025	1,308,564	3,412,692	261%
2026	1,234,050	3,718,986	301%
2027	1,159,424	4,034,106	348%
2028	1,084,943	4,355,208	401%
2029	1,011,032	4,682,175	463%
2030	937,887	4,993,824	532%
2031	865,950	5,293,204	611%
2032	795,531	5,574,662	701%
2033	726,843	5,818,068	800%
2034	660,519	6,026,644	912%
2035	597,156	6,187,717	1036%
2036	537,102	6,295,849	1172%
2037	480,533	6,356,988	1323%
2038	427,555	6,344,808	1484%
2039	378,122	6,264,583	1657%
2040	331,913	6,112,332	1842%
2041	289,139	5,891,084	2037%
2042	249,916	5,618,544	2248%
2043	214,338	5,304,498	2475%
2044	182,426	4,961,448	2720%
2045	153,906	4,587,747	2981%
2046	128,736	4,192,049	3256%
2047	106,777	3,793,996	3553%
2048	87,879	3,398,125	3867%
2049	71,811	3,013,742	4197%
2050	58,176	2,655,708	4565%
2051	46,762	2,325,148	4972%
2052	37,311	2,019,490	5413%
2053	29,585	1,745,627	5900%
2054	23,375	1,534,643	6565%
2055	18,413	1,347,851	7320%
2056	14,456	1,176,490	8139%
2057+	49,562	6,660,347	13438%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	893,793	842,875	94%
2019	1,844,932	1,839,613	100%
2020	2,498,330	1,872,264	75%
2021	2,482,088	2,051,243	83%
2022	2,371,146	2,273,947	96%
2023	2,258,079	2,502,512	111%
2024	2,143,796	2,743,192	128%
2025	2,028,922	3,001,755	148%
2026	1,913,389	3,265,709	171%
2027	1,797,682	3,537,006	197%
2028	1,682,199	3,813,066	227%
2029	1,567,600	4,093,827	261%
2030	1,454,189	4,360,878	300%
2031	1,342,651	4,616,991	344%
2032	1,233,466	4,857,468	394%
2033	1,126,966	5,064,665	449%
2034	1,024,131	5,241,439	512%
2035	925,888	5,376,907	581%
2036	832,774	5,466,519	656%
2037	745,064	5,515,738	740%
2038	662,921	5,501,565	830%
2039	586,276	5,428,662	926%
2040	514,629	5,293,649	1029%
2041	448,309	5,099,276	1137%
2042	387,494	4,861,015	1254%
2043	332,329	4,587,206	1380%
2044	282,851	4,288,666	1516%
2045	238,631	3,963,963	1661%
2046	199,604	3,620,618	1814%
2047	165,557	3,275,643	1979%
2048	136,255	2,932,873	2152%
2049	111,342	2,600,294	2335%
2050	90,202	2,290,683	2540%
2051	72,504	2,004,990	2765%
2052	57,851	1,740,984	3009%
2053	45,871	1,504,541	3280%
2054	36,243	1,322,385	3649%
2055	28,549	1,161,169	4067%
2056	22,414	1,013,330	4521%
2057+	76,846	5,731,712	7459%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	49,888,248	10,955,665	22%	49,888,248	10,955,665	22%
Present Value of Future to 6/30/2018	16,822,642	74,372,828	442%	24,696,223	65,177,421	264%
Total Values	66,710,889	85,328,493	128%	74,584,470	76,133,087	102%
(Discounted at 4.5%)						

Minimum Lifetime Loss Ratio 60%

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Virginia Experience - Policies with Reimbursement Payment and Non-Lifetime Benefits Issued After 10/1/2003
Virginia Premium Rate Basis
ILTC1

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2003	6,215	0	0	0	0%
2004	146,541	0	0	0	0%
2005	176,157	0	0	0	0%
2006	172,479	0	0	0	0%
2007	163,842	0	0	0	0%
2008	158,134	1,656	0	1,656	1%
2009	154,627	0	0	0	0%
2010	158,626	0	0	0	0%
2011	162,914	0	0	0	0%
2012	163,911	0	0	0	0%
2013	183,202	233,259	113,008	346,267	189%
2014	158,381	0	0	0	0%
2015	155,904	0	0	0	0%
2016	154,269	0	0	0	0%
2017	152,436	0	0	0	0%
2018*	74,833	0	0	0	0%

Projection without Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	74,611	62,761	84%
2019	146,207	142,584	98%
2020	141,628	163,771	116%
2021	136,976	187,257	137%
2022	132,136	212,724	161%
2023	127,102	239,850	189%
2024	121,908	269,212	221%
2025	116,596	301,526	259%
2026	111,141	334,921	301%
2027	105,552	369,071	350%
2028	99,826	404,571	405%
2029	93,991	441,964	470%
2030	88,071	478,380	543%
2031	82,098	514,118	626%
2032	76,098	548,235	720%
2033	70,103	579,740	827%
2034	64,183	607,456	946%
2035	58,409	629,031	1077%
2036	52,824	645,835	1223%
2037	47,461	655,145	1380%
2038	42,357	655,554	1548%
2039	37,537	646,688	1723%
2040	32,972	626,527	1900%
2041	28,696	601,409	2096%
2042	24,737	567,197	2293%
2043	21,125	525,307	2487%
2044	17,874	479,267	2681%
2045	14,954	429,163	2870%
2046	12,383	380,378	3072%
2047	10,151	332,463	3275%
2048	8,250	286,097	3468%
2049	6,659	243,097	3651%
2050	5,331	204,991	3846%
2051	4,242	172,543	4067%
2052	3,364	145,582	4328%
2053	2,666	123,926	4649%
2054	2,120	110,116	5193%
2055	1,698	99,222	5843%
2056	1,370	89,998	6567%
2057+	5,895	689,560	11697%

Projection with Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2018**	74,611	62,761	84%
2019	155,030	141,118	91%
2020	211,776	147,106	69%
2021	212,381	165,214	78%
2022	204,876	187,423	91%
2023	197,071	211,024	107%
2024	189,018	236,538	125%
2025	180,781	264,587	146%
2026	172,323	293,526	170%
2027	163,657	323,069	197%
2028	154,779	353,733	229%
2029	145,732	386,010	265%
2030	136,554	417,400	306%
2031	127,292	448,161	352%
2032	117,990	477,488	405%
2033	108,694	504,515	464%
2034	99,516	528,215	531%
2035	90,564	546,564	604%
2036	81,904	560,758	685%
2037	73,588	568,471	773%
2038	65,675	568,481	866%
2039	58,200	560,468	963%
2040	51,123	542,697	1062%
2041	44,493	520,670	1170%
2042	38,354	490,824	1280%
2043	32,755	454,372	1387%
2044	27,714	414,376	1495%
2045	23,186	370,906	1600%
2046	19,199	328,615	1712%
2047	15,739	287,120	1824%
2048	12,791	246,995	1931%
2049	10,325	209,806	2032%
2050	8,265	176,863	2140%
2051	6,578	148,823	2263%
2052	5,216	125,535	2407%
2053	4,133	106,834	2585%
2054	3,288	94,905	2887%
2055	2,633	85,495	3247%
2056	2,125	77,530	3649%
2057+	9,141	593,521	6493%

* Historical 2018 Experience - 1/1/2018 through 6/30/2018
** Projected 2018 Experience - 7/1/2018 through 12/31/2018

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2018	3,288,614	434,082	13%	3,288,614	434,082	13%
Present Value of Future to 6/30/2018	1,503,507	6,962,325	463%	2,214,820	6,088,445	275%
Total Values	4,792,121	7,396,407	154%	5,503,434	6,522,527	119%
(Discounted at 4.5%)						

Keith Burns, ASA, MAAA
Vice President and Actuary
Financial Management

The Prudential Insurance Company of America
Long Term Care Unit
751 Broad Street, 11th Floor
Newark, NJ 07102
Tel 402 715-4861
keith.burns@prudential.com

Date: June 20, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated May 21, 2019
ILTC1-PostRS Re-Rate

Dear Mr. Toone,

This is in response to your questions on May 21, 2019.

1. The experience projections submitted with the objection responses dated May 10, 2019, are inconsistent with our expectations relative to the experience projections submitted with the objection responses dated February 2, 2017. In particular, the historical experience for the initial years has changed (e.g., the aggregate earned premium amounts are not the same and aggregate paid claims do not match where no claim reserve was previously noted) and the relativity of the present value of future claims with the rate increase and the present value of future claims without the rate increase has changed materially. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum. Please explain why the historical experience does not align where we would reasonably expect it to. If necessary, please revise the experience projections.

I understand the historical experience has changed. Prudential invested a significant amount of time and resources to clean up our data as it pertains to our experience and projections. We have much more confidence in the numbers that we are now reflecting. We anticipate the shift in the historical experience is a one time change.

The change in the future claims is a result of a refinement to the projections. Prudential recently added benefit reductions due to rate increases to the future projections. Previously only shock lapse rates due to rate increases were reflected.

2. Please demonstrate that 14VAC5-200-153C2 is satisfied independently for each policyholder cohort for which the proposed rate increase varies (e.g., limited benefit periods).

The attached exhibit shows experience and projections by the proposed rate increase varies.

3. The objection responses dated May 10, 2019, indicate future rate increases are anticipated. Please state the Company's intent with respect to future rate increases for this policy form, including the criteria that may be used to determine as to when another rate increase may be filed and the timing of the next rate increase.

Keith Burns, ASA, MAAA
Vice President and Actuary
Financial Management

The Prudential Insurance Company of America
Long Term Care Unit
751 Broad Street, 11th Floor
Newark, NJ 07102
Tel 402 715-4861
keith.burns@prudential.com

We are not requesting a larger increase at this time as we prefer to bring this filing to closure. Once we have additional experience we will consider filing for the additional amounts

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Keith Burns, Vice President & Actuary

Digitally signed by Keith Burns, Vice President & Actuary
DN: cn=Keith Burns, Vice President & Actuary, o=The Prudential Insurance Company of America, ou=LTC, email=keith.burns@prudential.com, c=US
Date: 2019.06.20 17:48:01 -04'00'

Keith Burns. ASA, MAAA
Vice President and Actuary

Ritu Jain, ASA, MAAA
Prudential Long Term Care
751 Broad St, 11th Floor
Newark, NJ 07102
Tel: (973) 548-6459
ritu.jain@prudential.com

Date: August 19, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated July 8th, 2019
ILTC1-Post Re-Rate

Dear Mr. Toone,

This is in response to your questions on July 8th, 2019.

1. In the objection responses dated June 20, 2019, the Company stated that the experience projections were updated to reflect the impact of benefit reductions due to the requested rate increase. Please state the assumed proportion of policyholders expected to reduce benefits and the average premium offset that benefit reductions are expected to have for policyholders reducing benefits, as well as the average premium offset that benefit reductions are expected to have across all policyholders. Please provide quantitative support for the assumptions underlying the experience projections.

The experience projections dated May 10, 2019 were updated to reflect the 2018 best estimate assumptions. The rates vary by product (ILTC and GLTC) and requested rate increase amounts. The projections include an annualized shock lapse rate of 14.1% assumed over the expected implementation period. The total rate includes a 9.5% shock lapse reduced to 8.55% due to the CNFO benefit, and adjusted to 14.1% to account for people electing benefit reductions. This lapse rate represents the estimated impact of policyholders lapsing their policy due to the rate increase but maintaining a nonforfeiture benefit as well as policyholders electing benefit reductions. The benefit reduction portion of the assumption is used to project the reduction in claim costs and premium associated with these polices after they take a benefit reduction at the time of a rate increase. Shock Lapses and benefit reductions are tied to rate increases and as such, the timing of shock lapses coincides with when a policyholder elects to reduce their benefits.

2. The projected incurred claims underlying the experience projections submitted with the objection responses dated May 10, 2019 are significantly higher relative to the experience projections submitted with the objection responses dated February 2, 2017. For example, for calendar year 2025, the May 10, 2019 exhibit shows projected incurred claims of approximately $7.6 million without the rate increase, whereas the February 2, 2017 exhibit shows projected incurred claims of approximately $5.7 million. This difference produces significantly higher loss ratios by calendar year than previously projected. Please confirm that the assumptions used to project the future experience are consistent with the assumptions described in the actuarial memorandum unless previously noted (i.e., incorporating benefit reductions into the projections). If not, please explain all assumptions that were revised and provide quantitative support for the assumptions that were revised. If the assumptions are consistent with those described in the actuarial memorandum, please explain why the projected incurred claims have increased significantly. If necessary, please revise the experience projections.

The assumptions used to project the future experience in the May 10, 2019 exhibit are no longer consistent with the assumptions described in the actuarial memorandum in 2015. The memo used the Best Estimate

Ritu Jain, ASA, MAAA
Prudential Long Term Care
751 Broad St, 11th Floor
Newark, NJ 07102
Tel: (973) 548-6459
ritu.jain@prudential.com

assumptions as of June 30, 2015. However, we have since updated our assumptions to reflect experience through June 30, 2018. Due to these updates, the projected incurred claims have increased.

The updated actuarial assumptions used to project the future premiums and claims are described below. The attached Appendix C describes the development of the best estimate morbidity, mortality and voluntary lapse assumptions and contains three exhibits that show actual to expected experience. The expected values in these exhibits reflect Prudential's current assumptions at this time. The assumptions are Prudential's 2018 best estimate expectations of future experience, and do not include any provisions for adverse experience.

Morbidity

The best estimate morbidity assumptions were developed based on a combination of Prudential's historical claim experience, the Milliman 2014 Long Term Care Guidelines (Guidelines) and judgment. The Guidelines reflect over 29 million life years of exposure and $25 billion of incurred claims and the experience and judgment of Milliman actuaries. The policy design and coverages and the underwriting applied at the time of issue were all considered when setting the claim cost assumptions. The claim cost assumptions reflect Prudential's 2018 best estimate of future morbidity. The best estimate assumptions do not include an assumption for morbidity improvement. The assumptions do not include any adverse selection from the rate increase or loads for moderately adverse experience.

Mortality

The mortality assumptions were developed from a mortality study conducted on Prudential's experience and judgment. The 2018 best estimate mortality assumption is the 2012 IAM Basic Table on an Age Last Birthday basis with mortality selection factors and mortality improvement. The mortality selection factors vary by issue age and duration. The factors are generally below 1 in the early durations and grade to 1.05 in the ultimate (dur 30+) period. Future mortality improvement of 1% per year for 20 years (2018 through 2038) is assumed. We assumed all remaining policies would terminate at attained age 120. The assumptions do not include any loads for moderately adverse experience.

Lapses

The voluntary lapse assumptions were developed from a policy persistency study conducted on Prudential's long-term care policy experience. The voluntary lapse assumptions are our expectations for policy terminations, by duration, for reasons other than death, benefit exhaustion or benefit buy-downs. The lapse assumptions represent the 2018 best estimate expectations of future experience and do not include any provisions for adverse experience. At time of premium rate increase notification, policyholders may elect a nonforfeiture benefit or an optional benefit reduction and the impact of these policyholder elections is modelled in our projections. Voluntary lapse rates for the Lifetime Premium Pay polices are shown below.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
751 Broad St, 11th Floor
Newark, NJ 07102
Tel: (973) 548-6459
ritu.jain@prudential.com

Voluntary Lapse Rates – Lifetime Pay								
Duration	Cash				Reimbursement			
	Inflation		No Inflation		Inflation		No Inflation	
	Single	Married	Single	Married	Single	Married	Single	Married
1	5.45%	2.85%	7.15%	3.85%	8.35%	4.35%	11.00%	5.90%
2	3.70%	2.05%	4.30%	2.75%	6.20%	3.15%	6.65%	4.20%
3	1.10%	6.30%	2.10%	5.80%	6.20%	1.70%	2.40%	4.10%
4	1.10%	6.30%	2.10%	5.80%	1.50%	1.70%	2.40%	4.10%
5	1.10%	6.30%	2.10%	5.80%	1.50%	1.70%	2.40%	2.30%
6	1.10%	2.40%	2.10%	2.50%	1.50%	1.70%	2.40%	2.30%
7	1.10%	2.40%	2.10%	2.50%	1.50%	1.00%	2.40%	2.00%
8	1.10%	2.40%	2.10%	2.50%	1.50%	1.00%	2.40%	2.00%
9	1.10%	2.40%	2.10%	2.50%	1.50%	1.00%	2.40%	1.30%
10	1.10%	1.30%	2.10%	2.10%	1.50%	0.76%	2.40%	1.30%
11	1.10%	1.30%	2.10%	2.10%	1.50%	0.76%	2.40%	1.30%
12	1.10%	1.30%	2.10%	2.10%	1.50%	0.76%	2.40%	1.30%
13	1.10%	1.10%	2.10%	2.01%	1.50%	0.76%	2.40%	1.30%
14	1.10%	0.60%	2.10%	1.75%	1.50%	0.76%	2.40%	1.30%
15-20	1.10%	0.60%	2.10%	1.75%	1.50%	0.50%	2.40%	1.30%
21+	1.10%	0.50%	2.10%	1.50%	1.25%	0.50%	2.40%	1.30%

NOTE: No inflation includes plans without inflation and GPO.

Voluntary Lapse Rates – Limited Pay			
Duration	10 Pay	Premium Reduction at Age 65	Paid Up at Age 65
1	3.50%	4.50%	5.00%
2	2.50%	3.50%	4.50%
3	1.50%	3.00%	3.50%
4	1.00%	2.50%	2.50%
5	0.50%	2.00%	2.00%
6	0.50%	2.00%	2.00%
7	0.50%	1.50%	1.50%
8	0.50%	1.50%	1.50%
9	0.00%	1.50%	1.50%
10-20	0.00%	1.50%	1.25%
21+	0.00%	1.25%*	1.00%**

*Starting at age 55, grade into 0.5% ultimate lapse rate by attained age 65.
**Starting at age 55, grade into 0.0% ultimate lapse rate by attained age 65.

Ritu Jain, ASA, MAAA
Prudential Long Term Care
751 Broad St, 11th Floor
Newark, NJ 07102
Tel: (973) 548-6459
ritu.jain@prudential.com

3. Please provide an exhibit similar to Appendix B summarizing the projected experience using the assumptions associated with the most recently approved rate filing so that we may understand how the projected premium and claims differ as a result of changes in the underlying assumptions. Please provide this information separately for each policyholder cohort for which the proposed rate increase varies (e.g., a limited benefit period and reimbursement benefits). Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated May 10, 2019.

Please see the attached file called "ILTC1 Post-RS Prior Rate Appendix (Nov 2009).xlsx" for the projected experience submitted with the most recently approved rate filing. Note that at the time of this prior filing, we did not separate ILTC1 by Post-RS and Pre-RS policies. It would be difficult to recreate and split these old appendices by policyholder cohort as requested.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Ritu Jain, ASA, MAAA,
Director and Actuary

Digitally signed by Ritu Jain, ASA, MAAA, Director and Actuary
DN: cn=Ritu Jain, ASA, MAAA, Director and Actuary, o=The Prudential Insurance Company of America, ou=LTC Actuarial Unit, email=ritu.jain@prudential.com, c=US
Date: 2019.08.22 14:05:35 -04'00'

Ritu Jain, ASA, MAAA
Director, Actuary
Prudential Long Term Care

Meong Kwak
Associate Actuary
Prudential Long Term Care
2101 Welsh Rd.
Dresher, PA 19125
Tel: (215)784-2959
meong.kwak@prudential.com

Date: September 27th, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated September 5th, 2019
ILTC-1 Post-RS Re-Rate

Dear Mr. Toone,

This is in response to your questions on September 5th, 2019.

1. Please revise Appendix C to only include the experience of the policy forms associated with this filing so we may evaluate the appropriateness of the assumptions relative to the experience associated with this filing. Additionally, please revise Appendix C to include an actual-to-expected comparison by policy duration for the mortality assumptions.

Please see tabs Q1a-Q1c in the attached file "VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx." The Company combines the experience for all individual products when setting the assumptions in order to create a more credible data set, since while the nationwide claims data just for ILTC1 may not be deemed sufficiently credible, the underlying data supporting the new assumptions would. In the process of developing assumptions, specific product differences, if applicable, are reviewed and assumptions are adjusted so that the assumptions are appropriate for each product.

2. Please provide quantitative support for the shock lapse and benefit buydown assumptions underlying the most recent experience projections.

The shock lapse assumption reflects the estimated impact of policyholders electing reduced benefits or a paid-up nonforfeiture benefit at time of premium rate increase notification. The shock lapse was derived from observed lapses from historical seriatim data in which the exact rate increase percentages was identified. The shock lapse rates were partitioned and studied separately within each rate increase band using historical lapse data. Please see tab Q2 in the attached file "VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx" for quantitative support.

3. Please provide the maximum justifiable rate increase for each policyholder cohort for which the proposed rate increase varies (e.g., policies with a limited benefit period and reimbursement benefits) under the prospective present value method. Please ensure waiver of premium benefits, inclusion of margin for adverse deviation, etc., are presented in a manner that is consistent with how they were presented in Appendix B from the objection responses dated June 20, 2019. Additionally, please provide sufficient quantitative support so that we are able to assess the reasonableness of the calculation.

Meong Kwak
Associate Actuary
Prudential Long Term Care
2101 Welsh Rd.
Dresher, PA 19125
Tel: (215)784-2959
meong.kwak@prudential.com

The maximum justifiable rate increase for each policyholder cohort for which the proposed rate increase varies under the prospective present value method can be found in the table below using the 2018 best estimate assumptions. Please see tabs Q3a-Q3b in the attached file "VA ILTC1 PostRS 2019.09.05 Objection Attachments.xlsx" for quantitative support.

Benefit Cohort	Prospective Method Requested Rate Increase
Reimbursement | Limited	265.2%
Reimbursement | Unlimited	661.3%

As previously noted in the response to the objection letter dated February 25th, 2019, the requested rate increases have not been adjusted to reflect the 2018 best estimate assumptions and do not take into account the maximum justifiable rate increase.

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Meong Kwak,
Associate Actuary

Digitally signed by Meong Kwak, Associate Actuary
DN: cn=Meong Kwak, Associate Actuary, o=The Prudential Insurance Company of America, ou=Long Term Care/Actuarial, email=meong.kwak@prudential.com, c=US
Date: 2019.09.27 14:22:14 -04'00'

Meong Kwak
Associate Actuary
Prudential Long Term Care

Meong Kwak
Associate Actuary
Prudential Long Term Care
2101 Welsh Rd.
Dresher, PA 19125
Tel: (215)784-2959
meong.kwak@prudential.com

Date: October 31, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated October 15, 2019
ILTC-1 PostRS Re-Rate

Dear Mr. Toone,

This is in response to your questions on October 15, 2019.

1. **Please explain why the future cash flows under the "original pricing" do not appear to align with the projected experience for 2019 and beyond for the experience projections provided in response to objection 3 from the objection responses dated August 16, 2019. While we would expect there to be differences with how the experience has evolved, the future cash flows under the "original pricing" show the block of business is projected to contract more quickly than the November 2009 projection. If necessary, please revise the demonstration of the prospective present value calculation so that the projected experience is based on all November 2009 assumptions.**

   Please see attached file "VA ILTC1 PostRS 2019.10.15 Objection Attachments.xlsx" for a version of the prospective method with the projections from the November 2009 projections. The prior filing projections are from the previously approved filing in November 2009. Prudential does not currently have the capability to project the current inforce policies using the November 2009 assumptions.

2. **Please confirm the projected future cash flows under the "original pricing" are based on the insured population as of June 30, 2018.**

   The projected future cash flows under the prior approved filing are based on the insured population in the approved filing in November 2009. However, we have applied a true up factor to the prior approved projections.

3. **Please confirm no shock lapses, benefit buydowns, or adverse selection as a result of the rate increase were reflected in either set of future cash flows. If necessary, please revise the cash flows to exclude the impact of these items.**

   There were no shock lapses, benefit buydowns, or adverse selection as a result of the rate increase reflected in either set of future cash flows.

Meong Kwak
Associate Actuary
Prudential Long Term Care
2101 Welsh Rd.
Dresher, PA 19125
Tel: (215)784-2959
meong.kwak@prudential.com

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Meong Kwak,
Associate Actuary

Digitally signed by Meong Kwak,
Associate Actuary
Date: 2019.10.31 16:04:22 -04'00'

Meong Kwak
Associate Actuary
Prudential Long Term Care

Hina Ahmad
Prudential Long Term Care
715 Broad St.
Newark, NJ 07102
Tel (973) 367-4006
hina.ahmad@prudential.com

Date: November 25, 2019

To: Bobby Toone
Virginia Department of Insurance

Re: SERFF Tracking Number: PRUD-130606748
Objection Letter Dated November 20th, 2019
ILTC-1 PostRS Re-Rate

Dear Mr. Toone,

This is in response to your questions on November 20th, 2019.

1. **Per our phone conversation on 11/20/2019, please provide the current national cumulative average increase, and what that average would be if all outstanding rate increase requests were approved for the full amount.**

   The current national cumulative average increase is 95%. Please note that in 2019 Prudential started a new round of rate increases. If all outstanding rate increase requests were approved for the full amount the cumulative average increase would increase to 224%

I hope the Department finds the responses to satisfaction and the Company appreciates your time and consideration. If there are any additional questions, please feel free to contact me.

Sincerely,

Hina Ahmad, Actuarial Manager

Digitally signed by Hina Ahmad, Actuarial Manager
Date: 2019.11.26 13:57:40 -05'00'

Hina Ahmad
Manager, Actuarial
Prudential Long Term Care