Filing at a Glance

Company:	Ability Insurance Company
Product Name:	3358 et al
State:	Virginia
TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care
Sub-TOI:	LTC05I.001 Qualified
Filing Type:	Rate
Date Submitted:	08/08/2017
SERFF Tr Num:	TRIP-131145217
SERFF Status:	Closed-Approved and Filed
State Tr Num:	TRIP-131145217
State Status:	Approved & Filed
Co Tr Num:	2017 LTC RATE INCREASE - ABILITY
Implementation Date Requested:	On Approval
Author(s):	Beverly Toomey, Dave Krydynski
Reviewer(s):	Bobby Toone (primary)
Disposition Date:	09/11/2020
Disposition Status:	Approved and Filed
Implementation Date:	

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

General Information

Project Name:
Project Number:
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact: 45.32%

Deemer Date: 10/04/2020
Submitted By: Beverly Toomey

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Individual Market Type:
Filing Status Changed: 09/11/2020
State Status Changed: 09/11/2020
Created By: Beverly Toomey
Corresponding Filing Tracking Number:
State TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care

Filing Description:

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

RE: Long Term Care Insurance
Individual Policy Form Series: 3358, LT692, LT694

We are filing revised premium rates for your consideration and approval on the above captioned policy forms on file with your department. This request is being filed nationwide. We had previously filed revised rates on this group of forms in 2013. Actual (2013-2016) and projected (2017+) experience is worse than what was projected in that filing. We are not attempting to recoup any past losses; this rate increase is solely intended to get experience back in line with what was projected in our 2013 rate increase filing for years 2017 and forward.

Based on the experience development since 2013, we have made several updates to the assumptions used in projecting future experience for this block. All assumptions are outlined in section 7 of the Actuarial Memorandum. The Company engaged Milliman, Inc. to perform a review of these assumptions, the resulting projections and the proposed premium rate increase. A letter from Milliman attesting to their review and their opinion that the proposed increase is justified based on the underlying projection has been included in the filing materials.

We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce. The increase will be larger for policies at younger issue ages and for policies with an inflation protection benefit. Non-inflation policies on form LT201 issued at ages 69 and older, and non-inflation policies on all other forms issued at ages 65 and older will not receive an increase. An exhibit detailing the increase by issue age, inflation option and policy form is included at the end of the memo as Appendix A.

The larger requested increase on policies with younger issue ages and inflation protection is due to the greater impact of the assumption changes on these rates. In addition, current premium rates for inflation policies and younger issue age plans are significantly lower than rates for policies available in the marketplace today. The proposed increase will bring the rates on policies issued at younger issue ages, and the differential between inflation and non-inflation inforce policies, closer to the levels and relationships of currently sold policies.

Policyholders will be provided opportunities to mitigate the effects of the increase, including options to reduce benefits and lower premium. We will also provide a contingent non-forfeiture benefit to all policyholders regardless of whether or not their policy covers this benefit upon lapse.

We respectfully request your approval of this filing. If you have any questions or would like to discuss this filing, please feel free to contact us via SERFF, email TMoltumyr@tri-plus.net or phone (224) 217-9037.

Company and Contact

Filing Contact Information

Beverly Toomey, Actuarial Analyst
2800 South River Road
Suite 440
Des Plaines, IL 60018

BToomey@TriPlusServices.com
224-217-9038 [Phone]

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Filing Company Information

(This filing was made by a third party - triplus)

Ability Insurance Company	CoCode: 71471	State of Domicile: Nebraska
222 South 15th St	Group Code:	Company Type: Life and Health
Suite 1202S	Group Name:	
Omaha, NE 68102	FEIN Number: 47-0520541	State ID Number: 71471
(610) 737-8537 ext. [Phone]		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved and Filed	Bobby Toone	09/11/2020	09/11/2020

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Bobby Toone	09/03/2020	09/03/2020
Info has been requested from company	Bobby Toone	06/23/2020	06/23/2020
Info has been requested from company	Bobby Toone	01/21/2020	01/21/2020
Info has been requested from company	Bobby Toone	12/30/2019	12/30/2019
Info has been requested from company	Bobby Toone	11/25/2019	11/25/2019
Info has been requested from company	Bobby Toone	10/24/2019	10/24/2019
Info has been requested from company	Bobby Toone	05/21/2019	05/21/2019
Info has been requested from company	Bobby Toone	04/09/2019	04/09/2019
Info has been requested from company	Bobby Toone	04/09/2019	04/09/2019
Info has been requested from company	Bobby Toone	03/06/2019	03/06/2019

Response Letters

Responded By	Created On	Date Submitted
Beverly Toomey	09/03/2020	09/04/2020
Dave Krydynski	07/23/2020	07/23/2020
Beverly Toomey	01/21/2020	01/21/2020
Beverly Toomey	12/30/2019	12/30/2019
Beverly Toomey	11/26/2019	11/26/2019
Beverly Toomey	10/25/2019	10/25/2019
Beverly Toomey	05/24/2019	05/24/2019
Beverly Toomey	04/17/2019	04/17/2019
Beverly Toomey	04/17/2019	04/17/2019
Beverly Toomey	03/07/2019	03/07/2019

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letters and Response Letters

Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Bobby Toone	01/17/2019	01/17/2019
Info has been requested from company	Bobby Toone	07/16/2018	07/16/2018
Info has been requested from company	Janet Houser	12/18/2017	12/18/2017
Info has been requested from company	Janet Houser	11/06/2017	11/06/2017
Info has been requested from company	Bobby Toone	11/01/2017	11/01/2017
Info has been requested from company	Bobby Toone	08/28/2017	08/30/2017

Response Letters

Responded By	Created On	Date Submitted
Beverly Toomey	01/21/2019	01/21/2019
Beverly Toomey	07/18/2018	07/18/2018
Beverly Toomey	03/01/2018	03/01/2018
Dave Krydynski	12/01/2017	12/01/2017
Dave Krydynski	12/01/2017	12/01/2017
Dave Krydynski	10/05/2017	10/05/2017

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Rate	VA 2017 Rates - MP-LT692	Beverly Toomey	10/24/2019	10/24/2019
Rate	VA 2017 Rates - MP-LT694/ML-LT694	Beverly Toomey	10/24/2019	10/24/2019
Supporting Document	L&H Actuarial Memorandum	Beverly Toomey	10/24/2019	10/24/2019
Supporting Document	Response to October 2019 Phone Calls	Beverly Toomey	10/24/2019	10/24/2019

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Status Update Request	Note To Reviewer	Beverly Toomey	06/17/2020	06/17/2020
Status Update Request	Note To Reviewer	Beverly Toomey	10/09/2019	10/09/2019
LTC Annual Report	Note To Filer	Bobby Toone	06/06/2018	06/06/2018
LTC Annual Rate Report	Note To Reviewer	Beverly Toomey	06/06/2018	06/06/2018

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Extension Request	Note To Filer	Bobby Toone	09/05/2017	09/05/2017
Extension Request	Note To Reviewer	Beverly Toomey	09/05/2017	09/05/2017
Long Term Care Rate Request Summary	Note To Filer	Bobby Toone	08/30/2017	08/30/2017
Actuarial Summary and Opinion Report	Reviewer Note	Bobby Toone	09/03/2020	
RRS	Reviewer Note	Bobby Toone	04/23/2018	

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Disposition

Disposition Date: 09/11/2020
Implementation Date:
Status: Approved and Filed

Comment:

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Ability Insurance Company	22.500%	22.500%	$77,866	118	$346,302	50.000%	0.000%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Certification of Compliance	Received & Acknowledged	Yes
Supporting Document	Certification of Compliance	Withdrawn	No
Supporting Document	Product Checklist	Received & Acknowledged	Yes
Supporting Document (revised)	L&H Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document (revised)	Long Term Care Insurance Rate Request Summary	Received & Acknowledged	Yes
Supporting Document	Experience Exhibits 2017	Received & Acknowledged	Yes
Supporting Document	Milliman Assumption Involvement Letter	Received & Acknowledged	Yes
Supporting Document	Third Party Authorization Letter	Received & Acknowledged	Yes
Supporting Document	Objection Response 10-5-2017	Received & Acknowledged	Yes
Supporting Document	Objection Response 12-1-2017	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	Objection Response 03-01-2018	Received & Acknowledged	Yes
Supporting Document	Objection Response 07-18-2018	Received & Acknowledged	Yes
Supporting Document	Objection Response 01-21-2019	Received & Acknowledged	Yes
Supporting Document	Objection Response 03-07-2019	Received & Acknowledged	Yes

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Objection Response 04-17-2019 - Response to 4-9-2019 1st Objection	Received & Acknowledged	Yes
Supporting Document	Sample Rate Increase Letter	Received & Acknowledged	Yes
Supporting Document	Objection Response 04-17-2019 - Response to 4-9-2019 2nd Objection	Received & Acknowledged	Yes
Supporting Document	Objection Response 05-24-2019	Received & Acknowledged	Yes
Supporting Document	Response to October 2019 Phone Calls	Received & Acknowledged	Yes
Supporting Document	Objection Response 10-25-2019	Received & Acknowledged	Yes
Supporting Document	Objection Response 11-26-2019	Received & Acknowledged	Yes
Supporting Document	Objection Response 12-30-2019	Received & Acknowledged	Yes
Supporting Document	Objection Response 01-21-2020	Received & Acknowledged	Yes
Supporting Document (revised)	Objection Response 07-23-2020	Received & Acknowledged	Yes
Supporting Document	Objection Response 07-23-2020	Withdrawn	No
Supporting Document	Objection Response 09-03-2020	Received & Acknowledged	Yes
Form (revised)	RI-17-VA	Filed	Yes
Form (revised)	RI-17-VA-BAO	Approved	Yes
Form (revised)	RI-17-VA-CBUL	Approved	Yes
Form (revised)	RI-17-VA-FAQ	Filed	Yes
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA	Withdrawn	No
Form	RI-17-VA-BAO	Withdrawn	No
Form	RI-17-VA-BAO	Withdrawn	No
Form	RI-17-VA-CBUL	Withdrawn	No
Form	RI-17-VA-CBUL	Withdrawn	No
Form	RI-17-VA-FAQ	Withdrawn	No
Form	RI-17-VA-FAQ	Withdrawn	No
Form	RI-17-VA-FAQ	Withdrawn	No
Rate (revised)	VA 2017 Rates - MP-LT692	Approved	Yes

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Schedule	Schedule Item	Schedule Item Status	Public Access
Rate (revised)	VA 2017 Rates - MP-LT694/ML-LT694	Approved	Yes
Rate	VA 2017 Rates - MP-3358	Approved	Yes
Rate	VA 2017 Rates - MP-LT692	Withdrawn	No
Rate	VA 2017 Rates - MP-LT692	Withdrawn	No
Rate	VA 2017 Rates	Withdrawn	No
Rate	VA 2017 Rates - MP-LT694/ML-LT694	Withdrawn	No

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/03/2020
Submitted Date	09/03/2020
Respond By Date	09/17/2020

Dear Beverly Toomey,

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

- RI-17-VA, RI-17-VA (Form)

Comments: Under the heading of "Enclosures", provide a list of the forms that will be included with Form RI-17-VA. If the form may not be sent to every policyholder (such as form RI-17-VA-BAO), that form would need to be shown in brackets; with an explanation for the brackets in the Statement of Variability.

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:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	06/23/2020
Submitted Date	06/23/2020
Respond By Date	07/23/2020

Dear Beverly Toomey,

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

- RI-17-VA, RI-17-VA (Form)

Comments: Please submit a Certificate of Readability in accordance with the requirements in 14VAC5-101-70 F.

Objection 2

- RI-17-VA, RI-17-VA (Form)

Comments: The website for the Bureau of Insurance has changed. Please use the current website:

https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx

Objection 3

- RI-17-VA-FAQ, RI-17-VA-FAQ (Form)

Comments: The first paragraph of the FAQ uses "the Company" to refer to the corporate name with no explanation. Please use an identifier such as Ability Insurance Company (the Company) the first time the reference is used in the body of the document.

Objection 4

- RI-17-VA-FAQ, RI-17-VA-FAQ (Form)

Comments: To simplify things in the event your Customer Service phone number needs to be changed, you might consider putting brackets around the contact phone numbers in the FAQ. These would then need to be described in the Statement of Variability.

Objection 5

- RI-17-VA, RI-17-VA (Form)

Comments: Virginia Regulation 14VAC5-200-75 A 4(b) requires that the policyholder notification should contain a statement that the policyholder has the right to a revised premium rate or rate schedule in the event of a rate increase. Please make the necessary revisions to include this statement in the policyholder letter.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	01/21/2020
Submitted Date	01/21/2020
Respond By Date	02/20/2020

Dear Beverly Toomey,

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

- RI-17-VA-CBUL, RI-17-VA-CBUL (Form)

Comments: Please provide some additional clarity on the 3rd bullet point of the 3rd paragraph of this form:
1) Is this reinstatement option available to a policyholder who elects to simply stop paying their premiums, as opposed to returning this form?
2) Are they required to submit all past due premiums at this time?

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/30/2019
Submitted Date	12/30/2019
Respond By Date	01/02/2020

Dear Beverly Toomey,

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: Please provide the current Virginia cumulative average increase, and what that average would be if the current filing were approved.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	11/25/2019
Submitted Date	11/25/2019
Respond By Date	12/25/2019

Dear Beverly Toomey,

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: 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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/24/2019
Submitted Date	10/24/2019
Respond By Date	11/23/2019

Dear Beverly Toomey,

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)
- VA 2017 Rates - MP-LT692, [MP-LT692, UR295, UR295C, UR592] (Rate)
- VA 2017 Rates - MP-LT694/ML-LT694, [MP-LT694, ML-LT694, UR268, UR273, UR-AB-287] (Rate)
- VA 2017 Rates - MP-3358, [MP-3358, UR2038, UR2048, UR275, UR589R] (Rate)

Comments: Table 1 and Appendix A of the Actuarial Memorandum both show 155 inforce policies in Virginia, but the Number of Policyholders Affected for this Program, in the Rate/Rule Schedule, says 118. Please make the necessary revisions to reconcile this difference.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

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 Beverly Toomey,

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. It is noted in the Companys response regarding the original rate level and original assumptions projection, these projections are not based on seriatim projections of the originally issued policies. We are concerned that different methodologies are being used in different projections. Please provide further discussion of the methodology used in each projection; i.e., are the current and proposed projections based on a seriatim projection of the current inforce policies? If so, please explain why the original projections cannot be performed with the original cohort of policies.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	04/09/2019
Submitted Date	04/09/2019
Respond By Date	05/09/2019

Dear Beverly Toomey,

Introduction:

Thank you for your previous 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

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Please provide the current nationwide cumulative increase to date.

2. Please provide the nationwide cumulative increase if all increases filed were approved.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	04/09/2019
Submitted Date	04/09/2019
Respond By Date	05/09/2019

Dear Beverly Toomey,

Introduction:

Thank you for your previous 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

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Please provide actuarial justification for the variance in rate increases by issue age.

2. Please provide an update of Appendix A (policy count and premium by issue age) from the memorandum as of 12/31/2018. Also, please provide this same information based on only the Virginia policies as of 12/31/2016 and 12/31/2016.

3. Please provide a split by Inflation vs. Non-Inflation of the projection labeled Experience Starting January 1, 1988 Forward - Premium restated at Original Rate Level Using Original Pricing Assumptions, but actual issued policies.

Objection 2

- RI-17-VA, RI-17-VA (Form)

Comments: Please move the "John Doe" to Supporting Documentation. Please re-submit the actual letter showing the variability to the Form Schedule.

Objection 3

- RI-17-VA, RI-17-VA (Form)

Comments: 14VAC5-100-50 5 requires that individual accident and sickness forms be printed using a type size of at least 10 point. Please the policy form number on each form to comply with the regulation.

Objection 4

- RI-17-VA, RI-17-VA (Form)

Comments: Please revise the Policyholder Notification Letter to comply with 14VAC5-200-75 A 4(b), giving the policyholder the right to a revised premium rate or rate schedule if the premium rate or rate schedule is changed.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	03/06/2019
Submitted Date	03/06/2019
Respond By Date	04/07/2019

Dear Beverly Toomey,

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

- RI-17-VA, RI-17-VA (Form)

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.

Objection 2

- RI-17-VA, RI-17-VA (Form)

Comments: In accordance with 14VAC5-100-50 2, "The use of a trade name or the name of an affiliated company on a policy form in such a way that implies that another company is responsible for the obligations undertaken in the policy is prohibited."

Please remove the name TriPlus Services, Inc. from the letter.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	01/17/2019
Submitted Date	01/17/2019
Respond By Date	02/17/2019

Dear Beverly Toomey,

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: Please verify if it is the companys intention that if the experience develops as projected that no further rate increases will be requested? If not, what loss ratio does the company intend to target for these forms in the future?

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/16/2018
Submitted Date	07/16/2018
Respond By Date	08/16/2018

Dear Beverly Toomey,

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) We are unable to match the PV of past claims shown on the projections for policies with and without inflation. For example, the PV of the stream of incurred claims for Non-inflation from 1988-2016 is shown on the exhibit as $1,935,947,964, but when calculated at 4.5% comes to $2,121,676,380. We are able to match the PV of earned premium on the same exhibit exactly, so it is not a problem with methodology. Please provide an explanation for this discrepancy.

2) Please provide a breakdown of the active life reserve @ 12/31/2016 for policies with and without inflation.

Conclusion:

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

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	12/18/2017
Submitted Date	12/18/2017
Respond By Date	

Dear Beverly Toomey,

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

- RI-17-VA, RI-17-VA (Form)

Comments: Thank you for responding to our concerns regarding the policyholder letters. Although some of our concerns have been resolved, please address the following:

1. According to your response, final versions of the letter without the draft watermark were attached. It does not appear, however, final versions of the letter were attached.

2. Thank you for your response regarding the use of the TriPlus header. We agree the full and proper name of the insured appears; however, the font is the smaller than any font in the letter. Pursuant to 14VAC5-100-50 5, a type size of at least 10 point is required. For compliance with the regulation, please enlarge the print accordingly.

3. So that there is no potential confusion on the part of the insured or that any information may be misleading, the letter should clearly state this letter is being sent by TriPlus Services Inc. on behalf of Ability Insurance Company. The name of the Company in the first sentence should be bolded and be in larger type.

4. The reason provided in the letter does not clearly identify the drivers of the rate increase. It does not explain why anticipated claims payments are greater than expected. What assumptions used at the time the policy was originated priced have changed and why. It would appear that the narrative attached to the Long Term Care Rate Request Summary provides a better explanation the letter should be amended accordingly.

5. The Company was unsure as to what to include in the letter for compliance with 14VAC5-200-75 A 4 b and if there was a sample letter to review. Unfortunately, a sample letter in not available. To satisfy the regulation, companies include the following statement in the letter:

"The insured has a right to a revised premium rate or rate schedule upon request."

6. So that the disclosure that all options may not be of equal value should be emphasized in some fashion that brings attention to it such as bolding, highlighting or using larger print.

7. In regards to the Contingent Benefit Upon Lapse paragraph, the letter states to determine the number of days payable, the sum of all premiums paid is divided by the Daily Benefit of Lapse. Because the amount payable could only be 30 times the daily nursing home benefit, this may be confusing. If the sum of the total premiums paid exceed the remaining maximum benefits available prior to the policy lapsing, how is the number of days determined?

8. Please advise if any partnership policies have been issued in Virginia.

Objection 2

- RI-17-VA-CBUL, RI-17-VA-CBUL (Form)

Comments: According to your response, the Contingent Benefit Upon Lapse will not be offered to anyone who is eligible for a Return of Premium Benefit. This is not in compliance with 14VAC5-200-75 D 2 a. It would seem the insured should have a choice to exercise the return of premium benefit or choose to have a paid up policy. Please advise.

Objection 3

- RI-17-VA-FAQ, RI-17-VA-FAQ (Form)

Comments: Our objection as previously stated regarding the Company's name in the policyholder letter applies to this form as well.

Since this form is specific to Virginia only, we suggest the response refer to the Virginia Life, Accident & Sickness Insurance Guaranty Association. The website is www.valifega.org.

Objection 4

- Certification of Compliance (Supporting Document)

Comments: We look forward to receiving the required Certification of Compliance with your next response.

Objection 5

- RI-17-VA, RI-17-VA (Form)
- RI-17-VA-BAO, RI-17-VA-BAO (Form)
- RI-17-VA-CBUL, RI-17-VA-CBUL (Form)
- RI-17-VA-FAQ, RI-17-VA-FAQ (Form)

Comments: Please attach a Statement of Variability to Supporting Documentation for all forms in which variability is applicable.

Objection 6

- VA 2017 Rates - MP-3358, [MP-3358, UR2038, UR2048, UR275, UR589R] (Rate)
- VA 2017 Rates - MP-LT692, [MP-LT692, UR295, UR295C, UR592] (Rate)
- VA 2017 Rates - MP-LT694/ML-LT694, [MP-LT694, ML-LT694, UR268, UR273, UR-AB-287] (Rate)

Comments: Thank you for your response indicating implementing the increase in a series is a possibility. Since such an implementation would require changes in the filing, we suggest we wait until such time the review of the filing is near completion before such changes are required.

Objection 7

- RI-17-VA-BAO, RI-17-VA-BAO (Form)

Comments: Please disclose in this form that all benefit options may not be equal. As a disclosure this should be emphasized such as by bolding, highlighting or using larger text. Although the policyholder letter includes this disclosure, this is the form the insured would complete and should be reminded of this a second time to avoid any potential misunderstanding by the insured.

Objection 8

- Objection Response 10-5-2017 (Supporting Document)

Comments: Please provide a Statement of Variability for the Benefit Adjustment Rider.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

We have a concern regarding the CNF Election Confirmation letter. If the sum of the total premiums paid exceed the remaining maximum benefits available prior to the policy lapsing, how is the paid up value determined.

Objection 9

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1.While the Bureau will take the Companys objections into account in its analysis, please provide the sensitivity projections as requested in our previous objection.

2.The memorandum states that these policies were issued beginning in 1987 when the statutory valuation interest rate exceeded 4.5%. Please provide the average statutory valuation interest rate for the inforce policies represented in the projections.

3.Please provide separate projections for policies with and without inflation.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	11/06/2017
Submitted Date	11/06/2017
Respond By Date	

Dear Beverly Toomey,

Introduction:

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

Through an oversight the language regarding the Contingent Benefit Upon Lapse in item 5 b and item 7 a under objection one should be revised to indicate the paid up value will be the greater of 100% of the sum of all premiums paid or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

We sincerely apologize for any inconvenience or confusion this may have caused.

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:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	11/01/2017
Submitted Date	11/01/2017
Respond By Date	12/01/2017

Dear Beverly Toomey,

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) We note from the information provided in the Claim Cost Study worksheet that considerable judgment was used in smoothing the data in order to arrive at the 1.31 A/E factor. For comparison purposes, two other reasonable measures of the A/E could be used that would result in a much lower factor. First, the unsmoothed data produces a factor of 1.18; second, the historical A/E for durations 10+ results in a factor of 1.02. As a sensitivity, please provide the results from section 9 of the memorandum using these two factors.

2) Since many different projections were provided with the 2013 filing, please detail which projection is being used to arrive at the data in the chart in section 9 of the memorandum.

3) If possible, please provide a projection consistent with the data and assumptions from the 2013 filing but using the Virginia rate level at that point in time. This would be the 2013 corollary to tabs 3&4 of the spreadsheet Virginia Exhibits 2017.

Objection 2

- Objection Response 10-5-2017 (Supporting Document)

- L&H Actuarial Memorandum (Supporting Document)

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

Comments: 1. The Company amended the Rate/Rule Schedule to reflect the following policy form numbers: MP-LT692, UR294, UR295C and UR592. The Company indicated Policy Form 3358 was included in the experience; however, a rate increase for this form is not being requested at this time. The memorandum also refers to Policy Form LT694 and Rider Forms UR268, UR273, and UR-AB-87; however, these forms are not included in the Rate/Rule Schedule. Please clarify.

2. Thank you for the revised Long Term Care Rate Request Summary. The form numbers, however, should correspond with the form numbers listed in the Rate/Rule Summary and should be revised accordingly. In addition, the explanation for the reason for the rate increase should be expanded to clearly identify the drivers of the rate increase. For example:
Our rates are based on assumptions regarding persistency (how long the policy stays in force), mortality (at what rate deaths occur), and voluntary lapses (when an insured voluntarily terminates his policy). Actual results are much higher than anticipated when these policies were originally priced which means that individuals are living longer and, keeping their policies in force longer which results in more claims incurred. As a result, premiums must be adjusted to ensure current and future claims are adequately funded.

3. Thank you for providing the Benefit Adjustment Rider which will be used to update the policy. Is there not a similar form if the Contingent Benefit Upon Lapse is exercised? We appreciate the copy of the confirmation letter; however, it is unclear how the policy itself is updated in this event. Is the Benefit Adjustment Rider used for this purpose? Please advise.

4. Thank you for providing the Benefit Adjustment Rider which will be used to update the policy. We do have a concern, however, with the confirmation letter for those policies which are in a contingent non-forfeiture benefit status.

5. Please address for following concerns regarding the policyholder letter:
a) Please replace the draft version of the policyholder letter with a final version in the Form Schedule for review.
b) We note the letter is currently written on TriPlus Services, Inc. letterhead. In accordance with 14VAC5-200-100-50 2, the full and proper corporate name of the insurer shall prominently appear on the letter. The use of a name of an affiliated company in such a way implies that another company is responsible for the obligations undertaken in the policy is prohibited. Please revise the letter accordingly and include the city and state in which the home office of the company is located. Please indicate in the letter the policy is being serviced and administered by TriPlus Services, Inc.
c) Please expand the reasons in the letter for the rate increase as noted in our previous objection 2.
d) For compliance with 14VAC5-200-75 D 1, please include language in the letter the insured as a right to request a revised premium rate or rate schedule as noted in 14VAC5-200-75 A 4 b.
e) For compliance with 14VAC5-200-75 D 2 b, please include a disclosure in the letter stating that all options available to the policyholder may not be of equal value. Since this is a disclosure, the statement should be emphasized in some manner that brings attention it such as bolding, highlighting or using larger print. This would also apply to 14VAC5-200-75 D 2 c which is a required disclosure that in the case of partnership policies, some benefit reduction may result in the loss of partnership statue that may reduce policyholder protections. Please confirm if there are any partnership policies issued and active at this time.
f) The Contingent Benefit Upon Lapse form includes a statement that this is a pool of money that you can use to fund future long-term care expenses. That statement is potentially misleading and should be removed. For compliance with 14VAC5-200-185 E 3 the Contingent Benefit Upon Lapse paragraph should be restated to say the paid up value is based on the premium paid to date but will be no less than 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

6. The Benefit Adjustment Option Return Form on pages 3 and 4 are designed to be removed from the letter and returned to the Company. 14VAC5-100-40 1 provides that each form submitted must have a form number and that form number must distinguish the form from all other form numbers. For regulatory conformity, any page (or section) that will not remain with the policyholder letter should not bear the same form number as that of the policyholder letter. In other words, a form should always remain complete; by removing pages, the form becomes incomplete. As a result, please make the Benefit Adjustment Option Return Form a separate form and attach it to Supporting Documentation for review assuming it is not attached to the policy at a later date. Please revise the wording in the policyholder letter to indicate the form is enclosed rather than attached. In addition, this form should reflect the full and proper corporate name and address of the insurer rather than TriPlus Services, Inc.
If this form becomes is attached and becomes a part of the policy, please attach it as a separate form to the Form Schedule rather than Supporting Documentation. A unique form number (different than the policyholder letter) would need to be included in the lower left hand corner for compliance with 14VAC5-100-50 1.
The above would also apply to the Contingent Benefit Upon Lapse form.

7. a) Our previous objection also applies to the Request to Exercise the Contingent Benefit Upon Lapse benefit which should also be a separate form. Again, the Contingent Benefit Upon Lapse paragraph should be restated to say the paid up value is based on the premium paid to date but will be no less than 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.
b) Will the Contingent Benefit Upon Lapse benefit be offered to everyone or only those who meet the trigger points as set forth in 14VAC5-185 D 3 as revised effective September 2015?

8.a) The closing paragraph of the letter refers to the enclosed Frequently Asked Questions (FAQ) document. Since this is an enclosure, this should be a separate form with a separate form number in the lower left hand corner and attached to the Form Schedule for review. The form should also reflect the full and proper corporate name and address of the insurer rather than TriPlus

Services, Inc.

b) Please expand the response in the FAQ regarding Will my premium continue to increase to indicate any increase will be subject to review and approval by the Virginia State Corporation Commission before implementation.

c) Please explain under what conditions no specific options would be included in the letter as stated in the response to the question What are the options to reduce my coverage in the FAQ.

d) Please expand the response to the question I am currently receiving Long Term Care benefits. Do I have to remit the new premium? to indicate what happens if the person does qualify under the waiver of premium benefits and then returns to a premium payment status. The insured should be reminded that benefits may be made at any time and not just at the time of a rate increase.

9. Please attach a Statement of Variability to Supporting Documentation for all forms and letters.

10. Please provide a Certification of Compliance in accordance with 14VAC5100-40 3 since the filing will contain letter and/or other form attachments.

Because the letters are to be filed a readability certification is not required; however such certification is required for any form that will be attached to the policy pursuant to 14VAC5-100-50.

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

If a series is offered, the notification required in 14VAC5-200-75 D would be required at the time of each increase. As a result the policyholder letter would need to be amended to include the appropriate variability or attach additional letters to the Form Schedule to be used at each implementation period.

In addition, the Actuarial Memorandum would need to be amended accordingly regarding the implementation of the rate increase as a series.

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.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	08/28/2017
Submitted Date	08/30/2017
Respond By Date	09/11/2017

Dear Beverly Toomey,

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

- VA 2017 Rates, [LT692, LT694] (Rate)

Comments: 1) According to the Actuarial Memorandum, this filing is applicable to Policy Forms 3358, LT692, and LT694 with numerous riders. Please amend the Affected Form Numbers in the Rate/Rule Schedule to include each policy and rider form number exactly as approved and attach the appropriate rate schedules.

2) 2) In the previous SERFF filing number, MDTP-129116517, the Number of Policyholders Affected for this Program were 176. This current filing lists 155 policyholders. Please explain.

3) The current filing indicates the Overall Percentage of Last Revision as 69.302%; however, the previous filing MDTP-129116517 was approved for 70.584%. Please make the appropriate corrections including correcting item 8 in the Actuarial Memorandum.

4) The Overall % Indicated Change in the Rate/Rule Schedule should reflect the the percentage increase that would be required to meet the minimum loss ratio requirement as set forth in 14VAC5-200-150 B. Please amend accordingly.

Objection 2

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

Comments: Thank you for providing the Rate Request Summary. This form, however, has been updated and we have attached a revised form to be completed.

Please include all the policy and rider form numbers exactly as approved and attach a brief narrative that summarizes the key information used to develop the rates including the main drivers. Our expectation is that the form would provide in consumer-friendly language a clear explanation that justifies the rate increase. This should be fairly easy to understand without going too deep into the details, and at least explain to the consumer the assumptions and changes that are driving the need for an increase.

Objection 3

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1) Please confirm that all policies are pre-stability policies issued prior to October 1, 2003 and subject to 14VAC5-200-150. If any policies were issued on or after that date, such policies would be subject to 14VAC5-200-153 and the filing, including all exhibits should be revised accordingly.

As set forth in 14VAC5-200-150 B, all present and accumulated values used to determine rate increases, including the lifetime loss ratio used in the original pricing, shall use the maximum interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia.

2) Based on the revised 14VAC5-200-150 B, benefits will be deemed reasonable for pre-stability policies only provided the expected

loss ratio is greater of 60% or the lifetime loss ratio used in the original pricing applied to the current rate schedule plus 80% applied to any premium rate increase for individual policies.

3) Please provide the following for each block of business:
a) Re-state the nationwide experience using Virginia approved rates.
b) Sufficient detail or documentation so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.
c) 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 form's introduction.
d) An actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.
e) A step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.
f) Use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.

4) In the Scope of Filing section (Section 2), the Company stated "We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce." Under the Rate Action Information a 45.32% Percent Rate Change Request has been requested. Please resolve the discrepancy and amend the filing accordingly.

5) We are aware a separate filing has been submitted for Medico Insurance Company which was formerly Mutual Protective Insurance Company and the experience and projections have been combined accordingly. Although this is the case, the heading in the rate attachments should only refer to the name of the company for which this filing is applicable; in this case Ability Insurance Company. Please amend the attachments accordingly.

6) Please advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.

7) Please provide 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 as if no increases had ever been implemented.

8) Please provide 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.

9) Please provide the original targeted pricing loss ratio when the policies were originally approved.

10) Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.

11) Please provide the reserve basis and justification for the reserve levels provided.

12) If this increase is approved and experience develops as anticipated, will the company forgo increases in the future? If not, what would trigger a rate increase in the future? In other words, what targeted loss ratio does the company plans to manage this block in the future?

13) For each projection provided, please provide the anticipated future loss ratio where the numerator is equal to the anticipated incurred claims less policy reserves, and the denominator is equal to the anticipated earned premium.

14) In addition to experience exhibits, please include projection exhibits based on Virginia data as well.

15) In Section 4 of the Actuarial Memorandum you state, "We notify policyholders 60 days in advance before implementing a rate increase... 14VAC5-200-75 D says, "An insurer shall provide notice of an upcoming premium rate schedule increase to all policyholders or certificate holders, if applicable, at least 75 days prior to the implementation of the premium rate schedule increase by the insurer." Please amend the Actuarial Memorandum to be in compliance with the Regulation.

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 were effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. A summary of the new requirements are:

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

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

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

1. All applicable information identified in 14VAC5-200-75 including A 1 which requires a statement indicating the policy may be subject to future rate increases; A 2 which requires a statement that should there be future rate increases, options similar to those being offered now will be available and that benefits may be changed at any time and not just the time of a rate increase. PROPOSED WORDING: In the event of future rate increases, similar options may be available; however, you can contact us at any time to discuss decreasing your coverage and premiums, per the provisions of your policy.
; A 3 which requires a statement indicating the premium rate or rate schedules that will be effect; A 4 a which requires a statement as to when the premium rate or rate schedule adjustments will be effective; and A 4 b which requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.
2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:
a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
b. A disclosure stating that all options available to the policyholder may not be of equal value. As a disclosure this information should be emphasized by bolding, highlighting, using larger text or some other method that will bring attention to it;
c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections. As stated above, the information should be emphasized to bring attention to it; and
d. Contact information that will allow the policyholder to contact the insurer for additional options available;
3. A clear identification of the driving factors of the premium rate increase; and
4. A statement substantially similar to the following:

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

Because the letter must be "filed", please attach the letter to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number in the lower left hand corner. Please ensure the full and proper corporate name of the insurer prominently appears in the letter. Please include a Statement of Variability, if applicable.

Objection 5

Comments: Please explain how a policy is updated to reflect any benefit changes the insured may choose to reduce the effects of the rate increase. If the policy is revised or changed in any way, the policy owner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. If the company has such forms available for this purpose, please provide a copy of the form, the SERFF tracking number and date of approval. If the company does not have any available documents to effectuate such changes, a form will need to be submitted for review and approval. It can be attached to this filing if desired. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

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.

Thank you for your courtesy and consideration in this matter.

Sincerely,
Bobby Toone

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/03/2020
Submitted Date	09/04/2020

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab. A revised Sample Rate Increase Letter is attached on the Form Schedule Tab.

Related Objection 1

Applies To:

- RI-17-VA, RI-17-VA (Form)

Comments: Under the heading of "Enclosures", provide a list of the forms that will be included with Form RI-17-VA. If the form may not be sent to every policyholder (such as form RI-17-VA-BAO), that form would need to be shown in brackets; with an explanation for the brackets in the Statement of Variability.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf Statement of Variability - Ability Form RI-17-VA.pdf
Previous Version	
Satisfied - Item:	*Objection Response 07-23-2020*
Comments:	
Attachment(s):	*VA Response - Ability - 7-23-2020.pdf* *Certificate of Readability - Ability Form RI-17-VA.pdf* *Statement of Variability - Ability Form RI-17-VA.pdf* *Statement of Variability - Ability Form RI-17-VA-FAQ.pdf*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf Statement of Variability - Ability Form RI-17-VA.pdf
Previous Version	
Satisfied - Item:	*Objection Response 07-23-2020*
Comments:	
Attachment(s):	*VA Response - Ability - 7-23-2020.pdf* *Certificate of Readability - Ability Form RI-17-VA.pdf* *Statement of Variability - Ability Form RI-17-VA.pdf* *Statement of Variability - Ability Form RI-17-VA-FAQ.pdf*

Satisfied - Item:	Objection Response 09-03-2020
Comments:	
Attachment(s):	VA Response - Ability - 9-3-2020.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 9-3-20.pdf	Date Submitted: 09/04/2020 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*		*50.100*	*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf*	*Date Submitted: 07/23/2020 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf*	*Date Submitted: 03/07/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-*	*Date Submitted: 10/05/2017 By: Dave*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 9-3-20.pdf	Date Submitted: 09/04/2020 By: Beverly Toomey
							17-VA.pdf	*Krydynski*

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/23/2020
Submitted Date	07/23/2020

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see the attached response letter.

Related Objection 1

Applies To:

- RI-17-VA, RI-17-VA (Form)

Comments: Please submit a Certificate of Readability in accordance with the requirements in 14VAC5-101-70 F.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
							Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	*03/07/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 2

Comments:

Please see the attached response letter.

Related Objection 2

Applies To:

- *RI-17-VA, RI-17-VA (Form)*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: The website for the Bureau of Insurance has changed. Please use the current website:

https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
							Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	*03/07/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please see the attached response letter.

Related Objection 3

Applies To:

- *RI-17-VA-FAQ, RI-17-VA-FAQ (Form)*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Comments: The first paragraph of the FAQ uses "the Company" to refer to the corporate name with no explanation. Please use an identifier such as Ability Insurance Company (the Company) the first time the reference is used in the body of the document.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
							Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	*03/07/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please see the attached response letter.

Related Objection 4

Applies To:

- *RI-17-VA-FAQ, RI-17-VA-FAQ (Form)*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: To simplify things in the event your Customer Service phone number needs to be changed, you might consider putting brackets around the contact phone numbers in the FAQ. These would then need to be described in the Statement of Variability.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
							Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	*03/07/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please see the attached response letter.

Related Objection 5

Applies To:

- *RI-17-VA, RI-17-VA (Form)*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: Virginia Regulation 14VAC5-200-75 A 4(b) requires that the policyholder notification should contain a statement that the policyholder has the right to a revised premium rate or rate schedule in the event of a rate increase. Please make the necessary revisions to include this statement in the policyholder letter.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf*	*Date Submitted: 04/17/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf	Date Submitted: 07/23/2020 By: Dave Krydynski
							Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	*03/07/2019 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
2	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Dave Krydynski

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/21/2020
Submitted Date	01/21/2020

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- RI-17-VA-CBUL, RI-17-VA-CBUL (Form)

Comments: Please provide some additional clarity on the 3rd bullet point of the 3rd paragraph of this form:
1) Is this reinstatement option available to a policyholder who elects to simply stop paying their premiums, as opposed to returning this form?
2) Are they required to submit all past due premiums at this time?

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 01-21-2020
Comments:	
Attachment(s):	VA Response 1-21-2020.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/30/2019
Submitted Date	12/30/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the current Virginia cumulative average increase, and what that average would be if the current filing were approved.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 12-30-2019
Comments:	
Attachment(s):	VA Response 12-30-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

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

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 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:	Objection Response 11-26-2019
Comments:	
Attachment(s):	VA Response 11-26-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/25/2019
Submitted Date	10/25/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- *VA 2017 Rates - MP-3358, [MP-3358, UR2038, UR2048, UR275, UR589R] (Rate)*
- *VA 2017 Rates - MP-LT692, [MP-LT692, UR295, UR295C, UR592] (Rate)*
- *VA 2017 Rates - MP-LT694/ML-LT694, [MP-LT694, ML-LT694, UR268, UR273, UR-AB-287] (Rate)*
- *L&H Actuarial Memorandum (Supporting Document)*

Comments: Table 1 and Appendix A of the Actuarial Memorandum both show 155 inforce policies in Virginia, but the Number of Policyholders Affected for this Program, in the Rate/Rule Schedule, says 118. Please make the necessary revisions to reconcile this difference.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 10-25-2019
Comments:	
Attachment(s):	VA Response 10-25-2019.pdf Rate Increase 2017 memo - Virginia - Revised 10-25-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/24/2019
Submitted Date	05/24/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. It is noted in the Companys response regarding the original rate level and original assumptions projection, these projections are not based on seriatim projections of the originally issued policies. We are concerned that different methodologies are being used in different projections. Please provide further discussion of the methodology used in each projection; i.e., are the current and proposed projections based on a seriatim projection of the current inforce policies? If so, please explain why the original projections cannot be performed with the original cohort of policies.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 05-24-2019
Comments:	
Attachment(s):	VA Response 5-24-2019.pdf Projection Comparisons 2013-2017 - Filing - Exper Through 12-31-2016 - Filing.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/17/2019
Submitted Date	04/17/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Please provide the current nationwide cumulative increase to date.

2. Please provide the nationwide cumulative increase if all increases filed were approved.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 04-17-2019 - Response to 4-9-2019 2nd Objection
Comments:	
Attachment(s):	VA Response 4-16-2019 - Ability - Objection 2.pdf Historical Rate Increase Requests.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/17/2019
Submitted Date	04/17/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Please provide actuarial justification for the variance in rate increases by issue age.

2. Please provide an update of Appendix A (policy count and premium by issue age) from the memorandum as of 12/31/2018. Also, please provide this same information based on only the Virginia policies as of 12/31/2016 and 12/31/2016.

3. Please provide a split by Inflation vs. Non-Inflation of the projection labeled Experience Starting January 1, 1988 Forward - Premium restated at Original Rate Level Using Original Pricing Assumptions, but actual issued policies.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 04-17-2019 - Response to 4-9-2019 1st Objection
Comments:	
Attachment(s):	VA Response 4-16-2019 - Ability - Objection 1.pdf Appendix A Updated.xlsx Virginia Exhibit 8 - Inflation and Non-Inflation split.xlsx

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response 2

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 2

Applies To:

- RI-17-VA, RI-17-VA (Form)

Comments: Please move the "John Doe" to Supporting Documentation. Please re-submit the actual letter showing the variability to the Form Schedule.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Sample Rate Increase Letter
Comments:	
Attachment(s):	Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf*	*Date Submitted: 03/07/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 3

Applies To:

- *RI-17-VA, RI-17-VA (Form)*

State:	Virginia	**Filing Company:**	Ability Insurance Company
TOI/Sub-TOI:	LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified		
Product Name:	3358 et al		
Project Name/Number:	/		

Comments: 14VAC5-100-50 5 requires that individual accident and sickness forms be printed using a type size of at least 10 point. Please the policy form number on each form to comply with the regulation.

Changed Items:

No Supporting Documents changed.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
Previous Version								
1	*RI-17-VA-BAO*	*RI-17-VA-BAO*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA-BAO*	*RI-17-VA-BAO*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-BAO.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
2	RI-17-VA-CBUL	RI-17-VA-CBUL	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL - Updated 12-21-17.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
Previous Version								
2	*RI-17-VA-CBUL*	*RI-17-VA-CBUL*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL - Updated 12-21-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
2	*RI-17-VA-CBUL*	*RI-17-VA-CBUL*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
3	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-	Date Submitted: 04/17/2019 By: Beverly

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
							17-VA - Updated 2-5-19.pdf	Toomey
Previous Version								
3	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf*	*Date Submitted: 03/07/2019 By: Beverly Toomey*
Previous Version								
3	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
3	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
3	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*
4	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
Previous Version								
4	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate*	*Date Submitted:*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
							Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf	*03/01/2018 By: Beverly Toomey*
Previous Version								
4	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 4

Applies To:

- RI-17-VA, RI-17-VA (Form)

Comments: Please revise the Policyholder Notification Letter to comply with 14VAC5-200-75 A 4(b), giving the policyholder the right to a revised premium rate or rate schedule if the premium rate or rate schedule is changed.

Changed Items:

No Supporting Documents changed.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 2-5-19.pdf	Date Submitted: 04/17/2019 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf*	*Date Submitted: 03/07/2019 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/07/2019
Submitted Date	03/07/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab. A revised sample letter is attached on the Form Schedule Tab.

Related Objection 1

Applies To:

- RI-17-VA, RI-17-VA (Form)

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:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 03-07-2019
Comments:	
Attachment(s):	VA Response 3-7-2019.pdf

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	Date Submitted: 03/07/2019 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 2

Comments:

Please see our response under Objection 1. A revised sample letter is attached on the Form Schedule Tab.

Related Objection 2

Applies To:

- RI-17-VA, RI-17-VA (Form)

Comments: In accordance with 14VAC5-100-50 2, "The use of a trade name or the name of an affiliated company on a policy form in such a way that implies that another company is responsible for the obligations undertaken in the policy is prohibited."

Please remove the name TriPlus Services, Inc. from the letter.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf	Date Submitted: 03/07/2019 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf*	*Date Submitted: 03/01/2018 By: Beverly Toomey*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	01/21/2019
Submitted Date	01/21/2019

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please verify if it is the companys intention that if the experience develops as projected that no further rate increases will be requested? If not, what loss ratio does the company intend to target for these forms in the future?

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 01-21-2019
Comments:	
Attachment(s):	VA Response 1-21-2019.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/18/2018
Submitted Date	07/18/2018

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response on the Supporting Documentation Tab.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1) We are unable to match the PV of past claims shown on the projections for policies with and without inflation. For example, the PV of the stream of incurred claims for Non-inflation from 1988-2016 is shown on the exhibit as $1,935,947,964, but when calculated at 4.5% comes to $2,121,676,380. We are able to match the PV of earned premium on the same exhibit exactly, so it is not a problem with methodology. Please provide an explanation for this discrepancy.

2) Please provide a breakdown of the active life reserve @ 12/31/2016 for policies with and without inflation.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 07-18-2018
Comments:	
Attachment(s):	VA Response 7-18-2018.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	03/01/2018
Submitted Date	03/01/2018

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see our response and Statements of Variability on the Supporting Documentation Tab. Revised Sample Letters are attached on the Form Schedule Tab.

Related Objection 1

Applies To:

- *RI-17-VA, RI-17-VA (Form)*

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: Thank you for responding to our concerns regarding the policyholder letters. Although some of our concerns have been resolved, please address the following:

1. According to your response, final versions of the letter without the draft watermark were attached. It does not appear, however, final versions of the letter were attached.

2. Thank you for your response regarding the use of the TriPlus header. We agree the full and proper name of the insured appears; however, the font is the smaller than any font in the letter. Pursuant to 14VAC5-100-50 5, a type size of at least 10 point is required. For compliance with the regulation, please enlarge the print accordingly.

3. So that there is no potential confusion on the part of the insured or that any information may be misleading, the letter should clearly state this letter is being sent by TriPlus Services Inc. on behalf of Ability Insurance Company. The name of the Company in the first sentence should be bolded and be in larger type.

4. The reason provided in the letter does not clearly identify the drivers of the rate increase. It does not explain why anticipated claims payments are greater than expected. What assumptions used at the time the policy was originated priced have changed and why. It would appear that the narrative attached to the Long Term Care Rate Request Summary provides a better explanation the letter should be amended accordingly.

5. The Company was unsure as to what to include in the letter for compliance with 14VAC5-200-75 A 4 b and if there was a sample letter to review. Unfortunately, a sample letter in not available. To satisfy the regulation, companies include the following statement in the letter:

"The insured has a right to a revised premium rate or rate schedule upon request."

6. So that the disclosure that all options may not be of equal value should be emphasized in some fashion that brings attention to it such as bolding, highlighting or using larger print.

7. In regards to the Contingent Benefit Upon Lapse paragraph, the letter states to determine the number of days payable, the sum of all premiums paid is divided by the Daily Benefit of Lapse. Because the amount payable could only be 30 times the daily nursing home benefit, this may be confusing. If the sum of the total premiums paid exceed the remaining maximum benefits available prior to the policy lapsing, how is the number of days determined?

8. Please advise if any partnership policies have been issued in Virginia.

Changed Items:

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 03-01-2018
Comments:	
Attachment(s):	VA Response 3-1-2018 - Ability.pdf Inflation Split Projections.pdf VA Projections at Adjusted AEs.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-BAO.pdf Statement of Variability - Ability Form RI-17-VA-CBUL.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf	Date Submitted: 03/01/2018 By: Beverly Toomey
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*
2	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf	Date Submitted: 03/01/2018 By: Beverly Toomey
Previous Version								
2	*RI-17-VA-BAO*	*RI-17-VA-BAO*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-BAO.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
3	RI-17-VA-CBUL	RI-17-VA-CBUL	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL - Updated 12-21-17.pdf	Date Submitted: 03/01/2018 By: Beverly Toomey
Previous Version								
3	*RI-17-VA-CBUL*	*RI-17-VA-CBUL*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*
4	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate	Date Submitted:

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 12-20-17.pdf	Date Submitted: 03/01/2018 By: Beverly Toomey
							Increase Letter - Ability Form RI-17-VA-FAQ - Updated 12-21-17.pdf	03/01/2018 By: Beverly Toomey
Previous Version								
4	*RI-17-VA-FAQ*	*RI-17-VA-FAQ*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf*	*Date Submitted: 12/01/2017 By: Dave Krydynski*

No Rate/Rule Schedule items changed.

Response 2

Comments:

Please see our response under Objection 1.

Related Objection 2

Applies To:

- RI-17-VA-CBUL, RI-17-VA-CBUL (Form)

Comments: According to your response, the Contingent Benefit Upon Lapse will not be offered to anyone who is eligible for a Return of Premium Benefit. This is not in compliance with 14VAC5-200-75 D 2 a. It would seem the insured should have a choice to exercise the return of premium benefit or choose to have a paid up policy. Please advise.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response 3

Comments:

Please see our response under Objection 1.

Related Objection 3

Applies To:

- RI-17-VA-FAQ, RI-17-VA-FAQ (Form)

Comments: Our objection as previously stated regarding the Company's name in the policyholder letter applies to this form as well.

Since this form is specific to Virginia only, we suggest the response refer to the Virginia Life, Accident & Sickness Insurance Guaranty Association. The website is www.valifega.org.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

Please see the Certification of Compliance on the Supporting Documentation Tab.

Related Objection 4

Applies To:

- Certification of Compliance (Supporting Document)

Comments: We look forward to receiving the required Certification of Compliance with your next response.

Changed Items:

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Supporting Document Schedule Item Changes	
Satisfied - Item:	Certification of Compliance
Comments:	
Attachment(s):	Certification of Compliance - AIC - RI-17-VA.pdf
Previous Version	
Bypassed - Item:	*Certification of Compliance*
Bypass Reason:	*Not applicable this is not a form filing; it is a rate increase filing.*
Attachment(s):	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please see our response and the Statement of Variability for all forms on the Supporting Documentation Tab under Objection 1.

Related Objection 5

Applies To:
- *RI-17-VA, RI-17-VA (Form)*
- *RI-17-VA-BAO, RI-17-VA-BAO (Form)*
- *RI-17-VA-CBUL, RI-17-VA-CBUL (Form)*
- *RI-17-VA-FAQ, RI-17-VA-FAQ (Form)*

Comments: Please attach a Statement of Variability to Supporting Documentation for all forms in which variability is applicable.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 6

Comments:

Please see our response under Objection 1.

Related Objection 6

Applies To:

- VA 2017 Rates - MP-LT694/ML-LT694, [MP-LT694, ML-LT694, UR268, UR273, UR-AB-287] (Rate)
- VA 2017 Rates - MP-3358, [MP-3358, UR2038, UR2048, UR275, UR589R] (Rate)
- VA 2017 Rates - MP-LT692, [MP-LT692, UR295, UR295C, UR592] (Rate)

Comments: Thank you for your response indicating implementing the increase in a series is a possibility. Since such an implementation would require changes in the filing, we suggest we wait until such time the review of the filing is near completion before such changes are required.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 7

Comments:

Please see our response under Objection 1.

Related Objection 7

Applies To:

- RI-17-VA-BAO, RI-17-VA-BAO (Form)

Comments: Please disclose in this form that all benefit options may not be equal. As a disclosure this should be emphasized such as by bolding, highlighting or using larger text. Although the policyholder letter includes this disclosure, this is the form the insured would complete and should be reminded of this a second time to avoid any potential misunderstanding by the insured.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 8

Comments:

Please see our response and the Statement of Variability on the Supporting Documentation Tab under Objection 1.

Related Objection 8

Applies To:

- Objection Response 10-5-2017 (Supporting Document)

Comments: Please provide a Statement of Variability for the Benefit Adjustment Rider.

We have a concern regarding the CNF Election Confirmation letter. If the sum of the total premiums paid exceed the remaining maximum benefits available prior to the policy lapsing, how is the paid up value determined.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 9

Comments:

Please see our response under Objection 1.

Related Objection 9

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1.While the Bureau will take the Companys objections into account in its analysis, please provide the sensitivity projections as requested in our previous objection.

2.The memorandum states that these policies were issued beginning in 1987 when the statutory valuation interest rate exceeded 4.5%. Please provide the average statutory valuation interest rate for the inforce policies represented in the projections.

3.Please provide separate projections for policies with and without inflation.

Changed Items:

No Supporting Documents changed.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Beverly Toomey

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/01/2017
Submitted Date	12/01/2017

Dear Bobby Toone,

Introduction:

Response 1

Comments:

The response to the previous objection acknowledges this additional objection note.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Dave Krydynski

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	12/01/2017
Submitted Date	12/01/2017

Dear Bobby Toone,

Introduction:

Response 1

Comments:

Please see the attached response. Note that all response items have been included on each of the two objections.

Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1) We note from the information provided in the Claim Cost Study worksheet that considerable judgment was used in smoothing the data in order to arrive at the 1.31 A/E factor. For comparison purposes, two other reasonable measures of the A/E could be used that would result in a much lower factor. First, the unsmoothed data produces a factor of 1.18; second, the historical A/E for durations 10+ results in a factor of 1.02. As a sensitivity, please provide the results from section 9 of the memorandum using these two factors.

2) Since many different projections were provided with the 2013 filing, please detail which projection is being used to arrive at the data in the chart in section 9 of the memorandum.

3) If possible, please provide a projection consistent with the data and assumptions from the 2013 filing but using the Virginia rate level at that point in time. This would be the 2013 corollary to tabs 3&4 of the spreadsheet Virginia Exhibits 2017.

Changed Items:

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*LTC Rate Request Summary Form - Revised - Ability.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Request Summary - Ability.pdf*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*LTC Rate Request Summary Form - Revised - Ability.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Request Summary - Ability.pdf*

Satisfied - Item:	Objection Response 12-1-2017
Comments:	
Attachment(s):	VA Response 12-1-2017 - Ability.pdf Projection Comparison from 2013 filing.pdf Projection Comparison from 2017 filing.pdf 2013 Experience and Projection at Virginia Rate Level.xlsx CNF Acceptance Letter - Ability.pdf

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*
2	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
3	RI-17-VA-CBUL	RI-17-VA-CBUL	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
4	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	VA 2017 Rates - MP-3358	MP-3358, UR2038, UR2048, UR275, UR589R	Other	Previous State Filing Number: MDTP-129116517 Rate Action Other Explanation: No change	Rate Sheets 2017 - 3358 - Ability.pdf,	12/01/2017 By: Dave Krydynski
2	VA 2017 Rates - MP-LT692	MP-LT692, UR295, UR295C, UR592	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.48	Rate Sheets 2017 - 692 - Ability.pdf,	12/01/2017 By: Dave Krydynski
Previous Version						
2	*VA 2017 Rates - MP-LT692*	*MP-LT692, UR295, UR295C, UR592*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.44*	*Rate Sheets 2017 - 692 - Ability.pdf,*	*10/05/2017 By: Dave Krydynski*
Previous Version						
2	*VA 2017 Rates*	*LT692, LT694*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 45.32*	*Rate Sheets 2017 - 692.pdf, Rate Sheets 2017 - 694.pdf,*	*08/08/2017 By: Beverly Toomey*
3	VA 2017 Rates - MP-LT694/ML-LT694	MP-LT694, ML-LT694, UR268, UR273, UR-AB-287	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.48	Rate Sheets 2017 - 694 - Ability.pdf,	12/01/2017 By: Dave Krydynski

Response 2

Comments:

Please see the attached response. Note that all response items have been included on each of the two objections.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Related Objection 2

Applies To:

- L&H Actuarial Memorandum (Supporting Document)
- Long Term Care Insurance Rate Request Summary (Supporting Document)
- Objection Response 10-5-2017 (Supporting Document)

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: 1. The Company amended the Rate/Rule Schedule to reflect the following policy form numbers: MP-LT692, UR294, UR295C and UR592. The Company indicated Policy Form 3358 was included in the experience; however, a rate increase for this form is not being requested at this time. The memorandum also refers to Policy Form LT694 and Rider Forms UR268, UR273, and UR-AB-87; however, these forms are not included in the Rate/Rule Schedule. Please clarify.

2. Thank you for the revised Long Term Care Rate Request Summary. The form numbers, however, should correspond with the form numbers listed in the Rate/Rule Summary and should be revised accordingly. In addition, the explanation for the reason for the rate increase should be expanded to clearly identify the drivers of the rate increase. For example:
Our rates are based on assumptions regarding persistency (how long the policy stays in force), mortality (at what rate deaths occur), and voluntary lapses (when an insured voluntarily terminates his policy). Actual results are much higher than anticipated when these policies were originally priced which means that individuals are living longer and, keeping their policies in force longer which results in more claims incurred. As a result, premiums must be adjusted to ensure current and future claims are adequately funded.

3. Thank you for providing the Benefit Adjustment Rider which will be used to update the policy. Is there not a similar form if the Contingent Benefit Upon Lapse is exercised? We appreciate the copy of the confirmation letter; however, it is unclear how the policy itself is updated in this event. Is the Benefit Adjustment Rider used for this purpose? Please advise.

4. Thank you for providing the Benefit Adjustment Rider which will be used to update the policy. We do have a concern, however, with the confirmation letter for those policies which are in a contingent non-forfeiture benefit status.

5. Please address for following concerns regarding the policyholder letter:
a) Please replace the draft version of the policyholder letter with a final version in the Form Schedule for review.
b) We note the letter is currently written on TriPlus Services, Inc. letterhead. In accordance with 14VAC5-200-100-50 2, the full and proper corporate name of the insurer shall prominently appear on the letter. The use of a name of an affiliated
company in such a way implies that another company is responsible for the obligations undertaken in the policy is prohibited. Please revise the letter accordingly and include the city and state in which the home office of the company is located. Please indicate in the letter the policy is being serviced and administered by TriPlus Services, Inc.
c) Please expand the reasons in the letter for the rate increase as noted in our previous objection 2.
d) For compliance with 14VAC5-200-75 D 1, please include language in the letter the insured as a right to request a revised premium rate or rate schedule as noted in 14VAC5-200-75 A 4 b.
e) For compliance with 14VAC5-200-75 D 2 b, please include a disclosure in the letter stating that all options available to the policyholder may not be of equal value. Since this is a disclosure, the statement should be emphasized in some manner that brings attention it such as bolding, highlighting or using larger print. This would also apply to 14VAC5-200-75 D 2 c which is a required disclosure that in the case of partnership policies, some benefit reduction may result in the loss of partnership statue that may reduce policyholder protections. Please confirm if there are any partnership policies issued and active at this time.
f) The Contingent Benefit Upon Lapse form includes a statement that this is a pool of money that you can use to fund future long-term care expenses. That statement is potentially misleading and should be removed. For compliance with 14VAC5-200-185 E 3 the Contingent Benefit Upon Lapse paragraph should be restated to say the paid up value is based on the premium paid to date but will be no less than 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.

6. The Benefit Adjustment Option Return Form on pages 3 and 4 are designed to be removed from the letter and returned to the Company. 14VAC5-100-40 1 provides that each form submitted must have a form number and that form number must distinguish the form from all other form numbers. For regulatory conformity, any page (or section) that will not remain with the policyholder letter should not bear the same form number as that of the policyholder letter. In other words, a form should always remain complete; by removing pages, the form becomes incomplete. As a result, please make the Benefit Adjustment Option Return Form a separate form and attach it to Supporting Documentation for review assuming it is not attached to the policy at a later date. Please revise the wording in the policyholder letter to indicate the form is enclosed rather than attached. In addition, this form should reflect the full and proper corporate name and address of the insurer rather than TriPlus Services, Inc.
If this form becomes is attached and becomes a part of the policy, please attach it as a separate form to the Form Schedule rather than Supporting Documentation. A unique form number (different than the policyholder letter) would need to be included in the lower left hand corner for compliance with 14VAC5-100-50 1.
The above would also apply to the Contingent Benefit Upon Lapse form.

7. a) Our previous objection also applies to the Request to Exercise the Contingent Benefit Upon Lapse benefit which should also be a separate form. Again, the Contingent Benefit Upon Lapse paragraph should be restated to say the paid up value is based on the premium paid to date but will be no less than 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status.
b) Will the Contingent Benefit Upon Lapse benefit be offered to everyone or only those who meet the trigger points as set forth in 14VAC5-185 D 3 as revised effective September 2015?

8.a) The closing paragraph of the letter refers to the enclosed Frequently Asked Questions (FAQ) document. Since this is an enclosure, this should be a separate form with a separate form number in the lower left hand corner and attached to the Form Schedule for review. The form should also reflect the full and proper corporate name and address of the insurer rather than TriPlus Services, Inc.
b) Please expand the response in the FAQ regarding Will my premium continue to increase to indicate any increase will be subject to review and approval by the Virginia State Corporation Commission before implementation.
c) Please explain under what conditions no specific options would be included in the letter as stated in the response to the question What are the options to reduce my coverage in the FAQ.
d) Please expand the response to the question I am currently receiving Long Term Care benefits. Do I have to remit the new premium? to indicate what happens if the person does qualify under the waiver of premium benefits and then returns to a premium payment status. The insured should be reminded that benefits may be made at any time and not just at the time of a rate increase.

9. Please attach a Statement of Variability to Supporting Documentation for all forms and letters.

10. Please provide a Certification of Compliance in accordance with 14VAC5100-40 3 since the filing will contain letter and/or other form attachments.
Because the letters are to be filed a readability certification is not required; however such certification is required for any form that will be attached to the policy pursuant to 14VAC5-100-50.

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

benefit upon lapse at the time of each scheduled increase. If the company is agreeable to this, what implementation schedule would be offered?
If a series is offered, the notification required in 14VAC5-200-75 D would be required at the time of each increase. As a result the policyholder letter would need to be amended to include the appropriate variability or attach additional letters to the Form Schedule to be used at each implementation period.
In addition, the Actuarial Memorandum would need to be amended accordingly regarding the implementation of the rate increase as a series.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*LTC Rate Request Summary Form - Revised - Ability.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Request Summary - Ability.pdf*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*LTC Rate Request Summary Form - Revised - Ability.pdf*
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Request Summary - Ability.pdf*

Satisfied - Item:	Objection Response 12-1-2017
Comments:	
Attachment(s):	VA Response 12-1-2017 - Ability.pdf Projection Comparison from 2013 filing.pdf Projection Comparison from 2017 filing.pdf 2013 Experience and Projection at Virginia Rate Level.xlsx CNF Acceptance Letter - Ability.pdf

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Form Schedule Item Changes

Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	RI-17-VA	RI-17-VA	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
Previous Version								
1	*RI-17-VA*	*RI-17-VA*	*POLA*	*Initial*			*Sample Rate Increase Letter - Ability Form RI-17-VA.pdf*	*Date Submitted: 10/05/2017 By: Dave Krydynski*
2	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
3	RI-17-VA-CBUL	RI-17-VA-CBUL	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski
4	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ.pdf	Date Submitted: 12/01/2017 By: Dave Krydynski

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	VA 2017 Rates - MP-3358	MP-3358, UR2038, UR2048, UR275, UR589R	Other	Previous State Filing Number: MDTP-129116517 Rate Action Other Explanation: No change	Rate Sheets 2017 - 3358 - Ability.pdf,	12/01/2017 By: Dave Krydynski
2	VA 2017 Rates - MP-LT692	MP-LT692, UR295, UR295C, UR592	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.48	Rate Sheets 2017 - 692 - Ability.pdf,	12/01/2017 By: Dave Krydynski
Previous Version						
2	*VA 2017 Rates - MP-LT692*	*MP-LT692, UR295, UR295C, UR592*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.44*	*Rate Sheets 2017 - 692 - Ability.pdf,*	*10/05/2017 By: Dave Krydynski*
Previous Version						
2	*VA 2017 Rates*	*LT692, LT694*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 45.32*	*Rate Sheets 2017 - 692.pdf, Rate Sheets 2017 - 694.pdf,*	*08/08/2017 By: Beverly Toomey*
3	VA 2017 Rates - MP-LT694/ML-LT694	MP-LT694, ML-LT694, UR268, UR273, UR-AB-287	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.48	Rate Sheets 2017 - 694 - Ability.pdf,	12/01/2017 By: Dave Krydynski

Conclusion:

Sincerely,
Dave Krydynski

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/05/2017
Submitted Date	10/05/2017

Dear Bobby Toone,

Introduction:

Please see the attached response to the objection letter. The full written response is attached in response to Objection 1 below. We have also created a post-submission update in response to the objection.

Response 1

Comments:

Please see the attached response to the objection letter.

Related Objection 1

Applies To:

- VA 2017 Rates, [LT692, LT694] (Rate)

Comments: 1) According to the Actuarial Memorandum, this filing is applicable to Policy Forms 3358, LT692, and LT694 with numerous riders. Please amend the Affected Form Numbers in the Rate/Rule Schedule to include each policy and rider form number exactly as approved and attach the appropriate rate schedules.

2) 2) In the previous SERFF filing number, MDTP-129116517, the Number of Policyholders Affected for this Program were 176. This current filing lists 155 policyholders. Please explain.

3) The current filing indicates the Overall Percentage of Last Revision as 69.302%; however, the previous filing MDTP-129116517 was approved for 70.584%. Please make the appropriate corrections including correcting item 8 in the Actuarial Memorandum.

4) The Overall % Indicated Change in the Rate/Rule Schedule should reflect the the percentage increase that would be required to meet the minimum loss ratio requirement as set forth in 14VAC5-200-150 B. Please amend accordingly.

Changed Items:

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 10-5-2017
Comments:	
Attachment(s):	VA Response 10-5-2017.pdf Calculation of 60-80 Test.pdf Virginia Exhibits 2017.xlsx Claim Cost Study and AE Factors YE 2016.xlsx Lapse Study - 2013-2016.xlsx 2017 Rate Increase Status for State Filings.pdf Benefit Adjustment Rider - Form VA 012011 - Ability.pdf CNF Election Confirmation (002).pdf

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	VA 2017 Rates - MP-LT692	MP-LT692, UR295, UR295C, UR592	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.44	Rate Sheets 2017 - 692 - Ability.pdf,	10/05/2017 By: Dave Krydynski
Previous Version						
1	*VA 2017 Rates*	*LT692, LT694*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 45.32*	*Rate Sheets 2017 - 692.pdf, Rate Sheets 2017 - 694.pdf,*	*08/08/2017 By: Beverly Toomey*

Response 2

Comments:

Please see the attached response to the objection letter. The full written response is attached in response to Objection 1 above.

Related Objection 2

Applies To:

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

Comments: Thank you for providing the Rate Request Summary. This form, however, has been updated and we have attached a revised form to be completed.

Please include all the policy and rider form numbers exactly as approved and attach a brief narrative that summarizes the key information used to develop the rates including the main drivers. Our expectation is that the form would provide in consumer-friendly language a clear explanation that justifies the rate increase. This should be fairly easy to understand without going too deep into the details, and at least explain to the consumer the assumptions and changes that are driving the need for an increase.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Previous Version	
Satisfied - Item:	*Long Term Care Insurance Rate Request Summary*
Comments:	
Attachment(s):	*Rate Request Summary - Ability.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 3

Comments:

Please see the attached response to the objection letter. The full written response is attached in response to Objection 1 above.

Related Objection 3

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Comments: 1) Please confirm that all policies are pre-stability policies issued prior to October 1, 2003 and subject to 14VAC5-200-150. If any policies were issued on or after that date, such policies would be subject to 14VAC5-200-153 and the filing, including all exhibits should be revised accordingly.
As set forth in 14VAC5-200-150 B, all present and accumulated values used to determine rate increases, including the lifetime loss ratio used in the original pricing, shall use the maximum interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia.

2) Based on the revised 14VAC5-200-150 B, benefits will be deemed reasonable for pre-stability policies only provided the expected loss ratio is greater of 60% or the lifetime loss ratio used in the original pricing applied to the current rate schedule plus 80% applied to any premium rate increase for individual policies.

3) Please provide the following for each block of business:
a) Re-state the nationwide experience using Virginia approved rates.
b) Sufficient detail or documentation so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.
c) 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 form's introduction.
d) An actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.
e) A step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.
f) Use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.

4) In the Scope of Filing section (Section 2), the Company stated "We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce." Under the Rate Action Information a 45.32% Percent Rate Change Request has been requested. Please resolve the discrepancy and amend the filing accordingly.

5) We are aware a separate filing has been submitted for Medico Insurance Company which was formerly Mutual Protective Insurance Company and the experience and projections have been combined accordingly. Although this is the case, the heading in the rate attachments should only refer to the name of the company for which this filing is applicable; in this case Ability Insurance Company. Please amend the attachments accordingly.

6) Please advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.

7) Please provide 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 as if no increases had ever been implemented.

8) Please provide 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.

9) Please provide the original targeted pricing loss ratio when the policies were originally approved.

10) Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.

11) Please provide the reserve basis and justification for the reserve levels provided.

12) If this increase is approved and experience develops as anticipated, will the company forgo increases in the future? If not, what would trigger a rate increase in the future? In other words, what targeted loss ratio does the company plans to manage this block in the future?

13) For each projection provided, please provide the anticipated future loss ratio where the numerator is equal to the anticipated incurred claims less policy reserves, and the denominator is equal to the anticipated earned premium.

14) In addition to experience exhibits, please include projection exhibits based on Virginia data as well.

15) In Section 4 of the Actuarial Memorandum you state, "We notify policyholders 60 days in advance before implementing a rate increase... 14VAC5-200-75 D says, "An insurer shall provide notice of an upcoming premium rate schedule increase to all policyholders or certificate holders, if applicable, at least 75 days prior to the implementation of the premium rate schedule increase by the insurer." Please amend the Actuarial Memorandum to be in compliance with the Regulation.

Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 4

Comments:

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Please see the attached response to the objection letter. The full written response is attached in response to Objection 1 above.

Related Objection 4

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

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 were effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. A summary of the new requirements are:

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

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

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

1. All applicable information identified in 14VAC5-200-75 including A 1 which requires a statement indicating the policy may be subject to future rate increases; A 2 which requires a statement that should there be future rate increases, options similar to those being offered now will be available and that benefits may be changed at any time and not just the time of a rate increase. PROPOSED WORDING: In the event of future rate increases, similar options may be available; however, you can contact us at any time to discuss decreasing your coverage and premiums, per the provisions of your policy.
; A 3 which requires a statement indicating the premium rate or rate schedules that will be effect; A 4 a which requires a statement as to when the premium rate or rate schedule adjustments will be effective; and A 4 b which requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.
2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:
a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
b. A disclosure stating that all options available to the policyholder may not be of equal value. As a disclosure this information should be emphasized by bolding, highlighting, using larger text or some other method that will bring attention to it;
c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections. As stated above, the information should be emphasized to bring attention to it; and
d. Contact information that will allow the policyholder to contact the insurer for additional options available;
3. A clear identification of the driving factors of the premium rate increase; and
4. A statement substantially similar to the following:

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

Because the letter must be "filed", please attach the letter to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number in the lower left hand corner. Please ensure the full and proper corporate

name of the insurer prominently appears in the letter. Please include a Statement of Variability, if applicable.

Changed Items:

No Supporting Documents changed.

No Rate/Rule Schedule items changed.

Response 5

Comments:

Please see the attached response to the objection letter. The full written response is attached in response to Objection 1 above.

Related Objection 5

Comments: Please explain how a policy is updated to reflect any benefit changes the insured may choose to reduce the effects of the rate increase. If the policy is revised or changed in any way, the policy owner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. If the company has such forms available for this purpose, please provide a copy of the form, the SERFF tracking number and date of approval. If the company does not have any available documents to effectuate such changes, a form will need to be submitted for review and approval. It can be attached to this filing if desired. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Conclusion:

Sincerely,
Dave Krydynski

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Amendment Letter

Submitted Date: 10/24/2019

Comments:

Please see our response and the Revised Actuarial Memorandum on the Supporting Documentation Tab. Revised Rate Sheets are attached on the Rate/Rule Schedule Tab. The Company Rate Information on the Rate/Rule Schedule Tab is being revised via a Post Submission Update.

Changed Items:

No Form Schedule Items Changed.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate/Rule Schedule Item Changes

Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	VA 2017 Rates - MP-LT692	MP-LT692, UR295, UR295C, UR592	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 22.5	Rate Sheets 2017 - 692 - Ability - Revised 24% Avg.pdf,	10/24/2019 By:
Previous Version						
1	*VA 2017 Rates - MP-LT692*	*MP-LT692, UR295, UR295C, UR592*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.48*	*Rate Sheets 2017 - 692 - Ability.pdf,*	*12/01/2017 By: Dave Krydynski*
Previous Version						
1	*VA 2017 Rates - MP-LT692*	*MP-LT692, UR295, UR295C, UR592*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 42.44*	*Rate Sheets 2017 - 692 - Ability.pdf,*	*10/05/2017 By: Dave Krydynski*
Previous Version						
1	*VA 2017 Rates*	*LT692, LT694*	*Revised*	*Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 45.32*	*Rate Sheets 2017 - 692.pdf, Rate Sheets 2017 - 694.pdf,*	*08/08/2017 By: Beverly Toomey*
2	VA 2017 Rates - MP-LT694/ML-LT694	MP-LT694, ML-LT694, UR268, UR273, UR-AB-287	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 22.5	Rate Sheets 2017 - 694 - Ability - Revised 24% Avg.pdf,	10/24/2019 By:
Previous Version						
2	*VA 2017 Rates - MP-LT694/ML-LT694*	*MP-LT694, ML-LT694, UR268, UR273, UR-*	*Revised*	*Previous State Filing Number:*	*Rate Sheets 2017 - 694 - Ability.pdf,*	*12/01/2017 By: Dave Krydynski*

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate/Rule Schedule Item Changes

		AB-287		*MDTP-129116517 Percent Rate Change Request: 42.48*		

Supporting Document Schedule Item Changes

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - Revised 10-22-2019.pdf
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 12-1-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia - revised 10-5-2017.pdf*
Previous Version	
Satisfied - Item:	*L&H Actuarial Memorandum*
Comments:	
Attachment(s):	*Rate Increase 2017 memo - Virginia.pdf*

Satisfied - Item:	Response to October 2019 Phone Calls
Comments:	
Attachment(s):	VA Response 10-24-2019.pdf

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Reviewer

Created By:

Beverly Toomey on 06/17/2020 10:16 AM

Last Edited By:

Bobby Toone

Submitted On:

08/18/2020 01:09 PM

Subject:

Status Update Request

Comments:

Please provide us with a status update on this filing. Thank You.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Reviewer

Created By:

Beverly Toomey on 10/09/2019 10:48 AM

Last Edited By:

Beverly Toomey

Submitted On:

10/09/2019 10:48 AM

Subject:

Status Update Request

Comments:

Please provide us with a status update on this filing. Thank You.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Filer

Created By:

Bobby Toone on 06/06/2018 11:50 AM

Last Edited By:

Bobby Toone

Submitted On:

06/06/2018 11:50 AM

Subject:

LTC Annual Report

Comments:

To be in compliance with 14VAC5-200-124 A, the Long -Term Care Annual Report is still required by June 30, 2018.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Reviewer

Created By:

Beverly Toomey on 06/06/2018 11:03 AM

Last Edited By:

Beverly Toomey

Submitted On:

06/06/2018 11:08 AM

Subject:

LTC Annual Rate Report

Comments:

We normally file the Long Term Care Annual Rate Report each year by June 30th. However, because this current rate filing is still outstanding we did not know if we should file the Annual Rate Report or if this current filing takes the place of the Annual Rate Report for this year. Please let us know whether or not it is still necessary for us to also file the LTC Annual Rate Report. Thank you.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Filer

Created By:

Bobby Toone on 09/05/2017 03:37 PM

Last Edited By:

Bobby Toone

Submitted On:

09/05/2017 03:37 PM

Subject:

Extension Request

Comments:

Respond within the next 30 days.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Note To Reviewer

Created By:

Beverly Toomey on 09/05/2017 02:56 PM

Last Edited By:

Beverly Toomey

Submitted On:

09/05/2017 03:02 PM

Subject:

Extension Request

Comments:

We would appreciate it if you would grant us an extension to give us additional time to respond to the 8/30/2017 objection. Thank you.

Note To Filer

Created By:

Bobby Toone on 08/30/2017 02:30 PM

Last Edited By:

Bobby Toone

Submitted On:

08/30/2017 02:31 PM

Subject:

Long Term Care Rate Request Summary

Comments:

Enclosed is the revised Long Term Care Rate Request Summary.

Reset Form

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

Company Name and NAIC Number:

SERFF Tracking Number:

Effective Date:

Revised Rates

Average Annual Premium Per Member:

Average Requested Percentage Rate Change Per Member:

Minimum Requested Percentage Rate Change Per Member:

Maximum Requested Percentage Rate Change Per Member:

Number of Policy Holders Affected :

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

Form#	"Product Name"(if applicable)

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.

Reviewer Note

Created By:

Bobby Toone on 09/03/2020 08:58 AM

Last Edited By:

Bobby Toone

Submitted On:

09/11/2020 07:48 AM

Subject:

Actuarial Summary and Opinion Report

Comments:

Rec'd response - 6/10/2019
- Recommend Approval

ACTUARIAL RESOURCES CORPORATION
CONSULTANTS • ACTUARIES
SHAWN D. PARKS, FSA, MAAA
1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055
(803) 994 - 9895 • (434) 944 - 5548 • SHAWN.PARKS@ARCGA.COM

June 10, 2019

Life and Health Division
Bureau of Insurance
State Corporation Commission
P. O. Box 1157
Richmond, VA 23218

Subject: **SERFF Tracking #TRIP-131145217**

At the request of the Virginia SCC Bureau of Insurance (the "Bureau"), I have reviewed the filing for the above captioned submission from **Ability Insurance Company** (the "Company"). This is a filing of revised premium rates for an individual long-term care policy form pursuant to the requirements of 14VAC5-200 et seq.

Recommendation

My review of this filing was performed according to the provisions of 14VAC5-200 et seq. and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, "Long-Term Care Insurance" and Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans". After review of the Company's submission, I believe that the Company has demonstrated that the filing is in compliance with all applicable regulations and standards. Based solely on this, I could recommend that the Bureau approve the proposed rates.

Other Considerations
The Bureau may wish to consider that the "Texas approach" would require the Company to reduce their rate increase to approximately 24% vs. the requested average increase of 42.5%.

Background

This will be the 6th rate increase on these policy forms which were all issued prior to 10/1/2003 and are not currently marketed. As of 12/31/16, there were 118 policyholders with annual premium of $346K in Virginia. The Company is requesting an increase of 0% to 90%, averaging 42.5% and varying by form, issue age and inflation type. For non-inflation policies with issue age less than 65, the range of increases is 10% (ages 60-64) to 40% (ages 18-39). Policies with inflation will see increases at issue ages less than 80, ranging from 40% (age 79) to 90% (ages 18-39).

The Company states that the rate increases are necessary due to the following:

- Poorer actual morbidity in 2013-2016 than previously projected.

- Based on A/E experience, future morbidity is anticipated to have worsened by 31%, grading down to 21% in projection years 6+.
- Lower voluntary lapse rates from 2013-2016 than previously anticipated.
- Future assumptions use a 1% morbidity improvement factor and a 0.5% mortality improvement factor, both for 20 years.

Virginia Inforce and Specific Rate Increases

The values below include both Ability and Medico and are as of 12/31/2018, so the counts are slightly below the numbers in the original filings due to lapses.

Virginia Inforce Policies and Premium as of 12/31/2018
Proposed Increase Percentages
All Policy Forms**

	Inforce Policies		Inforce Premium		Proposed Increase	
Issue Age	Non-inflation	Inflation	Non-inflation	Inflation	Non-inflation	Inflation
18-39	0	0	0	0	40%	90%
40-49	0	12	0	19,962	30%	80%
50-59	7	49	12,733	126,387	20%	70%
60-64	13	23	27,612	89,581	10%	60%
65-69	20	8	56,984	38,561	0%	60%
70	2	1	4,533	4,407	0%	58%
71	0	1	0	2,248	0%	56%
72	2	1	7,441	9,421	0%	54%
73	0	1	0	10,702	0%	52%
74	2	0	4,545	0	0%	50%
75	2	0	7,194	0	0%	48%
76	0	0	0	0	0%	46%
77	1	0	2,785	0	0%	44%
78	0	0	0	0	0%	42%
79	0	0	0	0	0%	40%
80+	0	0	0	0	0%	0%
Grand Total	49	96	123,827	301,268		

Analysis

My approach was to a) review the filing materials, b) check the filing contents for compliance with all relevant regulations, c) verify the calculations in the supplied exhibits, and d) review the assumptions and projections for reasonableness.

In the course of my review, requests were sent to the Company for additional information. The Company's responses clarified issues raised in the review. The Bureau was involved in all correspondence with the Company.

Assumptions

Morbidity

The morbidity assumptions are based on the Milliman 2009 LTCGs with 20 years of improvement at 1.0% per year. Additionally, an adjustment factor was used to reflect the Company's experience. Since the Company's adjustment factors utilized only the most recent few years of experience, we asked the Company to provide sensitivity projections using factors over a longer period of time.

Persistency

The Company's assumption is comprised of:

- Voluntary Lapse – varies by issue age and duration; the ultimate lapse rate at durations 8+ is 0.85%;
- Mortality – based on the 1994 GAM with 20 years of mortality improvement at 0.5% per year.

Interest

The average valuation rate of 4.5% is used for discounting.

Actual to Expected Results

Morbidity

The Company has provided the A/E ratios by duration for each policy form as compared to the 2009 Milliman LTCGs. The raw A/E is 118% when weighted by inforce premium. The Company has used judgment to smooth the A/E ratios for each plan based on the more recent experience and calculated the smoothed A/E which averages 131%. It has used the smoothed factors in the base projections. As a sensitivity, I asked the Company to provide projections using 118% and the results are shown below.

Terminations

When using the assumed mortality to estimate deaths, the residual voluntary termination rate over the past four years was 0.6% vs. the 0.85% current assumption.

Loss Ratio Demonstrations

The Company has filed demonstrations consistent with 14VAC5-200-150 for these pre-rate stability policies. The projections include experience of both the Company and the identical forms from its sister company, Medico Insurance Company. The lifetime loss ratio of the actual policies sold projected with original assumptions at 4.5% interest is 68.1%.

Morbidity Factor	Scenario	Lifetime LR	Future LR	Future LR w/ ALR
1.31*	Before Increase	85.1%	166.3%	85.5%
1.31*	With Increase	80.9%	125.4%	67.6%
1.18	Before Increase	83.1%	153.5%	72.7%
1.18	With Increase	79.0%	115.8%	54.8%

* 1.31 is an average but the factors vary by policy form

The value in red above is below the 60% minimum after deducting the active life reserve. Note that this only occurs on the morbidity sensitivity projections and not the baseline projections.

Since the Company is requesting rate increases which vary by inflation type, I asked them to split out the projections. The results are shown below.

Scenario	Original LR	Lifetime LR	Future LR	Future LR w/ ALR
No Inflation	67.7%	84.0%	119.7%	65.6%
With Inflation	69.1%	98.7%	149.8%	73.9%

60/80 Test

Since the original loss ratio at the valuation rates applicable to these policies was 68.1%, that value is used in the test results below.

68.1/80 Required Claims	Projected Claims	Projected Claims @ 1.18	Pass/Fail
2,866M	3,406M	3,326M	PASS

State Rate Equity

The cumulative prior rate increases vary from 220% for non-lifetime benefit periods to 314% for lifetime. This is fairly close to the nationwide averages of 211% and 287%.

"Texas Approach"

The Company states that they set their request based on an approach "similar to the Texas approach". However, when applying the actual Texas approach, the allowable increase is about half of what is being requested.

	prior filing	current	diff
PV future claims	963.2	1039.1	75.9
PV future premium	534.5	501.4	-33.1

Add'l funding	95.8	= 75.9 - 60% (-33.1)
allowed rate incr	24%	= 95.8 / (80% (501.4))

requested increase	42.5%
adjustment factor	0.562

Reliance and Qualifications

I am providing this letter to the Bureau as the sole intended user. The scope of the review relates only to compliance with applicable laws and regulations relating to the actuarial aspects of the filing under consideration, and the intended purpose is to communicate my findings regarding this filing. Distribution of this letter to parties other than the Bureau by me or any other party does not constitute advice by me to those parties. The reliance of parties other than the Bureau on any aspect of this work is not authorized by me and is done at their own risk.

In arriving at my opinion, I used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, my findings and conclusions may need to be revised. While I have relied on the data provided without independent investigation or verification, I have reviewed the data for consistency and reasonableness. In the event that I found the data inconsistent or unreasonable, I have requested clarification.

I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion. I am responsible for this work and have utilized generally accepted actuarial methodologies in arriving at my opinion.

If you have any questions regarding this filing, please contact me to discuss.

Sincerely,

Shawn D. Parks, FSA, MAAA

Reviewer Note

Created By:

Bobby Toone on 04/23/2018 01:24 PM

Last Edited By:

Bob Grissom

Submitted On:

07/16/2018 01:08 PM

Subject:

RRS

Comments:

Ability Rate Request Summary

Reset Form

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

Company Name and NAIC Number: Ability Insurance Company - 71471

SERFF Tracking Number: TRIP-131145217

Effective Date: 85 days following Approval

Revised Rates

Average Annual Premium Per Member: $2,935

Average Requested Percentage Rate Change Per Member: 42.480%

Minimum Requested Percentage Rate Change Per Member: 0%

Maximum Requested Percentage Rate Change Per Member: 90%

Number of Policy Holders Affected : 118

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

Form#	"Product Name"(if applicable)
MP-3358	
UR2038	
UR2048	
UR275	
UR589R	
MP-LT692(VA)	
UR295	
UR295C	
UR592	
MP-LT694 (VA)	
ML-LT694 (VA)	
UR268	
UR273	
UR-AB-287	

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.

Premium rates on your policy are being raised as a result of different than expected persistency (how long policies stay in force) and morbidity (both the incidence of illness in the population and the duration of the illness). The policy persistency, claim incidence and duration of illness in the population have been higher than initially anticipated. The higher persistency and morbidity combined with the cost of care continuing to increase means that premium rates must be adjusted to ensure current and future claims are adequately funded.

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Post Submission Update Request Processed On 10/10/2017

Status:	Allowed
Created By:	Dave Krydynski
Processed By:	Janet Houser
Comments:	

Rate Information:

Field Name	Requested Change	Prior Value
Overall Pct. of Last Revision	70.584%	69.302%

Company Rate Information:

Company Name:Ability Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	213.000%	45.320%
Overall % Rate Impact	42.480%	45.320%
Written Premium Change for this Program	$147098	$214515
Number of Policy Holders Affected for this Program	118	155
Written Premium for this Program	$346302	$473330

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Form Schedule

Lead Form Number:

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1	Filed 09/11/2020	RI-17-VA	RI-17-VA	POLA	Initial		50.100	Sample Rate Increase Letter - Ability Form RI-17-VA - Updated 9-3-20.pdf
2	Approved 09/11/2020	RI-17-VA-BAO	RI-17-VA-BAO	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-BAO - Updated 12-21-17.pdf
3	Approved 09/11/2020	RI-17-VA-CBUL	RI-17-VA-CBUL	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-CBUL - Updated 12-21-17.pdf
4	Filed 09/11/2020	RI-17-VA-FAQ	RI-17-VA-FAQ	POLA	Initial			Sample Rate Increase Letter - Ability Form RI-17-VA-FAQ - Updated 7-23-20.pdf

Form Type Legend:

ADV	Advertising	**AEF**	Application/Enrollment Form
CER	Certificate	**CERA**	Certificate Amendment, Insert Page, Endorsement or Rider
DDP	Data/Declaration Pages	**FND**	Funding Agreement (Annuity, Individual and Group)
MTX	Matrix	**NAP**	Network Access Plan
NOC	Notice of Coverage	**OTH**	Other
OUT	Outline of Coverage	**PJK**	Policy Jacket
POL	Policy/Contract/Fraternal Certificate	**POLA**	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider
PRC	Provider Contract/Provider Addendum/Provider Leading Agreement	**PRD**	Provider Directory

TriPlus Services, Inc. • Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
FAX: (844) 855-7817
EMAIL: customersupport@tri-plus.net

<<MM/DD/YYYY>>

<<John Doe>>
<<123 Main Street>>
<<City, VA, Zip Code>>

Policy No: <<00001>>
Insured: <<John Doe>>

Dear <<John Doe>>:

We value your business and want to thank you for choosing **Ability Insurance Company** to provide your long term care coverage. We are committed to ensuring that your long term care insurance benefits are there when you need them.

The purpose of this letter is to notify you that we have determined that it is necessary to increase premiums for your coverage. This is not a premium notice. If you are on a direct, paper bill mode you will receive a notice of premium due approximately 30 days before the premium is due. Your future premium rate(s) will be as follows:

> * The Annual renewal premium rate of $<<####.##>> will become effective on <<MM/DD/YYYY>>. This represents a percentage increase of <<##.#>>%. Please note that this premium rate does not reflect any future rate increases that may occur.

Reasons for the Premium Increase
It is necessary to increase premiums due to greater-than-anticipated claims payments expected over the lifetime of all certificates like yours. Premium rates must be adjusted to ensure current and future claims are adequately funded, so that long term care benefits will be available to you when you need them. Please be assured that you have not been singled out, and this premium increase is not a reflection of any previous claims history you may have had.

Options Available To You:
We do understand that this premium increase may make it more difficult to continue your current level of coverage. Please know that we do not take this action lightly. We recognize that raising premiums may have a significant impact on you. As such, below are options that you may consider at this time:

1. **Continue current level of coverage:** Keep your exact coverage without any changes and the new premium will take effect on <<MM/DD/YYYY>>. If we do not hear from you, then we will assume that you have accepted the higher premium amount.

2. **<<Adjust your coverage:** The policyholder has the right to a revised premium rate or rate schedule. You may consider adjusting the level of coverage in order to make premiums more affordable. We have provided you with the enclosed Benefit Adjustment Option Return Form This form shows the available policy adjustment offer(s) as an alternative to the current plan, while still maintaining essential coverage. **Please note that all options may not be of equal value.**

   If you would like to investigate additional benefit adjustment options, not mentioned in the enclosed, please call our Customer Support Department, toll free at <<###-###-####>>.

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Please discuss policy changes with your family or advisors as well as our Customer Support Department to make sure any changes to your policy will best suit your needs.>>

3. **Elect the Contingent Benefit Upon Lapse:** If you decide that you would like to end this coverage, we will provide a Contingent Benefit Upon Lapse. The new maximum benefit amount for this Benefit will be equal to the greater of the following:

   1. The sum of the premiums paid into the policy from the issue date through the current paid to date.
   2. 30 times the daily nursing home benefit at the time of lapse.

   To determine the number of days payable under the policy, the sum of all premiums paid is divided by the Daily Benefit at the time of lapse. Benefit Eligibility is determined by the policy terms and all benefits paid by us will not exceed the maximum benefits which would have been payable if the policy had remained in premium paying status.

   This Contingent Benefit Upon Lapse acts as a form of reduced paid up coverage. It will be available should you choose to lapse the coverage at any point between now and 120 days following the date the new premium rates take effect. If you would like to elect this benefit please complete and return the enclosed Request to Exercise Contingent Benefit Upon Lapse form. This form includes more details about the Benefit. If you do not complete this form, and you lapse your policy within 120 days after the effective date of the rate increase, this benefit will be automatically applied.

Please note that the policy may be subject to future rate increases. In the event of future rate increases, similar options may be available. You can contact us at any time to discuss decreasing your coverage and premiums.

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

We have enclosed additional information about this increase in the Frequently Asked Questions document. For any other questions, please call our customer service center at <<###-###-####>>, electing option <<#>>, then <<#>>, at the prompt, and a customer support rep will be happy to assist you.

Sincerely,

Policyholder Services Department
TriPlus Services, Inc.
Third Party Administrator for Ability Insurance Company
Enclosures – Frequently Asked Questions, Request to Exercise Contingent Benefit Upon Lapse, [Benefit Adjustment Option Return Form], Business Reply Envelope

TriPlus Services, Inc. • Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
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EMAIL: customersupport@tri-plus.net

BENEFIT ADJUSTMENT OPTION RETURN FORM

Date: <<MM/DD/YYYY>>

Policyholder: <<NAME>>
Policy Number: <<XXXXX>>

If you would like to implement one of the benefit adjustment options listed in this letter please circle the option you would like to exercise and then sign, date, and return this page using the enclosed envelope. Please return your option to us within 60 days from the date of this letter.

If you would like to investigate additional benefit adjustment offers, not mentioned below, please call our dedicated Customer Support Department, toll free at 877-795-8493.

If you do not wish to implement any of these benefit adjustment options you do not need to return this form to us.

<<
* Reduce your policy maximum from <<5 Years>> to <<4 Years>> for a new Annual premium of <<$####.##>>

* Reduce your policy maximum from <<5 Years>> to <<3 Years>> for a new Annual premium of <<$####.##>>

* Increase your Elimination Period from <<0 Days>> to 90 Days for a new Annual premium of <<$####.##>>

* Reduce your policy maximum from <<5 Years>> to <<4 Years>> and increase your Elimination Period from <<0 Days>> to 90 Days for a new Annual premium of <<$####.##>>

* Reduce your base Daily Benefit Amount from <<$###.##>> to <<$###.##>> for a new Annual premium of $<<###.##>>. Since you have an active Compound Inflation rider, your new inflated Daily Benefit Amount would be $<<###.##>> as of <<MM/DD/YYYY>> and is subject to further increases per rider terms.
>>
<<Please be aware that your policy does include additional coverage that is independent of the base policy. The adjustments and quotes noted here only reflect changes to the base policy and not the additional coverage. If you would like premium rate quotes that include adjusting the additional coverage as well, please contact us.>> **Please note that all options may not be of equal value.**

Please be aware when considering these options, that if you choose to reduce the maximum available under your policy, then any prior claims made on your policy will affect the benefits available after the reduction.

By signing and returning this page, Ability Insurance Company will change the policy's available benefits, effective <<MM/DD/YYYY>>, to the choice you selected above. You will receive an updated benefit rider once this change to the policy has been made. Please note that the above premium rates are for the current rate increase period and do not reflect any future rate increases that may occur, whether mentioned in this letter or not.

Signature _____ Date _____

TriPlus Services, Inc. • Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
FAX: (844) 855-7817
EMAIL: customersupport@tri-plus.net

If anyone other than the policyholder signs above, we must have copies of Durable Financial Power of Attorney papers or other legal representative papers on file.

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Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

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EMAIL: customersupport@tri-plus.net

REQUEST TO EXERCISE CONTINGENT BENEFIT UPON LAPSE

Date: <<MM/DD/YYYY>>

Policyholder: <<NAME>>
Policy Number: <<XXXXX>>

NOTE: This benefit can be elected by either lapsing your coverage by means of not paying your premium, or by completing and returning this form to us. Either way your election for this coverage must be made within 120 days following the effective date of this rate increase. ***If you do not want to exercise the Contingent Benefit Upon Lapse, then you do not need to complete this form.***

By completing and returning this form, I am electing to stop paying premiums for my long term care coverage and I am exercising the Contingent Benefit Upon Lapse option available with this rate increase.

By exercising this option, I understand that:

- My new maximum benefit amount under this policy will be equal to the greater of the sum of the premiums paid into the policy from the issue date through the current paid to date or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the remaining amount of benefits available under the policy if it remained in a premium paying status; and,
- If you currently have an open claim, or if a new claim is filed, any benefits paid for dates of service after the effective date of this new policy status will be applied to and will not exceed the policy's new maximum benefit amount.
- Once I exercise this option, I will only be able to reinstate my original maximum benefit amount if I submit a premium payment within 65 days from my premium due date; and,
- I must meet the eligibility requirements required under the Policy in order to receive benefit payments.

By signing below I agree to elect the Contingent Benefit Upon Lapse and I agree to all of the above.

Signature _____ Date _____

If anyone other than the policyholder signs above, we must have copies of Durable Financial Power of Attorney papers or other legal representative papers on file.

TriPlus Services, Inc. ◆ Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
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Omaha, NE 68103-0735

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FREQUENTLY ASKED QUESTIONS FOR INSUREDS

Q. Why is my premium increasing?

A: It is necessary to increase premiums due to greater than anticipated claims payments expected over the lifetime of all policies like this one. Many of the pricing assumptions that were common in the industry when your product was originally marketed have not developed as expected. The factors that contribute to the higher anticipated claims payments include morbidity, persistency and mortality. The claims experience trends have emerged higher than originally priced and more policyholders have kept their coverage inforce, resulting in more claims in the later policy durations. This premium increase will help ensure that Ability Insurance Company (the Company) is able to live up to its obligations to you as a policyholder.

Q. When will my premium increase?

A: Premium for your inforce coverage will increase on the date specified in your letter. If your premium is paid through automatic bank draft, your new premium will be deducted automatically from your account on the stated date. If you pay your premium by direct bill (by check) you will receive a premium notice for the increased amount approximately 30 days before that premium due date.

Q. I thought my premium could never go up. Am I being singled out for this rate increase because of my age or health?

A: No. Your premium rates for long term care insurance will never change based on changes in your age or health. As stated in your policy, we can only change premium rates on a class basis, not an individual basis. This means that the rates have been changed on all policies like yours on a statewide class basis. Even though you may not have used your policy, we need to ensure that we can deliver on the promises of the policy should you need to make a claim in the future.

Q. Will my premium continue to increase?

A: The Company will continue to monitor emerging claims experience to ensure that it is able to deliver on the promises of your policy, primarily to pay any future claims you might incur. Please note that any future increases will be subject to review and approval by the Virginia State Corporation Commission before implementation.

Q. Have other insurance companies raised their long term care rates?

A: Yes. The deviations from expected claim and persistency assumptions that the Company has experienced have also been experienced by other long term care insurance carriers. Numerous other carriers have also implemented rate increases for long term care policies.

Q. <<What are the options to reduce my coverage?

A: Please refer to the Benefit Adjustment Option Return Form for a description of some of the options available to you. If there are no specific options listed in your letter (this would only occur if your policy has the smallest allowable benefit period and an elimination period of 90 days or higher), or you would like to investigate additional options, please contact our customer service center at 877-795-8493.

TriPlus Services, Inc. ◆ Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
FAX: (844) 855-7817
EMAIL: customersupport@tri-plus.net

Q. I want to maintain an active premium paying policy, how do I change my coverage?

A: To change your coverage we require your request in writing. You may submit the Benefit Adjustment Option Return Form included with your notification letter, or you may contact our customer service center at 877-795-8493, pressing option 2 then 3 at the prompt, to obtain a proposed benefit adjustment form for those options not identified in your letter. >>

Q. How long do I have to make any coverage changes before the effective date of the increase?

A: You can change your coverage at any time, however in order for us to process any changes before the rate increase effective date you should submit your election to us 15 business days in advance of the effective date of the increase.

Q. I am currently receiving Long Term Care benefits. Do I have to remit the new premium?

A: The premium increase will not impact your current claim benefits. Your policy will continue to provide you with the benefits in accordance with the terms of the coverage you purchased. If your policy contains a provision that waives premium and you are currently receiving that benefit, the new premium will also be waived until such time as you are no longer eligible for waiver of premium, as stated in your policy. You will have to pay the increased premium only after you return to a premium paying status. If your policy does not have a waiver of premium provision or if you do not qualify under this provision, then the premium increase will impact you, even if you are on claim. Please note that you are allowed to modify benefit levels at any time to adjust your premium rate, not only at the time of a premium increase. Please refer to the "Options Available To You" section of the rate increase notification letter.

Q. What safety measures are in place should an insurer file for bankruptcy and not be able to meet their current claim obligations?

A: The premium increases are designed to prevent this from happening. Also, all states have what are known as Guaranty Associations. In the event that a company cannot meets its claim obligations, these Guaranty Associations will pay claims up to a certain cap, which varies by state.

For more information, please see the Virginia Life, Accident & Sickness Insurance Guaranty Association at http://www.valifega.org.

Q. Whom should I contact if I have additional questions about this rate increase?

A: If you have additional questions, please contact our customer service center at <<877-795-8493, pressing option 2 and then 3 at the prompt. The office hours are Monday through Friday 7:30 a.m. to 4:45 p.m. Central time.>>

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 70.584%
Effective Date of Last Rate Revision: 12/19/2014
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):
Ability Insurance Company	22.500%	22.500%	$77,866	118	$346,302	50.000%	0.000%

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		VA 2017 Rates - MP-LT692	MP-LT692, UR295, UR295C, UR592	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 22.5	Rate Sheets 2017 - 692 - Ability - Revised 24% Avg.pdf,
2		VA 2017 Rates - MP-LT694/ML-LT694	MP-LT694, ML-LT694, UR268, UR273, UR-AB-287	Revised	Previous State Filing Number: MDTP-129116517 Percent Rate Change Request: 22.5	Rate Sheets 2017 - 694 - Ability - Revised 24% Avg.pdf,
3		VA 2017 Rates - MP-3358	MP-3358, UR2038, UR2048, UR275, UR589R	Other	Previous State Filing Number: MDTP-129116517 Rate Action Other Explanation: No change	Rate Sheets 2017 - 3358 - Ability.pdf,

Ability Insurance Company (formerly Medico Life Ins. Co.)
MP-LT692
LONG TERM CARE POLICY
Base Policy Form 692
Premium per $10 Units Purchased
Rate Schedule for the State of VA
All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 20 Days	2 Years 90 Days	3 Years 0 Days	3 Years 20 Days	3 Years 90 Days	5 Years 0 Days	5 Years 20 Days	5 Years 90 Days	10 Years 0 Days	10 Years 20 Days	10 Years 90 Days	Lifetime 0 Days	Lifetime 20 Days	Lifetime 90 Days
18		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
19		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
20		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
21		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
22		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
23		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
24		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
25		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
26		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
27		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
28		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
29		29.46	27.19	22.66	31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	55.64	49.79	46.86
30		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
31		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
32		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
33		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
34		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
35		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
36		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
37		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
38		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
39		31.72	29.46	27.19	36.25	31.72	29.46	38.52	36.25	31.72	43.05	38.52	36.25	58.57	55.64	49.79
40		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
41		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
42		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
43		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
44		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
45		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
46		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
47		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
48		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
49		52.11	43.05	38.52	54.38	49.85	43.05	65.71	58.91	52.11	74.77	65.71	58.91	105.43	93.72	79.07
50		62.31	49.85	45.70	72.70	62.31	54.00	87.24	74.77	66.47	101.78	87.24	76.85	134.23	120.80	104.70
51		62.31	49.85	45.70	72.70	62.31	54.00	87.24	74.77	66.47	101.78	87.24	76.85	134.23	120.80	104.70
52		62.31	49.85	45.70	72.70	62.31	54.00	87.24	74.77	66.47	101.78	87.24	76.85	134.23	120.80	104.70
53		62.31	49.85	45.70	72.70	62.31	54.00	87.24	74.77	66.47	101.78	87.24	76.85	134.23	120.80	104.70
54		62.31	49.85	45.70	72.70	62.31	54.00	87.24	74.77	66.47	101.78	87.24	76.85	134.23	120.80	104.70
55		95.54	81.00	72.70	114.24	99.70	87.24	141.24	122.55	108.01	164.09	143.32	124.62	220.13	190.60	169.13
56		95.54	81.00	72.70	114.24	99.70	87.24	141.24	122.55	108.01	164.09	143.32	124.62	220.13	190.60	169.13
57		95.54	81.00	72.70	114.24	99.70	87.24	141.24	122.55	108.01	164.09	143.32	124.62	220.13	190.60	169.13
58		95.54	81.00	72.70	114.24	99.70	87.24	141.24	122.55	108.01	164.09	143.32	124.62	220.13	190.60	169.13
59		95.54	81.00	72.70	114.24	99.70	87.24	141.24	122.55	108.01	164.09	143.32	124.62	220.13	190.60	169.13
60		156.63	130.85	116.98	194.30	166.54	144.73	239.90	206.19	186.37	277.57	239.90	214.12	366.44	317.75	284.44
61		156.63	130.85	116.98	194.30	166.54	144.73	239.90	206.19	186.37	277.57	239.90	214.12	366.44	317.75	284.44
62		156.63	130.85	116.98	194.30	166.54	144.73	239.90	206.19	186.37	277.57	239.90	214.12	366.44	317.75	284.44
63		156.63	130.85	116.98	194.30	166.54	144.73	239.90	206.19	186.37	277.57	239.90	214.12	366.44	317.75	284.44
64		156.63	130.85	116.98	194.30	166.54	144.73	239.90	206.19	186.37	277.57	239.90	214.12	366.44	317.75	284.44
65		206.60	174.95	152.62	256.85	219.63	193.57	318.28	273.60	243.83	364.81	316.41	281.05	478.72	416.18	370.46
66		227.45	190.77	168.75	286.14	242.12	214.61	352.18	304.49	271.48	401.71	346.68	308.16	526.31	457.56	405.40
67		249.40	211.46	187.96	314.47	267.48	236.76	388.57	336.16	300.01	442.79	383.15	341.58	579.30	502.22	448.50
68		274.17	231.44	204.74	345.39	295.53	261.71	427.28	368.53	331.14	487.81	420.15	377.43	635.08	552.25	494.72
69		303.33	254.24	224.43	380.48	326.12	287.55	471.65	406.78	362.94	534.77	464.64	413.79	702.52	607.34	541.62
70		333.19	281.40	246.87	419.51	357.36	315.93	519.64	447.13	400.52	588.70	509.28	455.76	772.04	669.39	593.54
71		365.37	307.59	271.90	462.23	394.26	346.68	572.69	491.13	440.15	645.77	560.80	499.63	843.44	733.62	654.55
72		401.38	337.83	299.36	508.42	433.16	382.98	628.83	541.86	483.33	710.78	617.12	548.55	927.32	804.12	719.80
73		437.69	370.23	327.45	556.16	473.89	419.59	689.45	594.00	531.48	779.95	674.64	602.23	1,016.57	882.59	786.89
74		480.69	406.24	356.06	608.55	519.53	459.65	757.45	652.25	582.65	852.94	738.03	660.34	1,110.78	964.35	861.85
75		525.20	442.44	389.92	666.84	568.16	504.50	829.18	714.58	639.78	935.81	808.49	722.54	1,217.74	1,055.24	942.11
76		574.18	481.88	425.55	730.63	624.25	549.15	910.55	783.83	700.91	1,023.20	885.52	790.09	1,334.60	1,156.65	1,031.29
77		627.32	527.38	464.35	799.53	682.67	602.73	996.33	859.49	768.78	1,120.87	970.20	865.64	1,456.66	1,261.91	1,126.78
78		697.89	587.62	518.13	889.74	759.82	672.21	1,113.30	959.22	856.50	1,249.25	1,083.09	965.26	1,624.40	1,407.67	1,257.35
79		775.92	651.30	574.15	991.05	845.65	747.74	1,243.26	1,072.65	956.92	1,394.59	1,209.14	1,078.58	1,813.99	1,570.46	1,403.64
80		875.33	737.35	651.30	1,126.06	959.89	848.62	1,413.87	1,219.52	1,088.97	1,584.49	1,373.82	1,223.97	2,059.43	1,787.14	1,593.47
81		991.05	835.27	737.35	1,277.38	1,088.97	962.86	1,608.23	1,387.17	1,238.81	1,801.10	1,562.23	1,393.10	2,339.39	2,026.84	1,808.24
82		1,121.60	943.57	833.79	1,448.00	1,234.36	1,091.93	1,829.28	1,577.07	1,409.42	2,047.37	1,772.91	1,581.52	2,655.79	2,302.96	2,053.68
83		1,268.48	1,068.19	942.09	1,642.35	1,402.01	1,238.81	2,081.50	1,795.16	1,602.29	2,324.81	2,014.73	1,796.64	3,018.20	2,615.52	2,333.64
84		1,436.13	1,209.14	1,066.71	1,863.41	1,588.94	1,406.46	2,364.86	2,039.96	1,821.87	2,642.30	2,290.68	2,042.92	3,426.64	2,970.26	2,650.03

Multiply by 0.85 if both spouses are issued coverage simultaneously.

MODAL FACTORS
Semi-Annual = 0.52
Quarterly = 0.27
Quarterly (Bank Draft) = 0.25
Monthly (Bank Draft) = 1/12th

CLASS FACTORS
Super Preferred = 0.8125
Preferred = 1.00
Standard = 1.25

AREA FACTORS: Area 1=0.75, Area 2=1.00, Area 3=1.25

Ability Insurance Company (formerly Medico Life Ins. Co.)
UR295
SIMPLE INFLATION RIDER
Base Policy Form 692
Premium per $10 Units Purchased
Rate Schedule for the State of VA
All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 20 Days	2 Years 90 Days	3 Years 0 Days	3 Years 20 Days	3 Years 90 Days	5 Years 0 Days	5 Years 20 Days	5 Years 90 Days	10 Years 0 Days	10 Years 20 Days	10 Years 90 Days	Lifetime 0 Days	Lifetime 20 Days	Lifetime 90 Days
18		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
19		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
20		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
21		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
22		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
23		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
24		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
25		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
26		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
27		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
28		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
29		52.11	45.60	42.34	61.89	52.11	45.60	65.14	61.89	52.11	71.66	65.14	61.89	101.04	92.62	84.20
30		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
31		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
32		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
33		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
34		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
35		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
36		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
37		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
38		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
39		56.17	46.26	42.96	62.78	52.87	46.26	66.09	56.17	52.87	72.70	66.09	56.17	98.23	93.96	85.42
40		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
41		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
42		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
43		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
44		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
45		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
46		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
47		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
48		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
49		68.37	58.11	54.69	78.62	68.37	58.11	92.30	78.62	68.37	102.55	92.30	82.04	145.80	128.13	114.87
50		78.81	72.25	62.39	95.23	78.81	72.25	114.94	98.52	85.38	131.35	114.94	105.08	178.26	152.80	140.06
51		78.81	72.25	62.39	95.23	78.81	72.25	114.94	98.52	85.38	131.35	114.94	105.08	178.26	152.80	140.06
52		78.81	72.25	62.39	95.23	78.81	72.25	114.94	98.52	85.38	131.35	114.94	105.08	178.26	152.80	140.06
53		78.81	72.25	62.39	95.23	78.81	72.25	114.94	98.52	85.38	131.35	114.94	105.08	178.26	152.80	140.06
54		78.81	72.25	62.39	95.23	78.81	72.25	114.94	98.52	85.38	131.35	114.94	105.08	178.26	152.80	140.06
55		111.86	98.30	81.35	135.58	118.64	101.69	166.09	145.75	132.19	196.60	169.48	152.53	262.86	227.81	201.53
56		111.86	98.30	81.35	135.58	118.64	101.69	166.09	145.75	132.19	196.60	169.48	152.53	262.86	227.81	201.53
57		111.86	98.30	81.35	135.58	118.64	101.69	166.09	145.75	132.19	196.60	169.48	152.53	262.86	227.81	201.53
58		111.86	98.30	81.35	135.58	118.64	101.69	166.09	145.75	132.19	196.60	169.48	152.53	262.86	227.81	201.53
59		111.86	98.30	81.35	135.58	118.64	101.69	166.09	145.75	132.19	196.60	169.48	152.53	262.86	227.81	201.53
60		158.93	136.68	117.60	197.07	168.46	152.57	247.92	209.78	187.53	282.89	241.57	219.32	373.84	324.55	291.68
61		158.93	136.68	117.60	197.07	168.46	152.57	247.92	209.78	187.53	282.89	241.57	219.32	373.84	324.55	291.68
62		158.93	136.68	117.60	197.07	168.46	152.57	247.92	209.78	187.53	282.89	241.57	219.32	373.84	324.55	291.68
63		158.93	136.68	117.60	197.07	168.46	152.57	247.92	209.78	187.53	282.89	241.57	219.32	373.84	324.55	291.68
64		158.93	136.68	117.60	197.07	168.46	152.57	247.92	209.78	187.53	282.89	241.57	219.32	373.84	324.55	291.68
65		199.96	168.22	152.35	250.73	215.83	190.43	311.04	269.78	241.22	355.47	311.04	272.96	471.75	406.11	365.09
66		216.74	182.19	163.33	270.13	229.30	204.17	336.08	288.97	257.56	380.06	329.81	295.26	503.41	438.46	385.68
67		235.30	197.65	175.70	294.91	247.85	222.76	360.80	310.59	279.22	411.00	357.65	320.02	543.36	466.32	421.71
68		246.75	212.38	184.29	315.45	265.48	234.25	387.30	334.20	296.72	440.38	381.05	340.45	577.27	500.58	448.08
69		265.68	225.04	196.91	334.44	287.56	253.18	412.58	356.32	318.81	471.97	409.46	365.70	618.09	533.26	476.70
70		268.55	224.29	200.68	339.37	289.21	253.80	422.00	360.02	321.66	475.13	413.15	365.92	621.72	537.81	484.40
71		278.33	232.87	204.47	346.47	298.20	261.27	434.53	372.04	332.27	491.33	426.00	374.87	638.70	554.26	491.87
72		282.41	238.96	211.80	355.74	304.14	268.83	442.62	382.89	339.44	499.65	434.48	388.31	652.82	565.08	505.40
73		283.24	239.06	213.08	363.79	306.62	272.84	449.53	384.57	343.00	504.11	436.54	392.36	661.63	570.94	513.84
74		289.63	242.60	212.89	363.90	309.44	274.78	453.01	388.65	349.04	509.95	443.11	396.08	662.30	575.92	515.12
75		287.00	244.65	214.08	367.00	310.53	277.60	454.04	392.86	352.87	510.49	444.62	395.22	668.92	577.71	516.90
76		288.67	242.04	213.17	364.17	313.09	275.35	452.99	393.03	350.85	510.73	444.11	397.48	665.84	579.74	516.60
77		285.42	239.58	212.50	362.49	308.32	272.92	452.08	389.59	347.92	506.24	441.67	393.74	662.40	573.53	511.60
78		282.42	237.63	210.35	364.23	311.64	274.63	453.82	393.45	350.59	510.31	444.08	395.39	664.61	576.50	513.56
79		281.34	236.25	211.00	360.69	306.58	272.32	452.66	389.54	348.06	506.76	438.23	391.34	657.32	571.07	510.47
80		247.76	207.70	183.97	318.97	271.50	238.86	399.09	344.20	307.11	446.56	387.22	345.68	582.93	506.23	450.62
81		265.57	222.54	195.84	339.75	290.79	256.66	428.76	369.42	330.84	480.69	416.89	372.38	623.20	540.75	483.22
82		281.88	237.38	209.19	364.97	311.56	275.95	459.92	397.61	354.58	514.81	446.56	397.61	667.30	579.10	515.82
83		301.17	253.70	224.02	391.67	333.81	295.24	494.04	427.28	379.80	553.38	479.20	427.28	717.16	621.28	554.17
84		321.94	271.50	238.86	418.38	356.06	316.01	532.61	456.95	407.99	593.44	514.81	459.92	770.85	665.38	594.44

Multiply by 0.85 if both spouses are issued coverage simultaneously.

MODAL FACTORS
Semi-Annual = 0.52
Quarterly = 0.27
Quarterly (Bank Draft) = 0.25
Monthly (Bank Draft) = 1/12th

CLASS FACTORS
Super Preferred = 0.8125
Preferred = 1.00
Standard = 1.25

AREA FACTORS: Area 1=0.75, Area 2=1.00, Area 3=1.25

Ability Insurance Company (formerly Medico Life Ins. Co.)
UR295C
COMPOUND INFLATION RIDER
Base Policy Form 692
Premium per $10 Units Purchased
Rate Schedule for the State of VA
All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 20 Days	2 Years 90 Days	3 Years 0 Days	3 Years 20 Days	3 Years 90 Days	5 Years 0 Days	5 Years 20 Days	5 Years 90 Days	10 Years 0 Days	10 Years 20 Days	10 Years 90 Days	Lifetime 0 Days	Lifetime 20 Days	Lifetime 90 Days
18		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
19		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
20		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
21		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
22		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
23		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
24		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
25		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
26		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
27		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
28		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
29		106.27	97.16	81.98	118.41	106.27	97.16	130.56	118.41	106.27	145.74	130.56	118.41	196.22	188.37	168.75
30		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
31		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
32		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
33		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
34		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
35		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
36		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
37		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
38		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
39		107.24	91.92	82.73	113.37	101.11	91.92	128.69	110.31	101.11	137.88	122.56	110.31	190.09	170.29	158.41
40		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
41		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
42		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
43		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
44		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
45		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
46		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
47		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
48		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
49		122.51	103.66	91.10	141.36	116.23	103.66	163.35	141.36	125.65	185.34	163.35	144.50	255.79	223.31	198.95
50		138.13	117.11	105.10	159.14	138.13	120.11	189.17	165.15	147.13	225.21	195.18	174.16	302.72	263.91	232.86
51		138.13	117.11	105.10	159.14	138.13	120.11	189.17	165.15	147.13	225.21	195.18	174.16	302.72	263.91	232.86
52		138.13	117.11	105.10	159.14	138.13	120.11	189.17	165.15	147.13	225.21	195.18	174.16	302.72	263.91	232.86
53		138.13	117.11	105.10	159.14	138.13	120.11	189.17	165.15	147.13	225.21	195.18	174.16	302.72	263.91	232.86
54		138.13	117.11	105.10	159.14	138.13	120.11	189.17	165.15	147.13	225.21	195.18	174.16	302.72	263.91	232.86
55		178.63	150.91	132.43	218.67	181.71	163.23	261.79	224.83	203.27	304.90	264.87	240.23	413.99	354.28	322.43
56		178.63	150.91	132.43	218.67	181.71	163.23	261.79	224.83	203.27	304.90	264.87	240.23	413.99	354.28	322.43
57		178.63	150.91	132.43	218.67	181.71	163.23	261.79	224.83	203.27	304.90	264.87	240.23	413.99	354.28	322.43
58		178.63	150.91	132.43	218.67	181.71	163.23	261.79	224.83	203.27	304.90	264.87	240.23	413.99	354.28	322.43
59		178.63	150.91	132.43	218.67	181.71	163.23	261.79	224.83	203.27	304.90	264.87	240.23	413.99	354.28	322.43
60		238.38	200.59	174.42	293.61	250.01	220.94	360.48	311.06	276.17	415.71	360.48	322.69	552.33	477.18	428.34
61		238.38	200.59	174.42	293.61	250.01	220.94	360.48	311.06	276.17	415.71	360.48	322.69	552.33	477.18	428.34
62		238.38	200.59	174.42	293.61	250.01	220.94	360.48	311.06	276.17	415.71	360.48	322.69	552.33	477.18	428.34
63		238.38	200.59	174.42	293.61	250.01	220.94	360.48	311.06	276.17	415.71	360.48	322.69	552.33	477.18	428.34
64		238.38	200.59	174.42	293.61	250.01	220.94	360.48	311.06	276.17	415.71	360.48	322.69	552.33	477.18	428.34
65		282.79	242.39	210.65	352.04	302.99	265.47	435.74	378.02	337.61	499.22	432.84	386.67	660.14	570.64	510.95
66		301.39	252.60	223.90	376.02	321.48	284.17	462.13	401.86	358.80	528.16	459.26	410.47	701.19	604.73	537.94
67		319.52	268.16	239.63	399.40	342.34	299.55	493.53	427.92	382.27	562.01	484.98	436.47	737.45	637.88	567.83
68		335.59	281.57	250.27	418.08	355.51	315.68	520.46	446.52	401.00	588.72	511.93	455.05	771.94	672.68	599.16
69		352.58	295.71	261.59	443.56	375.32	332.67	548.77	472.00	420.82	622.69	537.39	477.68	815.85	705.60	628.42
70		352.12	295.23	260.03	444.20	379.20	335.86	549.85	476.72	425.25	622.98	539.00	479.42	815.69	707.16	630.15
71		357.53	300.13	266.19	451.50	383.63	341.88	561.11	480.21	433.22	631.56	548.06	488.02	826.41	718.48	640.89
72		362.03	304.21	269.02	460.08	392.21	344.44	568.20	487.74	437.46	641.10	558.14	495.29	838.36	724.62	646.64
73		362.82	307.19	270.91	459.57	394.26	348.32	570.83	491.02	437.80	643.40	556.33	498.27	840.98	728.42	647.14
74		364.03	306.06	271.28	461.41	394.17	347.80	570.39	493.88	440.55	644.59	556.48	498.51	842.11	728.23	650.31
75		360.82	305.48	267.85	458.21	391.80	347.53	571.11	493.63	440.50	644.16	557.82	498.05	841.13	723.84	646.60
76		357.84	303.11	267.32	454.66	387.31	343.11	566.23	490.45	435.71	639.90	555.70	494.66	829.77	720.95	642.05
77		352.55	298.77	262.92	450.15	384.41	338.61	561.69	484.00	432.23	631.41	547.74	487.99	823.80	710.53	633.30
78		350.60	296.23	262.48	448.10	382.48	337.48	562.46	483.72	431.22	629.95	545.58	489.34	819.05	712.44	634.89
79		348.69	292.62	257.57	443.31	378.48	336.42	557.20	480.10	429.29	625.54	543.18	483.61	813.03	704.32	629.58
80		310.07	261.11	231.44	399.09	339.75	301.17	501.46	431.73	387.22	562.29	486.62	433.21	732.50	632.79	563.76
81		329.36	275.95	243.31	422.83	360.52	318.97	532.61	459.92	409.47	596.41	516.29	461.40	776.60	671.14	598.27
82		345.68	292.27	258.15	448.05	382.77	338.26	566.74	486.62	436.18	632.02	548.93	489.59	822.62	713.32	634.70
83		367.93	307.11	271.50	474.75	403.54	356.06	600.86	516.29	462.88	670.59	581.57	519.26	872.48	757.43	673.05
84		387.22	326.39	287.82	501.46	428.76	378.32	639.43	551.90	491.07	713.61	617.18	551.90	924.25	801.53	715.24

Multiply by 0.85 if both spouses are issued coverage simultaneously.

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Super Preferred = 0.8125
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Ability Insurance Company (formerly Medico Life Ins. Co.)
UR592
HOME HEALTH CARE RIDER
Base Policy Form 692
Premium per $10 Units Purchased
Rate Schedule for the State of VA
All Issue Years

Issue Age	BP EP	1 Year 0 Days	1 Year 20 Days	1 Year 90 Days	2 Years 0 Days	2 Years 20 Days	2 Years 90 Days	3 Years 0 Days	3 Years 20 Days	3 Years 90 Days	5 Years 0 Days	5 Years 20 Days	5 Years 90 Days	10 Years 0 Days	10 Years 20 Days	10 Years 90 Days	Lifetime 0 Days	Lifetime 20 Days	Lifetime 90 Days
18		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
19		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
20		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
21		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
22		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
23		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
24		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
25		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
26		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
27		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
28		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
29		31.72	27.19	22.66	36.25	29.46	27.19	38.52	31.72	29.46	43.05	36.25	31.72	45.32	38.52	36.25	64.43	55.64	49.79
30		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
31		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
32		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
33		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
34		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
35		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
36		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
37		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
38		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
39		38.52	31.72	29.46	43.05	38.52	31.72	45.32	43.05	36.25	49.85	45.32	38.52	52.11	49.85	43.05	70.29	67.36	58.57
40		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
41		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
42		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
43		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
44		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
45		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
46		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
47		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
48		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
49		58.91	49.85	38.52	65.71	58.91	49.85	67.98	65.71	52.11	72.51	67.98	54.38	74.77	72.51	58.91	102.50	96.64	79.07
50		66.47	56.08	45.70	76.85	72.70	60.23	87.24	81.00	68.54	89.31	83.08	72.70	93.47	87.24	74.77	123.49	115.44	99.33
51		66.47	56.08	45.70	76.85	72.70	60.23	87.24	81.00	68.54	89.31	83.08	72.70	93.47	87.24	74.77	123.49	115.44	99.33
52		66.47	56.08	45.70	76.85	72.70	60.23	87.24	81.00	68.54	89.31	83.08	72.70	93.47	87.24	74.77	123.49	115.44	99.33
53		66.47	56.08	45.70	76.85	72.70	60.23	87.24	81.00	68.54	89.31	83.08	72.70	93.47	87.24	74.77	123.49	115.44	99.33
54		66.47	56.08	45.70	76.85	72.70	60.23	87.24	81.00	68.54	89.31	83.08	72.70	93.47	87.24	74.77	123.49	115.44	99.33
55		83.08	72.70	54.00	110.08	99.70	83.08	124.62	116.31	99.70	135.01	124.62	103.85	137.09	128.78	108.01	182.55	169.13	142.28
56		83.08	72.70	54.00	110.08	99.70	83.08	124.62	116.31	99.70	135.01	124.62	103.85	137.09	128.78	108.01	182.55	169.13	142.28
57		83.08	72.70	54.00	110.08	99.70	83.08	124.62	116.31	99.70	135.01	124.62	103.85	137.09	128.78	108.01	182.55	169.13	142.28
58		83.08	72.70	54.00	110.08	99.70	83.08	124.62	116.31	99.70	135.01	124.62	103.85	137.09	128.78	108.01	182.55	169.13	142.28
59		83.08	72.70	54.00	110.08	99.70	83.08	124.62	116.31	99.70	135.01	124.62	103.85	137.09	128.78	108.01	182.55	169.13	142.28
60		105.08	91.20	69.39	150.68	136.80	114.99	182.40	168.52	142.75	196.28	182.40	154.65	206.19	190.33	160.59	269.07	251.13	210.13
61		105.08	91.20	69.39	150.68	136.80	114.99	182.40	168.52	142.75	196.28	182.40	154.65	206.19	190.33	160.59	269.07	251.13	210.13
62		105.08	91.20	69.39	150.68	136.80	114.99	182.40	168.52	142.75	196.28	182.40	154.65	206.19	190.33	160.59	269.07	251.13	210.13
63		105.08	91.20	69.39	150.68	136.80	114.99	182.40	168.52	142.75	196.28	182.40	154.65	206.19	190.33	160.59	269.07	251.13	210.13
64		105.08	91.20	69.39	150.68	136.80	114.99	182.40	168.52	142.75	196.28	182.40	154.65	206.19	190.33	160.59	269.07	251.13	210.13
65		115.40	102.37	74.45	174.95	158.21	134.01	217.76	201.02	169.38	238.24	223.35	184.26	249.40	230.79	193.57	324.76	300.70	252.59
66		121.06	106.39	78.88	181.60	166.92	139.40	232.95	214.61	179.76	256.80	238.46	198.11	265.97	247.63	209.11	348.50	324.79	272.64
67		124.70	108.44	83.14	193.39	173.50	148.20	247.60	225.91	189.77	272.90	254.83	213.26	285.55	265.68	224.10	373.75	345.71	291.99
68		129.96	115.72	87.24	204.74	185.16	156.67	263.49	243.91	202.96	295.53	272.39	227.88	307.99	284.85	238.57	400.39	370.46	310.64
69		138.51	120.98	91.17	217.42	196.38	166.57	280.54	259.50	217.42	315.60	292.81	245.47	331.38	305.08	257.74	430.57	398.85	335.39
70		145.01	126.03	94.95	227.88	208.90	174.37	298.67	276.22	231.33	334.91	312.48	260.69	352.18	328.01	276.22	459.66	428.41	359.25
71		151.25	132.56	100.27	243.02	220.92	185.24	317.78	294.00	246.41	360.27	333.08	278.70	378.97	351.77	294.00	494.20	459.06	382.19
72		160.56	140.48	103.69	255.88	230.79	195.68	339.50	312.75	262.58	384.66	356.22	299.36	406.40	376.30	316.09	529.59	488.52	410.70
73		167.84	146.45	108.60	268.21	243.52	205.68	360.36	332.38	276.43	409.72	378.45	317.57	431.11	399.84	335.68	561.46	521.05	438.10
74		174.80	153.76	114.91	281.62	255.72	216.88	380.34	349.59	292.94	433.75	403.00	338.26	459.65	427.28	356.06	596.18	554.34	464.39
75		183.02	160.75	119.36	296.02	270.56	227.59	402.65	370.82	311.94	459.94	426.52	358.09	490.18	453.58	380.36	637.67	590.35	493.68
76		194.00	168.97	126.72	311.34	283.18	239.38	425.55	392.69	328.55	488.13	452.15	378.61	520.99	485.00	405.21	675.39	628.88	527.77
77		201.42	175.28	132.23	327.49	298.28	250.62	448.97	413.60	347.49	518.16	479.72	402.84	553.52	513.54	428.98	717.41	667.72	558.42
78		217.53	188.82	142.00	351.96	320.24	270.40	484.89	445.62	374.62	561.94	519.64	435.04	599.70	558.91	468.28	779.01	726.30	607.19
79		234.41	204.74	154.29	375.35	344.20	287.82	523.71	480.69	403.54	606.79	562.29	470.30	651.30	605.31	505.91	845.63	784.27	657.71
80		256.66	224.02	169.13	412.44	373.87	316.01	572.67	528.16	442.11	669.11	620.15	519.26	719.55	669.11	559.32	933.84	866.73	726.75
81		281.88	246.28	183.97	448.05	407.99	344.20	627.56	578.61	486.62	734.38	680.97	569.70	796.70	738.83	620.15	1,033.55	958.77	803.45
82		310.07	271.50	203.25	491.07	446.56	375.35	689.88	636.47	534.10	810.05	752.19	627.56	879.78	815.98	683.94	1,140.93	1,058.48	885.90
83		339.75	296.72	222.54	535.58	486.62	409.47	758.12	698.78	586.02	893.13	826.37	692.84	971.76	902.03	756.64	1,259.82	1,167.78	979.86
84		373.87	324.91	243.31	586.02	532.61	448.05	830.82	765.54	642.40	982.15	909.45	762.57	1,074.13	996.98	835.27	1,392.13	1,292.42	1,081.49

Multiply by 0.85 if both spouses are issued coverage simultaneously.

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Quarterly (Bank Draft) = 0.25
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Super Preferred = 0.8125
Preferred = 1.00
Standard = 1.25

AREA FACTORS: Area 1=0.75, Area 2=1.00, Area 3=1.25

Ability Insurance Company (formerly Medico Life Ins. Co.)
MP-LT694
LONG TERM CARE POLICY
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 1 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
19		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
20		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
21		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
22		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
23		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
24		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
25		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
26		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
27		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
28		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
29		21.81	21.81	21.81	21.81	23.79	21.81	23.79	23.79	38.44	38.44
30		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
31		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
32		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
33		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
34		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
35		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
36		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
37		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
38		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
39		27.76	25.77	29.74	27.76	31.72	29.74	33.70	31.72	61.50	56.38
40		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
41		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
42		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
43		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
44		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
45		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
46		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
47		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
48		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
49		43.62	39.65	49.57	45.60	55.51	49.57	59.48	53.53	112.75	102.50
50		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
51		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
52		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
53		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
54		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
55		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
56		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
57		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
58		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
59		81.78	72.70	99.96	87.24	110.86	98.14	121.77	109.04	204.36	180.87
60		126.64	109.29	156.13	135.31	175.22	154.40	190.83	168.28	304.94	269.07
61		126.64	109.29	156.13	135.31	175.22	154.40	190.83	168.28	304.94	269.07
62		126.64	109.29	156.13	135.31	175.22	154.40	190.83	168.28	304.94	269.07
63		126.64	109.29	156.13	135.31	175.22	154.40	190.83	168.28	304.94	269.07
64		126.64	109.29	156.13	135.31	175.22	154.40	190.83	168.28	304.94	269.07
65		164.49	140.06	203.57	175.89	229.64	200.32	250.80	219.86	385.20	338.90
66		179.75	154.08	223.10	192.60	251.98	219.88	276.05	240.75	419.03	367.17
67		197.67	169.21	246.70	211.90	278.33	241.95	303.63	265.67	455.79	398.56
68		216.54	183.82	269.49	232.11	305.32	264.82	333.37	291.31	499.32	436.91
69		236.26	200.98	296.10	253.14	334.45	289.96	365.14	319.11	547.28	477.88
70		258.31	220.55	324.77	277.94	367.07	318.74	401.82	348.95	599.38	521.29
71		282.53	240.89	355.39	303.35	402.97	347.95	440.14	382.15	655.36	568.88
72		310.24	261.94	389.26	332.19	441.94	380.48	482.91	418.53	716.83	622.26
73		338.35	286.52	426.17	362.82	483.76	417.53	529.83	457.84	785.29	679.22
74		369.62	312.97	467.34	396.53	531.06	456.01	580.63	501.32	860.28	741.30
75		403.84	341.18	511.07	434.48	582.09	499.93	636.40	547.28	941.33	809.94
76		440.80	372.35	559.91	475.03	636.57	546.22	696.80	599.61	1,029.76	884.68
77		481.63	406.30	612.14	517.96	698.24	597.34	764.16	655.19	1,125.04	965.07
78		516.80	434.86	658.23	556.46	750.76	641.05	822.13	703.18	1,206.09	1,030.13
79		553.01	464.74	706.20	595.85	806.15	688.02	884.04	755.53	1,290.26	1,100.67
80		602.34	506.28	772.40	650.37	882.74	751.63	968.42	825.63	1,407.71	1,196.30
81		656.87	551.72	843.80	710.09	965.83	820.43	1,059.29	902.22	1,533.55	1,302.01
82		716.58	599.75	921.69	773.70	1,056.70	895.73	1,160.55	985.30	1,672.81	1,416.10
83		780.19	652.97	1,007.37	843.80	1,155.36	977.51	1,272.19	1,077.47	1,828.85	1,541.94
84		848.99	710.09	1,099.54	919.09	1,263.10	1,067.08	1,394.22	1,177.43	1,998.31	1,681.20
85		924.29	771.10	1,200.79	1,000.88	1,381.24	1,164.44	1,527.93	1,287.77	2,184.55	1,832.21
86		1,007.37	838.61	1,311.14	1,090.45	1,511.05	1,270.89	1,674.62	1,407.20	2,389.25	1,996.63
87		1,095.64	911.30	1,430.57	1,189.11	1,651.25	1,387.73	1,835.59	1,538.31	2,610.72	2,176.16
88		1,193.00	991.79	1,561.68	1,295.56	1,807.03	1,513.65	2,012.14	1,682.41	2,854.01	2,372.47
89		1,299.45	1,077.47	1,705.77	1,411.09	1,975.79	1,652.55	2,205.56	1,838.19	3,120.79	2,585.56

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
MP-LT694
LONG TERM CARE POLICY
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 2 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
19		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
20		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
21		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
22		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
23		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
24		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
25		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
26		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
27		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
28		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
29		23.79	21.81	23.79	23.79	23.79	23.79	25.77	23.79	41.00	41.00
30		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
31		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
32		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
33		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
34		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
35		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
36		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
37		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
38		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
39		27.76	27.76	31.72	29.74	33.70	31.72	33.70	31.72	64.06	58.94
40		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
41		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
42		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
43		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
44		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
45		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
46		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
47		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
48		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
49		45.60	41.64	53.53	47.58	57.50	53.53	61.46	57.50	117.88	107.63
50		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
51		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
52		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
53		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
54		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
55		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
56		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
57		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
58		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
59		87.24	76.33	105.41	92.69	116.31	103.59	127.22	114.50	213.76	190.27
60		131.85	114.50	163.07	142.25	183.89	161.34	201.24	176.95	320.64	282.52
61		131.85	114.50	163.07	142.25	183.89	161.34	201.24	176.95	320.64	282.52
62		131.85	114.50	163.07	142.25	183.89	161.34	201.24	176.95	320.64	282.52
63		131.85	114.50	163.07	142.25	183.89	161.34	201.24	176.95	320.64	282.52
64		131.85	114.50	163.07	142.25	183.89	161.34	201.24	176.95	320.64	282.52
65		172.63	148.21	213.35	184.03	241.03	210.08	262.21	231.26	404.14	355.73
66		189.39	162.10	234.33	202.23	264.82	231.12	288.90	253.59	439.77	385.84
67		207.16	177.12	257.76	221.39	292.56	254.61	319.44	278.33	478.27	419.00
68		227.43	193.17	283.52	243.01	320.90	278.85	350.50	305.32	525.50	459.06
69		248.54	211.72	309.90	265.41	351.33	305.30	383.55	334.45	575.04	499.69
70		271.90	231.12	339.88	291.54	385.20	333.84	421.45	365.56	628.67	546.67
71		297.40	252.79	373.23	318.21	422.30	365.79	462.45	400.00	688.04	597.71
72		324.87	275.11	408.28	348.28	463.89	399.50	506.33	439.01	752.77	652.53
73		355.63	300.92	447.76	381.54	508.24	437.69	555.75	479.44	824.37	712.71
74		388.03	328.55	489.99	416.35	556.55	478.66	608.95	525.40	902.37	777.91
75		423.34	357.89	536.14	455.37	609.95	523.61	667.03	575.13	988.12	849.54
76		462.71	390.15	587.29	498.30	668.06	573.60	731.03	628.36	1,081.08	927.15
77		505.86	426.48	643.08	543.52	731.87	626.94	801.84	687.48	1,180.68	1,012.02
78		541.92	456.01	689.96	582.89	787.76	672.78	861.79	738.87	1,265.88	1,081.38
79		580.27	488.11	741.25	625.71	846.40	721.77	928.18	791.87	1,354.02	1,154.36
80		632.20	530.94	810.05	682.83	925.58	787.98	1,015.16	865.87	1,476.50	1,256.70
81		689.32	578.98	885.34	745.14	1,012.56	860.68	1,112.52	946.35	1,609.05	1,365.76
82		751.63	629.60	967.12	812.64	1,108.62	941.16	1,217.67	1,034.63	1,755.02	1,484.89
83		819.13	685.43	1,056.70	885.34	1,212.48	1,026.84	1,334.50	1,130.69	1,917.78	1,619.12
84		891.83	745.14	1,154.06	964.53	1,325.41	1,120.31	1,463.02	1,235.84	2,097.30	1,763.41
85		971.02	810.05	1,259.21	1,050.21	1,450.04	1,222.86	1,603.22	1,351.38	2,291.93	1,922.81
86		1,056.70	880.15	1,374.74	1,144.97	1,585.05	1,334.50	1,757.70	1,477.30	2,506.70	2,095.63
87		1,150.16	956.74	1,501.96	1,247.53	1,733.03	1,456.53	1,926.46	1,614.90	2,739.92	2,283.55
88		1,252.72	1,039.82	1,639.57	1,359.17	1,895.30	1,588.94	2,110.80	1,765.49	2,994.95	2,488.24
89		1,363.06	1,130.69	1,790.15	1,481.19	2,073.15	1,734.33	2,314.61	1,929.06	3,275.15	2,713.07

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
MP-LT694
LONG TERM CARE POLICY
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 3 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
19		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
20		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
21		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
22		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
23		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
24		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
25		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
26		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
27		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
28		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
29		25.77	23.79	25.77	25.77	27.76	25.77	27.76	27.76	46.13	43.56
30		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
31		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
32		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
33		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
34		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
35		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
36		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
37		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
38		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
39		31.72	29.74	33.70	31.72	35.69	33.70	37.67	35.69	71.75	66.63
40		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
41		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
42		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
43		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
44		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
45		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
46		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
47		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
48		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
49		49.57	45.60	57.50	53.53	63.44	57.50	67.41	63.44	130.69	117.88
50		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
51		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
52		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
53		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
54		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
55		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
56		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
57		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
58		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
59		94.51	83.60	114.50	101.78	129.04	114.50	139.94	125.40	234.90	209.06
60		145.72	126.64	180.42	156.13	202.97	176.95	220.32	194.30	352.03	311.67
61		145.72	126.64	180.42	156.13	202.97	176.95	220.32	194.30	352.03	311.67
62		145.72	126.64	180.42	156.13	202.97	176.95	220.32	194.30	352.03	311.67
63		145.72	126.64	180.42	156.13	202.97	176.95	220.32	194.30	352.03	311.67
64		145.72	126.64	180.42	156.13	202.97	176.95	220.32	194.30	352.03	311.67
65		188.92	162.86	234.51	201.94	265.46	231.26	289.89	254.06	444.15	391.52
66		208.65	178.15	258.40	223.10	292.10	253.59	319.39	279.27	483.35	425.26
67		227.72	194.51	284.65	243.53	321.02	279.91	351.07	306.79	527.33	461.93
68		249.25	213.42	311.56	267.94	352.06	305.32	384.77	334.92	577.85	503.35
69		273.08	233.20	342.12	293.03	386.61	335.99	421.90	368.20	632.55	551.25
70		299.10	253.78	374.63	320.24	424.48	367.07	463.75	401.82	691.14	601.34
71		327.13	278.06	410.40	350.92	465.43	401.48	508.54	440.14	757.23	657.28
72		357.06	302.92	449.26	383.41	509.25	440.48	557.55	482.91	828.42	716.83
73		390.17	331.15	492.40	418.97	558.63	480.89	610.47	528.40	906.25	783.43
74		426.27	361.12	539.56	458.84	613.20	526.81	669.85	577.80	992.06	856.62
75		466.51	394.10	590.44	501.32	671.21	576.52	733.88	632.22	1,087.12	934.13
76		509.25	429.86	646.15	547.58	735.13	631.09	804.95	691.33	1,189.01	1,020.92
77		556.98	468.18	707.66	598.68	805.87	690.17	881.21	756.10	1,298.93	1,112.87
78		596.11	500.95	760.01	642.37	865.75	740.18	949.02	812.88	1,392.31	1,189.01
79		638.69	536.14	815.24	688.02	930.78	794.47	1,020.35	872.36	1,489.93	1,270.13
80		695.81	584.17	890.53	750.33	1,017.75	867.17	1,117.71	952.84	1,624.15	1,380.87
81		758.12	636.10	973.62	819.13	1,113.82	947.65	1,222.86	1,041.12	1,770.12	1,501.67
82		826.92	693.21	1,064.49	893.13	1,218.97	1,034.63	1,339.69	1,137.18	1,931.20	1,634.22
83		900.92	752.93	1,161.85	973.62	1,333.20	1,129.39	1,468.21	1,243.63	2,110.73	1,780.19
84		980.11	819.13	1,269.59	1,060.59	1,457.83	1,231.95	1,609.71	1,359.17	2,307.03	1,941.26
85		1,067.08	890.53	1,385.13	1,155.36	1,594.13	1,344.89	1,764.19	1,486.39	2,521.80	2,115.76
86		1,161.85	968.42	1,512.35	1,259.21	1,743.42	1,468.21	1,932.95	1,623.99	2,756.70	2,305.36
87		1,265.70	1,052.80	1,651.25	1,372.15	1,906.99	1,601.92	2,118.59	1,775.87	3,013.41	2,511.73
88		1,377.34	1,144.97	1,803.14	1,495.47	2,084.83	1,747.31	2,322.40	1,940.74	3,295.28	2,738.24
89		1,499.37	1,243.63	1,969.30	1,629.18	2,280.86	1,906.99	2,545.68	2,122.48	3,602.33	2,983.21

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
UR268
INFLATION SHIELD RIDER
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 1 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
19		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
20		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
21		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
22		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
23		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
24		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
25		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
26		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
27		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
28		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
29		17.70	17.70	17.70	17.70	17.70	17.70	17.70	17.70	32.03	27.46
30		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
31		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
32		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
33		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
34		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
35		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
36		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
37		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
38		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
39		31.09	31.09	34.20	31.09	37.31	34.20	37.31	37.31	72.33	64.30
40		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
41		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
42		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
43		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
44		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
45		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
46		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
47		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
48		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
49		65.43	59.48	74.35	68.40	80.30	74.35	86.24	80.30	169.13	153.75
50		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
51		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
52		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
53		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
54		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
55		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
56		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
57		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
58		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
59		133.20	116.55	160.95	141.52	180.37	158.17	194.25	174.82	326.38	294.10
60		173.83	150.48	212.75	184.21	241.29	210.16	262.05	230.91	415.82	368.87
61		173.83	150.48	212.75	184.21	241.29	210.16	262.05	230.91	415.82	368.87
62		173.83	150.48	212.75	184.21	241.29	210.16	262.05	230.91	415.82	368.87
63		173.83	150.48	212.75	184.21	241.29	210.16	262.05	230.91	415.82	368.87
64		173.83	150.48	212.75	184.21	241.29	210.16	262.05	230.91	415.82	368.87
65		208.84	177.89	257.82	221.73	291.34	255.24	317.13	278.45	489.85	429.86
66		220.52	189.75	274.36	235.90	310.27	269.24	338.47	294.88	513.70	450.73
67		234.73	199.00	290.85	250.02	329.12	285.75	359.74	313.80	540.79	471.54
68		244.38	208.75	305.48	262.20	343.66	300.38	376.75	328.40	565.92	493.53
69		256.76	218.63	320.32	274.56	360.99	312.69	394.04	343.20	591.44	515.86
70		254.14	217.83	319.48	273.50	360.63	312.22	394.52	343.69	591.24	513.03
71		256.80	219.45	324.51	275.48	366.52	317.50	401.54	347.85	597.45	518.98
72		260.77	220.30	325.96	278.75	370.92	319.23	404.65	350.70	601.46	523.00
73		261.12	220.12	328.03	280.55	373.34	321.55	407.88	351.76	605.27	524.37
74		262.31	221.00	330.47	280.90	375.90	322.20	411.02	353.19	608.65	523.22
75		260.01	220.61	330.92	279.70	376.23	323.04	409.72	352.58	608.46	521.91
76		257.91	218.65	328.92	278.46	373.77	319.57	409.28	351.35	603.87	519.33
77		255.93	215.34	324.76	275.34	370.65	317.70	405.95	347.71	597.69	510.99
78		246.72	208.63	314.61	266.58	359.32	306.33	392.43	336.13	577.84	492.23
79		237.57	199.00	302.36	254.54	345.56	294.65	379.50	323.96	552.30	472.55
80		205.11	172.65	262.23	221.98	299.87	255.74	329.73	280.40	479.86	407.72
81		211.60	176.55	271.31	228.48	310.26	263.53	340.12	289.49	493.29	417.78
82		218.09	181.74	280.40	234.97	320.64	272.61	351.80	298.58	508.39	429.53
83		221.98	185.64	286.89	240.16	328.43	277.80	362.18	306.36	520.13	439.60
84		227.18	189.53	293.38	245.35	337.52	284.30	372.57	314.15	533.55	447.98
85		231.07	193.42	299.87	250.54	345.31	292.08	381.66	321.94	546.98	458.05
86		236.26	197.32	307.66	255.74	354.40	298.58	393.34	329.73	560.40	468.12
87		241.46	199.92	314.15	260.93	363.48	305.07	403.73	338.82	573.82	478.19
88		246.65	203.81	321.94	267.42	372.57	311.56	415.41	346.61	588.92	488.25
89		250.54	209.00	329.73	272.61	381.66	319.35	425.79	355.69	602.35	500.00

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
UR268
INFLATION SHIELD RIDER
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 3 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
19		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
20		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
21		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
22		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
23		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
24		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
25		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
26		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
27		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
28		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
29		21.24	17.70	21.24	21.24	21.24	21.24	21.24	21.24	36.61	32.03
30		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
31		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
32		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
33		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
34		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
35		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
36		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
37		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
38		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
39		37.31	34.20	40.42	37.31	40.42	40.42	43.53	40.42	80.37	76.35
40		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
41		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
42		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
43		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
44		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
45		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
46		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
47		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
48		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
49		74.35	68.40	86.24	77.32	95.17	86.24	101.11	92.19	192.19	176.81
50		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
51		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
52		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
53		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
54		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
55		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
56		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
57		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
58		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
59		152.62	133.20	185.92	163.72	208.12	183.15	224.77	202.57	376.59	337.14
60		199.78	173.83	246.48	212.75	277.61	243.89	303.56	267.24	482.89	425.88
61		199.78	173.83	246.48	212.75	277.61	243.89	303.56	267.24	482.89	425.88
62		199.78	173.83	246.48	212.75	277.61	243.89	303.56	267.24	482.89	425.88
63		199.78	173.83	246.48	212.75	277.61	243.89	303.56	267.24	482.89	425.88
64		199.78	173.83	246.48	212.75	277.61	243.89	303.56	267.24	482.89	425.88
65		239.78	206.26	299.08	257.82	335.17	293.91	366.11	322.28	563.16	496.51
66		253.86	217.96	315.40	271.80	356.43	310.27	389.75	341.05	593.25	520.32
67		270.44	229.62	336.78	288.29	380.14	329.12	415.86	362.29	623.23	544.09
68		282.56	239.30	351.30	302.94	397.12	346.20	435.30	379.31	651.46	569.20
69		294.89	251.68	368.62	315.23	416.92	360.99	455.05	396.58	683.44	594.72
70		295.28	249.30	367.89	314.65	416.30	360.63	455.03	396.93	681.97	591.24
71		296.48	252.14	373.53	319.83	422.55	366.52	462.25	401.54	687.97	597.45
72		298.98	254.02	377.66	321.46	427.13	368.67	467.58	404.65	694.42	601.46
73		302.13	254.65	379.81	323.71	431.61	371.19	470.45	407.88	700.09	605.27
74		301.55	254.05	382.10	324.27	433.74	371.77	472.98	408.95	702.08	605.98
75		301.38	254.10	380.17	323.04	433.35	372.28	474.72	407.74	700.12	603.37
76		299.02	252.30	379.38	321.44	431.70	370.04	472.83	405.54	698.07	599.04
77		294.76	248.87	375.94	317.70	427.14	365.36	467.73	400.66	688.94	590.84
78		284.80	240.10	362.63	306.33	413.96	354.35	453.70	389.12	665.57	569.27
79		273.05	229.86	348.64	294.65	399.55	340.93	436.58	373.33	638.04	544.33
80		237.56	198.62	303.77	255.74	346.61	294.68	380.36	324.54	553.69	469.80
81		244.05	205.11	312.85	263.53	358.29	305.07	393.34	334.92	568.79	483.22
82		250.54	210.30	323.24	271.31	369.97	314.15	406.32	345.31	585.57	496.64
83		255.74	214.20	331.03	276.51	379.06	321.94	418.01	354.40	600.67	506.71
84		262.23	218.09	338.82	283.00	389.45	328.43	429.69	362.18	615.77	518.45
85		267.42	223.28	346.61	289.49	398.53	336.22	441.37	371.27	630.87	528.52
86		272.61	227.18	354.40	295.98	408.92	344.01	453.06	381.66	645.97	540.27
87		277.80	231.07	363.48	301.17	419.30	351.80	466.04	390.74	662.75	552.01
88		284.30	236.26	371.27	307.66	429.69	360.89	479.02	399.83	679.53	563.76
89		289.49	240.16	380.36	315.45	441.37	368.68	492.00	410.22	696.31	577.18

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
ML-LT694
LONG TERM CARE POLICY
Base Policy Form 694
Premium per $10 Units Purchased
Rate Schedule for the State of VA
Area 1 - All Issue Years

Issue Age	BP EP	2 Years 0 Days	2 Years 90 Days	3 Years 0 Days	3 Years 90 Days	4 Years 0 Days	4 Years 90 Days	5 Years 0 Days	5 Years 90 Days	Lifetime 0 Days	Lifetime 90 Days
18		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
19		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
20		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
21		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
22		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
23		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
24		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
25		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
26		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
27		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
28		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
29		14.87	14.87	16.52	14.87	16.52	16.52	16.52	16.52	27.76	25.63
30		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
31		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
32		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
33		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
34		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
35		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
36		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
37		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
38		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
39		18.17	18.17	19.83	19.83	21.48	19.83	23.13	21.48	42.71	40.57
40		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
41		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
42		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
43		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
44		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
45		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
46		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
47		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
48		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
49		29.74	28.09	34.70	31.39	38.00	34.70	41.30	38.00	79.01	70.47
50		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
51		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
52		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
53		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
54		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
55		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
56		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
57		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
58		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
59		57.55	49.98	69.67	60.58	77.24	68.15	84.81	75.73	140.94	127.24
60		88.19	75.17	108.43	93.97	121.44	106.98	133.00	117.10	211.14	186.85
61		88.19	75.17	108.43	93.97	121.44	106.98	133.00	117.10	211.14	186.85
62		88.19	75.17	108.43	93.97	121.44	106.98	133.00	117.10	211.14	186.85
63		88.19	75.17	108.43	93.97	121.44	106.98	133.00	117.10	211.14	186.85
64		88.19	75.17	108.43	93.97	121.44	106.98	133.00	117.10	211.14	186.85
65		114.00	97.72	141.14	122.14	158.79	139.79	173.72	152.00	268.38	235.05
66		125.72	107.00	155.15	133.75	175.21	152.47	191.26	167.19	290.42	255.85
67		137.05	117.29	171.32	146.28	193.72	168.68	210.85	184.50	316.81	277.63
68		150.59	128.52	186.93	160.97	211.60	184.34	231.07	202.51	347.33	303.69
69		164.92	139.35	205.84	176.43	232.68	202.00	254.43	221.18	380.07	330.50
70		180.01	152.32	225.33	192.60	255.55	220.29	278.21	241.69	416.52	361.21
71		197.02	167.28	246.60	210.65	280.06	241.63	306.08	265.19	454.86	395.60
72		214.63	181.70	270.73	230.48	306.10	264.64	335.37	290.25	498.08	431.88
73		235.16	199.17	296.36	251.97	335.96	289.16	367.15	317.96	545.87	471.44
74		257.28	217.15	324.55	276.16	368.21	317.47	402.44	348.15	597.94	515.57
75		280.84	236.74	355.11	301.73	403.85	346.99	442.15	380.64	653.96	562.47
76		306.89	258.97	389.02	329.70	442.64	379.90	483.71	416.40	715.13	613.39
77		335.23	281.41	426.04	359.89	484.34	414.83	530.31	455.19	782.50	669.47
78		359.09	301.81	457.12	385.52	521.00	445.00	570.57	489.06	837.10	716.10
79		384.05	322.38	490.06	413.26	560.38	478.16	613.39	524.68	896.26	764.83
80		418.66	351.59	536.58	451.12	612.31	521.43	671.80	573.36	977.37	830.55
81		456.53	382.97	586.34	492.23	670.72	570.12	735.63	626.37	1,065.46	903.25
82		497.64	416.50	640.43	537.66	733.47	622.04	805.96	684.79	1,161.93	982.96
83		541.99	453.28	698.85	585.26	801.63	679.38	883.85	748.62	1,269.59	1,071.05
84		589.59	492.23	763.77	638.27	877.36	741.05	968.23	817.86	1,388.44	1,167.52
85		642.60	535.50	834.08	695.60	959.57	809.20	1,061.26	893.58	1,517.08	1,272.39
86		698.85	582.02	909.81	757.28	1,049.36	882.76	1,162.95	976.88	1,658.31	1,387.04
87		761.60	632.86	994.19	825.43	1,146.72	963.90	1,274.38	1,068.83	1,813.51	1,511.48
88		828.67	688.03	1,085.06	898.99	1,254.91	1,051.52	1,397.71	1,168.36	1,982.69	1,647.12
89		902.24	748.62	1,184.58	980.13	1,371.75	1,147.80	1,531.85	1,276.55	2,167.25	1,795.33

If both spouses are written Coverage at the same time, multiply both spouse's premium by 0.85
If Rider UR-AB-287 is elected, multiply the above premium by 1.05

MODAL FACTORS

Semi-Annual = 0.52
Quarterly = 0.27
Monthly (Direct-Billed) = 1/11th
Monthly (Bank Draft) = 1/12th

CLASS FACTORS

Preferred = 1.00
Standard = 1.4286

Ability Insurance Company (formerly Medico Life Ins. Co.)
UR273
RETURN OF PREMIUM RIDER
Base Policy Form 694
Rider Rates per $1 of Annual Premiums
Rate Schedule for the State of VA

Issue Age	Factor
18 - 29	1.495
30 - 39	1.495
40 - 49	1.495
50 - 59	1.495
60 - 64	1.495
65	1.242
66	1.242
67	1.242
68	1.242
69	1.242
70	1.242
71	1.242
72	1.242
73	1.242
74	1.242
75	0.805
76	0.805
77	0.805
78	0.805
79	0.805
80	0.805
81	0.805
82	0.805
83	0.805
84	0.805
85	0.805
86	0.805
87	0.805
88	0.805
89	0.805

RATE DESCRIPTION

Annual Premium Rates Per Individual
As a factor of policy and other rider premium

The original premium rate per unit at time of issue for this benefit was calculated using the above factor and rounded to the nearest dollar. All subsequent approved rate changes were applied to that original rounded premium rate per unit. Thus, the actual premium rate for this rider may vary slightly from the premium rate that would be calculated using the above factors.

Ability Insurance Company (formerly Medico Life Ins. Co.)

MP-3358
Gross Premium Code: 3358 - Rate Group: 3358
LONG TERM CARE
Base Policy Form 3358
RATE SCHEDULE - Virginia

First $40 of Daily Benefit

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	484.64	677.20	871.93	408.92	573.35	735.62	318.05	445.70	573.35
55 - 64	850.29	1,189.97	1,529.66	731.29	1,023.38	1,315.46	588.50	822.16	1,058.00
65 - 69	1,253.88	1,754.59	2,255.31	1,068.19	1,493.80	1,921.50	874.17	1,222.58	1,573.08
70 - 74	1,757.92	2,461.08	3,162.32	1,423.72	1,991.66	2,561.53	1,184.18	1,657.46	2,130.75
75 - 79	2,385.05	3,337.65	4,292.02	1,954.96	2,736.94	3,518.92	1,624.39	2,273.08	2,921.77
80 - 84	2,310.25	3,235.03	4,158.11	1,953.26	2,733.54	3,513.82	1,620.06	2,269.45	2,917.14

Additional $10 Increments

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	116.83	164.43	209.87	97.36	138.47	177.41	75.73	106.02	136.31
55 - 64	205.54	289.92	372.14	177.41	246.65	318.05	140.63	196.89	253.14
65 - 69	304.60	427.70	548.70	258.70	360.93	465.25	210.72	294.17	377.62
70 - 74	430.79	602.71	774.64	347.72	484.88	623.96	287.83	401.81	515.78
75 - 79	588.26	822.86	1,057.45	479.85	671.79	865.51	398.10	556.27	716.23
80 - 84	569.49	797.28	1,025.08	479.39	671.49	863.58	396.09	555.89	713.98

Monthly premiums are 1/11 of the annual premium.
Other modes are multiples of the monthly rate.

UR2048
Gross Premium Code: 2048 - Rate Group: 3358
INFLATION SHIELD RIDER
Base Policy Form 3358
RATE SCHEDULE - Virginia

Inflation Shield Rider Per $10 Daily Benefit

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	41.11	56.25	73.56	38.94	54.09	71.40	34.62	47.60	60.58
55 - 64	69.23	97.36	125.49	64.91	90.87	116.83	54.09	77.89	99.53
65 - 69	98.06	137.70	175.25	89.71	127.27	162.73	70.93	100.14	129.35
70 - 74	115.91	162.27	208.63	96.59	135.22	175.79	83.07	115.91	150.68
75 - 79	129.74	181.28	232.82	120.85	168.84	216.82	99.53	138.62	179.50

UR2038
Gross Premium Code: 2038 - Rate Group: 3358
HOME HEALTH CARE RIDER
Base Policy Form 3358

Per $5 Home Health Care Visit

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	60.58	84.38	108.18	45.44	62.74	80.05	17.31	23.80	30.29
55 - 64	67.07	93.03	121.16	49.76	69.23	90.87	19.47	25.96	34.62
65 - 69	81.37	112.66	143.96	56.33	77.19	100.14	20.86	29.21	37.55
70 - 74	85.00	119.77	154.54	63.75	88.86	113.97	23.18	32.84	42.50
75 - 79	87.08	122.63	156.40	63.98	90.64	117.30	23.10	33.77	42.65
80 - 84	90.10	125.80	161.50	62.90	88.40	113.90	23.80	32.30	42.50

UR589R
Gross Premium Code: 589R - Rate Group: 3358
HOME HEALTH CARE RIDER
Base Policy Form 3358

Per $5 Home Health Care Visit

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	60Day EP Std Clss Premium	60Day EP 1Cnd Clss Premium	60Day EP 2Cnd Clss Premium
18 - 54	71.40	99.53	129.82	62.74	88.71	112.51	45.44	64.91	82.22
55 - 64	80.05	112.51	144.96	71.40	99.53	127.65	51.93	71.40	93.03
65 - 69	95.97	135.61	173.16	83.45	116.83	148.13	60.50	85.54	108.49
70 - 74	102.38	144.88	185.45	86.93	119.77	154.54	63.75	88.86	113.97
75 - 79	104.86	145.73	188.39	92.42	129.74	167.06	67.53	95.97	122.63
80 & OV	170.00	236.29	304.29	141.10	197.20	253.29	107.10	149.60	192.10

Monthly premiums are 1/11 of the annual premium.
Other modes are multiples of the monthly rate.

Ability Insurance Company (formerly Medico Life Ins. Co.)

UR275
Gross Premium Code: 275A - Rate Group: 3358
LONG TERM CARE RIDER
Base Policy Form 3358
RATE SCHEDULE - Virginia

Lifetime Benefit Period
$10 Long Term Care Coverage

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	134.23	187.36	240.49	114.65	159.40	204.14	92.28	131.43	167.78
55 - 64	181.77	257.27	329.98	159.40	220.92	285.23	134.23	187.36	240.49
65 - 69	245.38	345.16	442.23	215.72	302.01	388.30	183.36	258.87	331.67
70 - 74	287.13	401.98	514.34	252.18	354.54	456.91	219.72	307.11	394.49
75 - 79	300.91	422.66	544.40	271.05	379.01	486.97	236.60	330.77	427.25

UR275
Gross Premium Code: 275B - Rate Group: 3358
LONG TERM CARE RIDER
Base Policy Form 3358

10 Year Benefit Period
$10 Long Term Care Coverage

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	71.40	99.53	127.65	60.58	86.54	110.34	49.76	71.40	90.87
55 - 64	110.34	153.61	199.05	95.20	134.14	173.09	82.22	114.67	147.12
65 - 69	160.65	225.32	290.00	141.87	198.20	254.53	121.01	171.08	219.06
70 - 74	197.04	276.24	353.52	173.86	243.40	312.95	150.68	212.50	272.38
75 - 79	216.82	303.91	389.21	193.72	271.92	350.12	170.61	238.15	305.68

UR275
Gross Premium Code: 275C - Rate Group: 3358
LONG TERM CARE RIDER
Base Policy Form 3358

5 Year Benefit Period
$10 Long Term Care Coverage

Issue Age	0Day EP Std Clss Premium	0Day EP 1Cnd Clss Premium	0Day EP 2Cnd Clss Premium	20Day EP Std Clss Premium	20Day EP 1Cnd Clss Premium	20Day EP 2Cnd Clss Premium	100Day EP Std Clss Premium	100Day EP 1Cnd Clss Premium	100Day EP 2Cnd Clss Premium
18 - 54	28.13	41.11	51.93	25.96	34.62	45.44	21.64	30.29	38.94
55 - 64	47.60	67.07	84.38	43.27	60.58	75.73	36.78	49.76	64.91
65 - 69	73.02	102.23	133.52	66.76	93.88	121.01	58.42	81.37	104.32
70 - 74	96.59	135.22	173.86	88.86	123.63	158.41	77.27	108.18	139.09
75 - 79	115.52	163.51	209.71	108.41	151.06	193.72	94.19	131.52	168.84

Monthly premiums are 1/11 of the annual premium.
Other modes are multiples of the monthly rate.

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Supporting Document Schedules

Satisfied - Item:	Certification of Compliance
Comments:	
Attachment(s):	Certification of Compliance - AIC - RI-17-VA.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Product Checklist
Comments:	
Attachment(s):	VA rate review requirements checklist_individual - Ability.pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	L&H Actuarial Memorandum
Comments:	
Attachment(s):	Rate Increase 2017 memo - Virginia - Revised 10-22-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Long Term Care Insurance Rate Request Summary
Comments:	
Attachment(s):	LTC Rate Request Summary Form - Revised - Ability.pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	Experience Exhibits 2017
Comments:	
Attachment(s):	Virginia Experience Thru 12-31-16.pdf Nationwide Exhibits 2017.pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	Milliman Assumption Involvement Letter
Comments:	
Attachment(s):	Milliman_Assumption_Involvement_Ability_Medico_20170406.pdf
Item Status:	Received & Acknowledged

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Status Date:	12/18/2017

Satisfied - Item:	Third Party Authorization Letter
Comments:	
Attachment(s):	2017 Ability Authorization.pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	Objection Response 10-5-2017
Comments:	
Attachment(s):	VA Response 10-5-2017.pdf Calculation of 60-80 Test.pdf Virginia Exhibits 2017.xlsx Claim Cost Study and AE Factors YE 2016.xlsx Lapse Study - 2013-2016.xlsx 2017 Rate Increase Status for State Filings.pdf Benefit Adjustment Rider - Form VA 012011 - Ability.pdf CNF Election Confirmation (002).pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	Objection Response 12-1-2017
Comments:	
Attachment(s):	VA Response 12-1-2017 - Ability.pdf Projection Comparison from 2013 filing.pdf Projection Comparison from 2017 filing.pdf 2013 Experience and Projection at Virginia Rate Level.xlsx CNF Acceptance Letter - Ability.pdf
Item Status:	Received & Acknowledged
Status Date:	12/18/2017

Satisfied - Item:	Objection Response 03-01-2018
Comments:	
Attachment(s):	VA Response 3-1-2018 - Ability.pdf Inflation Split Projections.pdf VA Projections at Adjusted AEs.pdf Statement of Variability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-BAO.pdf Statement of Variability - Ability Form RI-17-VA-CBUL.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf
Item Status:	Received & Acknowledged

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Status Date:	09/11/2020

Satisfied - Item:	Objection Response 07-18-2018
Comments:	
Attachment(s):	VA Response 7-18-2018.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 01-21-2019
Comments:	
Attachment(s):	VA Response 1-21-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 03-07-2019
Comments:	
Attachment(s):	VA Response 3-7-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 04-17-2019 - Response to 4-9-2019 1st Objection
Comments:	
Attachment(s):	VA Response 4-16-2019 - Ability - Objection 1.pdf Appendix A Updated.xlsx Virginia Exhibit 8 - Inflation and Non-Inflation split.xlsx
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Sample Rate Increase Letter
Comments:	
Attachment(s):	Sample Rate Increase Letter - Ability Form RI-17-VA - John Doe Version.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 04-17-2019 - Response to 4-9-2019 2nd Objection
Comments:	
Attachment(s):	VA Response 4-16-2019 - Ability - Objection 2.pdf Historical Rate Increase Requests.xlsx

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 05-24-2019
Comments:	
Attachment(s):	VA Response 5-24-2019.pdf Projection Comparisons 2013-2017 - Filing - Exper Through 12-31-2016 - Filing.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Response to October 2019 Phone Calls
Comments:	
Attachment(s):	VA Response 10-24-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 10-25-2019
Comments:	
Attachment(s):	VA Response 10-25-2019.pdf Rate Increase 2017 memo - Virginia - Revised 10-25-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 11-26-2019
Comments:	
Attachment(s):	VA Response 11-26-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 12-30-2019
Comments:	
Attachment(s):	VA Response 12-30-2019.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 01-21-2020
Comments:	
Attachment(s):	VA Response 1-21-2020.pdf

State: *Virginia* **Filing Company:** *Ability Insurance Company*
TOI/Sub-TOI: *LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified*
Product Name: *3358 et al*
Project Name/Number: */*

Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 07-23-2020
Comments:	
Attachment(s):	VA Response - Ability - 7-23-2020.pdf Certificate of Readability - Ability Form RI-17-VA.pdf Statement of Variability - Ability Form RI-17-VA-FAQ.pdf Statement of Variability - Ability Form RI-17-VA.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

Satisfied - Item:	Objection Response 09-03-2020
Comments:	
Attachment(s):	VA Response - Ability - 9-3-2020.pdf
Item Status:	Received & Acknowledged
Status Date:	09/11/2020

State: Virginia **Filing Company:** Ability Insurance Company
TOI/Sub-TOI: LTC05I Individual Long Term Care - Nursing Home and Home Health Care/LTC05I.001 Qualified
Product Name: 3358 et al
Project Name/Number: /

Attachment Virginia Exhibits 2017.xlsx is not a PDF document and cannot be reproduced here.

Attachment Claim Cost Study and AE Factors YE 2016.xlsx is not a PDF document and cannot be reproduced here.

Attachment Lapse Study - 2013-2016.xlsx is not a PDF document and cannot be reproduced here.

Attachment 2013 Experience and Projection at Virginia Rate Level.xlsx is not a PDF document and cannot be reproduced here.

Attachment Appendix A Updated.xlsx is not a PDF document and cannot be reproduced here.

Attachment Virginia Exhibit 8 - Inflation and Non-Inflation split.xlsx is not a PDF document and cannot be reproduced here.

Attachment Historical Rate Increase Requests.xlsx is not a PDF document and cannot be reproduced here.

Virginia Certification of Compliance

Ability Insurance Company

Form Name and Description	Form Number	New, Replace or Other
Rate Increase Notification Letter	RI-17-VA	New
Benefit Adjustment Offer	RI-17-VA-BAO	New
Contingent Benefit Upon Lapse	RI-17-VA-CBUL	New
Frequently Asked Questions	RI-17-VA-FAQ	New

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.

_____
Todd Moltumyr

Vice President, TriPlus Services
Title

Rate Review Requirements Checklist
For all Rate Filings for Forms Issued in the Individual and Small Group Markets, Hospital Confinement Indemnity, Disability Income Protection, Accident Only, Specified Disease and Other, whether paid on an expense incurred or indemnity basis, and Medicare Supplement

NOTE: This document is intended to assist carriers in preparing rate filings for individual and selected group accident and sickness insurance coverage for approval by the Bureau of Insurance. It provides guidance based on current Virginia laws and regulations. It should be noted, however, that this checklist should not be used exclusive of other important resources, including, but not limited to, any and all other applicable state insurance laws and associated rules and regulations. It is the responsibility of the carriers to verify that their products comply with all relevant statutory and regulatory requirements. Note that some regulatory references in the comments column are approximate. Please review the applicable Administrative Code for the full text of the regulation.

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
General Filing Requirements				
Information about the filing	14 VAC 5-100-70	When submitting an Individual Accident and Sickness form, a company must file the applicable rates, rules and classification of risks with the Commission.	Rate Memorandum on the Supporting Documentation Tab - Rates on the Rate/Rule Schedule Tab.	
Company Name and NAIC No.	Administrative Letter 1983-7	The transmittal letter must include the name and NAIC number of the company for which the filing is made.	Provided on SERFF and the Rate Request Summary	
Additional SERFF Filing Requirements	***Administrative Letter 2012-03***	***Additional SERFF filing requirements must be met as specified below for health insurance rate filings. Failure to provide the applicable information will result in a "REJECTED" filing.***		
General Information Filing Description		All submissions must provide a brief summary of the filing, including a statement describing whether the rate or rate manual is new or a revision of an existing rate or rate manual.	SERFF General Information Tab - Filing Description	
		Identification of SERFF or state tracking number for the previously approved rate or rate manual.	MDTP-129116517	
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.		
Rate Changes		(i) Include a statement regarding an increase, decrease, revision of former rates. (ii) Specify the percentage amount(s) of the change(s). (iii) Specify the number of affected policyholders. (iv) Specify the reason for the proposed change(s).	(i) Act Memo Section 4 (ii) Act Memo Appendix A (iii) Act Memo Table 1 (iv) Act Memo Section 4	

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14 VAC 5-130-50 B	Include an actuarial memorandum describing the basis on which rates were determined including a description of the calculation of the anticipated loss ratio.	Supporting Documentation Tab - Rate Increase 2017 Memo - Virginia - Sections 4, 7 and 10.	
Individual and Small Group Markets – Uniform Age Rating Curve	14 VAC 5-130- 50 E 1	Premium rates with respect to a particular plan or coverage may only vary by: (a) Whether the plan or coverage covers an individual or family; (b) The rating area; (c) Age, consistent with the Uniform Age Rating Curve table in 14 VAC 5-130-50 E; (d) Tobacco use, except the rate must not vary more than 1.5 to 1. If included in a small group form, employees must be given the option to avoid the tobacco surcharge by participating in certain wellness programs.		Not Applicable
	14 VAC 5-130-50 E 2	A premium rate must not vary by any other factor not described in 14 VAC 5-130-50 E 1.		Not Applicable
	14 VAC 5-130-50 E 3	For family coverage, permitted rating variations must be applied based on the portion of premium attributable to each family member covered under the plan. With respect to family members under age 21, the premiums for no more than the three oldest covered children must be taken into account in determining the total family premium.		Not Applicable
	14 VAC 5-130-50 E 4	The premium charged must not be adjusted more frequently than annually except that the premium rate may be changed to reflect changes to: (i) Family composition of the member or; (ii) Coverage requested by the member.		Not Applicable
	14 VAC 5-130-50 E 5	Premium rates for student health insurance coverage may be based on school-specific community rating and are exempt from subdivision 1 through 4 above.		Not Applicable
Accident and Sickness Insurance Rate Filing Requirements – Filing a Rate for a New Policy Form	14 VAC 5-130-60 A	New rate submission must include: (i) Form number of applicable policy or certificate, application, and endorsements; (ii) Rate Sheet(s); (iii) Unified Rate Review Template *(only for rates applicable in the individual and small group health insurance markets except for student health insurance coverage).*		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14 VAC 5-130-60 B	An Actuarial Memorandum that includes:		
	14 VAC 5-130-60 B 1	A description of the type of policy or coverage, including benefits, renewability, general marketing method, and issue age limits.		Not Applicable
	14 VAC 5-130-60 B 2	A description of how rates were determined, including the general description and source of each assumption used.		Not Applicable
	14 VAC 5-130-60 B 3	The estimated average annual premium per policy and per member.		Not Applicable
	14 VAC 5-130-60 B 4	The anticipated loss ratio and a description of how it was calculated.		Not Applicable
	14 VAC 5-130-60 B 5	The minimum anticipated loss ratio presumed reasonable in accordance with 14 VAC 5-130-65.		Not Applicable
	14 VAC 5-130-60 B 6	If the anticipated loss ratio is less than the minimum anticipated loss ratio, include supporting documentation for the use of such premiums.		Not Applicable
	14 VAC 5-130-60 B 7	*For coverage issued in the Individual or Small Group Health Insurance Market:* A certification by a qualified actuary of the actuarial value of each plan of benefits included and the AV calculation summary.		Not Applicable
	14 VAC 5-130-60 B 8	A certification by a qualified actuary that, to the best of his or her knowledge and judgment, the rate filing is in compliance with the applicable laws and regulations of Virginia and the premiums are reasonable in relation to the benefits provided.		Not Applicable
Reasonableness of benefits in relation to initial premiums	14 VAC 5-130-65 A	Benefits are deemed reasonable in relation to premiums if the anticipated loss ratio of policy form, including riders and endorsements, is at least as great as specified in the table provided, taking into account the qualifications and adjustments in subdivisions 1 through 9 below. The below anticipated loss ratio standards do not apply to a class of business where such standards are in conflict with specific statutes or regulations.		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS						LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14 VAC 5-130-65 A 1	If the expected average annual premium is at least $200 but less than $1,000.							
		Type of Coverage	Renewal Clause						
			OR	CR	GR	NC	Other		
		Hospital Indemnity	60%	55%	55%	50%	60%		
		Disability Income Protection, Accident Only, Specified Disease and Other, whether paid on an expense incurred or indemnity basis	60%	55%	50%	45%	60%		
	14 VAC 5-130-65 A 2	If the expected average annual premium is $100 or more but less than $200, subtract five percentage points from the numbers in the table.							Not Applicable
	14 VAC 5-130-65 A 3	If the expected average annual premium is less than $100, subtract 10 percentage points from the numbers in the table.							Not Applicable
	14 VAC 5-130-65 A 4	If the expected average annual premium is $1,000 or more, add five percentage points to the numbers in the table.							Not Applicable
	14 VAC 5-130-65 A 5	Group Medicare supplement policies are expected to return to policyholders in the form of aggregate benefits under the policy at least 75% of the aggregate amount of premiums collected.							Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
	14 VAC 5-130-65 A 6	Medicare supplement policies issued prior to July 30, 1992, as a result of solicitation of individuals through the mail or by mass media advertising, which shall include both print and broadcast advertising, are expected to return to policyholders in the form of aggregate benefits under the policy at least 60% of the aggregate amount of premiums collected.		Not Applicable
	14 VAC 5-130-65 A 7	Medicare supplement policies issued prior to July 30, 1992, sold on an individual rather than a group basis are expected to return to policyholders in the form of aggregate benefits under the policy at least 60% of the aggregate amount of premiums collected.		Not Applicable
	14 VAC 5-130-65 A 8	All health insurance coverage issued in the individual health insurance market shall be originally priced to meet a minimum 75% loss ratio and, except for student health insurance coverage, must be guaranteed renewable or noncancellable.		Not Applicable
	14 VAC 5-130-65 A 9	All health insurance coverage issued in the small group health insurance market must be originally priced to meet a minimum 75% loss ratio and must be guaranteed renewable or noncancellable.		Not Applicable
	14 VAC 5-130-65 B	The average annual premium per policy per member shall be computed by the health insurance issuer based on an anticipated distribution of business by all applicable criteria having a price difference, such as age, sex, amount, dependent status, rider frequency, etc., except assuming an annual mode for all policies *(i.e., the fractional premium loading shall not affect the average annual premium or anticipated loss ratio calculation)*.		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
All Accident and Sickness Forms; Subscriber Contracts of Hospital, Medical or Surgical Plans; Dental Plans; Optometric Plans; Health Insurance Coverage in the Individual and Small Group Markets; Individual and Group Medicare supplement forms and subscriber contracts of hospital, medical or surgical plans – Filing a Rate Revision	14 VAC 5-130-70 A	(i) New Rate Sheet; (ii) All information required by SERFF; and (iii) Unified Rate Review Template (individual and small group health insurance markets except for student health insurance coverage).	(i) SERFF Rate/Rule Schedule tab (ii) SERFF (iii) N/A	
	14 VAC 5-130-70 B	**Actuarial Memorandum**		
	14 VAC 5-130-70 B 1	A description of the type of policy, including benefits, renewability, issue age limits, and if applicable, whether the policy includes grandfathered, non-grandfathered plans, or both.	Act Memo Sections 2 and 3	
	14 VAC 5-130-70 B 2	The scope and reason for the premium or rate revision.	Act Memo Sections 2 and 4	
	14 VAC 5-130-70 B 3	A comparison of the revised premiums with the current premium scale, including all percentage rate changes and any rating factor changes.	Act Memo Table 1	
	14 VAC 5-130-70 B 4	A statement of whether the revision applies only to new business, only to in-force business, or to both.	Act Memo Section 2	
	14 VAC 5-130-70 B 5	The estimated average annual premium per policy and per member, before and after the proposed rate revision. If different changes by rating classification are requested, the filing also must include: (i) Range of changes; and (ii) average overall change, including a detailed explanation of how the change was determined.	Act Memo Table 1	
	14 VAC 5-130-70 B 6	*The following is applicable to all coverage with the exception of coverage issued in the small group market:* Submit Form 130-A showing historical and projected experience, including: (i) Projections for future experience, and Virginia and national historical experience of earned premiums, paid claims, incurred claims and loss from inception through	(i) Supporting Documentation Tab - Experience Exhibit 2017 files	

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
		most recent quarter. Virginia and national experience should be shown separately. Missing experience should be estimated with all estimation assumptions and methodologies provided in detail; (ii) A statement of the basis for determining the rate revision (Virginia, national, or blended); and (iii) If blended, provide the credibility factor assigned to the national experience.	(ii)Act Memo Section 4 (iii) N/A	
	14 VAC 5-130-70 B 7	Details and dates of all past rate revisions, including annual rate revisions members will experience resulting from this filing. If a company only revises rates annually, the rate revision must be identical to the current submission. If a company has had more frequent rate revisions, the annual revision must reflect the compounding impact of all revisions for the past 12 months.	Act Memo - Section 6	
	14 VAC 5-130-70 B 8	A description of how revised rates were determined, including the general description and source of each assumption of Form 130-A. For claims, provide historical and projected claims by major service category for both cost and utilization on Form 130-B.	Act Memo Sections 4, 7, 8, 9 and 10 Form 130-B is N/A	
	14 VAC 5-130-70 B 9	If the rate revision applies to new business, provide the anticipated loss ratio and a description of how it was calculated.	N/A	
	14 VAC 5-130-70 B 10	If the rate revision applies to in-force business provide: (a) The anticipated loss ratio and a description of how it was calculated; and (b) The estimated cumulative loss ratio, historical and anticipated, and a description of how it was calculated.	Act Memo (a) Section 10 (b) Sections 8, 9 and 10	
	14 VAC 5-130-70 B 11	The loss ratio that was originally anticipated for the policy.	Act Memo Section 10	
	14 VAC 5-130-70 B 12	If 9, 10a, or 10b is less than 11, supporting documentation for the use of such premiums or rates.	N/A	
	14 VAC 5-130-70 B 13	The current number of Virginia and national members to which the revision applies for the most recent month for which such data is available, and either premiums in force, premiums earned, or premiums collected for such members in the year immediately prior to the filing of the rate revision.	Act Memo Table 1	
	14 VAC 5-130-70 B 14	Certification by a qualified actuary that, to the best of the actuary's knowledge and judgment, the rate filing is in compliance with applicable laws and regulations of this Commonwealth and the premiums are reasonable in relation to the benefits provided.	Act Memo Section 11	
	14 VAC 5-130-70 B 15	For coverage issued in the individual or small group health insurance markets, a certification by a qualified actuary of the		

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
		actuarial value of each plan of benefits included and the AV calculation summary.	N/A	
Health Insurance Issuer – Filing a Rate Revision	14 VAC 5-130-75 A 1	For individual accident and sickness insurance, individual, and group Medicare supplement insurance, and coverage issued in the individual market, with respect to filings of rate revisions for a previously approved form, benefits shall be deemed reasonable in relation to premiums provided the present values of the future and lifetime loss ratios are at least as great as the standards in 14 VAC 5-130-70 B 11.	Act Memo Section 11	
Health Insurance Issuer – Filing a Rate Revision	14 VAC 5-130-75 B	For coverage issued in the small group health insurance market, the anticipated loss ratio over the entire period for which the revised rates are computed to provide coverage must be at least as great as the standards in 14 VAC 5-130-70 B 11.		Not Applicable
Health Insurance Issuer – Filing a Rate Revision	14 VAC 5-130-75 C	Revised premiums for policies issued on or after the effective date of the revision must meet the standards in 14 VAC 5-130-65 A, except the average annual premium shall be determined on actual rather than anticipated distribution of business.		Not Applicable
Medicare Supplement Requirements		*Applicable requirements for Medicare Supplement insurance rate filings in addition to the above:*		
Standardized Medicare Supplement Forms	14 VAC 5-170-120 A 2	All filings of rates and rating schedules shall demonstrate that expected claims in relation to premiums comply with the requirements of this section when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can be expected to meet the appropriate loss ratio standards.		Not Applicable
Pre-Standardized Medicare Supplement Forms	14 VAC 5-170-120 A 3	For policies issued prior to July 30, 1992, expected claims in relation to premiums shall meet: (a) The originally filed anticipated loss ratio when combined with the actual experience since inception; (b) The appropriate loss ratio requirement from subdivisions 1 a and 1 b of this subsection when combined with actual experience beginning with July 1, 1991, to date; and (c) The appropriate loss ratio requirement from subdivisions 1 a and 1 b of this subsection over the entire future period for which the rates are computed to provide coverage.		Not Applicable
Annual Rate and Experience Filing	14 VAC 5-170-120 C	An issuer of Medicare supplement policies and certificates issued before or after July 30, 1992, in this Commonwealth shall file annually its rates, rating schedule, and supporting		

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
		documentation including ratios of incurred losses to earned premiums by policy duration for approval by the State Corporation Commission in accordance with the filing requirements and procedures prescribed by the State Corporation Commission. The supporting documentation shall also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the appropriate loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. An expected third-year loss ratio which is greater than or equal to the applicable percentage shall be demonstrated for policies or certificates in force less than three years.		Not Applicable
Actuarial Certification for Medicare Supplement Rate Revision Filings	14 VAC 5-170-120 C	For annual rate and experience filings, an actuarial certificate by a qualified actuary that the best of the actuary's knowledge and judgment, the following items are true with respect to the filing as follows: 1. The assumptions present the actuary's best judgment as to the reasonable value for each assumption and are consistent with the issuer's business plan at the time of the filing; 2. The anticipated lifetime loss ratio, future loss ratios, and except for policies issued prior to July 30, 1992, third-year loss ratios all exceed the applicable ratio; 3. Except for policies issued prior to July 30, 1992, the filed rates maintain the proper relationship between policies which had different rating methodologies; 4. The filing was prepared based on the current standards of practices as promulgated by the Actuarial Standards Board, including the data quality standard of practice, as described at: www.actuary.org; 5. The filing is in compliance with the applicable laws and regulations in this Commonwealth; and 6. The premiums are reasonable in relation to the benefits provided.		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
Actuarial Certification for Medicare Supplement Rate Revision Filings	14 VAC 5-170-130 B	For proposed rate changes, an actuarial certificate by a qualified actuary that to the best of the actuary's knowledge and judgment, the following items are true with respect to the filing as follows: 1. The assumptions present the actuary's best judgment as to the reasonable value for each assumption and are consistent with the issuer's business plan at the time of the filing; 2. The anticipated lifetime loss ratio, future loss ratios, and except for policies issued prior to July 30, 1992, third-year loss ratio all exceed the applicable ratio; 3. The filing was prepared based on the current standards or practices as promulgated by the Actuary Standards Board including the data qualify standard of practice as described at: www.actuary.org; 4. The filing is in compliance with applicable laws and regulations in this Commonwealth; and 5. The premiums are reasonable in relation to the benefits provided.		Not Applicable
Chance in the Rating Structure or Methodology of a Medicare Supplement Form	14 VAC 5-170-130 D 3	A change in the rating structure or methodology shall be considered a discontinuance under subdivision 1 of this subsection unless the issuer complies with the following requirements: (a) The issuer provides an actuarial memorandum, in a form and manner prescribed by the State Corporation Commission, describing the manner in which the revised rating methodology and resultant rates differ from the existing rating methodology and existing rates. (b) The issuer does not subsequently put into effect a change of rates or rating factors that would cause the percentage differential between the discontinued and subsequent rates as described in the actuarial memorandum to change.		Not Applicable

REVIEW REQUIREMENTS	REFERENCE	COMMENTS	LOCATION IN THE FILING TO INCLUDE EXHIBIT NAME OR NUMBER	FILER'S NOTES
For Coverage in the Individual and Small Group Health Insurance Markets Risk Pools and Index Rates	14 VAC 5-130-81 A & B	The claims experience of all enrollees in all health benefit plans are members of a single risk pool. *(Not applicable to grandfathered coverage).*		Not Applicable
	14 VAC 5-130-81 C	Each plan year or policy year, as applicable, a health insurance issuer shall: 1. Establish an index rate based on the total combined claim costs for providing essential health benefits within the single risk pool of the individual or small group market; 2. The index rate may be adjusted on a market-wide basis based on the total expected market-wide payments and charges under the risk adjustment and reinsurance programs in this Commonwealth and the health benefit exchange user fees, and 3. The premium rate for all of the health insurance issuer's plans shall use the applicable index rate, as adjusted in accordance with subsection D of this section.		Not Applicable
	14 VAC 5-130-81 D	1. The actuarial value and cost-sharing design on the plan. 2. The plan's provider network, delivery system characteristics, and utilization management practices. 3. The benefits provided under the plan that are in addition to the essential health benefits. These additional benefits shall be pooled with similar benefits within a single risk pool and the claims experience from those benefits shall be utilized to determine rate variations for plans that offer those benefits in addition to essential health benefits. 4. Administrative costs, excluding health benefit exchange user fees. 5. With respect to catastrophic plans, the expected impact of the specific eligibility categories for those plans.		Not Applicable

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, Rates Section reviews rate revisions. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

I hereby certify that I have reviewed the attached rate revision filing and determined that it is in compliance with the rate revision checklist.

Signed: Todd Moltumyr Digitally signed by Todd Moltumyr DN: cn=Todd Moltumyr, o=TriPlus Services, Inc., ou, email=tmoltumyr@tri-plus.net, c=US Date: 2017.08.08 11:13:29 -05'00'

Name (please print): Todd Moltumyr, ASA, MAAA

Company Name: TriPlus Services Inc.

Date: August 8, 2017

Phone No: (224) 217-9037 FAX No: _____

E-Mail Address tmoltumyr@tri-plus.net

Clear Form

Medico™ Insurance Company (formerly Mutual Protective Ins Co)
Ability Insurance Company (formerly Medico™ Life Insurance Company)
Omaha, Nebraska
Actuarial Memorandum - Individual A&H Rate Filing
Virginia Long Term Care Policy Forms and Riders
Virginia

1. Purpose of Filing

The purpose of this filing is to demonstrate that the anticipated lifetime loss ratio of these forms meets the minimum state requirements in light of the included rate increase request. It is not intended for any other purpose.

2. Scope of Filing

This filing applies to the Virginia Long Term Care Policy Forms and Riders as shown in the 'Benefits' section. The forms were marketed by independent agents but are not available for sale anymore. This rate revision applies only to inforce business. We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce. The increase will be larger for policies at younger issue ages and for policies with an inflation protection benefit. Based on the Virginia specific distribution of inforce forms, issue ages and inflation options, the average increase in Virginia would be 42.48% for the 118 Ability policies, 53.07% for the 37 Medico policies, and 45.32% for all policies across both companies if we requested the same increase as is being requested nationwide. However, we have agreed to limit our request at this time to an average increase of 24%. The exact rate increase percentages by pricing cell are shown in Appendix A.

An exhibit detailing the increase by issue age, inflation option and policy form is included at the end of this memo as Appendix A. The increase will vary by policy form where necessary based on the differing banded age rating in the original pricing structures. While form 3358 has been included in the memo and experience projections within this filing and in previous filings on this block, we are not requesting an increase on this form at this time. Form 3358 is the oldest form in the block and has the most favorable remaining projection of the lifetime loss ratio in the block. A table showing the distribution of inforce business by form (excluding policies in paid up status) as of 12/31/2016 is included as Table I at the end of this memo.

3. Benefits

These policies and corresponding riders cover Long Term Care expenses and have been grouped for rating purposes.

Policy Form 3358 and Rider Forms UR2038, UR2048, UR275, and UR589R: Developed in the latter part of 1987, Form 3358 provides benefits for Nursing Home Care and Adult Day Care. The policy also has a provision for Waiver of Premium. The policy pays $20 a day for maximum of 180 days of Adult Day Care. Four riders were optionally available. UR2048 provides inflation protection (Nursing Home Care Only). UR275 deletes the occurrence maximum and increases the lifetime maximum to 5, 10, or unlimited years. UR2038 and UR589R provide Home Health Care benefits.

Policy Form LT692 and Rider Forms UR592, UR295, and UR295C: Developed in 1992, Form LT692 provides benefits for Nursing Home Care and Adult Day Care. The policy also has provisions for Waiver of Premium and Survivorship (if both husband and wife have LT692 policies). Additional benefits include bed reservation, alternate plan of care, deferred purchase of inflation coverage, and extended period of reinstatement due to a lapse related to cognitive impairment suffered at time of lapse. The policy pays a daily benefit for Nursing Home Care and Adult Day Care up to 33% of the policy daily benefit. The UR592 provides benefits for Home Health Care. UR295 increases the Nursing Home daily benefit by 5% of the original daily benefit. UR295C increases the Nursing Home daily benefit by 5% of the previous year's daily benefit.

Policy Form LT694 and Rider Forms UR268, UR273 and UR-AB-287: Developed in 1996, Form LT694 provides benefits for Nursing Home Care, Alternative Care, Assisted Living Care, and Adult Day Care. The policy also has provisions for Waiver of Premium. Additional benefits include care giver training, bed reservation, extended period of reinstatement due to a lapse related to cognitive impairment suffered at time of lapse, and restoration of benefits. The policy pays a daily benefit for Nursing Home Care, Alternative Care, Assisted Living up to 50% of the policy daily benefit (80% if care coordinator used), and Adult Day Care up to 50% of the policy daily benefit and lifetime maximum. UR268 increases the policy daily benefit by 5% of the previous year's daily benefit. UR273 is a return of premium rider. UR-AB-287 removes the non-duplication of Medicare benefits.

4. Rate Increase Request, Reasons for and Expected Effect on Premiums

We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce. The increase will be larger for policies at younger issue ages and for policies with an inflation protection benefit. An exhibit detailing the increase by issue age, inflation option and policy form is included at the end of this memo as Appendix A. The increase will only vary by policy form where necessary based on the differing banded age rating in the original pricing structure.

We will notify Virginia-issued policyholders at least 75 days in advance before implementing a rate increase so it is expected that this rate revision will be implemented approximately 85 days following the approval of this increase.

This rate increase is necessary because projected future morbidity and terminations have changed from what was anticipated when the most recent nationwide rate adjustment was requested in 2013. There are several reasons for this change in projected future experience:

- The actual 2013-2016 morbidity experience is considerably poorer than projected experience from the 2013 rate increase filing that was submitted in your state.
- Actual versus expected experience was analyzed for each block of business and morbidity adjustment factors were developed. Based on the experience over the past three years, an aggregate factor of approximately 1.31 is applied to the underlying claim cost assumptions for the first projected experience year. This factor is graded down 2% over the next 5 years and then remains level for the remainder of the projection.
- Separate morbidity improvement of 1.0% per year for 20 years starting in 2017 was also assumed in the projection to account for the expectation that individuals will become healthier due to advances in health care.
- The actual 2013-2016 termination experience shows a lower implied voluntary lapse rate than projected experience from the 2013 rate increase filing that was submitted in your state.
- Additionally, mortality improvement of 0.5% per year for 20 years starting in 2017 was also assumed in the projection, again to account for the expectation for advances in health care leading to a decline in the underlying mortality rate.

The larger requested increase on policies with younger issue ages and inflation protection is due to the greater impact of the assumption changes on these rates. Current rates for inflation policies and common comparable benefit periods on our most prevalent inforce forms, range from only 3% to 36% of average unisex-adjusted rates on currently sold forms in the industry at issue ages under 50, and from 42% to 87% for ages 50-70. The proposed increase will bring the rates on policies issued at younger issue ages and the differential between inflation and non-inflation inforce policies closer to the levels and relationships of currently sold policies.

Please note that we are not attempting to recoup past losses for the poor 2013-2016 experience. This rate increase is solely intended to get experience back in line with what was projected in our 2013 rate increase filing for years 2017 and forward. An exhibit comparing the projection from our 2013 filing with our current projection of future business is attached.

We intend to reduce the potential burden of this rate increase by offering policyholders the option to downgrade their coverage to keep the premium rate more affordable. Most policyholders will receive pre-programmed downgrade offers in the rate increase notification letter that would allow them to reduce their premium rate by choosing to increase their elimination period or decrease their benefit period. Policyholders will also be informed that they may call in to our customer service line to discuss other downgrade options as well if they would like to lower their premium rate.

We will again be providing a contingent non-forfeiture benefit to all policyholders regardless of whether or not their policy covers this benefit. This non-forfeiture benefit would be in the form of a shortened benefit maximum amount/period equal to the amount of premium the policyholder paid in over the lifetime of the

policy should the policyholder lapse coverage within 120 days following the effective date of the rate increase. This benefit will not be reduced by prior claims, although the maximum non-forfeiture benefit will be limited to the remaining maximum benefit amount under the policy.

We recognize this is a large increase to request at one time. We believe it is in the policyholder's best interest to know up front how much of an increase is necessary as it allows them to make an informed decision regarding keeping their current level of coverage inforce, downgrading their policy to lower their premium or choosing the non-forfeiture option. Any delay in this filing via staged partial implementation schedules or because of reductions in the proposed rates, would likely magnify the cumulative total rate increase percentage needed over time for this group of policies.

5. Rate Justification Standard - Minimum Loss Ratio
This filing demonstrates that both the projected future loss ratio and the anticipated lifetime loss ratio are higher than the minimum loss ratio required for long term care policy forms.

6. Rate Increase History
Shown below are the approval dates and the percentage of past rate increases in your state:

Date	3358	692	694
5/7/02	20% / n/a	20% / n/a	20% / 0%
9/2/04	20% / n/a	20% / n/a	20% / 20%
7/10/06	10% / n/a	20% / n/a	20% / 0%
4/21/11**	31.8%	31.8%	31.8%
9/30/14***	40.5%-81.6%	40.5%-81.6%	40.5%-81.6%

* Rate increases for policies originally issued by Medico Insurance Company are shown on the left side and rate increases for policies originally issued by Ability Insurance Company are shown on the right. The "n/a" is shown for forms in which there are no inforce policies for that form and company in your state.

** The 2010 rate increase ranged from 10.0%-40.0% depending on the issue age. The overall average rate increase was 31.8%.

*** The 2014 rate increase was three annual increases of 12% on non-lifetime benefit period plans and three annual increases of 22% on lifetime benefit period plans. The increase averaged 70.362% on Medico policies in Virginia and 70.584% on Ability policies in Virginia.

7. Projection Assumptions
The following assumptions were used in order to generate the present value of future premium and claims and their loss ratio.

a. Assumptions that are unchanged from the 2013 rate filing:

   Interest - An effective annual rate of interest of 4.50% has been assumed for accumulating past experience and discounting projected future experience.

   Claim Cost Guidelines – Morbidity costs were projected based on claim costs from the 2009 Milliman Long Term Care guidelines. Adjustments for actual experience have been updated and are addressed below.

   Experience Data Credibility - The requested rate revision is based on nationwide experience since that gives us the maximum credibility.

b. Assumptions that have been revised since the 2013 rate filing:

   Terminations – The 1994 GAM mortality table along with an annual voluntary termination rate of 0.85% have been assumed for projecting the inforce into the future.

Mortality Improvement – Mortality improvement of 0.5% per year starting in 2017 for 20 years was assumed in the projection to account for the expectation that individuals will become healthier and mortality will improve due to advances in health care.

A/E Adjustments – Actual versus expected experience was analyzed for each block of business and morbidity adjustment factors were developed. Based on the experience over the past three years, an aggregate factor of approximately 1.31 is applied to the underlying claim cost assumptions for the first projected experience year. This factor is graded down 2% over the next 5 years and then remains level for the remainder of the projection.

Morbidity Improvement – Morbidity improvement of 1.0% per year starting in 2017 for 20 years was assumed in the projection to account for the expectation that individuals will become healthier due to advances in health care.

Premium Rate Increase - The actual effective dates of the rate increase nationwide will vary depending on state approval dates. For projection purposes, the average nationwide requested premium rate revision of 30.2% has been assumed with a starting effective date of September 1, 2017 and phased in over the next 5 year. For all years thereafter, no annual rate increases have been assumed.

The Company engaged Milliman, Inc. to perform a review of these assumptions, the resulting projections and the proposed premium rate increase. A letter from Milliman attesting to their review and their opinion that the proposed increase is justified based on the underlying projection has been included in the filing materials.

8. Past Experience

The attached exhibit shows the past experience for the business. The experience is through December 31, 2016 and is based on nationwide experience. The return of premium riders were excluded from the experience. The accumulated value of past earned premium is $3,391,573,016 and the accumulated value of past incurred claims is $2,366,599,684. This results in a loss ratio of 69.8%.

9. Projected Future Experience

The future experience has been generated for 50 years using the business in force as of December 31, 2016. Adjustments have been made to the experience by applying the termination rates and rate increase assumptions as shown in the Projection Assumptions section. The present value of future earned premium is $610,685,427 and the present value of future incurred claims is $1,039,102,812. This results in a loss ratio of 170.2%.

This filing is intended to return the future experience of this block to the level projected in 2013. As shown in the attached exhibit, this rate increase, if approved as assumed would result in the following as compared to the 2013 filing:

Projection Years 2017+	2013 Filing	Current Projection Without Increase	Current Projection With Increase
PV Future EP (in millions)	$534.5	$501.4	$610.7
PV Future Claims (in millions)	$963.2	$1,039.1	$1,039.1
PV Future (EP – Claims) (in millions)	-$428.7	-$537.7	-$428.4

10. Anticipated Lifetime Loss Ratio

The anticipated lifetime loss ratio is defined as the sum of the present value of past and projected incurred claims divided by the sum the present value of past and future earned premium. These values are summarized below:

Experience Period	Earned Premium	Incurred Claims	Loss Ratio
Past Years	3,391,573,016	2,366,599,684	69.8%
Projected Future	610,685,427	1,039,102,812	170.2%
Anticipated Lifetime	4,002,258,443	3,405,702,496	85.1%

The projected future loss ratio and the anticipated lifetime loss ratio are both greater than the required minimum loss ratio of 60%. This demonstrates that the premium and claims experience meets the minimum loss ratio requirements.

11. Actuarial Certification

I am a consulting actuary with TriPlus Services, Inc. and retained by Ability Insurance Company to render an opinion with regard to long-term care insurance rates. I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards to render this actuarial opinion and am familiar with the requirements for filing long-term care insurance premiums and rate increases.

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits" and 18, "Long-Term Care Insurance."

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates have been calculated in a manner that complies with accepted actuarial practices, are uniformly applied to all policies within each issue age rate class, are not excessive or unfairly discriminatory, and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions, or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

Todd Moltumyr, ASA, MAAA
Vice President

Table I
Inforce Policies and Annual Premium by Policy Form as of 12/31/2016
with Average Annual Premium for Current and Proposed Rates

		Non-Inflation				Inflation			
	Form	Inforce Policies	Inforce Premium	Avg Prem Current	Avg Prem Proposed	Inforce Policies	Inforce Premium	Avg Prem Current	Avg Prem Proposed
Virginia	3358	1	$3,956	$3,956	$3,956	0	$0	$0	$0
	692	1	$9,423	$9,423	$9,423	6	$13,407	$2,235	$3,523
	694	53	$135,185	$2,551	$2,659	94	$311,359	$3,312	$5,451
Nationwide	3358	734	$1,591,948	$2,169	$2,304	0	$0	$0	$0
	582	5	$6,509	$1,302	$1,562	0	$0	$0	$0
	585	58	$82,308	$1,419	$1,475	5	$9,654	$1,931	$3,152
	690	0	$0	$0	$0	15	$34,768	$2,318	$3,088
	691	255	$610,647	$2,395	$2,523	145	$471,003	$3,248	$5,332
	692	581	$1,218,606	$2,097	$2,364	332	$817,700	$2,463	$4,249
	693	1	$6,009	$6,009	$10,817	4	$18,315	$4,579	$13,149
	694	7,135	$19,272,575	$2,701	$2,994	4,221	$13,555,292	$3,211	$5,448
	695	1,182	$2,451,326	$2,074	$2,516	1,367	$2,955,019	$2,162	$4,243
	696	85	$291,419	$3,428	$3,810	140	$455,978	$3,257	$6,068
	697	6	$13,419	$2,236	$3,430	0	$0	$0	$0
	698	3,181	$11,206,315	$3,523	$3,705	2,832	$11,281,815	$3,984	$6,506
	597	63	$136,781	$2,171	$2,284	7	$31,767	$4,538	$6,181
	201	2,146	$5,564,088	$2,593	$2,902	914	$2,823,947	$3,090	$5,387

Please note that the variation in each state's average annual premium is impacted by many factors. Examples of such factors - both demographic and policy benefit choices - include average issue age, average daily benefit amount, prevalence of inflation protection, distribution of benefit periods and elimination periods, optional benefits chosen, percentage of policies with marital discounts and underwriting factors, etc.

Appendix A

Nationwide Inforce Policies and Premium as of 12/31/2016
Nationwide Proposed Increase Percentages
All Policy Forms**

	Inforce Policies		Inforce Premium		Proposed Increase*	
Issue Age	Non-inflation	Inflation	Non-inflation	Inflation	Non-inflation	Inflation
18-39	100	514	71,170	487,099	40%	90%
40-49	496	1,300	519,300	2,302,739	30%	80%
50-59	2,653	3,222	4,655,784	9,159,669	20%	70%
60-64	4,689	2,872	10,514,306	10,095,420	10%	60%
65-69	4,059	1,546	11,859,072	6,971,671	0%	60%
70	627	142	2,197,510	758,336	0%	58%
71	570	115	2,129,878	681,441	0%	56%
72	447	69	1,721,102	453,516	0%	54%
73	389	68	1,585,736	473,815	0%	52%
74	361	43	1,540,280	298,542	0%	50%
75	288	27	1,382,493	203,196	0%	48%
76	205	22	996,097	192,334	0%	46%
77	158	13	835,747	115,440	0%	44%
78	123	17	704,931	140,607	0%	42%
79	113	5	666,020	47,145	0%	40%
80+	154	7	1,072,523	74,288	0%	0%
Grand Total	15,432	9,982	42,451,949	32,455,256		

* Due to the construct of the policy rates where inflation is added via a rider with a separate premium schedule from the base policy, each piece of the policy rate will be increased appropriately to result in an overall policy increase targeted for the increases in the table above. The exact increase amounts on inflation policies may be slightly below or above the stated amount on a small percentage of policies due to rounding in the implementation process, or where inflation was added post issue or in other select situations.

** The proposed increase is adjusted as follows on policy form 3358. The increase on all other affected policy forms is as detailed above.

Policy Form 3358 – No Increase

Appendix A

Virginia Inforce Policies and Premium as of 12/31/2016
Virginia Proposed Increase Percentages
All Policy Forms**

	Inforce Policies		Inforce Premium		Proposed Increase*	
Issue Age	Non-inflation	Inflation	Non-inflation	Inflation	Non-inflation	Inflation
18-39	0	0	0	0	20%	50%
40-49	0	13	0	21,300	20%	50%
50-59	8	51	13,576	136,385	10%	40%
60-64	14	23	30,080	95,230	5%	30%
65-69	21	9	59,251	45,073	0%	26%
70	3	1	10,527	4,407	0%	23%
71	1	1	3,741	2,248	0%	21%
72	2	1	7,441	9,421	0%	19%
73	0	1	0	10,702	0%	17%
74	2	0	4,545	0	0%	15%
75	2	0	7,194	0	0%	13%
76	0	0	0	0	0%	11%
77	1	0	2,785	0	0%	9%
78	0	0	0	0	0%	7%
79	1	0	9,423	0	0%	5%
80+	0	0	0	0	0%	0%
Grand Total	55	100	148,563	324,767		

* Due to the construct of the policy rates where inflation is added via a rider with a separate premium schedule from the base policy, each piece of the policy rate will be increased appropriately to result in an overall policy increase targeted for the increases in the table above. The exact increase amounts on inflation policies may be slightly below or above the stated amount on a small percentage of policies due to rounding in the implementation process, or where inflation was added post issue or in other select situations.

** The proposed increase is adjusted as follows on policy form 3358. The increase on all other affected policy forms is as detailed above.

Reset Form

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

Company Name and NAIC Number: Ability Insurance Company - 71471

SERFF Tracking Number: TRIP-131145217

Effective Date: 85 days following Approval

Revised Rates

Average Annual Premium Per Member: $2,935

Average Requested Percentage Rate Change Per Member: 42.480%

Minimum Requested Percentage Rate Change Per Member: 0%

Maximum Requested Percentage Rate Change Per Member: 90%

Number of Policy Holders Affected : 118

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

Form#	"Product Name"(if applicable)
MP-3358	
UR2038	
UR2048	
UR275	
UR589R	
MP-LT692(VA)	
UR295	
UR295C	
UR592	
MP-LT694 (VA)	
ML-LT694 (VA)	
UR268	
UR273	
UR-AB-287	

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.

Premium rates on your policy are being raised as a result of different than expected persistency (how long policies stay in force) and morbidity (both the incidence of illness in the population and the duration of the illness). The policy persistency, claim incidence and duration of illness in the population have been higher than initially anticipated. The higher persistency and morbidity combined with the cost of care continuing to increase means that premium rates must be adjusted to ensure current and future claims are adequately funded.

VA EXPERIENCE

For Reporting Year: 2016
As of Reporting Month: December
Company(s): Ability Insurance, Medico Insurance

Base Policy Type(s): All Forms Included in this Filing
ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

												Claim Reserves						
EXPER YEAR	ISSUE YEAR	Earned Premium	Statement Incurred Claims	Loss Ratio	Runout Incurred Claims	Loss Ratio	Written Premium	Change in Unearned	Paid Claims	Change in Claim Res	Paid Claims Allocated to Incurred Year	Pending	IBNR	Change in ActLfRes	LR Expected Claims	Expected Loss Ratio	Statement Claims Act/Exp Ratio	Runout Claims Act/Exp Ratio
1988	Total	31,250	3,341	10.7%	0	###	109,104	77,854	0	3,341	0	0	0	0	7,213	23.1%	46.3%	0.0%
1989	Total	231,398	60,607	26.2%	43,441	###	264,746	33,348	15,310	45,297	43,441	0	0	0	54,880	23.7%	110.4%	79.2%
1990	Total	191,279	20,142	10.5%	19,204	###	148,357	(42,922)	39,703	(19,561)	19,204	0	0	14,396	58,600	30.6%	34.4%	32.8%
1991	Total	140,621	70,008	49.8%	105,452	###	139,959	(662)	22,171	47,837	105,452	0	0	27,002	54,865	39.0%	127.6%	192.2%
1992	Total	129,032	8,451	6.5%	840	###	123,314	(5,718)	38,897	(30,446)	840	0	0	38,618	58,894	45.6%	14.3%	1.4%
1993	Total	139,538	107,740	77.2%	116,347	###	136,358	(3,180)	35,061	72,679	116,347	0	0	32,137	68,178	48.9%	158.0%	170.7%
1994	Total	134,720	52,827	39.2%	64,670	###	133,058	(1,662)	78,715	(25,888)	64,670	0	0	42,128	69,730	51.8%	75.8%	92.7%
1995	Total	129,099	92,007	71.3%	54,323	###	125,807	(3,292)	66,417	25,590	54,323	0	0	47,463	72,578	56.2%	126.8%	74.8%
1996	Total	120,964	49,514	40.9%	4,361	###	122,523	1,559	64,278	(14,764)	4,361	0	0	39,426	73,346	60.6%	67.5%	5.9%
1997	Total	123,474	120,505	97.6%	120,031	###	128,133	4,659	59,050	61,455	120,031	0	0	54,719	80,105	64.9%	150.4%	149.8%
1998	Total	159,969	24,868	15.5%	65,362	###	161,935	1,966	78,010	(53,142)	65,362	0	0	54,630	87,480	54.7%	28.4%	74.7%
1999	Total	195,584	116,524	59.6%	155,399	###	199,765	4,181	80,259	36,265	155,399	0	0	70,038	109,484	56.0%	106.4%	141.9%
2000	Total	251,982	73,837	29.3%	19,994	###	263,784	11,802	105,751	(31,914)	19,994	0	0	103,439	132,750	52.7%	55.6%	15.1%
2001	Total	343,360	160,130	46.6%	722,889	###	357,074	13,714	99,724	60,406	722,889	0	0	148,778	163,732	47.7%	97.8%	441.5%
2002	Total	415,730	333,331	80.2%	125,827	###	423,738	8,008	183,200	150,131	125,827	0	0	243,743	185,165	44.5%	180.0%	68.0%
2003	Total	462,514	212,678	46.0%	251,978	###	456,302	(6,212)	185,939	26,739	251,978	0	0	107,223	207,886	44.9%	102.3%	121.2%
2004	Total	458,177	500,803	109.3%	237,544	###	455,034	(3,143)	236,395	264,408	237,544	0	0	261,059	211,091	46.1%	237.2%	112.5%
2005	Total	488,922	177,245	36.3%	113,688	###	492,492	3,570	262,317	(85,072)	113,688	0	0	182,978	198,266	40.6%	89.4%	57.3%
2006	Total	490,164	425,668	86.8%	562,730	###	494,885	4,721	276,568	149,100	562,730	0	0	205,911	212,759	43.4%	200.1%	264.5%
2007	Total	520,404	248,480	47.7%	190,463	###	520,975	571	239,678	8,802	190,463	0	0	218,571	216,776	41.7%	114.6%	87.9%
2008	Total	517,978	973,464	187.9%	1,902,800	###	505,796	(12,182)	432,810	540,654	1,902,800	0	0	256,905	230,142	44.4%	423.0%	826.8%
2009	Total	520,138	583,986	112.3%	196,110	###	515,048	(5,090)	504,379	79,607	196,110	0	0	216,313	230,614	44.3%	253.2%	85.0%
2010	Total	465,945	915,112	196.4%	862,963	###	462,507	(3,438)	591,668	323,443	792,788	70,175	0	250,326	247,926	53.2%	369.1%	348.1%
2011	Total	472,333	1,335,972	282.8%	1,360,138	###	470,563	(1,770)	736,845	599,127	1,097,573	262,565	0	99,908	257,983	54.6%	517.9%	527.2%
2012	Total	519,519	985,730	189.7%	532,266	###	530,803	11,284	907,191	78,539	480,035	52,231	0	108,763	266,005	51.2%	370.6%	200.1%
2013	Total	484,544	291,606	60.2%	66,604	###	481,761	(2,784)	841,227	(549,621)	66,604	0	0	119,556	268,291	55.4%	108.7%	24.8%
2014	Total	438,981	407,364	92.8%	82,301	###	432,052	(6,929)	621,203	(213,839)	51,288	31,013	0	44,524	272,615	62.1%	149.4%	30.2%
2015	Total	396,075	174,090	44.0%	306,103	###	398,679	2,604	479,048	(304,958)	88,387	210,951	6,765	(32,621)	263,160	66.4%	66.2%	116.3%
2016	Total	407,803	19,594	4.8%	257,839	###	406,887	(916)	381,509	(361,915)	9,673	138,110	110,056	13,290	272,087	66.7%	7.2%	94.8%
Grand	Total	9,381,498	8,545,624	91.1%	8,541,665	###	9,461,439	79,941	7,663,324	882,300	7,659,798	765,045	116,822	2,969,223	4,632,601	49.4%	184.5%	184.4%

Nationwide Experience

For Reporting Year: 2016
As of Reporting Month: December
Company(s): Ability Insurance, Medico Insurance

Base Policy Type(s): All Forms Included in This Nationwide Filing
ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

												Claim Reserves						
EXPER YEAR	ISSUE YEAR	Earned Premium	Statement Incurred Claims	Loss Ratio	Runout Incurred Claims	Loss Ratio	Written Premium	Change in Unearned	Paid Claims	Change in Claim Res	Paid Claims Allocated to Incurred Year	Pending	IBNR	Change in ActLfRes	LR Expected Claims	Expected Loss Ratio	Statement Claims Act/Exp Ratio	Runout Claims Act/Exp Ratio
1988	Total	10,187,101	1,974,100	19.4%	2,721,735	26.7%	20,665,728	10,478,627	199,584	1,774,516	2,721,735	0	0	0	2,350,680	23.1%	84.0%	115.8%
1989	Total	33,660,750	8,661,605	25.7%	7,859,667	23.3%	40,696,455	7,035,705	1,894,078	6,767,527	7,859,667	0	0	14,322	8,494,236	25.2%	102.0%	92.5%
1990	Total	40,246,742	13,947,548	34.7%	14,304,837	35.5%	39,028,707	(1,218,035)	6,691,158	7,256,390	14,304,837	0	0	2,878,591	12,447,741	30.9%	112.0%	114.9%
1991	Total	39,096,660	15,020,663	38.4%	16,572,272	42.4%	38,558,558	(538,102)	11,096,570	3,924,093	16,572,272	0	0	7,448,119	14,842,028	38.0%	101.2%	111.7%
1992	Total	37,568,814	17,152,696	45.7%	16,494,051	43.9%	36,895,732	(673,082)	14,663,961	2,488,735	16,494,051	0	0	10,349,211	18,011,414	47.9%	95.2%	91.6%
1993	Total	34,843,262	20,146,762	57.8%	21,659,836	62.2%	33,631,363	(1,211,899)	17,178,357	2,968,405	21,659,836	0	0	10,088,726	19,336,917	55.5%	104.2%	112.0%
1994	Total	32,387,424	20,737,792	64.0%	21,375,050	66.0%	31,307,272	(1,080,152)	18,046,636	2,691,156	21,375,050	0	0	9,525,270	20,248,949	62.5%	102.4%	105.6%
1995	Total	31,500,141	21,966,357	69.7%	22,076,822	70.1%	31,512,803	12,662	19,362,251	2,604,106	22,076,822	0	0	6,741,918	22,103,392	70.2%	99.4%	99.9%
1996	Total	31,666,995	24,195,183	76.4%	24,789,081	78.3%	31,788,685	121,690	21,087,171	3,108,012	24,789,081	0	0	7,158,841	23,204,717	73.3%	104.3%	106.8%
1997	Total	35,873,730	26,033,742	72.6%	25,988,771	72.4%	37,529,205	1,655,475	22,200,048	3,833,694	25,988,771	0	0	7,985,366	25,182,019	70.2%	103.4%	103.2%
1998	Total	44,372,716	24,743,621	55.8%	28,684,736	64.6%	46,669,110	2,296,394	22,337,894	2,405,727	28,684,736	0	0	11,558,223	23,473,733	52.9%	105.4%	122.2%
1999	Total	53,196,592	23,064,989	43.4%	28,720,563	54.0%	54,491,751	1,295,159	23,811,949	(746,960)	28,720,563	0	0	19,725,089	29,895,773	56.2%	77.2%	96.1%
2000	Total	63,774,884	36,306,926	56.9%	37,877,975	59.4%	66,133,509	2,358,625	26,561,591	9,745,335	37,877,975	0	0	22,025,784	34,455,186	54.0%	105.4%	109.9%
2001	Total	80,618,591	40,601,297	50.4%	48,959,096	60.7%	85,601,173	4,982,582	32,004,328	8,596,969	48,916,440	42,656	0	29,499,559	37,108,932	46.0%	109.4%	131.9%
2002	Total	102,778,450	48,495,901	47.2%	56,127,710	54.6%	104,232,165	1,453,715	37,785,890	10,710,011	56,019,531	108,179	0	39,108,467	44,310,979	43.1%	109.4%	126.7%
2003	Total	107,014,148	79,226,250	74.0%	64,403,559	60.2%	107,213,429	199,281	44,000,651	35,225,599	63,962,145	441,414	0	18,834,182	46,554,680	43.5%	170.2%	138.3%
2004	Total	107,600,867	60,064,565	55.8%	67,062,708	62.3%	106,146,779	(1,454,088)	49,642,670	10,421,895	65,638,954	1,423,754	0	41,145,507	45,974,022	42.7%	130.6%	145.9%
2005	Total	101,463,703	61,698,683	60.8%	75,826,959	74.7%	99,510,519	(1,953,184)	53,443,794	8,254,889	74,635,570	1,191,389	0	37,766,837	43,482,744	42.9%	141.9%	174.4%
2006	Total	97,582,643	75,447,444	77.3%	74,645,435	76.5%	96,967,320	(615,323)	56,493,456	18,953,988	73,776,468	868,967	0	35,285,748	47,533,383	48.7%	158.7%	157.0%
2007	Total	99,050,846	79,340,487	80.1%	76,607,193	77.3%	98,753,429	(297,417)	64,193,984	15,146,503	74,278,464	2,328,729	0	33,580,080	48,453,839	48.9%	163.7%	158.1%
2008	Total	94,902,170	80,225,749	84.5%	88,152,576	92.9%	92,628,174	(2,273,996)	69,988,652	10,237,097	84,028,610	4,123,966	0	33,169,851	50,707,746	53.4%	158.2%	173.8%
2009	Total	91,776,092	86,591,583	94.4%	94,601,713	103.1%	90,308,793	(1,467,299)	69,511,125	17,080,458	89,208,193	5,393,520	0	29,693,582	50,294,716	54.8%	172.2%	188.1%
2010	Total	82,645,374	102,190,973	123.6%	114,734,432	138.8%	81,838,948	(806,426)	80,429,223	21,761,751	103,984,325	10,750,107	0	24,784,655	54,371,303	65.8%	188.0%	211.0%
2011	Total	82,222,704	108,564,030	132.0%	111,695,676	135.8%	82,191,236	(31,468)	87,515,181	21,048,848	96,847,106	14,848,570	0	21,537,922	55,088,270	67.0%	197.1%	202.8%
2012	Total	78,818,482	116,004,201	147.2%	110,790,371	140.6%	77,595,025	(1,223,457)	96,842,478	19,161,723	88,909,605	21,880,766	0	21,051,854	56,275,858	71.4%	206.1%	196.9%
2013	Total	74,519,157	112,152,753	150.5%	110,764,698	148.6%	73,757,857	(761,300)	102,504,550	9,648,204	78,517,430	32,247,268	0	12,867,964	57,119,413	76.7%	196.3%	193.9%
2014	Total	74,942,415	114,948,898	153.4%	105,509,216	140.8%	75,333,077	390,662	105,967,330	8,981,568	60,790,440	44,718,776	0	2,846,842	57,236,789	76.4%	200.8%	184.3%
2015	Total	74,084,629	116,175,259	156.8%	92,044,698	124.2%	73,661,497	(423,131)	110,277,333	5,897,926	36,800,638	53,822,266	1,421,794	3,524,260	56,987,937	76.9%	203.9%	161.5%
2016	Total	71,114,054	114,508,604	161.0%	87,942,585	123.7%	69,900,142	(1,213,911)	109,680,743	4,827,860	9,993,485	54,819,750	23,129,350	4,758,952	57,210,739	80.4%	200.2%	153.7%
Grand	Total	1,909,510,136	1,650,188,660	86.4%	1,648,994,019	86.4%	1,924,548,442	15,038,306	1,375,412,636	274,776,025	1,375,432,799	249,010,077	24,551,144	504,955,722	1,062,758,134	55.7%	155.3%	155.2%
PV Grand Total		3,391,573,016	2,366,599,684	69.8%	2,366,599,684	69.8%	3,450,836,538		2,093,038,463						1,793,837,299	52.9%	131.9%	131.9%

Nationwide Experience

For Reporting Year: 2016
As of Reporting Month: December
Company(s): Ability Insurance, Medico Insurance

Base Policy Type(s): All Forms Included in This Nationwide Filing
ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

												Claim Reserves						
EXPER YEAR	ISSUE YEAR	Earned Premium	Statement Incurred Claims	Loss Ratio	Runout Incurred Claims	Loss Ratio	Written Premium	Change in Unearned	Paid Claims	Change in Claim Res	Paid Claims Allocated to Incurred Year	Pending	IBNR	Change in ActLfRes	LR Expected Claims	Expected Loss Ratio	Statement Claims Act/Exp Ratio	Runout Claims Act/Exp Ratio
	1987	18,561	1,633	8.8%	0	0.0%	36,703	18,142	0	1,633	0	0	0	0	16,785	90.4%	9.7%	0.0%
	1988	10,168,540	1,972,467	19.4%	2,721,735	26.8%	20,629,025	10,460,485	199,584	1,772,883	2,721,735	0	0	0	2,333,895	23.0%	84.5%	116.6%
1988	Total	10,187,101	1,974,100	19.4%	2,721,735	26.7%	20,665,728	10,478,627	199,584	1,774,516	2,721,735	0	0	0	2,350,680	23.1%	84.0%	115.8%
	1987	25,325	36,051	142.4%	20,124	79.5%	23,781	(1,544)	8,598	27,453	20,124	0	0	7,754	16,513	65.2%	218.3%	121.9%
	1988	19,794,115	5,358,963	27.1%	5,266,202	26.6%	16,991,033	(2,803,082)	1,764,251	3,594,712	5,266,202	0	0	6,568	5,380,348	27.2%	99.6%	97.9%
	1989	13,841,310	3,266,591	23.6%	2,573,341	18.6%	23,681,641	9,840,331	121,229	3,145,362	2,573,341	0	0	0	3,097,375	22.4%	105.5%	83.1%
1989	Total	33,660,750	8,661,605	25.7%	7,859,667	23.3%	40,696,455	7,035,705	1,894,078	6,767,527	7,859,667	0	0	14,322	8,494,236	25.2%	102.0%	92.5%
	1987	22,691	(14,238)	-62.7%	2,904	12.8%	17,567	(5,124)	11,093	(25,331)	2,904	0	0	13,844	18,268	80.5%	-77.9%	15.9%
	1988	14,842,438	8,612,336	58.0%	8,384,986	56.5%	13,208,332	(1,634,106)	4,564,992	4,047,344	8,384,986	0	0	2,031,177	5,646,352	38.0%	152.5%	148.5%
	1989	20,383,494	4,459,454	21.9%	5,677,222	27.9%	17,394,986	(2,988,508)	2,099,827	2,359,627	5,677,222	0	0	662,238	5,675,332	27.8%	78.6%	100.0%
	1990	4,998,119	889,996	17.8%	239,724	4.8%	8,407,822	3,409,703	15,246	874,750	239,724	0	0	171,332	1,107,789	22.2%	80.3%	21.6%
1990	Total	40,246,742	13,947,548	34.7%	14,304,837	35.5%	39,028,707	(1,218,035)	6,691,158	7,256,390	14,304,837	0	0	2,878,591	12,447,741	30.9%	112.0%	114.9%
	1987	18,371	3,499	19.0%	2,300	12.5%	15,722	(2,649)	5,155	(1,656)	2,300	0	0	2,527	17,048	92.8%	20.5%	13.5%
	1988	12,287,424	6,829,169	55.6%	7,302,150	59.4%	11,477,446	(809,978)	6,762,953	66,216	7,302,150	0	0	5,161,991	5,884,277	47.9%	116.1%	124.1%
	1989	15,611,377	6,444,082	41.3%	6,643,029	42.6%	14,395,948	(1,215,429)	3,904,355	2,539,727	6,643,029	0	0	2,454,933	6,002,131	38.4%	107.4%	110.7%
	1990	7,676,877	1,324,080	17.2%	2,341,597	30.5%	6,973,940	(702,937)	403,686	920,394	2,341,597	0	0	(171,332)	2,172,463	28.3%	60.9%	107.8%
	1991	3,502,611	419,833	12.0%	283,195	8.1%	5,695,502	2,192,891	20,421	399,412	283,195	0	0	0	766,109	21.9%	54.8%	37.0%
1991	Total	39,096,660	15,020,663	38.4%	16,572,272	42.4%	38,558,558	(538,102)	11,096,570	3,924,093	16,572,272	0	0	7,448,119	14,842,028	38.0%	101.2%	111.7%
	1987	17,097	64,001	374.3%	5,220	30.5%	18,298	1,201	4,240	59,761	5,220	0	0	2,921	10,861	63.5%	589.3%	48.1%
	1988	10,770,012	7,067,139	65.6%	6,487,772	60.2%	10,219,144	(550,868)	7,357,797	(290,658)	6,487,772	0	0	3,725,136	6,342,797	58.9%	111.4%	102.3%
	1989	13,408,154	6,306,588	47.0%	6,888,245	51.4%	12,841,606	(566,548)	5,759,857	546,731	6,888,245	0	0	5,237,227	6,930,417	51.7%	91.0%	99.4%
	1990	6,311,699	2,515,439	39.9%	2,114,711	33.5%	5,920,650	(391,049)	1,273,803	1,241,636	2,114,711	0	0	1,348,430	2,677,598	42.4%	93.9%	79.0%
	1991	5,427,560	1,021,418	18.8%	974,675	18.0%	5,060,638	(366,922)	257,284	764,134	974,675	0	0	32,280	1,685,573	31.1%	60.6%	57.8%
	1992	1,634,292	178,111	10.9%	23,429	1.4%	2,835,396	1,201,104	10,980	167,131	23,429	0	0	3,217	364,168	22.3%	48.9%	6.4%
1992	Total	37,568,814	17,152,696	45.7%	16,494,051	43.9%	36,895,732	(673,082)	14,663,961	2,488,735	16,494,051	0	0	10,349,211	18,011,414	47.9%	95.2%	91.6%
	1987	12,942	(27,022)	-208.8%	28,551	220.6%	11,392	(1,550)	7,515	(34,537)	28,551	0	0	465	9,573	74.0%	-282.3%	298.2%
	1988	9,519,598	7,147,151	75.1%	8,088,970	85.0%	8,969,246	(550,352)	7,426,995	(279,844)	8,088,970	0	0	2,535,341	6,463,662	67.9%	110.6%	125.1%
	1989	11,792,143	8,142,752	69.1%	7,432,499	63.0%	11,187,204	(604,939)	6,992,383	1,150,369	7,432,499	0	0	3,785,646	7,204,095	61.1%	113.0%	103.2%

Nationwide Experience

For Reporting Year: 2016
As of Reporting Month: December
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ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

	1990	5,420,421	3,114,825	57.5%	3,760,308	69.4%	5,133,225	(287,196)	2,107,720	1,007,105	3,760,308	0	0	2,120,580	2,903,036	53.6%	107.3%	129.5%
	1991	4,373,495	1,117,667	25.6%	1,147,955	26.2%	4,073,751	(299,744)	530,835	586,832	1,147,955	0	0	938,005	1,842,038	42.1%	60.7%	62.3%
	1992	2,806,384	605,607	21.6%	946,914	33.7%	2,602,635	(203,749)	111,709	493,898	946,914	0	0	701,387	733,225	26.1%	82.6%	129.1%
	1993	918,279	45,782	5.0%	254,640	27.7%	1,653,910	735,631	1,200	44,582	254,640	0	0	7,302	181,288	19.7%	25.3%	140.5%
1993	Total	34,843,262	20,146,762	57.8%	21,659,836	62.2%	33,631,363	(1,211,899)	17,178,357	2,968,405	21,659,836	0	0	10,088,726	19,336,917	55.5%	104.2%	112.0%
	1987	13,113	11,752	89.6%	1,580	12.0%	12,496	(617)	19,995	(8,243)	1,580	0	0	4,546	10,453	79.7%	112.4%	15.1%
	1988	8,397,986	7,341,562	87.4%	7,472,584	89.0%	7,855,111	(542,875)	6,823,935	517,627	7,472,584	0	0	1,832,188	6,519,527	77.6%	112.6%	114.6%
	1989	10,374,426	7,501,019	72.3%	7,186,900	69.3%	9,858,986	(515,440)	7,248,708	252,311	7,186,900	0	0	2,923,389	7,242,916	69.8%	103.6%	99.2%
	1990	4,808,582	2,923,039	60.8%	2,813,186	58.5%	4,588,581	(220,001)	2,646,285	276,754	2,813,186	0	0	1,651,511	3,027,048	63.0%	96.6%	92.9%
	1991	3,680,860	1,945,933	52.9%	2,737,046	74.4%	3,491,716	(189,144)	936,293	1,009,640	2,737,046	0	0	1,411,250	1,974,180	53.6%	98.6%	138.6%
	1992	2,315,242	650,676	28.1%	949,102	41.0%	2,155,322	(159,920)	341,894	308,782	949,102	0	0	1,119,428	829,322	35.8%	78.5%	114.4%
	1993	1,789,766	325,714	18.2%	214,652	12.0%	1,696,892	(92,874)	29,526	296,188	214,652	0	0	570,874	412,719	23.1%	78.9%	52.0%
	1994	1,007,449	38,097	3.8%	0	0.0%	1,648,168	640,719	0	38,097	0	0	0	12,084	232,784	23.1%	16.4%	0.0%
1994	Total	32,387,424	20,737,792	64.0%	21,375,050	66.0%	31,307,272	(1,080,152)	18,046,636	2,691,156	21,375,050	0	0	9,525,270	20,248,949	62.5%	102.4%	105.6%
	1987	11,312	(14,765)	-130.5%	(1,240)	-11.0%	11,849	537	2,360	(17,125)	(1,240)	0	0	(6,751)	10,950	96.8%	-134.8%	-11.3%
	1988	7,552,633	8,522,218	112.8%	7,849,407	103.9%	7,344,544	(208,089)	7,367,415	1,154,803	7,849,407	0	0	639,720	6,857,467	90.8%	124.3%	114.5%
	1989	9,304,315	6,397,059	68.8%	6,611,505	71.1%	9,045,805	(258,510)	6,952,974	(555,915)	6,611,505	0	0	1,481,784	7,603,481	81.7%	84.1%	87.0%
	1990	4,406,189	3,201,998	72.7%	3,415,586	77.5%	4,323,154	(83,035)	2,887,835	314,163	3,415,586	0	0	1,075,538	3,303,720	75.0%	96.9%	103.4%
	1991	3,274,569	1,911,794	58.4%	1,678,117	51.2%	3,179,243	(95,326)	1,402,721	509,073	1,678,117	0	0	970,010	2,120,268	64.7%	90.2%	79.1%
	1992	2,031,248	1,143,697	56.3%	1,206,237	59.4%	1,981,597	(49,651)	543,966	599,731	1,206,237	0	0	873,568	937,818	46.2%	122.0%	128.6%
	1993	1,592,358	485,543	30.5%	612,982	38.5%	1,530,003	(62,355)	167,453	318,090	612,982	0	0	1,006,360	472,745	29.7%	102.7%	129.7%
	1994	1,872,156	161,862	8.6%	436,811	23.3%	1,819,510	(52,646)	11,560	150,302	436,811	0	0	661,454	476,993	25.5%	33.9%	91.6%
	1995	1,455,361	156,951	10.8%	267,418	18.4%	2,277,098	821,737	25,967	130,984	267,418	0	0	40,235	319,950	22.0%	49.1%	83.6%
1995	Total	31,500,141	21,966,357	69.7%	22,076,822	70.1%	31,512,803	12,662	19,362,251	2,604,106	22,076,822	0	0	6,741,918	22,103,392	70.2%	99.4%	99.9%
	1987	10,400	(26)	-0.3%	240	2.3%	10,400	0	0	(26)	240	0	0	2,210	10,771	103.6%	-0.2%	2.2%
	1988	6,861,757	7,067,025	103.0%	7,355,255	107.2%	6,463,116	(398,641)	7,561,537	(494,512)	7,355,255	0	0	628,091	6,879,512	100.3%	102.7%	106.9%
	1989	8,387,128	7,069,626	84.3%	6,592,469	78.6%	7,915,193	(471,935)	6,872,934	196,692	6,592,469	0	0	1,114,874	7,610,229	90.7%	92.9%	86.6%
	1990	4,041,152	3,615,334	89.5%	3,734,277	92.4%	3,843,007	(198,145)	3,019,125	596,209	3,734,277	0	0	781,305	3,376,720	83.6%	107.1%	110.6%
	1991	2,979,604	3,046,219	102.2%	3,604,921	121.0%	2,843,820	(135,784)	2,014,735	1,031,484	3,604,921	0	0	805,536	2,170,524	72.8%	140.3%	166.1%
	1992	1,862,422	766,597	41.2%	1,086,298	58.3%	1,763,689	(98,733)	793,666	(27,069)	1,086,298	0	0	741,973	988,184	53.1%	77.6%	109.9%
	1993	1,458,533	913,853	62.7%	803,658	55.1%	1,402,982	(55,551)	531,378	382,475	803,658	0	0	899,621	532,268	36.5%	171.7%	151.0%

Nationwide Experience

For Reporting Year: 2016
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	1994	1,681,392	561,666	33.4%	118,193	7.0%	1,634,678	(46,714)	133,452	428,214	118,193	0	0	1,170,762	530,489	31.6%	105.9%	22.3%
	1995	2,603,010	897,283	34.5%	1,182,687	45.4%	2,527,766	(75,244)	156,558	740,725	1,182,687	0	0	1,002,371	661,911	25.4%	135.6%	178.7%
	1996	1,781,597	257,606	14.5%	311,083	17.5%	3,384,034	1,602,437	3,786	253,820	311,083	0	0	12,098	444,109	24.9%	58.0%	70.0%
1996	Total	31,666,995	24,195,183	76.4%	24,789,081	78.3%	31,788,685	121,690	21,087,171	3,108,012	24,789,081	0	0	7,158,841	23,204,717	73.3%	104.3%	106.8%
	1987	10,432	47,359	454.0%	26,642	255.4%	9,308	(1,124)	13,280	34,079	26,642	0	0	1,099	11,799	113.1%	401.4%	225.8%
	1988	6,076,460	7,406,399	121.9%	6,655,958	109.5%	5,716,905	(359,555)	7,500,800	(94,401)	6,655,958	0	0	(308,858)	6,697,880	110.2%	110.6%	99.4%
	1989	7,442,262	7,231,555	97.2%	7,405,264	99.5%	7,101,767	(340,495)	6,952,096	279,459	7,405,264	0	0	216,922	7,467,398	100.3%	96.8%	99.2%
	1990	3,639,480	3,815,871	104.8%	3,907,124	107.4%	3,502,762	(136,718)	3,322,977	492,894	3,907,124	0	0	588,279	3,383,644	93.0%	112.8%	115.5%
	1991	2,700,156	1,999,059	74.0%	2,302,958	85.3%	2,587,224	(112,932)	2,129,299	(130,240)	2,302,958	0	0	1,037,380	2,185,488	80.9%	91.5%	105.4%
	1992	1,677,462	1,133,277	67.6%	598,714	35.7%	1,623,209	(54,253)	835,650	297,627	598,714	0	0	758,453	1,015,782	60.6%	111.6%	58.9%
	1993	1,325,949	890,299	67.1%	1,147,790	86.6%	1,273,866	(52,083)	503,644	386,655	1,147,790	0	0	733,947	573,591	43.3%	155.2%	200.1%
	1994	1,566,274	598,359	38.2%	774,061	49.4%	1,530,830	(35,444)	277,988	320,371	774,061	0	0	1,072,781	597,895	38.2%	100.1%	129.5%
	1995	2,392,023	1,202,691	50.3%	1,708,658	71.4%	2,348,071	(43,952)	460,650	742,041	1,708,658	0	0	1,809,275	752,791	31.5%	159.8%	227.0%
	1996	4,329,241	963,010	22.2%	1,171,924	27.1%	4,119,127	(210,114)	195,201	767,809	1,171,924	0	0	1,765,295	1,171,331	27.1%	82.2%	100.1%
	1997	4,713,991	745,863	15.8%	289,677	6.1%	7,716,136	3,002,145	8,463	737,400	289,677	0	0	310,793	1,324,420	28.1%	56.3%	21.9%
1997	Total	35,873,730	26,033,742	72.6%	25,988,771	72.4%	37,529,205	1,655,475	22,200,048	3,833,694	25,988,771	0	0	7,985,366	25,182,019	70.2%	103.4%	103.2%
	1987	9,243	(19,735)	-213.5%	720	7.8%	6,071	(3,172)	14,322	(34,057)	720	0	0	475	7,631	82.6%	-258.6%	9.4%
	1988	5,476,303	5,263,149	96.1%	6,648,380	121.4%	5,244,690	(231,613)	6,672,746	(1,409,597)	6,648,380	0	0	784,110	5,485,245	100.2%	96.0%	121.2%
	1989	6,749,672	6,884,107	102.0%	7,104,091	105.3%	6,504,777	(244,895)	6,660,423	223,684	7,104,091	0	0	1,514,907	6,351,469	94.1%	108.4%	111.8%
	1990	3,366,942	3,548,342	105.4%	4,040,427	120.0%	3,274,513	(92,429)	3,517,486	30,856	4,040,427	0	0	776,961	2,881,396	85.6%	123.1%	140.2%
	1991	2,512,904	2,079,031	82.7%	2,273,983	90.5%	2,478,879	(34,025)	2,117,488	(38,457)	2,273,983	0	0	623,809	1,941,623	77.3%	107.1%	117.1%
	1992	1,579,911	1,423,065	90.1%	1,690,527	107.0%	1,529,282	(50,629)	895,080	527,985	1,690,527	0	0	648,162	988,890	62.6%	143.9%	171.0%
	1993	1,238,766	1,002,389	80.9%	1,245,651	100.6%	1,200,683	(38,083)	681,765	320,624	1,245,651	0	0	667,241	580,283	46.8%	172.7%	214.7%
	1994	1,491,219	478,517	32.1%	473,478	31.8%	1,453,498	(37,721)	382,144	96,373	473,478	0	0	734,452	585,074	39.2%	81.8%	80.9%
	1995	2,250,103	1,036,725	46.1%	1,167,180	51.9%	2,184,347	(65,756)	681,498	355,227	1,167,180	0	0	1,117,876	699,241	31.1%	148.3%	166.9%
	1996	3,694,552	1,307,761	35.4%	1,002,515	27.1%	3,504,433	(190,119)	439,997	867,764	1,002,515	0	0	2,015,089	993,608	26.9%	131.6%	100.9%
	1997	9,474,415	1,116,930	11.8%	2,278,567	24.0%	9,168,660	(305,755)	248,570	868,360	2,278,567	0	0	2,632,391	1,897,471	20.0%	58.9%	120.1%
	1998	6,528,686	623,340	9.5%	759,215	11.6%	10,119,277	3,590,591	26,375	596,965	759,215	0	0	42,750	1,061,802	16.3%	58.7%	71.5%
1998	Total	44,372,716	24,743,621	55.8%	28,684,736	64.6%	46,669,110	2,296,394	22,337,894	2,405,727	28,684,736	0	0	11,558,223	23,473,733	52.9%	105.4%	122.2%
	1987	13,975	51,461	368.2%	600	4.3%	18,362	4,387	9,465	41,996	600	0	0	38,964	20,138	144.1%	255.5%	3.0%
	1988	5,300,734	6,488,140	122.4%	6,024,655	113.7%	5,113,762	(186,972)	6,563,051	(74,911)	6,024,655	0	0	1,727,735	6,575,977	124.1%	98.7%	91.6%

Nationwide Experience

For Reporting Year: 2016
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Base Policy Type(s): All Forms Included in This Nationwide Filing
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Benefit Period: All years

	1989	6,483,823	5,556,969	85.7%	6,273,315	96.8%	6,333,252	(150,571)	6,881,637	(1,324,668)	6,273,315	0	0	1,808,630	7,629,449	117.7%	72.8%	82.2%
	1990	3,319,281	3,299,218	99.4%	3,955,702	119.2%	3,226,613	(92,668)	3,604,010	(304,792)	3,955,702	0	0	995,822	3,440,728	103.7%	95.9%	115.0%
	1991	2,538,384	2,562,984	101.0%	2,615,398	103.0%	2,453,693	(84,691)	2,328,896	234,088	2,615,398	0	0	612,059	2,316,500	91.3%	110.6%	112.9%
	1992	1,555,589	600,590	38.6%	1,397,686	89.8%	1,522,110	(33,479)	1,065,135	(464,545)	1,397,686	0	0	860,269	1,156,316	74.3%	51.9%	120.9%
	1993	1,192,333	742,755	62.3%	476,545	40.0%	1,182,410	(9,923)	862,269	(119,514)	476,545	0	0	709,501	658,172	55.2%	112.9%	72.4%
	1994	1,439,258	657,216	45.7%	985,850	68.5%	1,433,746	(5,512)	545,762	111,454	985,850	0	0	958,795	673,314	46.8%	97.6%	146.4%
	1995	1,690,524	(620,507)	-36.7%	1,290,126	76.3%	1,445,541	(244,983)	305,622	(926,129)	1,290,126	0	0	(121,220)	523,576	31.0%	-118.5%	246.4%
	1996	3,269,800	128,314	3.9%	1,139,637	34.9%	3,085,289	(184,511)	510,371	(382,057)	1,139,637	0	0	2,305,279	1,114,952	34.1%	11.5%	102.2%
	1997	8,431,922	2,087,635	24.8%	2,221,836	26.4%	8,250,087	(181,835)	729,531	1,358,104	2,221,836	0	0	5,786,120	2,406,213	28.5%	86.8%	92.3%
	1998	12,197,717	1,107,181	9.1%	1,713,378	14.0%	11,931,160	(266,557)	344,604	762,577	1,713,378	0	0	3,969,278	2,498,842	20.5%	44.3%	68.6%
	1999	5,763,252	403,033	7.0%	625,835	10.9%	8,495,726	2,732,474	61,596	341,437	625,835	0	0	73,857	881,596	15.3%	45.7%	71.0%
1999	Total	53,196,592	23,064,989	43.4%	28,720,563	54.0%	54,491,751	1,295,159	23,811,949	(746,960)	28,720,563	0	0	19,725,089	29,895,773	56.2%	77.2%	96.1%
	1987	13,718	(36,379)	-265.2%	0	0.0%	7,387	(6,331)	6,725	(43,104)	0	0	0	(41,678)	5,019	36.6%	-724.8%	0.0%
	1988	4,838,980	6,768,011	139.9%	7,587,632	156.8%	4,412,075	(426,905)	6,565,188	202,823	7,587,632	0	0	(2,947,118)	5,967,790	123.3%	113.4%	127.1%
	1989	5,956,705	7,019,776	117.8%	7,559,905	126.9%	5,539,242	(417,463)	6,760,285	259,491	7,559,905	0	0	(2,325,325)	7,217,969	121.2%	97.3%	104.7%
	1990	3,095,574	4,080,994	131.8%	2,779,835	89.8%	2,882,743	(212,831)	3,819,537	261,457	2,779,835	0	0	(882,077)	3,277,763	105.9%	124.5%	84.8%
	1991	2,344,536	1,907,931	81.4%	1,611,796	68.7%	2,207,656	(136,880)	2,329,595	(421,664)	1,611,796	0	0	(527,338)	2,191,920	93.5%	87.0%	73.5%
	1992	1,466,564	1,794,268	122.3%	1,789,701	122.0%	1,393,464	(73,100)	1,298,924	495,344	1,789,701	0	0	103,825	1,179,705	80.4%	152.1%	151.7%
	1993	1,141,031	1,166,472	102.2%	1,385,962	121.5%	1,094,569	(46,462)	858,903	307,569	1,385,962	0	0	572,124	723,082	63.4%	161.3%	191.7%
	1994	1,381,687	918,462	66.5%	803,044	58.1%	1,328,329	(53,358)	624,317	294,145	803,044	0	0	647,072	747,547	54.1%	122.9%	107.4%
	1995	1,492,511	2,522,838	169.0%	1,552,968	104.1%	1,658,863	166,352	815,009	1,707,829	1,552,968	0	0	4,662,607	1,279,979	85.8%	197.1%	121.3%
	1996	3,032,487	2,407,542	79.4%	2,747,956	90.6%	3,026,492	(5,995)	1,068,959	1,338,583	2,747,956	0	0	3,881,397	1,520,523	50.1%	158.3%	180.7%
	1997	8,002,443	1,650,074	20.6%	2,877,071	36.0%	7,647,354	(355,089)	1,213,626	436,448	2,877,071	0	0	5,807,901	2,965,504	37.1%	55.6%	97.0%
	1998	11,124,277	3,251,809	29.2%	2,684,452	24.1%	10,742,190	(382,087)	760,280	2,491,529	2,684,452	0	0	7,357,735	3,426,364	30.8%	94.9%	78.3%
	1999	11,473,293	2,060,978	18.0%	3,374,549	29.4%	11,618,712	145,419	402,590	1,658,388	3,374,549	0	0	4,706,625	2,564,719	22.4%	80.4%	131.6%
	2000	8,411,078	794,150	9.4%	1,123,104	13.4%	12,574,433	4,163,355	37,653	756,497	1,123,104	0	0	1,010,034	1,387,302	16.5%	57.2%	81.0%
2000	Total	63,774,884	36,306,926	56.9%	37,877,975	59.4%	66,133,509	2,358,625	26,561,591	9,745,335	37,877,975	0	0	22,025,784	34,455,186	54.0%	105.4%	109.9%
	1987	3,950	(23)	-0.6%	0	0.0%	3,534	(416)	0	(23)	0	0	0	(2,601)	4,873	123.4%	-0.5%	0.0%
	1988	3,957,236	5,798,078	146.5%	5,744,080	145.2%	3,843,426	(113,810)	6,520,252	(722,174)	5,744,080	0	0	(687,167)	5,984,509	151.2%	96.9%	96.0%
	1989	4,952,466	5,856,269	118.2%	6,015,022	121.5%	4,800,220	(152,246)	6,818,250	(961,981)	6,015,022	0	0	(800,647)	7,277,256	146.9%	80.5%	82.7%
	1990	2,579,696	3,662,449	142.0%	3,617,313	140.2%	2,542,605	(37,091)	3,912,467	(250,018)	3,617,313	0	0	(140,382)	3,362,259	130.3%	108.9%	107.6%

Nationwide Experience

For Reporting Year: 2016
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	1991	2,030,189	2,443,500	120.4%	2,957,869	145.7%	2,004,681	(25,508)	2,383,908	59,592	2,957,869	0	0	197,235	2,353,990	115.9%	103.8%	125.7%
	1992	1,298,801	1,598,091	123.0%	1,522,836	117.2%	1,286,240	(12,561)	1,473,346	124,745	1,522,836	0	0	407,032	1,266,780	97.5%	126.2%	120.2%
	1993	1,068,113	1,274,854	119.4%	1,095,097	102.5%	1,088,287	20,174	990,788	284,066	1,095,097	0	0	576,583	825,722	77.3%	154.4%	132.6%
	1994	1,288,635	1,268,077	98.4%	1,923,831	149.3%	1,298,514	9,879	784,374	483,703	1,923,831	0	0	712,565	843,320	65.4%	150.4%	228.1%
	1995	1,924,050	1,577,871	82.0%	2,334,909	121.4%	1,931,346	7,296	1,287,183	290,688	2,334,909	0	0	792,124	648,033	33.7%	243.5%	360.3%
	1996	3,007,582	2,836,962	94.3%	2,755,468	91.6%	2,967,788	(39,794)	1,867,790	969,172	2,755,468	0	0	1,797,379	1,143,959	38.0%	248.0%	240.9%
	1997	7,185,103	3,066,221	42.7%	4,219,483	58.7%	7,115,484	(69,619)	2,099,387	966,834	4,219,483	0	0	4,775,098	2,925,921	40.7%	104.8%	144.2%
	1998	10,244,861	3,275,452	32.0%	5,469,883	53.4%	10,116,554	(128,307)	1,815,881	1,459,571	5,469,883	0	0	6,567,669	3,707,848	36.2%	88.3%	147.5%
	1999	11,116,976	4,113,655	37.0%	3,571,637	32.1%	11,018,526	(98,450)	1,358,029	2,755,626	3,528,981	42,656	0	7,236,126	2,818,204	25.4%	146.0%	126.7%
	2000	17,685,409	2,655,243	15.0%	4,819,223	27.2%	17,750,734	65,325	602,551	2,052,692	4,819,223	0	0	6,501,187	2,868,880	16.2%	92.6%	168.0%
	2001	12,275,524	1,174,598	9.6%	2,912,445	23.7%	17,833,234	5,557,710	90,122	1,084,476	2,912,445	0	0	1,567,358	1,077,378	8.8%	109.0%	270.3%
2001	Total	80,618,591	40,601,297	50.4%	48,959,096	60.7%	85,601,173	4,982,582	32,004,328	8,596,969	48,916,440	42,656	0	29,499,559	37,108,932	46.0%	109.4%	131.9%
	1987	4,620	119	2.6%	0	0.0%	5,034	414	0	119	0	0	0	906	5,533	119.8%	2.2%	0.0%
	1988	3,847,926	6,326,843	164.4%	6,917,550	179.8%	3,738,167	(109,759)	6,613,021	(286,178)	6,917,550	0	0	(1,138,676)	5,493,486	142.8%	115.2%	125.9%
	1989	4,814,890	6,026,476	125.2%	6,550,415	136.0%	4,715,729	(99,161)	6,457,994	(431,518)	6,550,415	0	0	(1,098,746)	6,669,809	138.5%	90.4%	98.2%
	1990	2,554,571	2,966,529	116.1%	4,008,653	156.9%	2,507,363	(47,208)	3,713,198	(746,669)	4,008,653	0	0	(383,574)	3,084,678	120.8%	96.2%	130.0%
	1991	2,044,824	2,814,522	137.6%	1,836,775	89.8%	2,003,209	(41,615)	2,666,999	147,523	1,836,775	0	0	(55,606)	2,244,159	109.7%	125.4%	81.8%
	1992	1,333,181	1,787,205	134.1%	1,711,170	128.4%	1,333,781	600	1,512,071	275,134	1,711,170	0	0	173,031	1,280,559	96.1%	139.6%	133.6%
	1993	1,125,351	1,268,353	112.7%	2,524,738	224.4%	1,114,937	(10,414)	1,110,818	157,535	2,524,738	0	0	524,917	908,193	80.7%	139.7%	278.0%
	1994	1,348,438	1,665,009	123.5%	1,639,515	121.6%	1,353,123	4,685	1,123,200	541,809	1,639,515	0	0	693,750	929,925	69.0%	179.0%	176.3%
	1995	2,051,210	1,549,776	75.6%	1,973,589	96.2%	2,066,686	15,476	1,501,059	48,717	1,973,589	0	0	1,145,786	1,484,372	72.4%	104.4%	133.0%
	1996	3,009,021	2,271,781	75.5%	2,615,890	86.9%	2,994,192	(14,829)	2,106,984	164,797	2,615,890	0	0	2,186,053	1,730,790	57.5%	131.3%	151.1%
	1997	7,287,793	3,572,680	49.0%	3,599,632	49.4%	7,272,985	(14,808)	2,812,450	760,230	3,599,632	0	0	4,528,769	3,385,921	46.5%	105.5%	106.3%
	1998	10,504,105	4,747,198	45.2%	5,728,719	54.5%	10,448,477	(55,628)	3,247,637	1,499,561	5,728,719	0	0	6,282,478	4,215,256	40.1%	112.6%	135.9%
	1999	11,220,770	2,684,942	23.9%	4,652,900	41.5%	11,100,786	(119,984)	2,161,507	523,435	4,652,900	0	0	7,221,642	3,647,148	32.5%	73.6%	127.6%
	2000	17,649,106	5,787,475	32.8%	5,824,251	33.0%	17,473,619	(175,487)	1,722,865	4,064,610	5,824,251	0	0	11,603,662	3,974,311	22.5%	145.6%	146.5%
	2001	25,201,118	4,196,679	16.7%	6,079,061	24.1%	25,101,246	(99,872)	1,021,331	3,175,348	5,970,882	108,179	0	8,487,931	4,241,959	16.8%	98.9%	143.3%
	2002	8,781,526	830,314	9.5%	464,850	5.3%	11,002,831	2,221,305	14,756	815,558	464,850	0	0	(1,063,856)	1,014,880	11.6%	81.8%	45.8%
2002	Total	102,778,450	48,495,901	47.2%	56,127,710	54.6%	104,232,165	1,453,715	37,785,890	10,710,011	56,019,531	108,179	0	39,108,467	44,310,979	43.1%	109.4%	126.7%
	1987	5,000	(115)	-2.3%	0	0.0%	6,427	1,427	0	(115)	0	0	0	404	5,845	116.9%	-2.0%	0.0%
	1988	3,677,012	7,159,345	194.7%	5,179,870	140.9%	3,614,662	(62,350)	6,419,404	739,941	5,179,870	0	0	(1,344,811)	5,125,033	139.4%	139.7%	101.1%

Nationwide Experience

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	1989	4,691,696	6,587,382	140.4%	4,931,546	105.1%	4,714,808	23,112	6,065,261	522,121	4,931,546	0	0	(1,253,859)	6,331,493	135.0%	104.0%	77.9%
	1990	2,487,495	4,706,927	189.2%	4,116,740	165.5%	2,478,075	(9,420)	3,757,294	949,633	4,116,740	0	0	(517,265)	2,929,034	117.8%	160.7%	140.5%
	1991	2,132,427	3,074,617	144.2%	2,566,991	120.4%	2,116,618	(15,809)	2,471,218	603,399	2,566,991	0	0	(159,303)	2,144,043	100.5%	143.4%	119.7%
	1992	1,374,949	2,483,104	180.6%	1,730,109	125.8%	1,394,377	19,428	1,661,629	821,475	1,730,109	0	0	200,007	1,301,093	94.6%	190.8%	133.0%
	1993	1,162,491	2,376,010	204.4%	2,105,545	181.1%	1,147,342	(15,149)	1,396,191	979,819	2,105,545	0	0	(600,896)	988,183	85.0%	240.4%	213.1%
	1994	1,392,191	1,622,597	116.5%	1,961,622	140.9%	1,412,584	20,393	1,173,039	449,558	1,961,622	0	0	(741,070)	1,028,952	73.9%	157.7%	190.6%
	1995	2,174,292	3,650,714	167.9%	2,097,877	96.5%	2,210,212	35,920	1,891,309	1,759,405	2,097,877	0	0	(545,676)	1,645,437	75.7%	221.9%	127.5%
	1996	3,095,052	3,268,013	105.6%	2,752,004	88.9%	3,128,229	33,177	2,254,661	1,013,352	2,752,004	0	0	(545,299)	1,875,680	60.6%	174.2%	146.7%
	1997	7,496,450	7,318,389	97.6%	6,267,623	83.6%	7,605,016	108,566	3,583,099	3,735,290	6,222,938	44,685	0	101,501	3,606,074	48.1%	202.9%	173.8%
	1998	10,752,643	9,091,907	84.6%	6,992,635	65.0%	10,840,060	87,417	4,408,939	4,682,968	6,992,635	0	0	660,207	4,486,310	41.7%	202.7%	155.9%
	1999	11,455,705	8,207,001	71.6%	5,987,002	52.3%	11,581,212	125,507	3,026,201	5,180,800	5,799,245	187,757	0	2,423,617	3,890,633	34.0%	210.9%	153.9%
	2000	17,479,960	8,177,395	46.8%	7,215,389	41.3%	17,475,045	(4,915)	3,081,881	5,095,514	7,156,038	59,351	0	5,256,179	4,460,767	25.5%	183.3%	161.8%
	2001	24,569,578	9,573,700	39.0%	8,002,366	32.6%	24,237,822	(331,756)	2,437,710	7,135,990	7,852,745	149,621	0	10,960,266	4,880,225	19.9%	196.2%	164.0%
	2002	12,193,122	1,821,243	14.9%	2,462,358	20.2%	11,924,593	(268,529)	349,800	1,471,443	2,462,358	0	0	5,313,872	1,753,883	14.4%	103.8%	140.4%
	2003	874,085	108,021	12.4%	33,882	3.9%	1,326,347	452,262	23,015	85,006	33,882	0	0	(373,692)	101,995	11.7%	105.9%	33.2%
2003	Total	107,014,148	79,226,250	74.0%	64,403,559	60.2%	107,213,429	199,281	44,000,651	35,225,599	63,962,145	441,414	0	18,834,182	46,554,680	43.5%	170.2%	138.3%
	1987	5,705	1,162	20.4%	1,920	33.7%	5,705	0	0	1,162	1,920	0	0	566	6,647	116.5%	17.5%	28.9%
	1988	3,415,570	6,986,263	204.5%	4,943,042	144.7%	3,200,103	(215,467)	5,976,986	1,009,277	4,943,042	0	0	(1,249,091)	4,717,924	138.1%	148.1%	104.8%
	1989	4,422,957	6,963,647	157.4%	5,457,059	123.4%	4,141,001	(281,956)	5,817,856	1,145,791	5,457,059	0	0	(1,280,721)	5,972,418	135.0%	116.6%	91.4%
	1990	2,369,091	3,631,141	153.3%	2,521,020	106.4%	2,242,747	(126,344)	3,649,641	(18,500)	2,521,020	0	0	(432,788)	2,777,856	117.3%	130.7%	90.8%
	1991	1,974,043	3,193,471	161.8%	1,694,240	85.8%	1,903,457	(70,586)	2,590,551	602,920	1,694,240	0	0	(110,324)	2,090,877	105.9%	152.7%	81.0%
	1992	1,384,634	1,522,225	109.9%	2,007,370	145.0%	1,340,058	(44,576)	1,570,796	(48,571)	1,938,906	68,464	0	208,712	1,334,497	96.4%	114.1%	150.4%
	1993	1,190,508	1,630,198	136.9%	1,320,058	110.9%	1,110,013	(80,495)	1,701,702	(71,504)	1,320,058	0	0	202,746	1,017,891	85.5%	160.2%	129.7%
	1994	1,420,066	1,810,647	127.5%	869,854	61.3%	1,336,589	(83,477)	1,423,887	386,760	869,854	0	0	340,907	1,084,529	76.4%	167.0%	80.2%
	1995	2,232,257	2,653,517	118.9%	3,719,489	166.6%	2,182,817	(49,440)	2,291,044	362,473	3,719,489	0	0	578,942	1,731,853	77.6%	153.2%	214.8%
	1996	3,145,622	2,807,856	89.3%	2,312,160	73.5%	3,098,021	(47,601)	2,395,293	412,563	2,260,632	51,528	0	1,518,122	1,865,535	59.3%	150.5%	123.9%
	1997	7,666,185	5,248,522	68.5%	5,839,464	76.2%	7,534,734	(131,451)	4,121,850	1,126,672	5,771,601	67,863	0	3,562,434	3,430,800	44.8%	153.0%	170.2%
	1998	10,973,063	6,001,735	54.7%	6,603,140	60.2%	10,814,898	(158,165)	4,865,320	1,136,415	6,471,842	131,298	0	4,754,716	4,257,645	38.8%	141.0%	155.1%
	1999	11,618,078	4,077,564	35.1%	5,951,040	51.2%	11,508,347	(109,731)	3,870,377	207,187	5,951,040	0	0	5,287,666	3,767,620	32.4%	108.2%	158.0%
	2000	17,565,606	6,393,948	36.4%	8,133,590	46.3%	17,382,331	(183,275)	4,682,718	1,711,230	8,133,590	0	0	8,380,824	4,444,875	25.3%	143.8%	183.0%
	2001	24,232,520	4,751,554	19.6%	11,156,171	46.0%	24,175,551	(56,969)	3,816,906	934,648	10,279,512	876,659	0	11,789,157	5,049,595	20.8%	94.1%	220.9%

Nationwide Experience

For Reporting Year: 2016
As of Reporting Month: December
Company(s): Ability Insurance, Medico Insurance

Base Policy Type(s): All Forms Included in This Nationwide Filing
ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

	2002	11,578,658	2,282,099	19.7%	4,428,898	38.3%	11,487,043	(91,615)	846,253	1,435,846	4,200,956	227,942	0	7,170,624	2,167,474	18.7%	105.3%	204.3%
	2003	1,616,435	94,775	5.9%	104,194	6.4%	1,521,306	(95,129)	21,490	73,285	104,194	0	0	767,357	188,910	11.7%	50.2%	55.2%
	2004	789,869	14,241	1.8%	0	0.0%	1,162,058	372,189	0	14,241	0	0	0	(344,342)	67,076	8.5%	21.2%	0.0%
2004	Total	107,600,867	60,064,565	55.8%	67,062,708	62.3%	106,146,779	(1,454,088)	49,642,670	10,421,895	65,638,954	1,423,754	0	41,145,507	45,974,022	42.7%	130.6%	145.9%
	1987	3,744	7,800	208.3%	6,288	167.9%	1,789	(1,955)	8,208	(408)	6,288	0	0	(5,902)	4,728	126.3%	165.0%	133.0%
	1988	2,900,774	2,665,940	91.9%	3,924,860	135.3%	2,683,768	(217,006)	5,196,349	(2,530,409)	3,924,860	0	0	(1,321,456)	4,168,564	143.7%	64.0%	94.2%
	1989	3,839,486	4,988,753	129.9%	5,929,665	154.4%	3,611,721	(227,765)	5,720,286	(731,533)	5,929,665	0	0	(1,339,044)	5,443,273	141.8%	91.6%	108.9%
	1990	2,087,393	2,530,892	121.2%	2,901,917	139.0%	2,001,802	(85,591)	3,035,451	(504,559)	2,901,917	0	0	(583,342)	2,579,302	123.6%	98.1%	112.5%
	1991	1,700,625	1,298,531	76.4%	2,601,260	153.0%	1,656,449	(44,176)	2,223,680	(925,149)	2,601,260	0	0	(289,056)	1,942,520	114.2%	66.8%	133.9%
	1992	1,229,455	1,539,068	125.2%	1,117,419	90.9%	1,186,860	(42,595)	1,556,036	(16,968)	1,117,419	0	0	(30,896)	1,270,415	103.3%	121.1%	88.0%
	1993	1,007,544	1,348,537	133.8%	2,194,397	217.8%	1,031,251	23,707	1,509,993	(161,456)	2,094,428	99,969	0	69,296	1,001,439	99.4%	134.7%	219.1%
	1994	1,228,785	1,518,968	123.6%	1,596,737	129.9%	1,243,369	14,584	1,303,023	215,945	1,596,737	0	0	213,238	1,089,474	88.7%	139.4%	146.6%
	1995	2,054,508	3,371,032	164.1%	4,261,067	207.4%	1,979,910	(74,598)	2,481,885	889,147	4,261,067	0	0	316,061	1,758,832	85.6%	191.7%	242.3%
	1996	2,980,071	3,587,523	120.4%	3,856,221	129.4%	2,902,900	(77,171)	2,786,524	800,999	3,795,258	60,963	0	1,356,770	1,854,858	62.2%	193.4%	207.9%
	1997	7,270,426	5,478,505	75.4%	5,878,361	80.9%	7,135,066	(135,360)	4,450,816	1,027,689	5,878,361	0	0	3,042,979	3,172,323	43.6%	172.7%	185.3%
	1998	10,406,294	6,687,479	64.3%	9,029,538	86.8%	10,212,074	(194,220)	5,501,815	1,185,664	8,755,441	274,097	0	3,877,245	3,902,096	37.5%	171.4%	231.4%
	1999	11,085,298	6,418,344	57.9%	4,758,968	42.9%	10,902,844	(182,454)	4,711,109	1,707,235	4,758,968	0	0	4,604,813	3,507,631	31.6%	183.0%	135.7%
	2000	16,779,734	7,635,240	45.5%	9,706,738	57.8%	16,536,713	(243,021)	5,696,624	1,938,616	9,421,162	285,576	0	8,208,089	4,323,102	25.8%	176.6%	224.5%
	2001	23,113,265	9,729,996	42.1%	14,010,114	60.6%	22,836,567	(276,698)	5,602,274	4,127,722	13,610,306	399,808	0	11,531,766	4,972,340	21.5%	195.7%	281.8%
	2002	11,042,600	2,713,630	24.6%	3,799,359	34.4%	10,953,369	(89,231)	1,616,080	1,097,550	3,728,383	70,976	0	6,372,200	2,185,655	19.8%	124.2%	173.8%
	2003	1,426,764	159,820	11.2%	251,657	17.6%	1,405,914	(20,850)	43,077	116,743	251,657	0	0	1,013,501	223,899	15.7%	71.4%	112.4%
	2004	1,300,874	18,597	1.4%	2,397	0.2%	1,222,015	(78,859)	564	18,033	2,397	0	0	728,622	82,268	6.3%	22.6%	2.9%
	2005	6,063	28	0.5%	0	0.0%	6,138	75	0	28	0	0	0	1,953	25	0.4%	112.0%	0.0%
2005	Total	101,463,703	61,698,683	60.8%	75,826,959	74.7%	99,510,519	(1,953,184)	53,443,794	8,254,889	74,635,570	1,191,389	0	37,766,837	43,482,744	42.9%	141.9%	174.4%
	1987	3,947	415	10.5%	0	0.0%	6,075	2,128	0	415	0	0	0	(927)	6,570	166.5%	6.3%	0.0%
	1988	2,457,195	4,793,377	195.1%	3,664,095	149.1%	2,332,552	(124,643)	4,544,771	248,606	3,664,095	0	0	(1,100,908)	3,893,739	158.5%	123.1%	94.1%
	1989	3,372,155	5,227,576	155.0%	4,354,437	129.1%	3,230,684	(141,471)	5,272,102	(44,526)	4,354,437	0	0	(1,268,037)	5,203,223	154.3%	100.5%	83.7%
	1990	1,854,451	3,308,332	178.4%	2,624,564	141.5%	1,801,486	(52,965)	3,126,417	181,915	2,624,564	0	0	(474,855)	2,516,343	135.7%	131.5%	104.3%
	1991	1,528,543	2,012,873	131.7%	1,854,356	121.3%	1,470,081	(58,462)	2,124,166	(111,293)	1,854,356	0	0	(339,356)	1,926,105	126.0%	104.5%	96.3%
	1992	1,130,562	1,606,256	142.1%	1,315,153	116.3%	1,125,555	(5,007)	1,498,595	107,661	1,315,153	0	0	(46,666)	1,324,204	117.1%	121.3%	99.3%
	1993	1,005,488	1,684,956	167.6%	1,382,568	137.5%	997,319	(8,169)	1,515,742	169,214	1,382,568	0	0	171,140	1,096,246	109.0%	153.7%	126.1%

Nationwide Experience

For Reporting Year: 2016
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	1994	1,196,447	2,004,916	167.6%	1,674,142	139.9%	1,174,937	(21,510)	1,462,874	542,042	1,674,142	0	0	118,462	1,217,942	101.8%	164.6%	137.5%
	1995	1,916,765	3,888,723	202.9%	2,010,046	104.9%	1,927,479	10,714	2,744,412	1,144,311	2,010,046	0	0	69,300	1,965,603	102.5%	197.8%	102.3%
	1996	2,796,337	2,613,099	93.4%	3,328,890	119.0%	2,701,021	(95,316)	2,811,392	(198,293)	2,999,997	328,893	0	321,459	2,111,481	75.5%	123.8%	157.7%
	1997	7,080,872	6,919,926	97.7%	5,745,072	81.1%	7,063,833	(17,039)	4,956,997	1,962,929	5,745,072	0	0	3,007,878	3,578,798	50.5%	193.4%	160.5%
	1998	9,965,307	8,254,423	82.8%	9,371,317	94.0%	9,923,429	(41,878)	5,907,015	2,347,408	9,223,938	147,379	0	3,575,360	4,295,068	43.1%	192.2%	218.2%
	1999	10,748,580	6,649,379	61.9%	8,563,272	79.7%	10,747,651	(929)	5,053,580	1,595,799	8,491,116	72,156	0	4,789,016	3,959,262	36.8%	167.9%	216.3%
	2000	16,440,341	9,767,846	59.4%	11,158,938	67.9%	16,419,510	(20,831)	6,267,427	3,500,419	10,862,014	296,924	0	8,038,789	5,110,267	31.1%	191.1%	218.4%
	2001	22,511,450	12,325,433	54.8%	13,596,945	60.4%	22,452,849	(58,601)	6,970,865	5,354,568	13,573,330	23,615	0	10,967,928	5,968,109	26.5%	206.5%	227.8%
	2002	11,005,042	3,924,736	35.7%	3,633,995	33.0%	11,059,224	54,182	2,085,092	1,839,644	3,633,995	0	0	5,930,356	2,922,538	26.6%	134.3%	124.3%
	2003	1,363,776	319,643	23.4%	118,874	8.7%	1,352,720	(11,056)	128,122	191,521	118,874	0	0	660,893	272,223	20.0%	117.4%	43.7%
	2004	1,200,517	145,465	12.1%	248,772	20.7%	1,176,122	(24,395)	23,887	121,578	248,772	0	0	863,310	165,368	13.8%	88.0%	150.4%
	2005	4,868	70	1.4%	0	0.0%	4,793	(75)	0	70	0	0	0	2,606	294	6.0%	23.8%	0.0%
2006	Total	97,582,643	75,447,444	77.3%	74,645,435	76.5%	96,967,320	(615,323)	56,493,456	18,953,988	73,776,468	868,967	0	35,285,748	47,533,383	48.7%	158.7%	157.0%
	1987	3,928	(127)	-3.2%	0	0.0%	4,120	192	0	(127)	0	0	0	(179)	5,647	143.8%	-2.2%	0.0%
	1988	2,195,146	3,814,097	173.8%	3,821,743	174.1%	2,072,646	(122,500)	4,277,545	(463,448)	3,821,743	0	0	(1,139,873)	3,546,880	161.6%	107.5%	107.7%
	1989	3,014,263	4,213,459	139.8%	3,619,446	120.1%	2,870,265	(143,998)	5,064,739	(851,280)	3,619,446	0	0	(1,346,087)	4,759,618	157.9%	88.5%	76.0%
	1990	1,713,655	2,513,974	146.7%	2,376,052	138.7%	1,646,022	(67,633)	2,935,107	(421,133)	2,376,052	0	0	(659,714)	2,355,447	137.5%	106.7%	100.9%
	1991	1,384,157	1,869,110	135.0%	1,421,320	102.7%	1,315,991	(68,166)	2,127,052	(257,942)	1,421,320	0	0	(468,078)	1,786,469	129.1%	104.6%	79.6%
	1992	1,102,748	1,751,033	158.8%	1,565,990	142.0%	1,068,460	(34,288)	1,741,182	9,851	1,565,990	0	0	(35,523)	1,332,260	120.8%	131.4%	117.5%
	1993	1,006,095	1,865,066	185.4%	1,761,040	175.0%	984,419	(21,676)	1,470,065	395,001	1,761,040	0	0	(40,534)	1,114,261	110.8%	167.4%	158.0%
	1994	1,181,698	1,434,565	121.4%	927,603	78.5%	1,183,999	2,301	1,582,629	(148,064)	927,603	0	0	(11,920)	1,232,195	104.3%	116.4%	75.3%
	1995	1,952,290	2,761,722	141.5%	2,430,713	124.5%	1,950,501	(1,789)	3,021,775	(260,053)	2,249,555	181,158	0	139,384	1,989,353	101.9%	138.8%	122.2%
	1996	2,700,707	2,981,318	110.4%	2,744,203	101.6%	2,709,634	8,927	2,684,127	297,191	2,744,203	0	0	848,729	2,180,988	80.8%	136.7%	125.8%
	1997	7,193,075	7,505,024	104.3%	6,520,253	90.6%	7,217,343	24,268	5,783,189	1,721,835	6,362,545	157,708	0	2,876,139	3,713,063	51.6%	202.1%	175.6%
	1998	10,285,749	8,287,764	80.6%	7,143,474	69.5%	10,322,415	36,666	6,652,438	1,635,326	7,050,840	92,634	0	3,946,173	4,398,407	42.8%	188.4%	162.4%
	1999	11,167,011	7,753,866	69.4%	7,541,683	67.5%	11,140,476	(26,535)	6,220,214	1,533,652	7,358,842	182,841	0	4,176,502	4,117,386	36.9%	188.3%	183.2%
	2000	17,263,489	11,243,803	65.1%	11,238,975	65.1%	17,361,971	98,482	7,935,954	3,307,849	10,732,914	506,061	0	7,520,191	5,469,320	31.7%	205.6%	205.5%
	2001	23,446,384	15,151,714	64.6%	14,771,242	63.0%	23,538,125	91,741	9,375,420	5,776,294	14,066,383	704,859	0	10,497,202	6,504,629	27.7%	232.9%	227.1%
	2002	10,960,693	5,972,455	54.5%	8,370,132	76.4%	10,910,569	(50,124)	3,073,626	2,898,829	7,866,664	503,468	0	5,787,958	3,403,960	31.1%	175.5%	245.9%
	2003	1,313,656	143,932	11.0%	338,246	25.7%	1,286,262	(27,394)	148,555	(4,623)	338,246	0	0	737,483	332,761	25.3%	43.3%	101.6%
	2004	1,162,036	77,670	6.7%	15,078	1.3%	1,166,145	4,109	100,367	(22,697)	15,078	0	0	749,165	210,772	18.1%	36.9%	7.2%

Nationwide Experience

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ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

	2005	4,066	42	1.0%	0	0.0%	4,066	0	0	42	0	0	0	3,062	423	10.4%	9.9%	0.0%
2007	Total	99,050,846	79,340,487	80.1%	76,607,193	77.3%	98,753,429	(297,417)	64,193,984	15,146,503	74,278,464	2,328,729	0	33,580,080	48,453,839	48.9%	163.7%	158.1%
	1987	4,192	97	2.3%	0	0.0%	4,180	(12)	0	97	0	0	0	26	6,053	144.4%	1.6%	0.0%
	1988	1,908,526	2,198,250	115.2%	4,023,919	210.8%	1,750,149	(158,377)	3,727,573	(1,529,323)	4,005,802	18,117	0	(915,331)	3,208,513	168.1%	68.5%	125.4%
	1989	2,584,944	3,556,902	137.6%	4,005,409	155.0%	2,430,086	(154,858)	4,502,047	(945,145)	4,005,409	0	0	(1,380,453)	4,303,940	166.5%	82.6%	93.1%
	1990	1,462,774	3,094,104	211.5%	2,619,627	179.1%	1,361,495	(101,279)	2,998,134	95,970	2,591,126	28,501	0	(535,007)	2,156,105	147.4%	143.5%	121.5%
	1991	1,223,023	1,304,510	106.7%	1,754,604	143.5%	1,159,594	(63,429)	1,969,051	(664,541)	1,702,609	51,995	0	(372,282)	1,658,836	135.6%	78.6%	105.8%
	1992	996,782	1,550,708	155.6%	973,913	97.7%	954,671	(42,111)	1,736,547	(185,839)	973,913	0	0	(72,663)	1,320,367	132.5%	117.4%	73.8%
	1993	946,412	2,105,956	222.5%	1,676,206	177.1%	910,783	(35,629)	1,826,301	279,655	1,676,206	0	0	(11,122)	1,142,605	120.7%	184.3%	146.7%
	1994	1,124,644	1,332,317	118.5%	1,229,900	109.4%	1,086,706	(37,938)	1,548,503	(216,186)	1,229,900	0	0	108,240	1,286,410	114.4%	103.6%	95.6%
	1995	1,852,275	2,828,876	152.7%	4,043,761	218.3%	1,783,071	(69,204)	2,986,048	(157,172)	3,764,083	279,678	0	(115,759)	2,159,618	116.6%	131.0%	187.2%
	1996	2,617,575	3,420,447	130.7%	4,869,608	186.0%	2,526,126	(91,449)	2,720,775	699,672	4,547,808	321,800	0	647,509	2,312,874	88.4%	147.9%	210.5%
	1997	6,972,863	6,609,891	94.8%	7,411,348	106.3%	6,828,268	(144,595)	6,406,196	203,695	7,071,039	340,309	0	2,676,934	3,985,273	57.2%	165.9%	186.0%
	1998	9,738,312	6,371,468	65.4%	7,422,064	76.2%	9,482,611	(255,701)	7,104,330	(732,862)	7,092,485	329,579	0	3,475,471	4,727,333	48.5%	134.8%	157.0%
	1999	10,766,038	6,915,971	64.2%	9,627,037	89.4%	10,592,923	(173,115)	6,479,999	435,972	9,111,691	515,346	0	4,319,884	4,484,732	41.7%	154.2%	214.7%
	2000	16,778,775	14,303,556	85.2%	13,148,716	78.4%	16,439,980	(338,795)	9,611,710	4,691,846	12,213,336	935,380	0	7,538,545	6,113,397	36.4%	234.0%	215.1%
	2001	22,898,361	17,977,142	78.5%	16,806,921	73.4%	22,461,265	(437,096)	11,760,167	6,216,975	15,925,696	881,225	0	10,909,359	7,349,378	32.1%	244.6%	228.7%
	2002	10,613,000	5,649,125	53.2%	7,596,392	71.6%	10,454,668	(158,332)	4,270,301	1,378,824	7,174,356	422,036	0	5,452,621	3,835,110	36.1%	147.3%	198.1%
	2003	1,256,036	675,590	53.8%	511,026	40.7%	1,242,041	(13,995)	287,521	388,069	511,026	0	0	716,733	387,495	30.9%	174.3%	131.9%
	2004	1,154,127	330,797	28.7%	432,126	37.4%	1,156,046	1,919	53,449	277,348	432,126	0	0	723,933	269,151	23.3%	122.9%	160.6%
	2005	3,511	42	1.2%	0	0.0%	3,511	0	0	42	0	0	0	3,213	556	15.8%	7.6%	0.0%
2008	Total	94,902,170	80,225,749	84.5%	88,152,576	92.9%	92,628,174	(2,273,996)	69,988,652	10,237,097	84,028,610	4,123,966	0	33,169,851	50,707,746	53.4%	158.2%	173.8%
	1987	5,228	45,685	873.9%	71,758	1372.6%	5,288	60	4,923	40,762	71,758	0	0	(517)	6,155	117.7%	742.2%	1165.9%
	1988	1,587,687	3,786,217	238.5%	4,265,561	268.7%	1,465,195	(122,492)	3,269,280	516,937	4,265,561	0	0	(969,745)	2,587,795	163.0%	146.3%	164.8%
	1989	2,084,169	4,219,719	202.5%	4,891,681	234.7%	1,910,977	(173,192)	3,855,972	363,747	4,891,681	0	0	(1,256,000)	3,522,091	169.0%	119.8%	138.9%
	1990	1,208,956	2,283,684	188.9%	2,065,560	170.9%	1,108,507	(100,449)	2,676,946	(393,262)	2,065,560	0	0	(586,856)	1,771,366	146.5%	128.9%	116.6%
	1991	1,001,956	847,861	84.6%	2,160,211	215.6%	944,178	(57,778)	1,296,282	(448,421)	2,121,043	39,168	0	(407,545)	1,397,826	139.5%	60.7%	154.5%
	1992	883,781	1,751,410	198.2%	2,295,252	259.7%	835,504	(48,277)	1,526,909	224,501	2,078,648	216,604	0	(412,035)	1,246,175	141.0%	140.5%	184.2%
	1993	836,675	2,516,739	300.8%	1,898,404	226.9%	812,484	(24,191)	1,803,947	712,792	1,850,569	47,835	0	(143,767)	1,083,686	129.5%	232.2%	175.2%
	1994	1,024,744	1,513,661	147.7%	2,576,647	251.4%	983,765	(40,979)	1,305,996	207,665	2,174,537	402,110	0	18,424	1,282,311	125.1%	118.0%	200.9%
	1995	1,632,133	3,076,450	188.5%	3,170,000	194.2%	1,578,504	(53,629)	2,840,760	235,690	3,108,688	61,312	0	(95,909)	2,064,821	126.5%	149.0%	153.5%

Nationwide Experience

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	1996	2,505,619	2,467,509	98.5%	5,459,610	217.9%	2,428,982	(76,637)	2,593,212	(125,703)	4,840,919	618,691	0	685,383	2,340,577	93.4%	105.4%	233.3%
	1997	6,598,531	7,361,074	111.6%	6,367,962	96.5%	6,456,086	(142,445)	6,030,635	1,330,439	5,986,343	381,619	0	1,884,658	4,038,777	61.2%	182.3%	157.7%
	1998	9,344,160	10,236,780	109.6%	9,118,551	97.6%	9,292,739	(51,421)	7,188,597	3,048,183	8,780,862	337,689	0	2,917,789	4,913,680	52.6%	208.3%	185.6%
	1999	10,297,658	7,509,087	72.9%	5,912,909	57.4%	10,150,945	(146,713)	6,573,422	935,665	5,819,804	93,105	0	3,719,872	4,677,156	45.4%	160.5%	126.4%
	2000	16,774,681	11,572,225	69.0%	13,334,201	79.5%	16,600,612	(174,069)	10,041,525	1,530,700	12,247,316	1,086,885	0	7,504,196	6,595,304	39.3%	175.5%	202.2%
	2001	22,762,357	19,874,895	87.3%	20,204,213	88.8%	22,602,489	(159,868)	13,385,444	6,489,451	18,449,882	1,754,331	0	10,341,838	7,953,178	34.9%	249.9%	254.0%
	2002	10,862,501	6,645,292	61.2%	8,970,607	82.6%	10,792,615	(69,886)	4,532,009	2,113,283	8,716,554	254,053	0	5,225,164	4,048,781	37.3%	164.1%	221.6%
	2003	1,224,276	440,693	36.0%	1,217,082	99.4%	1,217,265	(7,011)	424,091	16,602	1,116,964	100,118	0	655,736	448,878	36.7%	98.2%	271.1%
	2004	1,137,525	442,551	38.9%	621,502	54.6%	1,119,203	(18,322)	161,175	281,376	621,502	0	0	609,473	315,447	27.7%	140.3%	197.0%
	2005	3,455	51	1.5%	0	0.0%	3,455	0	0	51	0	0	0	3,423	712	20.6%	7.2%	0.0%
2009	Total	91,776,092	86,591,583	94.4%	94,601,713	103.1%	90,308,793	(1,467,299)	69,511,125	17,080,458	89,208,193	5,393,520	0	29,693,582	50,294,716	54.8%	172.2%	188.1%
	1987	6,906	21,522	311.6%	6,519	94.4%	5,115	(1,791)	32,374	(10,852)	6,519	0	0	(3,270)	11,362	164.5%	189.4%	57.4%
	1988	1,260,718	3,305,457	262.2%	3,081,159	244.4%	1,224,152	(36,566)	3,667,548	(362,091)	3,081,159	0	0	(861,586)	2,200,198	174.5%	150.2%	140.0%
	1989	1,653,762	3,882,581	234.8%	4,418,193	267.2%	1,625,217	(28,545)	4,098,211	(215,630)	4,370,030	48,163	0	(1,012,678)	2,885,918	174.5%	134.5%	153.1%
	1990	957,327	2,358,633	246.4%	3,218,802	336.2%	938,459	(18,868)	2,311,479	47,154	3,111,870	106,932	0	(450,796)	1,507,864	157.5%	156.4%	213.5%
	1991	820,424	2,164,114	263.8%	1,547,193	188.6%	805,099	(15,325)	1,514,657	649,457	1,547,193	0	0	(360,460)	1,206,626	147.1%	179.4%	128.2%
	1992	693,438	709,636	102.3%	985,552	142.1%	682,733	(10,705)	1,433,553	(723,917)	865,796	119,756	0	(273,649)	1,127,098	162.5%	63.0%	87.4%
	1993	707,113	1,278,140	180.8%	1,293,941	183.0%	687,017	(20,096)	1,712,346	(434,206)	1,244,918	49,023	0	(278,836)	1,025,849	145.1%	124.6%	126.1%
	1994	892,675	2,634,599	295.1%	1,740,949	195.0%	880,492	(12,182)	1,868,172	766,428	1,702,655	38,294	0	(150,809)	1,217,695	136.4%	216.4%	143.0%
	1995	1,437,289	4,711,504	327.8%	5,542,677	385.6%	1,408,052	(29,237)	3,204,816	1,506,688	5,126,831	415,846	0	(228,304)	2,056,629	143.1%	229.1%	269.5%
	1996	2,260,124	5,463,755	241.7%	4,758,084	210.5%	2,217,398	(42,726)	3,367,115	2,096,640	4,354,123	403,961	0	266,711	2,664,345	117.9%	205.1%	178.6%
	1997	5,844,192	7,438,012	127.3%	7,803,369	133.5%	5,772,931	(71,260)	6,316,571	1,121,441	7,204,100	599,269	0	1,714,988	4,473,757	76.6%	166.3%	174.4%
	1998	8,591,207	12,649,813	147.2%	14,640,175	170.4%	8,532,410	(58,796)	8,662,818	3,986,995	13,431,333	1,208,842	0	2,046,247	5,511,266	64.2%	229.5%	265.6%
	1999	9,323,969	10,258,326	110.0%	10,130,684	108.7%	9,232,051	(91,918)	7,433,011	2,825,315	8,941,070	1,189,614	0	2,852,846	5,319,208	57.0%	192.9%	190.5%
	2000	14,617,965	13,806,350	94.4%	17,851,704	122.1%	14,319,130	(298,835)	10,882,413	2,923,937	15,737,865	2,113,839	0	6,648,195	7,683,181	52.6%	179.7%	232.3%
	2001	20,947,407	17,280,633	82.5%	22,909,061	109.4%	20,830,516	(116,890)	15,561,551	1,719,083	20,021,590	2,887,471	0	8,257,203	9,494,884	45.3%	182.0%	241.3%
	2002	10,447,716	12,506,130	119.7%	12,812,793	122.6%	10,484,840	37,125	7,524,812	4,981,318	11,584,508	1,228,285	0	5,371,648	5,108,039	48.9%	244.8%	250.8%
	2003	1,087,901	1,008,105	92.7%	1,240,753	114.1%	1,089,891	1,991	481,201	526,903	987,129	253,624	0	541,890	482,252	44.3%	209.0%	257.3%
	2004	1,092,341	713,648	65.3%	752,823	68.9%	1,100,055	7,714	356,574	357,075	665,635	87,188	0	701,644	394,903	36.2%	180.7%	190.6%
	2005	2,902	15	0.5%	0	0.0%	3,387	485	0	15	0	0	0	3,670	230	7.9%	6.3%	0.0%
2010	Total	82,645,374	102,190,973	123.6%	114,734,432	138.8%	81,838,948	(806,426)	80,429,223	21,761,751	103,984,325	10,750,107	0	24,784,655	54,371,303	65.8%	188.0%	211.0%

Nationwide Experience

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	1987	7,223	77,890	1078.3%	48,351	669.4%	7,494	271	44,919	32,971	48,351	0	0	(5,187)	10,156	140.6%	766.9%	476.1%
	1988	1,121,613	2,628,411	234.3%	2,136,619	190.5%	1,083,500	(38,114)	3,464,288	(835,877)	2,135,647	972	0	(747,479)	1,896,764	169.1%	138.6%	112.6%
	1989	1,465,292	3,127,686	213.5%	2,736,198	186.7%	1,420,766	(44,526)	4,214,356	(1,086,670)	2,736,198	0	0	(987,081)	2,507,249	171.1%	124.7%	109.1%
	1990	846,986	742,343	87.6%	1,223,287	144.4%	790,389	(56,598)	2,187,194	(1,444,851)	1,223,287	0	0	(410,970)	1,284,487	151.7%	57.8%	95.2%
	1991	715,419	2,355,490	329.2%	1,432,614	200.2%	713,952	(1,467)	1,925,017	430,472	1,432,614	0	0	(244,591)	1,093,943	152.9%	215.3%	131.0%
	1992	662,017	1,520,780	229.7%	2,235,862	337.7%	664,723	2,706	1,285,638	235,141	2,179,262	56,600	0	(205,263)	1,135,020	171.4%	134.0%	197.0%
	1993	671,380	1,796,077	267.5%	1,884,871	280.7%	677,482	6,102	1,747,097	48,980	1,632,789	252,082	0	(255,221)	987,991	147.2%	181.8%	190.8%
	1994	856,786	1,251,492	146.1%	3,892,153	454.3%	851,751	(5,035)	1,747,727	(496,234)	3,102,297	789,856	0	(315,592)	1,190,163	138.9%	105.2%	327.0%
	1995	1,410,430	4,194,629	297.4%	5,461,006	387.2%	1,406,226	(4,204)	3,764,432	430,197	4,799,690	661,316	0	(481,983)	2,024,874	143.6%	207.2%	269.7%
	1996	2,298,639	4,137,282	180.0%	3,815,255	166.0%	2,320,297	21,658	3,680,353	456,929	3,506,845	308,410	0	83,567	2,691,129	117.1%	153.7%	141.8%
	1997	5,741,072	6,924,215	120.6%	7,315,716	127.4%	5,726,241	(14,831)	6,322,805	601,410	6,331,270	984,446	0	971,140	4,569,994	79.6%	151.5%	160.1%
	1998	8,629,865	9,055,627	104.9%	8,347,242	96.7%	8,648,181	18,317	9,550,675	(495,048)	7,347,832	999,410	0	1,920,582	5,651,735	65.5%	160.2%	147.7%
	1999	9,433,623	11,288,933	119.7%	12,750,143	135.2%	9,492,216	58,593	8,146,535	3,142,398	11,128,729	1,621,414	0	2,879,095	5,470,923	58.0%	206.3%	233.1%
	2000	14,488,479	18,436,276	127.2%	19,881,744	137.2%	14,587,349	98,870	12,288,337	6,147,939	16,301,490	3,580,254	0	5,073,137	8,104,721	55.9%	227.5%	245.3%
	2001	20,531,998	26,383,194	128.5%	23,678,893	115.3%	20,359,860	(172,138)	17,241,742	9,141,452	20,234,265	3,444,628	0	8,785,239	10,081,846	49.1%	261.7%	234.9%
	2002	11,025,404	12,220,525	110.8%	12,673,282	114.9%	11,082,855	57,451	8,839,154	3,381,371	10,729,133	1,944,149	0	4,304,283	5,437,070	49.3%	224.8%	233.1%
	2003	1,132,056	1,322,142	116.8%	892,945	78.9%	1,151,820	19,765	556,861	765,281	892,945	0	0	524,474	511,999	45.2%	258.2%	174.4%
	2004	1,181,099	1,101,015	93.2%	1,289,495	109.2%	1,203,038	21,938	508,051	592,964	1,084,462	205,033	0	645,856	437,902	37.1%	251.4%	294.5%
	2005	3,323	23	0.7%	0	0.0%	3,097	(226)	0	23	0	0	0	3,917	302	9.1%	7.5%	0.0%
2011	Total	82,222,704	108,564,030	132.0%	111,695,676	135.8%	82,191,236	(31,468)	87,515,181	21,048,848	96,847,106	14,848,570	0	21,537,922	55,088,270	67.0%	197.1%	202.8%
	1987	8,016	13,342	166.4%	1,300	16.2%	2,868	(5,148)	44,102	(30,760)	1,300	0	0	(3,758)	7,816	97.5%	170.7%	16.6%
	1988	957,965	1,900,306	198.4%	2,030,701	212.0%	865,950	(92,015)	2,931,704	(1,031,398)	2,030,701	0	0	(675,393)	1,586,601	165.6%	119.8%	128.0%
	1989	1,336,972	2,658,215	198.8%	2,911,986	217.8%	1,240,003	(96,969)	3,821,824	(1,163,608)	2,889,958	22,028	0	(741,137)	2,186,259	163.5%	121.6%	133.2%
	1990	675,465	1,259,551	186.5%	1,255,615	185.9%	645,373	(30,093)	1,681,083	(421,532)	1,255,615	0	0	(382,180)	1,104,854	163.6%	114.0%	113.6%
	1991	689,477	1,040,119	150.9%	1,751,232	254.0%	660,074	(29,404)	1,854,079	(813,961)	1,514,735	236,497	0	(331,093)	988,348	143.3%	105.2%	177.2%
	1992	627,429	1,726,643	275.2%	2,593,355	413.3%	601,177	(26,253)	1,442,722	283,922	2,298,550	294,805	0	(206,785)	1,133,309	180.6%	152.4%	228.8%
	1993	648,840	1,645,094	253.5%	1,440,669	222.0%	631,960	(16,881)	1,748,522	(103,428)	1,213,285	227,384	0	(217,405)	1,004,798	154.9%	163.7%	143.4%
	1994	787,642	2,045,197	259.7%	1,336,071	169.6%	763,770	(23,872)	1,798,840	246,357	1,030,801	305,270	0	(129,297)	1,178,695	149.6%	173.5%	113.4%
	1995	1,307,506	4,566,929	349.3%	3,678,899	281.4%	1,255,437	(52,069)	3,843,226	723,703	2,837,896	841,003	0	(344,313)	1,962,473	150.1%	232.7%	187.5%
	1996	2,163,038	4,948,492	228.8%	3,383,737	156.4%	2,094,549	(68,489)	4,320,936	627,556	2,906,928	476,809	0	217,449	2,766,930	127.9%	178.8%	122.3%
	1997	5,527,394	7,430,131	134.4%	8,861,825	160.3%	5,382,524	(144,870)	7,122,960	307,171	6,621,427	2,240,398	0	1,338,760	4,706,568	85.1%	157.9%	188.3%

Nationwide Experience

For Reporting Year: 2016
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ROP: Excluded
Provisions: All Provisions
Benefit Period: All years

	1998	8,338,136	13,695,497	164.3%	13,355,312	160.2%	8,212,369	(125,767)	10,044,296	3,651,201	10,464,384	2,890,928	0	1,955,444	5,856,931	70.2%	233.8%	228.0%
	1999	9,214,326	11,513,983	125.0%	10,395,638	112.8%	9,157,033	(57,293)	9,481,578	2,032,406	8,471,785	1,923,853	0	2,699,128	5,751,164	62.4%	200.2%	180.8%
	2000	14,230,651	20,559,192	144.5%	18,929,174	133.0%	14,104,439	(126,211)	14,766,381	5,792,811	14,824,431	4,104,743	0	5,060,048	8,548,572	60.1%	240.5%	221.4%
	2001	19,405,083	24,212,029	124.8%	22,834,686	117.7%	19,187,513	(217,570)	20,326,301	3,885,727	18,050,406	4,784,280	0	6,938,668	10,694,375	55.1%	226.4%	213.5%
	2002	10,534,196	14,036,230	133.2%	14,577,657	138.4%	10,429,396	(104,801)	10,003,348	4,032,882	11,249,409	3,328,248	0	4,693,203	5,765,228	54.7%	243.5%	252.9%
	2003	1,150,807	1,616,158	140.4%	807,405	70.2%	1,148,085	(2,722)	969,542	646,615	807,405	0	0	503,936	555,130	48.2%	291.1%	145.4%
	2004	1,211,874	1,137,057	93.8%	645,109	53.2%	1,208,791	(3,083)	641,035	496,021	440,589	204,520	0	672,384	477,440	39.4%	238.2%	135.1%
	2005	3,665	37	1.0%	0	0.0%	3,716	51	0	37	0	0	0	4,194	367	10.0%	10.1%	0.0%
2012	Total	78,818,482	116,004,201	147.2%	110,790,371	140.6%	77,595,025	(1,223,457)	96,842,478	19,161,723	88,909,605	21,880,766	0	21,051,854	56,275,858	71.4%	206.1%	196.9%
	1987	2,560	(33,650)	-1314.4%	0	0.0%	5,120	2,560	1,610	(35,260)	0	0	0	(6,618)	3,094	120.8%	-1087.7%	0.0%
	1988	733,202	1,617,241	220.6%	1,147,391	156.5%	700,405	(32,797)	2,287,877	(670,636)	1,060,714	86,677	0	(543,197)	1,350,829	184.2%	119.7%	84.9%
	1989	1,067,931	2,187,827	204.9%	1,926,508	180.4%	1,001,352	(66,578)	2,923,153	(735,326)	1,870,556	55,952	0	(764,895)	1,838,283	172.1%	119.0%	104.8%
	1990	543,757	1,530,407	281.5%	1,323,736	243.4%	515,518	(28,238)	1,601,972	(71,565)	1,284,194	39,542	0	(402,978)	959,613	176.5%	159.5%	137.9%
	1991	561,198	1,998,571	356.1%	1,037,983	185.0%	526,503	(34,696)	1,767,574	230,997	913,453	124,530	0	(264,463)	882,868	157.3%	226.4%	117.6%
	1992	539,763	2,408,535	446.2%	802,978	148.8%	516,224	(23,538)	1,795,453	613,081	769,774	33,204	0	(459,599)	1,051,372	194.8%	229.1%	76.4%
	1993	564,977	1,498,276	265.2%	1,426,502	252.5%	562,126	(2,851)	1,716,126	(217,850)	1,049,960	376,542	0	(333,130)	979,894	173.4%	152.9%	145.6%
	1994	728,378	2,193,376	301.1%	1,864,196	255.9%	701,455	(26,923)	2,039,752	153,624	1,313,472	550,724	0	(137,824)	1,198,031	164.5%	183.1%	155.6%
	1995	1,169,883	3,814,091	326.0%	3,502,671	299.4%	1,156,434	(13,449)	4,340,194	(526,103)	2,831,118	671,553	0	(596,956)	1,940,348	165.9%	196.6%	180.5%
	1996	1,979,292	2,472,647	124.9%	2,604,619	131.6%	1,953,504	(25,788)	3,925,519	(1,452,873)	1,914,826	689,793	0	(129,995)	2,769,831	139.9%	89.3%	94.0%
	1997	5,140,683	8,525,231	165.8%	10,445,776	203.2%	5,079,700	(60,983)	6,984,253	1,540,979	7,314,033	3,131,743	0	653,611	4,842,943	94.2%	176.0%	215.7%
	1998	7,835,021	12,674,896	161.8%	12,158,352	155.2%	7,780,408	(54,613)	11,146,109	1,528,786	8,140,810	4,017,542	0	717,811	6,036,088	77.0%	210.0%	201.4%
	1999	8,912,341	10,256,746	115.1%	11,873,308	133.2%	8,844,811	(67,531)	9,798,497	458,249	7,955,763	3,917,545	0	1,942,934	6,021,087	67.6%	170.3%	197.2%
	2000	13,709,991	18,949,084	138.2%	20,125,893	146.8%	13,600,467	(109,524)	16,717,893	2,231,191	14,097,896	6,027,997	0	3,593,325	8,954,586	65.3%	211.6%	224.8%
	2001	18,499,286	24,876,360	134.5%	25,012,203	135.2%	18,340,830	(158,456)	21,771,527	3,104,833	16,690,297	8,321,906	0	5,520,078	11,123,180	60.1%	223.6%	224.9%
	2002	10,196,440	16,719,882	164.0%	14,415,966	141.4%	10,147,838	(48,603)	11,952,659	4,767,224	10,453,923	3,962,043	0	3,143,015	6,058,500	59.4%	276.0%	237.9%
	2003	1,131,528	254,315	22.5%	606,003	53.6%	1,121,744	(9,783)	1,075,567	(821,252)	460,332	145,671	0	360,917	590,293	52.2%	43.1%	102.7%
	2004	1,195,715	208,890	17.5%	490,612	41.0%	1,192,041	(3,674)	658,815	(449,925)	396,308	94,304	0	571,525	518,145	43.3%	40.3%	94.7%
	2005	7,211	28	0.4%	0	0.0%	11,377	4,165	0	28	0	0	0	4,403	428	5.9%	6.5%	0.0%
2013	Total	74,519,157	112,152,753	150.5%	110,764,698	148.6%	73,757,857	(761,300)	102,504,550	9,648,204	78,517,430	32,247,268	0	12,867,964	57,119,413	76.7%	196.3%	193.9%
	1987	2,020	(1,123)	-55.6%	0	0.0%	(540)	(2,560)	0	(1,123)	0	0	0	(4,576)	2,543	125.9%	-44.2%	0.0%
	1988	615,670	1,763,279	286.4%	1,621,251	263.3%	591,537	(24,133)	2,022,360	(259,081)	1,363,787	257,464	0	(471,083)	1,154,706	187.6%	152.7%	140.4%

Nationwide Experience

For Reporting Year: 2016
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	1989	906,340	1,887,743	208.3%	1,712,957	189.0%	860,455	(45,885)	2,544,494	(656,751)	1,512,528	200,429	0	(713,294)	1,567,098	172.9%	120.5%	109.3%
	1990	470,772	1,321,033	280.6%	841,479	178.7%	444,431	(26,341)	1,571,526	(250,493)	644,772	196,707	0	(294,611)	826,614	175.6%	159.8%	101.8%
	1991	493,474	1,431,438	290.1%	1,316,145	266.7%	465,767	(27,707)	1,684,773	(253,335)	1,035,423	280,722	0	(337,200)	783,009	158.7%	182.8%	168.1%
	1992	501,654	2,155,620	429.7%	2,138,643	426.3%	517,833	16,179	1,944,328	211,293	1,372,477	766,166	0	(298,674)	983,469	196.0%	219.2%	217.5%
	1993	549,818	2,224,830	404.6%	1,255,083	228.3%	545,581	(4,237)	1,619,874	604,956	994,966	260,117	0	(352,897)	969,264	176.3%	229.5%	129.5%
	1994	667,293	1,261,975	189.1%	2,170,641	325.3%	648,372	(18,922)	1,841,897	(579,922)	1,268,261	902,380	0	(360,344)	1,159,032	173.7%	108.9%	187.3%
	1995	1,114,018	3,008,199	270.0%	3,459,665	310.6%	1,123,148	9,130	4,047,863	(1,039,664)	1,954,623	1,505,042	0	(734,748)	1,861,236	167.1%	161.6%	185.9%
	1996	1,881,510	4,122,101	219.1%	3,438,596	182.8%	1,872,031	(9,478)	3,941,829	180,272	2,259,089	1,179,507	0	36,286	2,819,541	149.9%	146.2%	122.0%
	1997	5,172,207	9,881,467	191.0%	8,502,204	164.4%	5,191,655	19,448	8,005,072	1,876,395	4,942,888	3,559,316	0	303,509	5,002,106	96.7%	197.5%	170.0%
	1998	8,034,657	11,599,706	144.4%	10,931,672	136.1%	8,040,071	5,413	11,152,299	447,407	6,239,927	4,691,745	0	(58,688)	6,099,505	75.9%	190.2%	179.2%
	1999	9,107,825	13,634,923	149.7%	12,217,770	134.1%	9,234,881	127,056	10,362,116	3,272,808	6,644,726	5,573,044	0	1,106,156	6,209,058	68.2%	219.6%	196.8%
	2000	13,961,677	21,503,591	154.0%	19,332,847	138.5%	14,081,044	119,368	18,204,134	3,299,457	10,313,919	9,018,928	0	1,617,436	9,175,482	65.7%	234.4%	210.7%
	2001	18,638,937	22,841,233	122.5%	22,804,955	122.4%	18,790,288	151,351	22,399,174	442,059	12,483,708	10,321,247	0	1,808,753	11,352,965	60.9%	201.2%	200.9%
	2002	10,454,469	15,010,235	143.6%	12,131,141	116.0%	10,541,745	87,276	13,179,923	1,830,312	6,826,064	5,305,077	0	934,807	6,122,023	58.6%	245.2%	198.2%
	2003	1,145,418	1,020,316	89.1%	1,195,451	104.4%	1,141,332	(4,086)	851,155	169,160	694,773	500,678	0	238,255	601,557	52.5%	169.6%	198.7%
	2004	1,220,592	282,303	23.1%	438,716	35.9%	1,236,250	15,658	594,515	(312,212)	238,509	200,207	0	422,801	547,080	44.8%	51.6%	80.2%
	2005	4,064	30	0.7%	0	0.0%	7,196	3,132	0	30	0	0	0	4,954	501	12.3%	6.0%	0.0%
2014	Total	74,942,415	114,948,898	153.4%	105,509,216	140.8%	75,333,077	390,662	105,967,330	8,981,568	60,790,440	44,718,776	0	2,846,842	57,236,789	76.4%	200.8%	184.3%
	1988	547,405	1,445,370	264.0%	1,224,161	223.6%	487,762	(59,642)	1,558,869	(113,498)	765,852	440,743	17,566	(528,484)	959,716	175.3%	150.6%	127.6%
	1989	731,314	1,477,560	202.0%	1,513,653	207.0%	671,673	(59,640)	2,090,618	(613,058)	812,539	678,390	22,724	(636,094)	1,280,972	175.2%	115.3%	118.2%
	1990	446,919	549,108	122.9%	793,543	177.6%	417,229	(29,690)	1,270,193	(721,085)	427,411	351,491	14,641	(318,016)	732,094	163.8%	75.0%	108.4%
	1991	422,402	539,825	127.8%	1,083,897	256.6%	390,035	(32,367)	1,444,826	(905,000)	510,710	560,383	12,804	(468,685)	647,268	153.2%	83.4%	167.5%
	1992	458,380	1,660,566	362.3%	903,448	197.1%	436,754	(21,626)	2,139,388	(478,822)	412,215	470,848	20,385	(572,083)	928,703	202.6%	178.8%	97.3%
	1993	467,783	967,125	206.7%	1,199,760	256.5%	456,339	(11,444)	1,645,399	(678,274)	487,283	691,819	20,657	(549,586)	885,391	189.3%	109.2%	135.5%
	1994	592,236	2,447,070	413.2%	2,442,417	412.4%	596,625	4,389	1,826,804	620,267	953,710	1,463,543	25,164	(323,417)	1,087,586	183.6%	225.0%	224.6%
	1995	1,074,228	5,293,317	492.8%	3,665,387	341.2%	1,054,068	(20,161)	4,407,969	885,348	1,642,802	1,981,862	40,723	(525,531)	1,799,077	167.5%	294.2%	203.7%
	1996	1,833,608	5,409,325	295.0%	3,562,393	194.3%	1,827,397	(6,211)	4,329,559	1,079,766	1,373,497	2,117,063	71,833	(341,391)	2,842,615	155.0%	190.3%	125.3%
	1997	5,199,822	11,061,418	212.7%	8,829,144	169.8%	5,169,300	(30,522)	8,928,355	2,133,063	3,348,260	5,350,738	130,146	168,493	5,111,031	98.3%	216.4%	172.7%
	1998	7,829,397	10,966,664	140.1%	8,908,399	113.8%	7,784,584	(44,813)	11,499,791	(533,126)	3,491,580	5,261,044	155,775	185,327	6,120,061	78.2%	179.2%	145.6%
	1999	9,103,765	12,530,297	137.6%	11,405,463	125.3%	9,082,016	(21,750)	11,004,358	1,525,939	4,234,502	7,006,161	164,799	706,895	6,369,952	70.0%	196.7%	179.1%
	2000	13,890,440	21,296,056	153.3%	13,234,572	95.3%	13,824,071	(66,369)	19,502,230	1,793,826	5,181,114	7,813,528	239,930	1,591,563	9,330,344	67.2%	228.2%	141.8%

Nationwide Experience

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	2001	18,524,390	27,836,162	150.3%	21,586,665	116.5%	18,475,746	(48,645)	23,603,202	4,232,960	7,967,230	13,322,308	297,127	2,456,366	11,505,812	62.1%	241.9%	187.6%
	2002	10,585,097	10,886,060	102.8%	10,166,906	96.0%	10,607,003	21,906	13,482,516	(2,596,456)	4,535,139	5,476,574	155,193	1,978,901	6,181,807	58.4%	176.1%	164.5%
	2003	1,135,306	1,172,762	103.3%	1,193,845	105.2%	1,130,467	(4,839)	882,935	289,828	538,429	638,966	16,451	299,270	620,327	54.6%	189.1%	192.5%
	2004	1,234,961	636,544	51.5%	331,028	26.8%	1,243,232	8,272	660,321	(23,777)	118,364	196,805	15,859	395,642	584,599	47.3%	108.9%	56.6%
	2005	7,176	27	0.4%	17	0.2%	7,196	20	0	27	0	0	17	5,091	583	8.1%	4.6%	2.9%
2015	Total	74,084,629	116,175,259	156.8%	92,044,698	124.2%	73,661,497	(423,131)	110,277,333	5,897,926	36,800,638	53,822,266	1,421,794	3,524,260	56,987,937	76.9%	203.9%	161.5%
	1988	436,621	635,270	145.5%	658,416	150.8%	365,884	(70,737)	1,528,928	(893,658)	116,710	255,945	285,761	(421,990)	788,180	180.5%	80.6%	83.5%
	1989	586,277	1,322,329	225.5%	1,272,917	217.1%	522,984	(63,293)	1,631,620	(309,291)	167,877	735,372	369,667	(598,495)	1,032,120	176.0%	128.1%	123.3%
	1990	359,638	824,499	229.3%	670,428	186.4%	327,559	(32,079)	966,847	(142,348)	95,182	337,069	238,177	(250,398)	630,136	175.2%	130.8%	106.4%
	1991	360,256	1,194,729	331.6%	848,659	235.6%	337,720	(22,536)	1,212,896	(18,167)	101,740	538,628	208,291	(199,643)	542,224	150.5%	220.3%	156.5%
	1992	393,143	811,595	206.4%	949,014	241.4%	375,742	(17,401)	1,475,486	(663,891)	134,609	482,789	331,616	(388,635)	815,798	207.5%	99.5%	116.3%
	1993	448,209	823,649	183.8%	1,146,982	255.9%	420,692	(27,516)	1,603,605	(779,956)	171,345	639,592	336,045	(276,209)	840,479	187.5%	98.0%	136.5%
	1994	540,309	3,289,983	608.9%	1,284,708	237.8%	521,245	(19,064)	2,313,458	976,526	152,253	723,095	409,360	(469,335)	1,061,976	196.5%	309.8%	121.0%
	1995	997,181	3,661,255	367.2%	1,804,034	180.9%	971,826	(25,355)	4,102,422	(441,167)	151,788	989,778	662,468	(673,194)	1,719,365	172.4%	212.9%	104.9%
	1996	1,750,781	3,318,789	189.6%	3,090,907	176.5%	1,691,721	(59,061)	4,106,500	(787,711)	333,581	1,588,761	1,168,566	(504,611)	2,864,467	163.6%	115.9%	107.9%
	1997	4,979,044	10,532,591	211.5%	8,859,256	177.9%	4,860,117	(118,927)	9,136,880	1,395,711	1,003,959	5,738,120	2,117,177	(222,084)	5,187,696	104.2%	203.0%	170.8%
	1998	7,518,371	11,421,102	151.9%	9,404,623	125.1%	7,373,875	(144,497)	11,070,165	350,937	1,044,186	5,826,333	2,534,104	454,608	6,227,523	82.8%	183.4%	151.0%
	1999	8,728,192	14,286,966	163.7%	10,910,326	125.0%	8,604,090	(124,102)	12,052,399	2,234,568	1,286,354	6,943,068	2,680,904	688,538	6,560,773	75.2%	217.8%	166.3%
	2000	13,366,590	18,134,194	135.7%	14,986,025	112.1%	13,266,006	(100,584)	18,649,416	(515,222)	1,619,271	9,463,650	3,903,104	1,112,345	9,542,227	71.4%	190.0%	157.0%
	2001	18,007,950	30,178,004	167.6%	21,144,053	117.4%	17,737,308	(270,642)	25,272,449	4,905,554	2,409,072	13,901,387	4,833,595	3,658,613	11,832,502	65.7%	255.0%	178.7%
	2002	10,286,124	12,207,569	118.7%	9,423,806	91.6%	10,192,476	(93,648)	12,938,719	(731,150)	1,057,125	5,842,044	2,524,637	1,848,023	6,292,212	61.2%	194.0%	149.8%
	2003	1,105,588	1,347,303	121.9%	1,125,399	101.8%	1,096,174	(9,414)	1,072,371	274,932	108,191	749,592	267,616	384,469	649,182	58.7%	207.5%	173.4%
	2004	1,242,564	518,699	41.7%	362,755	29.2%	1,227,530	(15,034)	546,583	(27,884)	40,243	64,527	257,986	611,504	623,191	50.2%	83.2%	58.2%
	2005	7,216	79	1.1%	276	3.8%	7,196	(20)	0	79	0	0	276	5,446	687	9.5%	11.4%	40.2%
2016	Total	71,114,054	114,508,604	161.0%	87,942,585	123.7%	69,900,142	(1,213,911)	109,680,743	4,827,860	9,993,485	54,819,750	23,129,350	4,758,952	57,210,739	80.4%	200.2%	153.7%
Grand	Total	1,909,510,136	1,650,188,660	86.4%	1,648,994,019	86.4%	1,924,548,442	15,038,306	1,375,412,636	274,776,025	1,375,432,799	249,010,077	24,551,144	504,955,722	1,062,758,134	55.7%	155.3%	155.2%

Ability/Medico Insurance Companies

Nationwide Experience - All Forms Receiving a Rate Increase - Incurred Claims are Without Changes in Active Life Reserv

Experience Starting January 1, 2017 Forward

Projection Assumptions

Projection Starting Date: 1/1/2017
Rate Increase Beginning Implementation Date: 9/1/2017
Cumulative Nationwide Rate Increase: 30.20%
Lapse/Mortality: .85% Voluntary Lapse + 1994 GAM Mortality
Interest Rate: 4.50%
Shock Lapse: 0.00%
Claim Antiselection: 0.00%

	Projected Experience (No Increase*)			Projected Experience W/ Rate Increase			
Experience Year	Earned Premium	Incurred Claims	Loss Ratio	Revised Earned Premium	Incurred Claims	Loss Ratio	Lifetime Cumulative Loss Ratio
2017	71,651,996	89,510,222	124.9%	72,733,941	89,510,222	123.1%	87.7%
2018	67,335,177	87,536,987	130.0%	74,452,505	87,536,987	117.6%	88.8%
2019	62,255,470	85,457,087	137.3%	73,536,161	85,457,087	116.2%	89.7%
2020	56,720,111	83,770,169	147.7%	70,423,690	83,770,169	119.0%	90.7%
2021	51,188,571	81,861,789	159.9%	66,647,520	81,861,789	122.8%	91.6%
2022	45,913,872	79,759,470	173.7%	59,779,861	79,759,470	133.4%	92.7%
2023	40,995,114	77,942,467	190.1%	53,375,639	77,942,467	146.0%	93.9%
2024	36,450,681	75,840,288	208.1%	47,458,786	75,840,288	159.8%	95.2%
2025	32,266,751	73,353,089	227.3%	42,011,310	73,353,089	174.6%	96.5%
2026	28,435,954	70,520,966	248.0%	37,023,612	70,520,966	190.5%	97.9%
2027	24,949,356	67,433,362	270.3%	32,484,061	67,433,362	207.6%	99.3%
2028	21,790,205	64,132,472	294.3%	28,370,847	64,132,472	226.1%	100.7%
2029	18,944,758	60,645,888	320.1%	24,666,075	60,645,888	245.9%	102.1%
2030	16,396,711	56,979,035	347.5%	21,348,518	56,979,035	266.9%	103.4%
2031	14,127,714	53,166,507	376.3%	18,394,284	53,166,507	289.0%	104.7%
2032	12,120,161	49,363,959	407.3%	15,780,450	49,363,959	312.8%	106.0%
2033	10,351,807	45,666,194	441.1%	13,478,053	45,666,194	338.8%	107.2%
2034	8,806,083	42,112,276	478.2%	11,465,520	42,112,276	367.3%	108.3%
2035	7,464,845	38,723,459	518.7%	9,719,228	38,723,459	398.4%	109.3%
2036	6,305,197	35,503,708	563.1%	8,209,367	35,503,708	432.5%	110.3%
2037	5,307,014	32,672,272	615.6%	6,909,732	32,672,272	472.8%	111.2%
2038	4,449,076	30,174,823	678.2%	5,792,697	30,174,823	520.9%	112.1%
2039	3,718,167	27,843,583	748.9%	4,841,054	27,843,583	575.2%	112.9%
2040	3,096,384	25,648,985	828.4%	4,031,492	25,648,985	636.2%	113.7%
2041	2,571,036	23,557,998	916.3%	3,347,489	23,557,998	703.8%	114.4%
2042	2,129,719	21,615,434	1014.9%	2,772,895	21,615,434	779.5%	115.1%
2043	1,759,971	19,814,730	1125.9%	2,291,482	19,814,730	864.7%	115.8%
2044	1,450,944	18,142,156	1250.4%	1,889,128	18,142,156	960.3%	116.3%
2045	1,194,052	16,578,033	1388.4%	1,554,656	16,578,033	1066.3%	116.9%
2046	981,191	15,123,336	1541.3%	1,277,511	15,123,336	1183.8%	117.4%
2047	805,125	13,822,703	1716.8%	1,048,273	13,822,703	1318.6%	117.8%
2048	659,836	12,660,158	1918.7%	859,107	12,660,158	1473.6%	118.3%
2049	540,050	11,615,383	2150.8%	703,145	11,615,383	1651.9%	118.7%
2050	441,525	10,670,256	2416.7%	574,865	10,670,256	1856.1%	119.0%
2051	360,861	9,803,695	2716.8%	469,841	9,803,695	2086.6%	119.4%
2052	294,753	9,012,611	3057.7%	383,768	9,012,611	2348.5%	119.7%
2053	240,621	8,290,704	3445.5%	313,289	8,290,704	2646.3%	120.0%
2054	196,327	7,629,447	3886.1%	255,618	7,629,447	2984.7%	120.2%
2055	160,104	7,004,034	4374.7%	208,455	7,004,034	3360.0%	120.5%
2056	130,494	6,408,818	4911.2%	169,903	6,408,818	3772.0%	120.7%
2057	106,300	5,856,923	5509.8%	138,403	5,856,923	4231.8%	120.9%
2058	86,542	5,355,489	6188.3%	112,678	5,355,489	4752.9%	121.1%
2059	70,413	4,877,680	6927.2%	91,678	4,877,680	5320.5%	121.3%
2060	57,249	4,426,717	7732.4%	74,539	4,426,717	5938.8%	121.5%
2061	46,508	4,002,294	8605.7%	60,553	4,002,294	6609.6%	121.6%
2062	37,744	3,616,104	9580.7%	49,142	3,616,104	7358.4%	121.7%
2063	30,595	3,263,277	10666.0%	39,835	3,263,277	8192.0%	121.8%
2064	24,767	2,931,436	11836.0%	32,247	2,931,436	9090.6%	122.0%
2065	20,018	2,627,693	13126.5%	26,064	2,627,693	10081.8%	122.0%
2066	16,151	2,346,412	14527.8%	21,029	2,346,412	11158.0%	122.1%
2017 - 2066	665,454,070	1,686,672,578	253.5%	821,699,991	1,686,672,578	205.3%	
Inception - 12/31/2016	1,909,510,136	1,648,994,019	86.4%	1,909,510,136	1,648,994,019	86.4%	
Inception - 2066	2,574,964,206	3,335,666,597	129.5%	2,731,210,127	3,335,666,597	122.1%	
PV 2017 - 2066	501,414,606	1,039,102,812	207.2%	610,685,427	1,039,102,812	170.2%	
PV Inception - 12/31/16	3,391,573,016	2,366,599,684	69.8%	3,391,573,016	2,366,599,684	69.8%	
PV Inception - 2066	3,892,987,622	3,405,702,496	87.5%	4,002,258,443	3,405,702,496	85.1%	

Ability/Medico Insurance Companies

Nationwide Experience - All Forms Receiving a Rate Increase - Incurred Claims are WITHOUT Changes in Active Life Reserves

	Actual Data		2013 Filing		2017 Filing			
					No Rate Increase		With 30% avg increase starting 9/1/17	
Experience Year	Earned Premium	Runout Incurred Claims Discounted to Incurred Year	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims
2013	74,519,157	101,432,209	77,681,627	93,420,847				
2014	74,942,415	98,498,314	98,349,210	95,765,692				
2015	74,084,629	87,821,203	103,653,070	96,305,394				
2016	71,114,054	86,980,151	94,753,455	95,630,029				
2017			85,640,966	94,317,032	71,651,996	89,510,222	72,733,941	89,510,222
2018			77,113,082	92,592,188	67,335,177	87,536,987	74,452,505	87,536,987
2019			69,144,456	90,421,901	62,255,470	85,457,087	73,536,161	85,457,087
2020			61,724,999	87,721,070	56,720,111	83,770,169	70,423,690	83,770,169
2021			54,861,152	84,584,338	51,188,571	81,861,789	66,647,520	81,861,789
2022			48,531,601	81,059,078	45,913,872	79,759,470	59,779,861	79,759,470
2023			42,734,362	77,265,355	40,995,114	77,942,467	53,375,639	77,942,467
2024			37,457,467	73,206,026	36,450,681	75,840,288	47,458,786	75,840,288
2025			32,673,748	68,941,597	32,266,751	73,353,089	42,011,310	73,353,089
2026			28,361,390	64,494,188	28,435,954	70,520,966	37,023,612	70,520,966
2027			24,498,177	59,949,583	24,949,356	67,433,362	32,484,061	67,433,362
2028			21,054,448	55,445,446	21,790,205	64,132,472	28,370,847	64,132,472
2029			18,004,001	51,045,750	18,944,758	60,645,888	24,666,075	60,645,888
2030			15,318,845	46,786,659	16,396,711	56,979,035	21,348,518	56,979,035
2031			12,969,539	42,669,119	14,127,714	53,166,507	18,394,284	53,166,507
2032			10,927,993	38,820,578	12,120,161	49,363,959	15,780,450	49,363,959
2033			9,163,357	35,310,692	10,351,807	45,666,194	13,478,053	45,666,194
2034			7,649,927	32,090,613	8,806,083	42,112,276	11,465,520	42,112,276
2035			6,361,981	29,165,997	7,464,845	38,723,459	9,719,228	38,723,459
2036			5,270,688	26,437,854	6,305,197	35,503,708	8,209,367	35,503,708
2037			4,350,924	23,928,920	5,307,014	32,672,272	6,909,732	32,672,272
2038			3,579,579	21,653,969	4,449,076	30,174,823	5,792,697	30,174,823
2039			2,938,249	19,592,073	3,718,167	27,843,583	4,841,054	27,843,583
2040			2,405,566	17,712,526	3,096,384	25,648,985	4,031,492	25,648,985
2041			1,965,463	15,980,280	2,571,036	23,557,998	3,347,489	23,557,998
2042			1,603,449	14,411,232	2,129,719	21,615,434	2,772,895	21,615,434
2043			1,306,149	12,988,363	1,759,971	19,814,730	2,291,482	19,814,730
2044			1,062,323	11,693,313	1,450,944	18,142,156	1,889,128	18,142,156
2045			863,132	10,512,387	1,194,052	16,578,033	1,554,656	16,578,033
2046			700,746	9,441,821	981,191	15,123,336	1,277,511	15,123,336
2047			568,471	8,500,682	805,125	13,822,703	1,048,273	13,822,703
2048			460,875	7,672,421	659,836	12,660,158	859,107	12,660,158
2049			373,341	6,936,632	540,050	11,615,383	703,145	11,615,383
2050			302,238	6,281,902	441,525	10,670,256	574,865	10,670,256
2051			244,728	5,692,861	360,861	9,803,695	469,841	9,803,695
2052			198,120	5,165,068	294,753	9,012,611	383,768	9,012,611
2053			160,358	4,689,699	240,621	8,290,704	313,289	8,290,704
2054			129,768	4,258,282	196,327	7,629,447	255,618	7,629,447
2055			104,987	3,858,615	160,104	7,004,034	208,455	7,004,034
2056			84,911	3,486,033	130,494	6,408,818	169,903	6,408,818
2057			68,647	3,145,770	106,300	5,856,923	138,403	5,856,923
2058			55,470	2,840,195	86,542	5,355,489	112,678	5,355,489
2059			44,793	2,552,266	70,413	4,877,680	91,678	4,877,680
2060			36,140	2,284,453	57,249	4,426,717	74,539	4,426,717
2061			29,127	2,036,776	46,508	4,002,294	60,553	4,002,294
2062			23,443	1,814,379	37,744	3,616,104	49,142	3,616,104
2063					30,595	3,263,277	39,835	3,263,277
2064					24,767	2,931,436	32,247	2,931,436
2065					20,018	2,627,693	26,064	2,627,693
2066					16,151	2,346,412	21,029	2,346,412
Total			1,067,560,535	1,842,577,946	665,454,070	1,686,672,578	821,699,991	1,686,672,578
PV 2013+			534,549,637	963,174,707	501,414,606	1,039,102,812	610,685,427	1,039,102,812
Diff in PV Premium - PV Claims for 2013+			-428,625,070		-537,688,206		-428,417,386	

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milliman.com

April 6, 2017

To: State Department of Insurance

Re: Ability Insurance Company (Ability)
Company NAIC # 71471
Medico Insurance Company
Company NAIC # 31119
Policy Forms: 3358, 582, NH585, AC597, LT690, LT691, LT692, LT693, LT694, LT695, LT696, LT697, LT698, LT201, LT202, and LT203

Ability has entered into a service agreement with Milliman, Inc. (Milliman) effective September 26, 2016 that includes reviewing long-term care rate filing assumptions and projections.

Ability prepared and submitted a rate filing in 2017 that included some/all of the above-referenced policy forms. Milliman has conducted a review of the voluntary lapse, mortality, and morbidity assumptions used by Ability in supporting the projections in this rate filing and believes them to be reasonable and appropriate for this purpose. Milliman has not reviewed the filing documents nor performed any technical checking of the filing or projections for accuracy.

In determining the assumptions to be reasonable, the following information was reviewed and relied upon:

- Policy termination experience study provided by Ability with actual experience through September 30, 2016;
- Morbidity experience study provided by Ability with actual experience through June 30, 2016;
- The Society of Actuaries (SOA) June 2011 study on mortality improvement, *Global Mortality Improvement Experience and Projection Techniques;*
- The July 2016 SOA study on morbidity improvement, *Long Term Care Morbidity Improvement Study: Estimates for the Non-Insured U.S. Elderly Population Based on the National Long Term Care Survey 1984-2004*; and
- General industry experience and actuarial judgment.

In addition to the items discussed above, the assumptions used in the prior rate increase filing for the above-referenced policy forms were reviewed. The changes in assumptions from the prior filing to the current filing were determined to be appropriate and consistent with recent company experience and broader applicable industry experience.

Based upon my review of the supporting projections and understanding of the requested increase, I believe that the proposed premium rate increase is justified under the relevant sections (based on the issue dates of these policies) of the current NAIC Long-Term Care Insurance Model Regulation. The accumulated value of the past actual experience along with the discounted value of future projected experience meet the tests contained in the Model. Projections supporting the increase and a description of the requested increase were provided by Ability and relied upon in forming my opinion. I did not independently verify the projections but did review them for reasonableness.

In performing my review, I relied on data and other information provided by Ability. I have not audited or verified this data and other information. If the underlying data or information is inaccurate or incomplete, the results of my review may likewise be inaccurate or incomplete.

I performed a limited review of the data used directly in my review for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of my assignment.

I, Amy Pahl, am a Principal and Consulting Actuary for Milliman, Inc. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render an actuarial opinion as described herein.

Should you have any questions regarding the above, please feel free to contact me directly at (952) 820-2419 or by email at amy.pahl@milliman.com.

Respectfully,

Amy Pahl, FSA, MAAA
Principal and Consulting Actuary, Milliman, Inc.

AP/mab

Ability Ins

ABILITY INSURANCE CO.

TO: State Insurance Department

RE: Representation Authorization

Name	Action authorized on behalf of the Company
Daniel F. Fallon, Manager, Regulatory Services, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies
Noah Rice, AVP Compliance Officer, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies
Linda Atwood, Accounting, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies
Raymond Nelson, SVP Actuary, TriPlus Services, Inc.	Communications and Regulatory Filings and Certifications with Regulatory Agencies`
Todd Moltumyr, VP Actuary, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies
Beverly Toomey, Analyst, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies
David Krydynski, Director, TriPlus Services, Inc. TPA	Communications and Regulatory Filings and Certifications with Regulatory Agencies

The above referenced individuals, employed by TriPlus Services, Inc., are hereby authorized to represent Ability Insurance Company (NAIC. No. 71471) and perform the above referenced actions as necessary pursuant to the Administrative Services Agreement between Ability Insurance Company and TriPlus Services, Inc. dated the 17th of December 2015.

Signed on Behalf of Ability Insurance Company by its officer:

April 5, 2017
Date

Signature

Annie Elliott

Annie Elliott, Corporate Secretary

Corporate Secretary

Title

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **October 5, 2017**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated August 30, 2017

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1) According to the Actuarial Memorandum, this filing is applicable to Policy Forms 3358, LT692, and LT694 with numerous riders. Please amend the Affected Form Numbers in the Rate/Rule Schedule in SERFF to include each policy and rider form number exactly as approved and attach the appropriate rate schedules.

We have corrected the Rate/Rule tab to include each affected form on its own line and have included each of the riders as requested. Please note that while form MP-3358 has been included in the memo and experience projections within this filing and in previous filings on this block, we are not requesting an increase on this form at this time and thus it is not included in the affected forms of the Rate/Rule schedule tab.

2) In the previous SERFF filing number MDTP-129116516 the Number of Policyholders Affected for this Program were 51 [for Medico and 176 for Ability]. This current filing lists 155 policyholders. Please explain.

The 155 policyholder count included the affected policyholders as of 12/31/2016 for Medico and Ability combined. In the 2013 filings, the affected policyholders for Medico and Ability were separately shown in the respective filings. We have corrected the company rate information section of the Rate/Rule schedule on both filings via a Post-Submission Update to show the Company-specific information on each of the current respective filings.

3) The current filing indicates the Overall Percentage of Last Revision as 69.302%; however, the previous filing MDTP-129116516 was approved for 70.632% [for Medico; MDTP-129116517 was approved for 70.584% for Ability]. Please make the appropriate corrections including correcting item 8 in the Actuarial Memorandum.

We have corrected both the Overall Percentage Indicated Change via a Post-Submission Update on the respective filings and have added clarification to item 6 (Rate Increase History) of the Actuarial Memorandum.

4) The Overall % Indicated Change in the Rate/Rule Schedule should reflect the percentage increase that would be required to meet the minimum loss ratio requirement as set forth in 14VAC5-200-150 B. Please amend accordingly.

We have updated the Overall % Indicated Change in the Rate Rule Schedule via a Post-Submission Update for both of the respective filings.

Objection 2

Thank you for providing the Rate Request Summary. This form, however, has been updated and we have attached a revised form to be completed.

Please include all the policy and rider form numbers exactly as approved and attach a brief narrative that summarizes the key information used to develop the rates including the main drivers. Our expectation is that the form would provide in consumer-friendly language a clear explanation that justifies the rate increase. This should be fairly easy to understand without going too deep into the details, and at least explain to the consumer the assumptions and changes that are driving the need for an increase.

We have attached the updated Rate Request Summary Form.

Objection 3

1) Please confirm that all policies are pre-stability policies issued prior to October 1, 2003 and subject to 14VAC5-200- 150. If any policies were issued on or after that date, such policies would be subject to 14VAC5-200-153 and the filing, including all exhibits should be revised accordingly. As set forth in 14VAC5-200-150 B, all present and accumulated values used to determine rate increases, including the lifetime loss ratio used in the original pricing, shall use the maximum interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia.

All policies in this block in Virginia were issued prior to October 1, 2003.

2) Based on the revised 14VAC5-200-150 B, benefits will be deemed reasonable for pre-stability policies only provided the expected loss ratio is greater of 60% or the lifetime loss ratio used in the original pricing applied to the current rate schedule plus 80% applied to any premium rate increase for individual policies.

The projected lifetime loss ratio of this block even after the proposed increase is implemented is over 80%. Therefore it is clear that the proposed increase passes the 60/80 test. For completeness, we have attached the file 'Calculation of 60-80 Test.pdf' which shows the maximum allowable rate increase under 14VAC5-200-150 B based on the projected Nationwide experience. The 213% increase is greater than the requested increase.

3) Please provide the following for each block of business:

a) Re-state the nationwide experience using Virginia approved rates.

The 3rd and 4th tabs of the attached spreadsheet 'Virginia Exhibits 2017.xlsx' show the nationwide experience and projection restated at the Virginia rate level. Note that because Virginia does not have all of the forms as were available in this block nationwide and because some of those forms have more extensive rate increase histories, the Virginia rate level is not necessarily comparable to the average nationwide rate level on a block basis.

b) Sufficient detail or documentation so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.

The attached spreadsheet 'Virginia Exhibits 2017.xlsx' includes Excel versions of all experience and projection exhibits with formulas included were applicable. Note that the majority of the projection work is done within MG-ALFA and so the basic projected premiums and claims are not calculated within Excel. The first two tabs show the base nationwide exhibits as were included in the initial filing materials while the additional tabs are included as responses to items 3a, 3c, 7, 8 and 14 above and below as requested.

c) 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 form's introduction.

The 5th and 6th tabs of the attached spreadsheet 'Virginia Exhibits 2017.xlsx' show the nationwide experience and projection restated at the proposed nationwide rate level since inception. Please note that we do not believe that restating earned premium assuming the requested levels had been inforce since inception is an appropriate method to determine whether or not a rate increase is justified. Instead, we believe it is appropriate to compare the current projection with the projection that was previously filed and approved. The prior rate filing projected future experience from years 2013+. The actual experience that developed from 2013-2016 was considerably poorer than what had been projected in that filing. This poor experience was incorporated into our new projection model and we are now projecting worse experience for years 2017+ than what had been projected in our 2013 filing. As mentioned in the Actuarial Memorandum, this rate increase is solely intended to get experience back in line with what was projected in the approved 2013 rate increase filing for years 2017 and forward. We are not attempting to recoup any of the losses that occurred from 2013-2017.

d) An actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.

We have attached results from our most recent morbidity study, titled 'Claim Cost Study and AE Factors YE 2016.xlsx.' The first tab in the exhibit show the actual past experience compared to the baseline expected claim costs for each of the form groupings, including an 'All Other' group which includes the smaller policy forms. These three pages show the expected claims costs based on the baseline tables from the Milliman guidelines used in the projection, along with the actual paid claims, open claim reserves and IBNR reserves by duration for each form group, ultimately calculating the right-most column of A/E ratios by duration.

These raw A/E ratios are restated in the left section of the second tab to summarize by form. The middle section of that page shows how the raw A/E's on the left were smoothed – these represent the real A/E adjustments by form and duration that are applied to the baseline claims costs in the projection of future experience. The right-most section of this final page shows the inforce premium as of 12/31/2016 by form group and duration – this distribution is used here to calculate the weighted average A/E as of the starting point of the projection of 1.31.

Additionally, we have attached the results of our most recent lapse and mortality study titled 'Lapse Study - 2013-2016.xlsx' covering experience years 2013-2016. The study uses the projection assumptions (1994 GAM table along with a 0.85% voluntary lapse rate). The study shows the actual lapse rate in each year and excludes policies that enter nonforfeiture status during the experience period in question.

e) A step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.

The following table shows the key assumptions as of the time of original pricing and the current filing, along with a column showing the portion of the cumulative increase included the amount proposed in the current filing.

Key Assumption	As of Original Pricing	Current Assumptions for Projected Premiums and Claims	Portion of Cumulative Increase Attribution
Mortality	Varies by policy form (1980 CSO, 1979-81 White US, 1994 GAM)	1994 GAM Mortality with 0.5% annual improvement for 20 years, beginning in 2017	50%-65% when combined with lapse
Voluntary Lapse	Varies by policy form, 2-10% ultimate lapse rate	0.85%	50%-65% when combined with mortality
Morbidity	Original pricing claim cost tables	a) Durational A/E adjustments to 2009 Milliman claims cost study updated for actual experience. Extended duration factors assumed to be level within 1-2 durations of the last duration with actual experience b) Assumes 1.0% annual improvement for 20-years beginning in 2017	35%-50%
Interest Earnings	Varies by policy form, 5-7%	4.5%	0%

f) Use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.

Cash flows are discounted at 4.5% in each of the experience and projection exhibits.

4) In section 2, Scope of Filing in the Actuarial Memorandum, the Company stated "We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce." Under the Rate Action Information in SERFF a 45.32% Percent Rate Change Request has been requested. Please resolve the discrepancy and amend the filing accordingly.

As the memo states, the nationwide average increase is 30.2% based on the inforce distribution as of 12/31/2016. Because the increase varies by form, issue age and inflation protection benefit, the average increase in any individual state is different from the nationwide average as each state has a different distribution of forms and demographics on inforce policies. In Virginia, we are requesting the same increase as nationwide, but the distribution in Virginia is such that the average increase in Virginia comes out to be 45.32% as stated in the SERFF Rate Action Information field. We believe 45.32% is the appropriate average to display on SERFF and have added a sentence to section 2 of the Actuarial Memorandum for clarification.

5) We are aware a separate filing has been submitted for Ability Insurance Company which was formerly Medico Life Insurance Company and the experience and projections have been combined accordingly. Although this is the case, the heading in the rate attachments should only refer to the name of the company for which this filing is applicable; in this case Medico Insurance Company. Please amend the attachments accordingly.

We have revised the rate sheet attachments to only reference the individual Company for which the respective filing is submitted. The rate sheets are identical for the two filings aside from the Company name headings.

6) Please advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.

We have attached the file '2017 Rate Increase Status for State Filings.pdf' showing the request and status by state of the current filing. We are requesting the same full increase varying by issue age and inflation in all states where the filing is being submitted. In addition we are also requesting a catch-up amount in each state where the full amount of the previous request was not implemented.

7) Please provide 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 as if no increases had ever been implemented.

A loss ratio projection using actual historical experience along with future projected experience at the original rate level and original pricing assumptions but scaled up for actual inforce as of 12/31/2016 is shown in the 7th tab of the Excel file 'Virginia Exhibits 2017.xlsx.'

8) Please provide 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.

The 8th tab of the Excel file 'Virginia Exhibits 2017.xlsx' shows estimated lifetime projected experience at the original rate level and original pricing assumptions but with the actual distribution of sales. We used the original lapse, mortality and claim cost tables for representative cells from each form group in the filing to project each of the individual issue year cohorts of experience on a durational basis using those original assumptions. The issue year projections were then added together to result in the calendar year loss ratio projection as shown on that first tab of the attached exhibit.

9) Please provide the original targeted pricing loss ratio when the policies were originally approved.

This is an acquired block and much of the original pricing and filing materials are not available. It is not known what the original pricing loss ratio or projected experience was for each of the forms included in this filing. Because this block was priced primarily prior to rate stabilization, it is reasonable to expect that the original pricing lifetime loss ratios would have been close to the 60% statutorily required minimum.

10) Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.

The data in the studies presented within the filing is analyzed to develop the mortality, morbidity and lapse assumptions. These studies are performed directly on the inforce policies on this block and so the actual block experience is directly represented in the data and studies leading to the underlying assumptions that we are applying to project the remaining future expected experience on that same block.

For the lapse and mortality study, for each experience year, the starting inforce by age and sex excluding any policies that entered non-forfeiture status during the year is considered. The expected mortality and an expected voluntary lapse rate is then applied to that starting inforce exposure, with the resulting expected year end inforce compared against the actual year end inforce. The voluntary lapse rate assumption is adjusted so as to best fit match the actual year end inforce using actuarial judgement of the specific circumstances and factors affecting the experience to arrive at the best fit. At the bottom right of each page of the study we show the final expected lapse rate assumed of 0.85% along with the exact lapse rate from that particular exposure year. In each case, that actual lapse rate is slightly lower than the 0.85% assumed rate, indicating that actual lapse remain slightly less than the underlying assumption, but considering that there continued to be rate increases implemented in various states during the exposure period we feel the 0.85% lapse rate is an appropriate level for projecting future experience.

As discussed above, for the morbidity study, actual claim cost experience is compared to the underlying tables from the 2009 Milliman Long Term Care guidelines. The A/E's for each form by duration are then analyzed and smoothed for use in projecting future experience. Those by-form-by-duration A/E factors are then used in the ALFA projection software, applied to the base tables from the Milliman guidelines to project future claims. The actual A/E's by form and duration from the right most column of the first three pages of the morbidity study accompanying this filing are restated in the left section of the fourth page and can be compared against the smoothed assumptions in the middle section to see what adjustments to the raw data are made in developing the assumptions, again using actuarial judgement with regards to where credible experience is concentrated and how future experience is likely to trend based on the latest durations available to observe.

Finally, the Company engaged Milliman, Inc. to perform an actuarial review of these assumptions, the resulting projections and the proposed premium rate increase. A letter from Milliman attesting to their review and their opinion that the proposed increase is justified based on the underlying projection has been included in the filing materials.

11) Please provide the reserve basis and justification for the reserve levels provided.

Active life reserves are determined based on the year the policy was issued. The bulk of this block was issued 1996 and subsequent so the ALR assumptions included one year preliminary term, 1994 GAM and a 4.5% interest rate. Reserve adequacy is reviewed annually.

12) If this increase is approved and experience develops as anticipated, will the company forgo increases in the future? If not, what would trigger a rate increase in the future? In other words, what targeted loss ratio does the company plans to manage this block in the future?

No future rate increases are assumed if experience develops as projected in this filing. If future experience develops adversely, and that adverse experience is expected to continue, then future rate increases will be necessary. We would expect to determine the possible need for future increases using the same method as done for this filing, namely we would determine if the revised projection using any updated assumptions results in an adverse development of the difference between future premium and future claims from that point forward. As shown in the last page of the 'Nationwide Exhibits 2017.pdf' file as attached in the initial filing materials, the difference in the present value of future (2017+) premiums and the present value of future claims after the proposed increase is -$428.4M. If at some point in the future that deficit from the new current point forward is larger than that projected in this filing, it may be determined that additional rate action is necessary.

13) For each projection provided, please provide the anticipated future loss ratio where the numerator is equal to the anticipated incurred claims less policy reserves, and the denominator is equal to the anticipated earned premium.

The following table shows the anticipated future loss ratios as requested for each of the projections as labeled:

Projection	Projected Incurred Claims	ALR as of 12/31/2016	Projected Earned Premium	Anticipated Loss Ratio
Base Nationwide Projection	1,039,102,812	504,955,722	501,414,606	106.5%
Nationwide at VA Rate Level	1,039,102,812	504,955,722	624,858,411	85.5%
Nationwide at Proposed Rate Level	1,039,102,812	504,955,722	655,755,728	81.5%
Virginia Specific Projection	6,934,774	2,969,223	3,412,838	116.2%

14) In addition to experience exhibits, please include projection exhibits based on Virginia data as well.

Virginia specific historical and projected experience exhibits are included in tabs 9 and 10 of the attached Excel file 'Virginia Exhibits 2017.xlsx.'

15) In Section 4 of the Actuarial Memorandum you state, "We notify policyholders 60 days in advance before implementing a rate increase..." 14VAC5-200-75 D says, "An insurer shall provide notice of an upcoming premium rate schedule increase to all policyholders or certificate holders, if applicable, at least 75 days prior to the implementation of the premium rate schedule increase by the insurer." Please amend the Actuarial Memorandum to be in compliance with this.

We have adjusted Section 4 of the Actuarial Memorandum to reflect the updated notification requirement for Virginia.

Objection 4

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. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commission's website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. A summary of the new requirements are:

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

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

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

1. All applicable information identified in 14VAC5-200-75 including

> **A 1) which requires a statement indicating the policy may be subject to future rate increases;**
>
> **A 2) which requires a statement that should there be future rate increases, options similar to those being offered now will be available and that benefits may be changed at any time and not just the time of a rate increase. PROPOSED WORDING: In the event of future rate increases, similar options may be available; however, you can contact us at any time to discuss decreasing your coverage and premiums, per the provisions of your policy.**
>
> **A 3) which requires a statement indicating the premium rate or rate schedules that will be effect;**
>
> **A 4 a) which requires a statement as to when the premium rate or rate schedule adjustments will be effective; and**
>
> **A 4 b) which requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.**

2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:

> **a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;**
>
> **b. A disclosure stating that all options available to the policyholder may not be of equal value. As a disclosure this information should be emphasized by bolding, highlighting, using larger text or some other method that will bring attention to it;**

c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections. As stated above, the information should be emphasized to bring attention to it; and

d. Contact information that will allow the policyholder to contact the insurer for additional options available;

3. A clear identification of the driving factors of the premium rate increase; and

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

Because the letter must be "filed", please attach the letter to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number in the lower left hand corner. Please ensure the full and proper corporate name of the insurer prominently appears in the letter. Please include a Statement of Variability, if applicable.

The rate increase notice we propose using in conjunction with this rate increase is attached. The form number for the rate increase notification letter is RI-17-VA.

Objection 5
Please explain how a policy is updated to reflect any benefit changes the insured may choose to reduce the effects of the rate increase. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. If the company has such forms available for this purpose, please provide a copy of the form, the SERFF tracking number and date of approval. If the company does not have any available documents to effectuate such changes, a form will need to be submitted for review and approval. It can be attached to this filing if desired. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

We have attached the endorsement rider that is sent to policyholders upon confirmation of their election to adjust their benefits. This form was filed and approved by the Virginia Department of Insurance. We have also included the letter that is sent to policyholders that either actively elect or lapse when eligible for the contingent nonforfeiture benefit.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Ability/Medico Insurance Companies
Actual and Projected Nationwide Experience - at original, actual, and proposed rates

Year	Actual Earned Premium	Original Rate Level Earned Premium	Proposed Increase Earned Premium	Paid Claims by Paid Year	Disabled Life Reserves	IBNR	Incurred Claims
1988	10,187,101	10,187,101	10,187,101	199,584	-	-	199,584
1989	33,660,750	33,660,750	33,660,750	1,894,078	-	-	1,894,078
1990	40,246,742	40,246,742	40,246,742	6,691,158	-	-	6,691,158
1991	39,096,660	39,067,844	39,096,660	11,096,570	-	-	11,096,570
1992	37,568,814	36,816,385	37,568,814	14,663,961	-	-	14,663,961
1993	34,843,262	33,844,473	34,843,262	17,178,357	-	-	17,178,357
1994	32,387,424	31,512,454	32,387,424	18,046,636	-	-	18,046,636
1995	31,500,141	29,650,324	31,500,141	19,362,251	-	-	19,362,251
1996	31,666,995	29,502,790	31,666,995	21,087,171	-	-	21,087,171
1997	35,873,730	33,958,913	35,873,730	22,200,048	-	-	22,200,048
1998	44,372,716	42,104,845	44,372,716	22,337,894	-	-	22,337,894
1999	53,196,592	50,559,995	53,196,592	23,811,949	-	-	23,811,949
2000	63,774,884	61,416,000	63,774,884	26,561,591	-	-	26,561,591
2001	80,618,591	77,046,904	80,618,591	32,004,328	42,656	-	32,046,984
2002	102,778,450	87,942,517	102,778,450	37,785,890	108,179	-	37,894,069
2003	107,014,148	84,931,142	107,014,148	44,000,651	441,414	-	44,442,065
2004	107,600,867	79,214,133	107,600,867	49,642,670	1,423,754	-	51,066,424
2005	101,463,703	74,675,200	101,463,703	53,443,794	1,191,389	-	54,635,183
2006	97,582,643	69,261,304	97,582,643	56,493,456	868,967	-	57,362,423
2007	99,050,846	63,219,126	99,050,846	64,193,984	2,328,729	-	66,522,713
2008	94,902,170	59,921,337	94,902,170	69,988,652	4,123,966	-	74,112,618
2009	91,776,092	56,603,713	91,776,092	69,511,125	5,393,520	-	74,904,645
2010	82,645,374	50,195,904	82,645,374	80,429,223	10,750,107	-	91,179,330
2011	82,222,704	44,414,189	82,222,704	87,515,181	14,848,570	-	102,363,751
2012	78,818,482	40,517,559	78,818,482	96,842,478	21,880,766	-	118,723,244
2013	74,519,157	36,361,960	74,519,157	102,504,550	32,247,268	-	134,751,818
2014	74,942,415	31,212,719	74,942,415	105,967,330	44,718,776	-	150,686,106
2015	74,084,629	27,552,880	74,084,629	110,277,333	53,822,266	1,421,794	165,521,393
2016	71,114,054	24,423,312	71,114,054	109,680,743	54,819,750	23,129,350	187,629,843
Subtotal Past	1,909,510,136	1,380,022,514	1,909,510,136	1,375,412,636	249,010,077	24,551,144	1,648,973,856
2017	71,651,996	23,472,445	72,733,941				89,510,222
2018	67,335,177	21,771,877	74,452,505				87,536,987
2019	62,255,470	20,016,097	73,536,161				85,457,087
2020	56,720,111	18,207,339	70,423,690				83,770,169
2021	51,188,571	16,419,254	66,647,520				81,861,789
2022	45,913,872	14,723,611	59,779,861				79,759,470
2023	40,995,114	13,146,269	53,375,639				77,942,467
2024	36,450,681	11,688,965	47,458,786				75,840,288
2025	32,266,751	10,347,267	42,011,310				73,353,089
2026	28,435,954	9,118,811	37,023,612				70,520,966
2027	24,949,356	8,000,733	32,484,061				67,433,362
2028	21,790,205	6,987,659	28,370,847				64,132,472
2029	18,944,758	6,075,185	24,666,075				60,645,888
2030	16,396,711	5,258,080	21,348,518				56,979,035
2031	14,127,714	4,530,460	18,394,284				53,166,507
2032	12,120,161	3,886,680	15,780,450				49,363,959
2033	10,351,807	3,319,606	13,478,053				45,666,194
2034	8,806,083	2,823,925	11,465,520				42,112,276
2035	7,464,845	2,393,818	9,719,228				38,723,459
2036	6,305,197	2,021,944	8,209,367				35,503,708
2037	5,307,014	1,701,847	6,909,732				32,672,272
2038	4,449,076	1,426,725	5,792,697				30,174,823
2039	3,718,167	1,192,338	4,841,054				27,843,583
2040	3,096,384	992,945	4,031,492				25,648,985
2041	2,571,036	824,477	3,347,489				23,557,998
2042	2,129,719	682,956	2,772,895				21,615,434
2043	1,759,971	564,386	2,291,482				19,814,730
2044	1,450,944	465,287	1,889,128				18,142,156
2045	1,194,052	382,907	1,554,656				16,578,033
2046	981,191	314,647	1,277,511				15,123,336
2047	805,125	258,187	1,048,273				13,822,703
2048	659,836	211,596	859,107				12,660,158
2049	540,050	173,183	703,145				11,615,383
2050	441,525	141,588	574,865				10,670,256
2051	360,861	115,720	469,841				9,803,695
2052	294,753	94,521	383,768				9,012,611
2053	240,621	77,162	313,289				8,290,704
2054	196,327	62,958	255,618				7,629,447
2055	160,104	51,342	208,455				7,004,034
2056	130,494	41,847	169,903				6,408,818
2057	106,300	34,088	138,403				5,856,923
2058	86,542	27,752	112,678				5,355,489
2059	70,413	22,580	91,678				4,877,680
2060	57,249	18,359	74,539				4,426,717
2061	46,508	14,914	60,553				4,002,294
2062	37,744	12,104	49,142				3,616,104
2063	30,595	9,811	39,835				3,263,277
2064	24,767	7,942	32,247				2,931,436
2065	20,018	6,419	26,064				2,627,693
2066	16,151	5,179	21,029				2,346,412
Subtotal Projected	665,454,070	214,145,793	821,699,991				1,686,672,578

	Actual Earned Premium	Original Rate Level Earned Premium	Proposed Increase Earned Premium				Incurred Claims
Past	1,909,510,136	1,380,022,514	1,909,510,136	1,375,412,636	249,010,077	24,551,144	1,648,973,856
Projected	665,454,070	214,145,793	821,699,991	-			1,686,672,578
Lifetime	2,574,964,205	1,594,168,307	2,731,210,126	1,375,412,636			3,335,646,434
Past @ 4.5%	3,391,573,016	2,656,984,527	3,391,573,016	2,093,038,463			2,366,599,684
Projected @ 4.5%	501,414,606	161,510,784	610,685,427	-			1,039,102,812
Lifetime @ 4.5%	3,892,987,622	2,818,495,311	4,002,258,442	2,093,038,463			3,405,702,496

Exhibit 2
Demonstration of Allowable Increase Under the 60/80 Test Prescribed in 14VAC5-200-150 B
All Policy Forms included in this Nationwide Filing
Cash Flows discounted at 4.5%

1	Accumulated value of initial earned premium	$ 2,656,984,527	x	60%	=	$	1,594,190,716
2a	Accumulated value of earned premium	$ 3,391,573,016					
2b	Accumulated value of prior premium rate schedule increases (2a-1)	$ 734,588,489	x	80%	=	$	587,670,791
3	Present value of future projected initial earned premium	$ 161,510,784	x	60%	=	$	96,906,471
4a	Present value of future projected premium	$ 501,414,606					
4b	Present value of future projected premium in excess of the projected initial earned premium (4a-3)	$ 339,903,822	x	80%	=	$	271,923,058
5	**Lifetime Earned Premium Times Prescribed Factor: Sum of 1, 2b, 3 and 4b**					**$**	**2,550,691,035**
6a	Accumualted value of incurred claims without the inclusion of active life reserves					$	2,366,599,684
6b	Present value of future projected incurred claims without the inclusion of active life reserves					$	1,039,102,812
7	**Lifetime Incurred Claims: Sum of 6a and 6b**					**$**	**3,405,702,496**
8	Allowable Additional Earned Premium ((7-5) / 85%)	$ 855,011,461	/	80%	=	$	1,068,764,326
9	**Allowable Rate Increase (8 / 4a)**						**213%**

Ability/Medico Insurance Company 2017 LTC Rate Increase Filing

State	12/31/2016 Inforce Policies	12/31/2016 Inforce Premium	Requested Increase: Catch-Up Increase: Non-Life. Ben. Period	Requested Increase: Catch-Up Increase: Lifetime Ben. Period	Requested Increase: Nationwide Increase	Approval Date	Approved Increase: Catch-Up Increase: Non-Life. Ben. Period	Approved Increase: Catch-Up Increase: Lifetime Ben. Period	Approved Increase: Nationwide Increase	Comments
AL	111	$294,340	--	--	FULL		--	--		
AR	174	$612,616	--	--	FULL	8/7/2017	--	--	0%-25%	Full increase up to a maximum of 25% approved; Individual increases of greater than 25% limited to that maximum; remainder to be filed for next year
AZ	645	$2,223,610	--	--	FULL		--	--		
CA	596	$1,097,621	Still Pursuing Prior Rate Increase							
CO	313	$1,177,015	--	--	FULL		--	--		
FL	1,123	$1,962,002	20%	50%	FULL					
GA	112	$320,052	--	30%	FULL	9/7/2017	--	12%	0%-12%	Approved a level 12% increase, a portion of which applies as a Catch-up. Remainder of nationwide increase to be filed next year
HI	99	$269,470	Still Pursuing Prior Rate Increase							
IA	3,896	$12,980,754	--	--	FULL		--	--		
ID	848	$2,036,526	--	--	FULL		--	--		
IL	536	$1,611,283	--	--	FULL		--	--		
IN	95	$209,927	40%	80%	FULL					
KS	1,005	$3,076,781	--	--	FULL		--	--		
KY	283	$786,817	5%	5%	FULL					
MI	255	$570,733	--	--	FULL	9/8/2017	--	--	FULL	
MN	1,401	$3,592,580	--	10%	FULL		--			
MO	947	$2,963,185	--	--	FULL		--	--		
MS	118	$336,918	--	--	FULL		--	--		
MT	1,896	$5,045,317	--	35%	FULL		--			
NC	214	$745,355	--	--	FULL		--	--		
ND	473	$1,559,680	--	5%	FULL		--			
NE	2,981	$10,220,100	--	--	FULL	6/6/2017	--	--	FULL	
NM	192	$563,455	--	20%	FULL		--			
NV	94	$214,513	--	--	FULL		--	--		
OH	293	$867,539	5%	10%	FULL	8/28/2017	5%	10%	4.5% - 9.5%	Approved a level 15% increase, a portion of which applies as a Catch-up. Remainder of nationwide increase to be filed next year
OK	159	$578,159	--	6%	FULL	9/11/2017	0%	6%	3.8% - 10%	Approved a level 10% increase, a portion of which applies as a Catch-up. Remainder of nationwide increase to be filed next year
OR	1,803	$4,298,240	--	--	FULL		--	--		
PA	65	$169,789	--	--	FULL		--	--		
SC	40	$103,615	--	5%	FULL		--			
SD	1,371	$4,613,067	--	--	FULL		--	--		
TN	478	$1,514,821	--	--	FULL		--	--		
TX	546	$1,986,626	--	--	FULL	7/28/2017	--	--	FULL	
UT	20	$53,196	--	--	FULL		--	--		
VA	155	$473,330	--	--	FULL		--	--		
WA	1,375	$3,868,453	--	--	FULL		--	--		
WI	389	$756,114	--	--	FULL		--	--		
WY	313	$1,153,608	--	--	FULL	6/9/2017	--	--	FULL	
Total	25,414	$74,907,205								

Note #1: The companies are requesting the same nationwide rate increase percentages in all states. The companies are also requesting catch-up increases in states that did not approve the full amount in the prior nationwide filing.

Note #2: The Approval Date column includes states that do not offically approve rate filings. For those states, the date shown above is the date that the filing was noted as Filed or Acknowledged.

10/3/2017

Ability Insurance Company

Long Term Care Customer Support Department
PO Box 3735 ♦ Omaha, NE 68103
Phone (877) 795-8493 ♦ Fax (866) 498-0689

-ENDORSEMENT-

Policy Number: 'Policy Number' RIDER PAGE 1 OF 1

Rider Effective Date: 'Effective Date of Downgrade'

BENEFIT ADJUSTMENT RIDER

Mode of Payment: (IE: Monthly, bi-monthly, quarterly, semi-annual or annual)

Old Premium Due Prior to Above Effective Date: $

New Premium Due On and After the Above Effective Date: $

Old Benefit Prior to the Above Effective Date

*

New Benefit On and After the Above Effective Date:

*

This rider is part of your policy. The policy number is shown above. Your payment of the New Premium on the next premium due date put this rider in force.

As of the Rider Effective Date shown above, the Old Benefit is changed to the New Benefit. The New Benefit applies to any loss beginning on or after the above Rider Effective Date. If this rider increases benefits, the New Benefit is subject to any waiting periods and the Time Limit On Certain Defenses Provision in the policy.

AFV: XXXX

TriPlus SERVICES, INC.
Third Party Administrator for Ability Insurance Company (the "Insurance Company")

Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

Phone: (877) 795-8493
Fax: (877) 855-7817

DATE

MAILING NAME
MAILING ADDRESS
MAILING CITY, STATE, ZIP

Insured: XXXXXXX
Policy No: XXXXXXX

As previously notified, the premium rate on the above mentioned long term care policy was recently increased. As part of that rate increase, we offered a contingent benefit upon lapse non-forfeiture benefit, which means that if you were to cancel the policy or were to lapse due to the nonpayment of premium between the time you were notified of the rate increase and 120 days after the effective date of that increase, we would place your policy into contingent non-forfeiture status.

You are receiving this letter because you either cancelled your policy or we did not receive your premium payment and effective XX/XX/XXXX the policy is now in contingent non-forfeiture status. The policy benefit period has been reduced to equal the total premium paid into the policy divided by the maximum daily benefit of the policy. This new benefit period may not exceed the remaining maximum benefits that were available prior to entering into contingent non-forfeiture status. If you currently have an open claim, or if a new claim is filed, any benefits paid for dates of service after XX/XX/XXXX will be applied to and will not exceed the policy's new maximum benefit amount. The policy's maximum benefit amount is now $XXXXX.

Please note, if the policy contained an inflation rider the maximum daily benefit will not continue to increase. Likewise, if the policy contained a return of premium rider, all benefits associated with that rider cease as of the effective date mentioned above.

You may be eligible to request reinstatement. Please review your policy to determine if you are eligible for reinstatement.

If we can be of further assistance please contact us and a customer support representative will be happy to assist you.

Sincerely,

Policyholder Services Department
TriPlus Services, Inc.
Third Party Administrator for Ability Insurance Company

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **December 1, 2017**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated November 1, 2017

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. To clarify the 1.31 A/E factor, this represents the weighted average factor that results from applying the year end 2016 inforce premium by policy form and duration to the smoothed A/E ratios developed for each policy form and duration. It is a single number intended to indicate the aggregate level of adjustment needed to apply to the baseline Milliman claim cost tables in order to closely match the actual emerging experience for the block overall for the first projected experience year of 2017. In practice, A/E factors are developed for each form separately as shown in the A/E study exhibit previously provided. The A/E factors vary by duration and are based on the actual emerging experience from each form separately.

   The smoothed A/E ratios are only used for projecting future claim costs and so most of the early duration factors are not material to the projection. Therefore the technique for smoothing focuses primarily on the factors within and beyond the durations where there are inforce policies remaining on each respective form, with the ultimate level factor for all future durations being the most significant contributor to projected future claim levels.

   For each form, this ultimate level factor reflects the average actual A/E from the most recent fully developed experience. The actual experience shown for the latest 2-3 durations by form is generally not fully developed (low exposure counts, insufficient time for all claims to be reported, largely influenced by reserves as opposed to actual developed continuance) and so the experience from four to eight durations back from the last one shown in the exhibit is considered most relevant. The following table shows the most relevant durations, average actual A/E from the most relevant durations and the smoothed ultimate A/E used in the projections by policy form.

Policy Form	Most Relevant Durations	Average Actual A/E	Smoothed Ultimate A/E
201	7 - 11	1.48	1.50
692	16 - 20	1.17	1.14
694	13 - 17	1.23	1.24
695	13 - 17	1.36	1.30
698	10 - 14	1.41	1.34
3358	21 - 25	0.55	0.60

In most cases the smoothed ultimate A/E closely reflects the average actual A/E over the most relevant durations. In some cases we arrive at a slightly higher or lower ultimate A/E based on judgement of the trend over recent durations. Note that the "other" forms from the claim cost study are excluded from the table as the wider range of issue years and inforce durations on that group means that a different methodology is used – these forms make up a small percentage of the inforce block and further discussion of this group is not warranted.

As demonstrated above, the smoothed A/E's by form reflect recent emerging actual experience and are appropriate for use in projecting best estimate claim costs in the future. Furthermore, the assumptions underlying the projected experience were reviewed and determined to be reasonable by Milliman, Inc. as part of the rate review and analysis process. As stated in the Actuarial Memorandum, a letter from Milliman attesting to their involvement is included in the filing materials. Finally, the projected incurred claims resulting from the underlying assumptions for incurred years 2017 and beyond are in line with the actual experience from recent years.

We do not agree that the historical A/E for duration 10+ results in a factor of 1.02 that is appropriate to apply to the current inforce for projecting future experience. The A/E ratio for duration 10+ varies significantly by policy form generation. The oldest policy form 3358 has the greatest amount of historical experience in duration 10+ (36% of the total exposures) and has by far the lowest A/E ratio of any of the forms for those durations at 0.63. However, only 2% of 2016 earned premium comes from policy form 3358 (see the table below for details).

Policy Form	Duration	Expected Claim Cost	Actual Claim Cost	Claim Cost A:E	2016 Inforce Prem (000's)	Portion of 2016 Inforce
201	10+	21,110,378	30,280,953	1.43	8,284	11.4%
692	10+	56,884,634	68,668,788	1.21	1,997	2.7%
694	10+	189,148,479	239,132,104	1.26	31,771	43.6%
695	10+	42,200,138	52,825,544	1.25	5,124	7.0%
698	10+	105,069,621	143,162,672	1.36	21,983	30.2%
3358	10+	298,843,915	187,539,523	0.63	1,627	2.2%
All Other	10+	116,466,577	125,347,230	1.08	2,080	2.9%
Total	10+	829,723,742	846,956,815	1.02	72,867	

It would be inappropriate to apply a factor derived with such a large weight from the 0.63 A/E factor from durations 10+ on the 3358 to the projected claim costs on other policy forms which have a significantly higher historical A/E at those durations and make up a much larger portion of future projected experience. Therefore, as we've outlined above, the A/E's for each individual policy form are considered separately and applied in projecting the experience for that individual policy form going forward. Similarly, the lifetime A/E across all policy forms would be equally inappropriate to apply in aggregate to the future projected experience.

2. A projection exhibit was included in the 2013 filing that is substantially similar to the one included in the current filing that produces the data in section 9 of the memorandum. We have attached two files to this response: the first, titled "Projection Comparison from 2013 filing" is pulled directly from the 2013 filing – it was the final page of the attachment

entitled “VA 2013 Exhibits” submitted with that filing. And the second, “Projection Comparison from 2017 filing” is included as the last page of the file “Nationwide Exhibits 2017.pdf” from the initial filing materials in this current 2017 filing. The final two columns from the 2013 file are now used as the two columns of data under the “2013 Filing” heading in the 2107 file. This file produces the data shown in section 9 of the actuarial memorandum. Both the 2013 and 2017 projection used in developing the table in section 9 use the nationwide projected experience based upon the assumptions outlined in the Actuarial Memorandum from the respective filings.

3. The attached file ‘2013 Experience and Projection at Virginia Rate Level.xlsx’ shows the historical experience and projection consistent with data and assumptions from the 2013 filing with premiums restated to the Virginia rate level from that point in time. These tabs are consistent with tabs 3 & 4 from the previously provided spreadsheet “Virginia Exhibits 2017.”

Objection 2

1. We have updated the Rate/Rule Schedule to include all 3 policy forms (3358, 692, and 694) and all applicable riders, consistent with the memorandum. It is correct that policy form 3358 is not receiving an increase and so the rate sheets included for that form and applicable riders show no increase. The Rate/Rule Schedule item for policy form LT694 and riders was inadvertently left in draft status when the previous response was submitted.

2. We have updated the form numbers included in the revised Rate Request Summary file and expanded the explanation for the reason for the rate increase.

3. The average increase in Virginia is 42.48% for the 118 Ability policies, 53.07% for the 37 Medico policies, and 45.32% for all policies across both companies. The Actuarial Memorandum has been updated to reflect these percentages, consistent with the Rate/Rule Schedule.

4. Attached is a sample confirmation letter that is sent to policyholders that elect the contingent nonforfeiture benefit.

5.
    a. We have removed the Draft watermark from each of the forms submitted.
    b. We respectfully request that we continue to be allowed to use the TriPlus header, which does also include the full and proper name of the insurer within the TriPlus header. TriPlus handles ALL correspondence for these long term care policies. If we remove the TriPlus information and replace it with only the name and address of the insurer, we have concern that policyholders will mail their correspondence back to the insurer rather than to TriPlus. This will definitely decrease productivity and increase the time it will take for policy changes to become effective as the letters will be sent to the wrong address and then need to be forwarded from the insurers to TriPlus. It is also possible that policyholder communication can get lost when it is initially sent to the incorrect address.
    c. We believe our current explanation as to the need for the rate increase is an accurate description as to the need of the rate increase, yet also worded clear enough that policyholders can understand. We believe getting into further details about the need for the rate increase may confuse policyholders and cause more questions than answers.

d. We are not really sure what this item means so we would like more clarification. Our letter does mention the new premium and the percentage increase as well as discuss the ability to modify coverage to reduce the premium. We were wondering if the Department has a sample rate increase letter that we could review and incorporate the appropriate language into our letter for items such as this one?
e. We added a sentence that disclosed that not all downgrade options may be of the same value.
f. We revised the Contingent Benefit Upon Lapse paragraph as requested.

6. We have made the Benefit Adjustment Option Return Form a separate form with its own form number.

7.
   a. We are now filing the Contingent Benefit Upon Lapse as a separate form (form RI-17-VA-CBUL). We also adjusted the first bullet point of the form to discuss that the benefit will be no less than 30 times the daily nursing home benefit at the time of lapse, but will not exceed the remaining amount of benefits available under the policy.
   b. The Contingent Benefit Upon Lapse benefit will be offered to everyone that is not eligible for a Return of Premium Benefit under their policy. It will not be restricted to only those who meet the trigger points as set forth in 14VAC5-185 D 3 as revised effective September 2015.

8.
   a. We are now filing the FAQ as a separate form (form RI-17-VA-FAQ). As discussed earlier, we respectfully request that we continue to be allowed to use the TriPlus header, which does also include the full and proper name of the insurer.
   b. We expanded the response as requested.
   c. We expanded the response to explain when no specific options would be included in the letter.
   d. We added a sentence to remind policyholders that benefit changes may be made at any time and not just at the time of a rate increase.

9. We have denoted the variable portions of each document by placing a “<<” before the variable and a “>>” following the variable.

10. We will include a Certification of Compliance with our next response. We knew that our response was due today and we did not have time to complete everything prior to our response.

11. While we would prefer to implement the entire increase at one time, we would be amenable to phasing in the increase over multiple years. Our recommendation would be to have a 40% cap in any one year. This would allow us to fully implement the increase in one year for non-inflation plans as the increase we are requesting on those plans ranges from 0%-40%. For inflation plans we are requesting an increase ranging from 0%-90%. For those plans the first increase would be up to 40%, and the follow up increase would be such that the cumulative increase would be approximately actuarially equivalent to the initial request. Please let us know if implementing this increase over two years is acceptable and we will provide the exact rate increase percentages for the second increase.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Ability/Medico Insurance Companies

Nationwide Experience - All Forms Receiving a Rate Increase - Incurred Claims are WITHOUT Changes in Active Life Reserves

	Actual Data		2010 Filing		2013 Filing			
					No Rate Increase		With 40% Non-Life, 80% Life Incr.	
Experience Year	Earned Premium	Runout Incurred Claims Discounted to Incurred Year	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims
2010	82,645,374	94,614,871	93,487,904	87,735,242				
2011	82,222,704	90,533,086	101,808,362	83,315,780				
2012	78,818,482	92,733,086	92,330,422	79,288,163				
2013			83,794,490	75,280,885	75,756,694	93,279,944	77,681,627	93,420,847
2014			76,127,053	71,806,742	69,327,417	93,829,132	98,349,210	95,765,692
2015			68,953,558	69,271,472	63,187,063	93,890,913	103,653,070	96,305,394
2016			62,243,646	67,532,672	57,365,818	93,368,640	94,753,455	95,630,029
2017			56,003,967	66,090,131	51,848,918	92,218,033	85,640,966	94,317,032
2018			50,213,903	64,751,079	46,685,950	90,656,659	77,113,082	92,592,188
2019			44,856,915	63,505,791	41,861,569	88,649,649	69,144,456	90,421,901
2020			39,926,319	62,381,256	37,369,667	86,112,033	61,724,999	87,721,070
2021			35,402,517	61,303,063	33,214,144	83,134,293	54,861,152	84,584,338
2022			31,269,239	60,137,796	29,382,095	79,762,178	48,531,601	81,059,078
2023			27,509,216	58,801,312	25,872,319	76,112,924	42,734,362	77,265,355
2024			24,101,078	57,221,756	22,677,571	72,189,421	37,457,467	73,206,026
2025			21,022,490	55,397,514	19,781,403	68,051,327	32,673,748	68,941,597
2026			18,256,892	53,356,723	17,170,607	63,720,913	28,361,390	64,494,188
2027			15,780,936	51,126,304	14,831,733	59,283,198	24,498,177	59,949,583
2028			13,577,654	48,744,348	12,746,825	54,875,013	21,054,448	55,445,446
2029			11,625,644	46,250,078	10,900,017	50,560,528	18,004,001	51,045,750
2030			9,905,929	43,669,292	9,274,364	46,376,358	15,318,845	46,786,659
2031			8,402,608	41,051,418	7,852,043	42,324,401	12,969,539	42,669,119
2032			7,094,171	38,420,796	6,616,046	38,532,156	10,927,993	38,820,578
2033			5,962,928	35,843,762	5,547,697	35,069,910	9,163,357	35,310,692
2034			4,990,707	33,356,407	4,631,434	31,890,205	7,649,927	32,090,613
2035			4,160,599	30,976,409	3,851,683	28,999,549	6,361,981	29,165,997
2036			3,456,314	28,705,126	3,190,990	26,300,370	5,270,688	26,437,854
2037			2,862,029	26,549,527	2,634,145	23,815,869	4,350,924	23,928,920
2038			2,363,423	24,533,088	2,167,156	21,561,303	3,579,579	21,653,969
2039			1,946,883	22,647,031	1,778,880	19,516,291	2,938,249	19,592,073
2040			1,600,331	20,880,873	1,456,382	17,650,691	2,405,566	17,712,526
2041			1,313,078	19,239,712	1,189,934	15,929,969	1,965,463	15,980,280
2042			1,075,606	17,706,102	970,763	14,370,367	1,603,449	14,411,232
2043			879,743	16,291,247	790,771	12,955,224	1,306,149	12,988,363
2044			718,645	14,976,049	643,153	11,666,493	1,062,323	11,693,313
2045			586,387	13,759,681	522,559	10,490,716	863,132	10,512,387
2046			477,943	12,628,830	424,247	9,424,343	700,746	9,441,821
2047			389,128	11,591,595	344,165	8,486,583	568,471	8,500,682
2048			316,542	10,645,323	279,024	7,661,047	460,875	7,672,421
2049			257,302	9,782,033	226,029	6,927,460	373,341	6,936,632
2050			208,995	8,988,658	182,981	6,274,503	302,238	6,281,902
2051			169,659	8,263,563	148,163	5,686,885	244,728	5,692,861
2052			137,609	7,592,967	119,946	5,160,235	198,120	5,165,068
2053			111,526	6,972,524	97,085	4,685,785	160,358	4,689,699
2054			90,295	6,392,603	78,564	4,255,113	129,768	4,258,282
2055			73,017	5,853,246	63,561	3,856,048	104,987	3,858,615
2056			58,956	5,342,593	51,407	3,483,954	84,911	3,486,033
2057			47,515	4,862,108	41,561	3,144,087	68,647	3,145,770
2058			38,203	4,411,507	33,583	2,838,832	55,470	2,840,195
2059			30,644	3,996,393	27,118	2,551,166	44,793	2,552,266
2060					21,880	2,283,566	36,140	2,284,453
2061					17,634	2,036,062	29,127	2,036,776
2062					14,193	1,813,803	23,443	1,814,379
Total			1,028,018,915	1,819,228,568	685,268,951	1,817,714,141	1,067,560,535	1,842,577,946
PV 2013+			558,894,928	922,771,218	516,165,440	1,139,249,900	790,385,437	1,156,961,406
Diff in PV Premium - PV Claims for 2013+			-363,876,290		-623,084,460		-366,575,970	

Ability/Medico Insurance Companies

Nationwide Experience - All Forms Receiving a Rate Increase - Incurred Claims are WITHOUT Changes in Active Life Reserves

	Actual Data		2013 Filing		2017 Filing			
					No Rate Increase		With 30% avg increase starting 9/1/17	
Experience Year	Earned Premium	Runout Incurred Claims Discounted to Incurred Year	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims
2013	74,519,157	101,432,209	77,681,627	93,420,847				
2014	74,942,415	98,498,314	98,349,210	95,765,692				
2015	74,084,629	87,821,203	103,653,070	96,305,394				
2016	71,114,054	86,980,151	94,753,455	95,630,029				
2017			85,640,966	94,317,032	71,651,996	89,510,222	72,733,941	89,510,222
2018			77,113,082	92,592,188	67,335,177	87,536,987	74,452,505	87,536,987
2019			69,144,456	90,421,901	62,255,470	85,457,087	73,536,161	85,457,087
2020			61,724,999	87,721,070	56,720,111	83,770,169	70,423,690	83,770,169
2021			54,861,152	84,584,338	51,188,571	81,861,789	66,647,520	81,861,789
2022			48,531,601	81,059,078	45,913,872	79,759,470	59,779,861	79,759,470
2023			42,734,362	77,265,355	40,995,114	77,942,467	53,375,639	77,942,467
2024			37,457,467	73,206,026	36,450,681	75,840,288	47,458,786	75,840,288
2025			32,673,748	68,941,597	32,266,751	73,353,089	42,011,310	73,353,089
2026			28,361,390	64,494,188	28,435,954	70,520,966	37,023,612	70,520,966
2027			24,498,177	59,949,583	24,949,356	67,433,362	32,484,061	67,433,362
2028			21,054,448	55,445,446	21,790,205	64,132,472	28,370,847	64,132,472
2029			18,004,001	51,045,750	18,944,758	60,645,888	24,666,075	60,645,888
2030			15,318,845	46,786,659	16,396,711	56,979,035	21,348,518	56,979,035
2031			12,969,539	42,669,119	14,127,714	53,166,507	18,394,284	53,166,507
2032			10,927,993	38,820,578	12,120,161	49,363,959	15,780,450	49,363,959
2033			9,163,357	35,310,692	10,351,807	45,666,194	13,478,053	45,666,194
2034			7,649,927	32,090,613	8,806,083	42,112,276	11,465,520	42,112,276
2035			6,361,981	29,165,997	7,464,845	38,723,459	9,719,228	38,723,459
2036			5,270,688	26,437,854	6,305,197	35,503,708	8,209,367	35,503,708
2037			4,350,924	23,928,920	5,307,014	32,672,272	6,909,732	32,672,272
2038			3,579,579	21,653,969	4,449,076	30,174,823	5,792,697	30,174,823
2039			2,938,249	19,592,073	3,718,167	27,843,583	4,841,054	27,843,583
2040			2,405,566	17,712,526	3,096,384	25,648,985	4,031,492	25,648,985
2041			1,965,463	15,980,280	2,571,036	23,557,998	3,347,489	23,557,998
2042			1,603,449	14,411,232	2,129,719	21,615,434	2,772,895	21,615,434
2043			1,306,149	12,988,363	1,759,971	19,814,730	2,291,482	19,814,730
2044			1,062,323	11,693,313	1,450,944	18,142,156	1,889,128	18,142,156
2045			863,132	10,512,387	1,194,052	16,578,033	1,554,656	16,578,033
2046			700,746	9,441,821	981,191	15,123,336	1,277,511	15,123,336
2047			568,471	8,500,682	805,125	13,822,703	1,048,273	13,822,703
2048			460,875	7,672,421	659,836	12,660,158	859,107	12,660,158
2049			373,341	6,936,632	540,050	11,615,383	703,145	11,615,383
2050			302,238	6,281,902	441,525	10,670,256	574,865	10,670,256
2051			244,728	5,692,861	360,861	9,803,695	469,841	9,803,695
2052			198,120	5,165,068	294,753	9,012,611	383,768	9,012,611
2053			160,358	4,689,699	240,621	8,290,704	313,289	8,290,704
2054			129,768	4,258,282	196,327	7,629,447	255,618	7,629,447
2055			104,987	3,858,615	160,104	7,004,034	208,455	7,004,034
2056			84,911	3,486,033	130,494	6,408,818	169,903	6,408,818
2057			68,647	3,145,770	106,300	5,856,923	138,403	5,856,923
2058			55,470	2,840,195	86,542	5,355,489	112,678	5,355,489
2059			44,793	2,552,266	70,413	4,877,680	91,678	4,877,680
2060			36,140	2,284,453	57,249	4,426,717	74,539	4,426,717
2061			29,127	2,036,776	46,508	4,002,294	60,553	4,002,294
2062			23,443	1,814,379	37,744	3,616,104	49,142	3,616,104
2063					30,595	3,263,277	39,835	3,263,277
2064					24,767	2,931,436	32,247	2,931,436
2065					20,018	2,627,693	26,064	2,627,693
2066					16,151	2,346,412	21,029	2,346,412
Total			1,067,560,535	1,842,577,946	665,454,070	1,686,672,578	821,699,991	1,686,672,578
PV 2013+			534,549,637	963,174,707	501,414,606	1,039,102,812	610,685,427	1,039,102,812
Diff in PV Premium - PV Claims for 2013+			-428,625,070		-537,688,206		-428,417,386	

AFV: 82399

TriPlus SERVICES, INC.
Third Party Administrator for
Ability Insurance Company
(the "Insurance Company")

Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

Phone: (877) 795-8493
Fax: (877) 855-7817

<<DATE>>

<<NAME>>
<<ADDRESS>>
<<CITY, ST ZIP CODE>>

Insured: <<NAME>>
Policy No: <<######>>

As previously notified, the premium rate on the above mentioned long term care policy was recently increased. As part of that rate increase, we offered a contingent benefit upon lapse non-forfeiture benefit, which means that if you were to cancel the policy or were to lapse due to the nonpayment of premium between the time you were notified of the rate increase and 120 days after the effective date of that increase, we would place your policy into contingent non-forfeiture status.

You are receiving this letter because you either cancelled your policy or we did not receive your premium payment and effective <<MM/DD/YYYY>> the policy is now in contingent non-forfeiture status. The policy benefit period has been reduced to equal the total premium paid into the policy divided by the maximum daily benefit of the policy. This new benefit period may not exceed the remaining maximum benefits that were available prior to entering into contingent non-forfeiture status. If you currently have an open claim, or if a new claim is filed, any benefits paid for dates of service after <<MM/DD/YYYY>> will be applied to and will not exceed the policy's new maximum benefit amount. The policy's maximum benefit amount is now <<$#####.##>>.

Please note, if the policy contained an inflation rider the maximum daily benefit will not continue to increase. Likewise, if the policy contained a return of premium rider, all benefits associated with that rider cease as of the effective date mentioned above.

You may be eligible to request reinstatement. Please review your policy to determine if you are eligible for reinstatement.

If we can be of further assistance please contact us and a customer support representative will be happy to assist you.

Sincerely,

Policyholder Services Department
TriPlus Services, Inc.
Third Party Administrator for Ability Insurance Company

To: **Janet Hauser**

From: **Todd Moltumyr ASA, MAAA**

Date: **March 1, 2018**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated December 18, 2017

This memo is in response to the captioned Objection Letter from Janet Hauser of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. We have corrected this issue and removed the draft watermark.

2. We have updated the header to make sure the insurance company name is in 10 point font.

3. We have bolded and increased the font size of the insurance company name in the first sentence of the letter.

4. While we strongly prefer the language we are using in all other states, we will agree to use the language from the Long Term Care Rate Request Summary instead for Virginia policies only.

5. We are willing to add the sentence you mentioned in your response to our rate increase letter, however, we do not know what that sentence means. If a policyholder calls us and asks us for a revised premium rate or rate schedule, we would not know what to give them. Please clarify what a revised premium rate or rate schedule means so we can properly comply with the Department's request. Please also recommend where we should add that sentence to the letter as we are having a difficult time determining where we should add the sentence "The insured has a right to a revised premium rate or rate schedule upon request."

6. We have bolded the sentence "Please note that all options may not be of equal value" in the letter.

7. The number of days is determined by the sum of the total premiums paid divided by the daily benefit amount. For example, if the sum of the total premiums paid is $10,000 and there is a $100 daily benefit amount, there would be 100 days payable. The contingent benefit will be a minimum of 30 days, unless 30 days exceeds the remaining number of days payable under the policy.

8. No partnership policies are included in this filing.

Objection 2

We will agree to give the insured a choice to exercise the return of premium benefit or choose to have a paid up policy.

Objection 3

We have revised the FAQ form to comply with your request.

Objection 4

The Certification of Compliance is attached.

Objection 5

A Statement of Variability is attached in Supporting Documentation for each of the four forms filed on the form schedule.

Objection 6

We agree.

Objection 7

We have revised the BAO form to comply with your request.

Objection 8

The Benefit Adjustment Rider is not being filed for approval at this time; it is an existing approved form already in use, included as Supporting Documentation in this filing per a request. As such we have not included a Statement of Variability in this filing.

If the sum of the total premiums paid exceed the remaining maximum benefits available prior to the policy lapsing, the paid up value is equal to the remaining maximum benefits available prior to the policy lapsing.

Objection 9

1. We first reiterate that the original projections provided in this filing do not use a 1.31 A/E factor on the baseline claim costs to project future incurred claims. A/E factors varying by form and duration are developed based on actual past experience and applied to the baseline claim costs such that the average aggregate adjustment is approximately 1.31.

   The attached exhibit 'VA Projections at Adjusted AEs' shows the baseline projected premium along with projected claims under 4 scenarios including the baseline projection, a level 1.31 factor on all durations and forms, and the level 1.18 and 1.02 factor sensitivity tests as requested. This exhibit illustrates the difference between the baseline projection using the smoothed A/E's varying by form and duration ultimately closely matches the projection using a level 1.31 factor but actually projects claims around 5% lower than in the level 1.31 scenario.

2. The average statutory valuation rate for the policies included in this projection is 4.544%.

3. The requested separate projections for policies with and without inflation are attached.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Ability/Medico Insurance Companies
Nationwide Experience - All Forms Receiving a Rate Increase
Experience Projections for Policies with and without Inflation Protection
Prior to Proposed Rate Increase

Non-Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	10,187,101	2,721,735	26.7%
1989	33,660,750	7,859,667	23.3%
1990	40,234,715	14,304,837	35.6%
1991	38,816,144	16,552,649	42.6%
1992	37,033,551	16,489,332	44.5%
1993	33,751,505	21,276,101	63.0%
1994	31,061,952	21,099,701	67.9%
1995	29,748,352	21,671,284	72.8%
1996	29,390,166	24,099,913	82.0%
1997	32,202,145	24,654,585	76.6%
1998	38,144,921	27,439,275	71.9%
1999	43,974,791	26,214,975	59.6%
2000	50,581,857	35,506,583	70.2%
2001	61,743,161	45,888,425	74.3%
2002	76,889,869	49,282,473	64.1%
2003	79,809,622	56,193,965	70.4%
2004	79,821,510	54,785,351	68.6%
2005	74,787,609	57,466,821	76.8%
2006	71,143,028	61,463,570	86.4%
2007	71,425,819	64,694,286	90.6%
2008	67,756,000	70,369,832	103.9%
2009	64,439,983	74,314,505	115.3%
2010	57,381,490	87,009,635	151.6%
2011	55,538,542	75,332,492	135.6%
2012	52,152,855	77,840,919	149.3%
2013	48,066,299	77,105,677	160.4%
2014	46,546,631	62,712,186	134.7%
2015	43,939,022	58,936,920	134.1%
2016	40,382,361	49,985,325	123.8%
PV Past @ 4.5%	2,686,619,689	1,935,947,964	72.1%
2017	41,057,059	51,458,348	125.3%
2018	37,976,470	48,266,991	127.1%
2019	34,458,510	45,056,411	130.8%
2020	30,758,359	42,115,546	136.9%
2021	27,187,178	39,147,941	144.0%
2022	23,870,167	36,191,433	151.6%
2023	20,841,431	33,486,702	160.7%
2024	18,101,013	30,783,771	170.1%
2025	15,635,536	28,057,611	179.4%
2026	13,431,090	25,347,051	188.7%
2027	11,473,594	22,718,208	198.0%
2028	9,746,561	20,205,052	207.3%
2029	8,232,526	17,816,877	216.4%
2030	6,914,174	15,565,522	225.1%
2031	5,774,087	13,469,595	233.3%
2032	4,795,024	11,565,122	241.2%
2033	3,960,168	9,862,938	249.1%
2034	3,253,320	8,359,389	256.9%
2035	2,659,056	7,042,591	264.9%
2036	2,162,875	5,897,049	272.6%
2037	1,751,264	4,942,421	282.2%
2038	1,410,881	4,145,752	293.8%
2039	1,131,135	3,468,071	306.6%
2040	902,904	2,894,284	320.6%
2041	717,964	2,410,207	335.7%
2042	569,036	2,005,468	352.4%
2043	449,787	1,668,810	371.0%
2044	354,783	1,387,029	391.0%
2045	279,423	1,153,028	412.6%
2046	219,853	958,390	435.9%
2047	172,886	797,962	461.6%
2048	135,927	664,292	488.7%
2049	106,883	552,014	516.5%
2050	84,080	459,632	546.7%
2051	66,181	383,543	579.5%
2052	52,132	320,661	615.1%
2053	41,098	267,697	651.4%
2054	32,427	222,952	687.5%
2055	25,610	185,933	726.0%
2056	20,248	155,774	769.3%
2057	16,029	131,026	817.5%
2058	12,709	110,747	871.4%
2059	10,098	93,932	930.2%
2060	8,044	80,102	995.8%
2061	6,427	69,018	1073.9%
2062	5,154	60,061	1165.4%
2063	4,149	52,270	1260.0%
2064	3,352	45,327	1352.1%
2065	2,718	39,306	1446.0%
2066	2,210	34,203	1547.8%
PV Future @ 4.5%	257,905,339	398,307,720	154.4%
PV Lifetime	2,944,525,028	2,334,255,684	79.3%

Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	-	-	0.0%
1989	-	-	0.0%
1990	12,027	-	0.0%
1991	280,516	19,623	7.0%
1992	535,263	4,719	0.9%
1993	1,091,757	383,735	35.1%
1994	1,325,472	275,350	20.8%
1995	1,751,789	405,538	23.1%
1996	2,276,829	689,168	30.3%
1997	3,671,585	1,334,186	36.3%
1998	6,227,795	1,245,461	20.0%
1999	9,221,801	2,505,588	27.2%
2000	13,193,027	2,371,391	18.0%
2001	18,875,430	3,070,671	16.3%
2002	25,888,581	6,845,237	26.4%
2003	27,204,526	8,209,594	30.2%
2004	27,779,357	12,277,358	44.2%
2005	26,676,094	18,360,139	68.8%
2006	26,439,615	13,181,865	49.9%
2007	27,625,027	11,912,906	43.1%
2008	27,146,170	17,782,744	65.5%
2009	27,336,109	20,287,207	74.2%
2010	25,263,884	27,724,796	109.7%
2011	26,684,162	36,363,184	136.3%
2012	26,665,627	32,949,452	123.6%
2013	26,452,858	33,659,021	127.2%
2014	28,395,784	42,797,030	150.7%
2015	30,145,607	33,107,777	109.8%
2016	30,731,693	37,957,260	123.5%
PV Past @ 4.5%	704,953,327	430,651,720	61.1%
2017	30,594,937	38,051,874	124.4%
2018	29,358,707	39,269,996	133.8%
2019	27,796,960	40,400,676	145.3%
2020	25,961,752	41,654,623	160.4%
2021	24,001,393	42,713,847	178.0%
2022	22,043,704	43,568,037	197.6%
2023	20,153,684	44,455,765	220.6%
2024	18,349,667	45,056,518	245.5%
2025	16,631,215	45,295,478	272.4%
2026	15,004,863	45,173,916	301.1%
2027	13,475,761	44,715,153	331.8%
2028	12,043,644	43,927,420	364.7%
2029	10,712,232	42,829,011	399.8%
2030	9,482,537	41,413,513	436.7%
2031	8,353,627	39,696,912	475.2%
2032	7,325,137	37,798,838	516.0%
2033	6,391,639	35,803,256	560.2%
2034	5,552,763	33,752,887	607.9%
2035	4,805,789	31,680,869	659.2%
2036	4,142,322	29,606,658	714.7%
2037	3,555,750	27,729,851	779.9%
2038	3,038,195	26,029,071	856.7%
2039	2,587,032	24,375,513	942.2%
2040	2,193,480	22,754,701	1037.4%
2041	1,853,071	21,147,791	1141.2%
2042	1,560,683	19,609,966	1256.5%
2043	1,310,184	18,145,921	1385.0%
2044	1,096,161	16,755,127	1528.5%
2045	914,629	15,425,005	1686.5%
2046	761,339	14,164,945	1860.5%
2047	632,239	13,024,741	2060.1%
2048	523,909	11,995,866	2289.7%
2049	433,167	11,063,369	2554.1%
2050	357,445	10,210,624	2856.6%
2051	294,679	9,420,152	3196.7%
2052	242,621	8,691,951	3582.5%
2053	199,523	8,023,007	4021.1%
2054	163,900	7,406,496	4518.9%
2055	134,493	6,818,101	5069.5%
2056	110,246	6,253,043	5671.9%
2057	90,272	5,725,897	6343.0%
2058	73,833	5,244,742	7103.5%
2059	60,315	4,783,747	7931.3%
2060	49,206	4,346,615	8833.6%
2061	40,081	3,933,276	9813.4%
2062	32,590	3,556,043	10911.4%
2063	26,447	3,211,007	12141.4%
2064	21,415	2,886,109	13477.1%
2065	17,300	2,588,387	14961.7%
2066	13,941	2,312,209	16585.2%
PV Future @ 4.5%	243,509,267	640,795,092	263.2%
PV Lifetime	948,462,594	1,071,446,812	113.0%

Ability/Medico Insurance Companies
Nationwide Experience - All Forms Receiving a Rate Increase
Experience Projections for Policies with and without Inflation Protection
After Proposed Rate Increase

Non-Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	10,187,101	2,721,735	26.7%
1989	33,660,750	7,859,667	23.3%
1990	40,234,715	14,304,837	35.6%
1991	38,816,144	16,552,649	42.6%
1992	37,033,551	16,489,332	44.5%
1993	33,751,505	21,276,101	63.0%
1994	31,061,952	21,099,701	67.9%
1995	29,748,352	21,671,284	72.8%
1996	29,390,166	24,099,913	82.0%
1997	32,202,145	24,654,585	76.6%
1998	38,144,921	27,439,275	71.9%
1999	43,974,791	26,214,975	59.6%
2000	50,581,857	35,506,583	70.2%
2001	61,743,161	45,888,425	74.3%
2002	76,889,869	49,282,473	64.1%
2003	79,809,622	56,193,965	70.4%
2004	79,821,510	54,785,351	68.6%
2005	74,787,609	57,466,821	76.8%
2006	71,143,028	61,463,570	86.4%
2007	71,425,819	64,694,286	90.6%
2008	67,756,000	70,369,832	103.9%
2009	64,439,983	74,314,505	115.3%
2010	57,381,490	87,009,635	151.6%
2011	55,538,542	75,332,492	135.6%
2012	52,152,855	77,840,919	149.3%
2013	48,066,299	77,105,677	160.4%
2014	46,546,631	62,712,186	134.7%
2015	43,939,022	58,936,920	134.1%
2016	40,382,361	49,985,325	123.8%
PV Past @ 4.5%	2,686,619,689	1,935,947,964	72.1%
2017	41,161,755	51,458,348	125.0%
2018	38,654,350	48,266,991	124.9%
2019	35,512,940	45,056,411	126.9%
2020	32,013,300	42,115,546	131.6%
2021	28,573,724	39,147,941	137.0%
2022	25,087,546	36,191,433	144.3%
2023	21,904,344	33,486,702	152.9%
2024	19,024,165	30,783,771	161.8%
2025	16,432,948	28,057,611	170.7%
2026	14,116,076	25,347,051	179.6%
2027	12,058,748	22,718,208	188.4%
2028	10,243,635	20,205,052	197.2%
2029	8,652,384	17,816,877	205.9%
2030	7,266,797	15,565,522	214.2%
2031	6,068,566	13,469,595	222.0%
2032	5,039,570	11,565,122	229.5%
2033	4,162,136	9,862,938	237.0%
2034	3,419,239	8,359,389	244.5%
2035	2,794,668	7,042,591	252.0%
2036	2,273,182	5,897,049	259.4%
2037	1,840,578	4,942,421	268.5%
2038	1,482,835	4,145,752	279.6%
2039	1,188,823	3,468,071	291.7%
2040	948,952	2,894,284	305.0%
2041	754,580	2,410,207	319.4%
2042	598,057	2,005,468	335.3%
2043	472,726	1,668,810	353.0%
2044	372,877	1,387,029	372.0%
2045	293,673	1,153,028	392.6%
2046	231,065	958,390	414.8%
2047	181,703	797,962	439.2%
2048	142,860	664,292	465.0%
2049	112,334	552,014	491.4%
2050	88,368	459,632	520.1%
2051	69,557	383,543	551.4%
2052	54,790	320,661	585.2%
2053	43,194	267,697	619.8%
2054	34,081	222,952	654.2%
2055	26,916	185,933	690.8%
2056	21,280	155,774	732.0%
2057	16,846	131,026	777.8%
2058	13,357	110,747	829.1%
2059	10,613	93,932	885.1%
2060	8,454	80,102	947.5%
2061	6,755	69,018	1021.8%
2062	5,416	60,061	1108.9%
2063	4,360	52,270	1198.8%
2064	3,523	45,327	1286.5%
2065	2,857	39,306	1375.9%
2066	2,323	34,203	1472.7%
PV Future @ 4.5%	267,035,470	398,307,720	149.2%
PV Lifetime	2,953,655,159	2,334,255,684	79.0%

Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	-	-	0.0%
1989	-	-	0.0%
1990	12,027	-	0.0%
1991	280,516	19,623	7.0%
1992	535,263	4,719	0.9%
1993	1,091,757	383,735	35.1%
1994	1,325,472	275,350	20.8%
1995	1,751,789	405,538	23.1%
1996	2,276,829	689,168	30.3%
1997	3,671,585	1,334,186	36.3%
1998	6,227,795	1,245,461	20.0%
1999	9,221,801	2,505,588	27.2%
2000	13,193,027	2,371,391	18.0%
2001	18,875,430	3,070,671	16.3%
2002	25,888,581	6,845,237	26.4%
2003	27,204,526	8,209,594	30.2%
2004	27,779,357	12,277,358	44.2%
2005	26,676,094	18,360,139	68.8%
2006	26,439,615	13,181,865	49.9%
2007	27,625,027	11,912,906	43.1%
2008	27,146,170	17,782,744	65.5%
2009	27,336,109	20,287,207	74.2%
2010	25,263,884	27,724,796	109.7%
2011	26,684,162	36,363,184	136.3%
2012	26,665,627	32,949,452	123.6%
2013	26,452,858	33,659,021	127.2%
2014	28,395,784	42,797,030	150.7%
2015	30,145,607	33,107,777	109.8%
2016	30,731,693	37,957,260	123.5%
PV Past @ 4.5%	704,953,327	430,651,720	61.1%
2017	31,572,186	38,051,874	120.5%
2018	35,798,155	39,269,996	109.7%
2019	38,023,221	40,400,676	106.3%
2020	38,410,390	41,654,623	108.4%
2021	38,073,796	42,713,847	112.2%
2022	34,692,315	43,568,037	125.6%
2023	31,471,295	44,455,765	141.3%
2024	28,434,621	45,056,518	158.5%
2025	25,578,361	45,295,478	177.1%
2026	22,907,536	45,173,916	197.2%
2027	20,425,313	44,715,153	218.9%
2028	18,127,211	43,927,420	242.3%
2029	16,013,691	42,829,011	267.5%
2030	14,081,721	41,413,513	294.1%
2031	12,325,718	39,696,912	322.1%
2032	10,740,880	37,798,838	351.9%
2033	9,315,916	35,803,256	384.3%
2034	8,046,281	33,752,887	419.5%
2035	6,924,560	31,680,869	457.5%
2036	5,936,185	29,606,658	498.7%
2037	5,069,154	27,729,851	547.0%
2038	4,309,861	26,029,071	603.9%
2039	3,652,231	24,375,513	667.4%
2040	3,082,540	22,754,701	738.2%
2041	2,592,908	21,147,791	815.6%
2042	2,174,837	19,609,966	901.7%
2043	1,818,756	18,145,921	997.7%
2044	1,516,252	16,755,127	1105.0%
2045	1,260,982	15,425,005	1223.3%
2046	1,046,446	14,164,945	1353.6%
2047	866,570	13,024,741	1503.0%
2048	716,247	11,995,866	1674.8%
2049	590,811	11,063,369	1872.6%
2050	486,497	10,210,624	2098.8%
2051	400,284	9,420,152	2353.4%
2052	328,977	8,691,951	2642.1%
2053	270,095	8,023,007	2970.4%
2054	221,537	7,406,496	3343.2%
2055	181,539	6,818,101	3755.7%
2056	148,622	6,253,043	4207.3%
2057	121,557	5,725,897	4710.5%
2058	99,321	5,244,742	5280.6%
2059	81,065	4,783,747	5901.1%
2060	66,085	4,346,615	6577.4%
2061	53,798	3,933,276	7311.2%
2062	43,726	3,556,043	8132.6%
2063	35,475	3,211,007	9051.5%
2064	28,724	2,886,109	10047.9%
2065	23,207	2,588,387	11153.5%
2066	18,706	2,312,209	12360.6%
PV Future @ 4.5%	343,649,957	640,795,092	186.5%
PV Lifetime	1,048,603,283	1,071,446,812	102.2%

Ability/Medico Insurance Companies
Virginia Experience - All Forms Receiving a Rate Increase
Experience Projections for Policies with and without Inflation Protection
Prior to Proposed Rate Increase

Non-Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	31,250	-	0.0%
1989	231,398	43,441	18.8%
1990	191,279	19,204	10.0%
1991	140,621	105,452	75.0%
1992	128,014	840	0.7%
1993	134,387	116,347	86.6%
1994	127,667	64,670	50.7%
1995	119,212	54,323	45.6%
1996	108,159	4,361	4.0%
1997	107,188	120,031	112.0%
1998	136,597	51,506	37.7%
1999	159,183	155,399	97.6%
2000	179,173	19,994	11.2%
2001	213,583	722,889	338.5%
2002	243,099	117,056	48.2%
2003	266,693	251,978	94.5%
2004	262,948	235,574	89.6%
2005	277,793	104,768	37.7%
2006	261,760	489,541	187.0%
2007	265,406	190,463	71.8%
2008	262,074	704,415	268.8%
2009	257,085	48,000	18.7%
2010	228,861	623,738	272.5%
2011	221,774	256,834	115.8%
2012	238,839	231,224	96.8%
2013	223,752	57,618	25.8%
2014	196,035	81,961	41.8%
2015	135,815	193,389	142.4%
2016	124,974	79,192	63.4%
PV Past @ 4.5%	10,350,622	7,852,986	75.9%
2017	141,230	183,829	130.2%
2018	130,626	173,621	132.9%
2019	116,199	163,277	140.5%
2020	102,890	153,183	148.9%
2021	90,623	142,728	157.5%
2022	79,339	131,803	166.1%
2023	68,994	120,968	175.3%
2024	59,560	109,812	184.4%
2025	51,014	98,301	192.7%
2026	43,334	87,025	200.8%
2027	36,493	76,095	208.5%
2028	30,456	65,564	215.3%
2029	25,182	55,959	222.2%
2030	20,624	47,259	229.1%
2031	16,727	39,396	235.5%
2032	13,430	32,522	242.2%
2033	10,673	26,554	248.8%
2034	8,393	21,486	256.0%
2035	6,529	17,230	263.9%
2036	5,025	13,636	271.4%
2037	3,823	10,815	282.9%
2038	2,872	8,536	297.2%
2039	2,129	6,624	311.1%
2040	1,557	5,083	326.5%
2041	1,122	3,867	344.6%
2042	797	2,919	366.1%
2043	558	2,171	389.1%
2044	385	1,587	412.7%
2045	261	1,145	439.1%
2046	174	815	468.4%
2047	114	571	500.2%
2048	74	393	533.7%
2049	47	265	568.5%
2050	29	175	606.8%
2051	18	114	649.6%
2052	10	72	698.0%
2053	6	45	751.4%
2054	3	27	806.8%
2055	2	16	866.7%
2056	1	10	922.1%
2057	1	5	980.4%
2058	0	3	1030.0%
2059	0	2	1075.0%
2060	0	1	1187.5%
2061	0	1	1275.0%
2062	0	0	1400.0%
2063	0	0	1500.0%
2064	-	0	0.0%
2065	-	0	0.0%
2066	-	0	0.0%
PV Future @ 4.5%	849,685	1,370,794	161.3%
PV Lifetime	11,200,307	9,223,780	82.4%

Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	-	-	0.0%
1989	-	-	0.0%
1990	-	-	0.0%
1991	-	-	0.0%
1992	1,018	-	0.0%
1993	5,151	-	0.0%
1994	7,053	-	0.0%
1995	9,887	-	0.0%
1996	12,805	-	0.0%
1997	16,286	-	0.0%
1998	23,372	13,856	59.3%
1999	36,401	-	0.0%
2000	72,809	-	0.0%
2001	129,777	-	0.0%
2002	172,631	8,772	5.1%
2003	195,821	-	0.0%
2004	195,229	1,970	1.0%
2005	211,129	8,920	4.2%
2006	228,404	73,188	32.0%
2007	254,998	-	0.0%
2008	255,904	1,198,385	468.3%
2009	263,053	148,110	56.3%
2010	237,084	239,225	100.9%
2011	250,559	1,103,304	440.3%
2012	280,681	301,042	107.3%
2013	260,792	8,987	3.4%
2014	242,946	339	0.1%
2015	260,260	112,714	43.3%
2016	282,830	178,647	63.2%
PV Past @ 4.5%	5,648,390	4,006,565	70.9%
2017	316,219	290,057	91.7%
2018	302,890	302,488	99.9%
2019	284,430	316,235	111.2%
2020	266,049	331,631	124.7%
2021	247,831	347,161	140.1%
2022	229,870	361,860	157.4%
2023	212,261	378,333	178.2%
2024	195,100	392,847	201.4%
2025	178,476	404,927	226.9%
2026	162,468	413,470	254.5%
2027	147,147	418,714	284.6%
2028	132,572	421,239	317.7%
2029	118,795	420,293	353.8%
2030	105,855	414,832	391.9%
2031	93,777	404,665	431.5%
2032	82,579	389,875	472.1%
2033	72,267	372,871	516.0%
2034	62,837	352,780	561.4%
2035	54,277	329,838	607.7%
2036	46,567	306,103	657.3%
2037	39,676	283,151	713.7%
2038	33,550	262,109	781.2%
2039	28,150	240,355	853.8%
2040	23,434	218,150	930.9%
2041	19,352	194,232	1003.7%
2042	15,850	171,770	1083.8%
2043	12,872	151,249	1175.0%
2044	10,362	131,969	1273.5%
2045	8,267	112,310	1358.6%
2046	6,532	92,604	1417.7%
2047	5,109	75,431	1476.4%
2048	3,954	60,980	1542.4%
2049	3,024	48,613	1607.3%
2050	2,286	37,492	1640.3%
2051	1,705	28,350	1662.6%
2052	1,254	21,097	1682.0%
2053	909	15,449	1699.8%
2054	648	11,059	1706.4%
2055	454	7,727	1700.9%
2056	313	5,274	1687.1%
2057	211	3,517	1668.2%
2058	139	2,289	1646.2%
2059	90	1,456	1622.8%
2060	57	904	1596.1%
2061	35	550	1576.7%
2062	21	329	1566.4%
2063	12	193	1562.7%
2064	7	111	1566.9%
2065	4	63	1592.5%
2066	2	36	1633.5%
PV Future @ 4.5%	2,563,153	5,563,980	217.1%
PV Lifetime	8,211,543	9,570,545	116.5%

Ability/Medico Insurance Companies
Virginia Experience - All Forms Receiving a Rate Increase
Experience Projections for Policies with and without Inflation Protection
After Proposed Rate Increase

Non-Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	31,250	-	0.0%
1989	231,398	43,441	18.8%
1990	191,279	19,204	10.0%
1991	140,621	105,452	75.0%
1992	128,014	840	0.7%
1993	134,387	116,347	86.6%
1994	127,667	64,670	50.7%
1995	119,212	54,323	45.6%
1996	108,159	4,361	4.0%
1997	107,188	120,031	112.0%
1998	136,597	51,506	37.7%
1999	159,183	155,399	97.6%
2000	179,173	19,994	11.2%
2001	213,583	722,889	338.5%
2002	243,099	117,056	48.2%
2003	266,693	251,978	94.5%
2004	262,948	235,574	89.6%
2005	277,793	104,768	37.7%
2006	261,760	489,541	187.0%
2007	265,406	190,463	71.8%
2008	262,074	704,415	268.8%
2009	257,085	48,000	18.7%
2010	228,861	623,738	272.5%
2011	221,774	256,834	115.8%
2012	238,839	231,224	96.8%
2013	223,752	57,618	25.8%
2014	196,035	81,961	41.8%
2015	135,815	193,389	142.4%
2016	124,974	79,192	63.4%
PV Past @ 4.5%	10,350,622	7,852,986	75.9%
2017	141,230	183,829	130.2%
2018	133,173	173,621	130.4%
2019	120,730	163,277	135.2%
2020	106,903	153,183	143.3%
2021	94,157	142,728	151.6%
2022	82,433	131,803	159.9%
2023	71,685	120,968	168.7%
2024	61,883	109,812	177.5%
2025	53,004	98,301	185.5%
2026	45,024	87,025	193.3%
2027	37,916	76,095	200.7%
2028	31,643	65,564	207.2%
2029	26,164	55,959	213.9%
2030	21,429	47,259	220.5%
2031	17,379	39,396	226.7%
2032	13,954	32,522	233.1%
2033	11,089	26,554	239.5%
2034	8,720	21,486	246.4%
2035	6,784	17,230	254.0%
2036	5,220	13,636	261.2%
2037	3,972	10,815	272.3%
2038	2,984	8,536	286.0%
2039	2,212	6,624	299.4%
2040	1,618	5,083	314.3%
2041	1,166	3,867	331.6%
2042	828	2,919	352.4%
2043	580	2,171	374.5%
2044	399	1,587	397.2%
2045	271	1,145	422.7%
2046	181	815	450.8%
2047	119	571	481.4%
2048	76	393	513.6%
2049	48	265	547.1%
2050	30	175	584.0%
2051	18	114	625.2%
2052	11	72	671.8%
2053	6	45	723.2%
2054	4	27	776.5%
2055	2	16	834.1%
2056	1	10	887.5%
2057	1	5	943.6%
2058	0	3	991.3%
2059	0	2	1034.6%
2060	0	1	1142.9%
2061	0	1	1227.1%
2062	0	0	1347.4%
2063	0	0	1443.7%
2064	-	0	0.0%
2065	-	0	0.0%
2066	-	0	0.0%
PV Future @ 4.5%	875,051	1,370,794	156.7%
PV Lifetime	11,225,673	9,223,780	82.2%

Inflation			
EXPER YEAR	Earned Premium	Incurred Claims	Loss Ratio
1988	-	-	0.0%
1989	-	-	0.0%
1990	-	-	0.0%
1991	-	-	0.0%
1992	1,018	-	0.0%
1993	5,151	-	0.0%
1994	7,053	-	0.0%
1995	9,887	-	0.0%
1996	12,805	-	0.0%
1997	16,286	-	0.0%
1998	23,372	13,856	59.3%
1999	36,401	-	0.0%
2000	72,809	-	0.0%
2001	129,777	-	0.0%
2002	172,631	8,772	5.1%
2003	195,821	-	0.0%
2004	195,229	1,970	1.0%
2005	211,129	8,920	4.2%
2006	228,404	73,188	32.0%
2007	254,998	-	0.0%
2008	255,904	1,198,385	468.3%
2009	263,053	148,110	56.3%
2010	237,084	239,225	100.9%
2011	250,559	1,103,304	440.3%
2012	280,681	301,042	107.3%
2013	260,792	8,987	3.4%
2014	242,946	339	0.1%
2015	260,260	112,714	43.3%
2016	282,830	178,647	63.2%
PV Past @ 4.5%	5,648,390	4,006,565	70.9%
2017	316,219	290,057	91.7%
2018	398,534	302,488	75.9%
2019	461,384	316,235	68.5%
2020	429,166	331,631	77.3%
2021	397,616	347,161	87.3%
2022	366,847	361,860	98.6%
2023	336,979	378,333	112.3%
2024	308,139	392,847	127.5%
2025	280,446	404,927	144.4%
2026	254,007	413,470	162.8%
2027	228,912	418,714	182.9%
2028	205,236	421,239	205.2%
2029	183,035	420,293	229.6%
2030	162,346	414,832	255.5%
2031	143,183	404,665	282.6%
2032	125,547	389,875	310.5%
2033	109,422	372,871	340.8%
2034	94,777	352,780	372.2%
2035	81,568	329,838	404.4%
2036	69,742	306,103	438.9%
2037	59,232	283,151	478.0%
2038	49,937	262,109	524.9%
2039	41,783	240,355	575.2%
2040	34,694	218,150	628.8%
2041	28,583	194,232	679.6%
2042	23,360	171,770	735.3%
2043	18,934	151,249	798.8%
2044	15,216	131,969	867.3%
2045	12,119	112,310	926.7%
2046	9,563	92,604	968.4%
2047	7,471	75,431	1009.7%
2048	5,775	60,980	1055.9%
2049	4,414	48,613	1101.4%
2050	3,333	37,492	1124.8%
2051	2,485	28,350	1140.9%
2052	1,827	21,097	1154.9%
2053	1,323	15,449	1167.7%
2054	943	11,059	1172.7%
2055	661	7,727	1169.2%
2056	455	5,274	1160.0%
2057	307	3,517	1147.3%
2058	202	2,289	1132.3%
2059	130	1,456	1116.3%
2060	82	904	1098.0%
2061	51	550	1084.8%
2062	31	329	1077.7%
2063	18	193	1075.3%
2064	10	111	1078.4%
2065	6	63	1096.0%
2066	3	36	1124.2%
PV Future @ 4.5%	3,789,172	5,563,980	146.8%
PV Lifetime	9,437,562	9,570,545	101.4%

Ability/Medico Insurance Companies
Nationwide Experience - All Forms Receiving a Rate Increase
Experience Projections with claims adjusted for Various A/E scenarios
Premiums Prior to Proposed Rate Increase

			Baseline Run, Aggregate 1.31 Factor		Level 1.31 Factor			Level 1.18 Factor		Level 1.02 Factor	
	Experience Year	Earned Premium	Incurred Claims	Loss Ratio	Incurred Claims	Loss Ratio	Ratio to Baseline	Incurred Claims	Loss Ratio	Incurred Claims	Loss Ratio
	2017	71,651,996	89,510,222	124.9%	94,314,724	131.6%	1.054	84,955,247	118.6%	73,435,892	102.5%
	2018	67,335,177	87,536,987	130.0%	92,000,755	136.6%	1.051	82,870,909	123.1%	71,634,176	106.4%
	2019	62,255,470	85,457,087	137.3%	89,414,765	143.6%	1.046	80,541,544	129.4%	69,620,657	111.8%
	2020	56,720,111	83,770,169	147.7%	87,194,448	153.7%	1.041	78,541,564	138.5%	67,891,860	119.7%
	2021	51,188,571	81,861,789	159.9%	84,763,496	165.6%	1.035	76,351,851	149.2%	65,999,058	128.9%
	2022	45,913,872	79,759,470	173.7%	82,196,169	179.0%	1.031	74,039,297	161.3%	64,000,070	139.4%
	2023	40,995,114	77,942,467	190.1%	79,978,811	195.1%	1.026	72,041,982	175.7%	62,273,578	151.9%
	2024	36,450,681	75,840,288	208.1%	77,516,689	212.7%	1.022	69,824,193	191.6%	60,356,506	165.6%
	2025	32,266,751	73,353,089	227.3%	74,709,477	231.5%	1.018	67,295,559	208.6%	58,170,737	180.3%
	2026	28,435,954	70,520,966	248.0%	71,599,527	251.8%	1.015	64,494,230	226.8%	55,749,250	196.1%
	2027	24,949,356	67,433,362	270.3%	68,272,434	273.6%	1.012	61,497,307	246.5%	53,158,689	213.1%
	2028	21,790,205	64,132,472	294.3%	64,766,664	297.2%	1.010	58,339,437	267.7%	50,429,005	231.4%
	2029	18,944,758	60,645,888	320.1%	61,107,638	322.6%	1.008	55,043,522	290.5%	47,579,993	251.2%
	2030	16,396,711	56,979,035	347.5%	57,297,793	349.4%	1.006	51,611,753	314.8%	44,613,549	272.1%
	2031	14,127,714	53,166,507	376.3%	53,371,182	377.8%	1.004	48,074,805	340.3%	41,556,188	294.1%
	2032	12,120,161	49,363,959	407.3%	49,481,886	408.3%	1.002	44,571,470	367.7%	38,527,881	317.9%
	2033	10,351,807	45,666,194	441.1%	45,719,208	441.7%	1.001	41,182,187	397.8%	35,598,162	343.9%
	2034	8,806,083	42,112,276	478.2%	42,118,982	478.3%	1.000	37,939,236	430.8%	32,794,932	372.4%
	2035	7,464,845	38,723,459	518.7%	38,699,655	518.4%	0.999	34,859,231	467.0%	30,132,556	403.7%
	2036	6,305,197	35,503,708	563.1%	35,462,504	562.4%	0.999	31,943,324	506.6%	27,612,026	437.9%
	2037	5,307,014	32,672,272	615.6%	32,624,566	614.7%	0.999	29,387,013	553.7%	25,402,334	478.7%
	2038	4,449,076	30,174,823	678.2%	30,127,320	677.2%	0.998	27,137,586	610.0%	23,457,913	527.3%
	2039	3,718,167	27,843,583	748.9%	27,800,375	747.7%	0.998	25,041,559	673.5%	21,646,093	582.2%
	2040	3,096,384	25,648,985	828.4%	25,613,402	827.2%	0.999	23,071,614	745.1%	19,943,260	644.1%
	2041	2,571,036	23,557,998	916.3%	23,532,514	915.3%	0.999	21,197,227	824.5%	18,323,026	712.7%
	2042	2,129,719	21,615,434	1014.9%	21,601,236	1014.3%	0.999	19,457,602	913.6%	16,819,283	789.7%
	2043	1,759,971	19,814,730	1125.9%	19,811,306	1125.7%	1.000	17,845,298	1014.0%	15,425,597	876.5%
	2044	1,450,944	18,142,156	1250.4%	18,148,025	1250.8%	1.000	16,347,076	1126.7%	14,130,523	973.9%
	2045	1,194,052	16,578,033	1388.4%	16,591,923	1389.5%	1.001	14,945,397	1251.7%	12,918,902	1081.9%
	2046	981,191	15,123,336	1541.3%	15,143,939	1543.4%	1.001	13,641,105	1390.3%	11,791,464	1201.7%
	2047	805,125	13,822,703	1716.8%	13,849,240	1720.1%	1.002	12,474,888	1549.4%	10,783,378	1339.3%
	2048	659,836	12,660,158	1918.7%	12,691,281	1923.4%	1.002	11,431,841	1732.5%	9,881,761	1497.6%
	2049	540,050	11,615,383	2150.8%	11,649,865	2157.2%	1.003	10,493,772	1943.1%	9,070,887	1679.6%
	2050	441,525	10,670,256	2416.7%	10,707,106	2425.0%	1.003	9,644,569	2184.4%	8,336,831	1888.2%
	2051	360,861	9,803,695	2716.8%	9,841,270	2727.2%	1.004	8,864,655	2456.5%	7,662,668	2123.4%
	2052	294,753	9,012,611	3057.7%	9,050,646	3070.6%	1.004	8,152,490	2765.9%	7,047,068	2390.8%
	2053	240,621	8,290,704	3445.5%	8,328,432	3461.2%	1.005	7,501,946	3117.7%	6,484,733	2695.0%
	2054	196,327	7,629,447	3886.1%	7,666,230	3904.8%	1.005	6,905,459	3517.3%	5,969,126	3040.4%
	2055	160,104	7,004,034	4374.7%	7,039,709	4397.0%	1.005	6,341,112	3960.6%	5,481,300	3423.6%
	2056	130,494	6,408,818	4911.2%	6,443,175	4937.5%	1.005	5,803,776	4447.6%	5,016,823	3844.5%
	2057	106,300	5,856,923	5509.8%	5,890,254	5541.1%	1.006	5,305,725	4991.3%	4,586,305	4314.5%
	2058	86,542	5,355,489	6188.3%	5,387,835	6225.7%	1.006	4,853,164	5607.9%	4,195,108	4847.5%
	2059	70,413	4,877,680	6927.2%	4,908,709	6971.3%	1.006	4,421,585	6279.5%	3,822,048	5428.0%
	2060	57,249	4,426,717	7732.4%	4,456,106	7783.7%	1.007	4,013,897	7011.3%	3,469,640	6060.6%
	2061	46,508	4,002,294	8605.7%	4,029,877	8665.0%	1.007	3,629,966	7805.1%	3,137,767	6746.8%
	2062	37,744	3,616,104	9580.7%	3,641,964	9649.2%	1.007	3,280,547	8691.6%	2,835,727	7513.1%
	2063	30,595	3,263,277	10666.0%	3,287,371	10744.7%	1.007	2,961,144	9678.5%	2,559,633	8366.1%
	2064	24,767	2,931,436	11836.0%	2,953,666	11925.7%	1.008	2,660,554	10742.2%	2,299,801	9285.7%
	2065	20,018	2,627,693	13126.5%	2,647,903	13227.4%	1.008	2,385,134	11914.8%	2,061,726	10299.2%
	2066	16,151	2,346,412	14527.8%	2,364,604	14640.4%	1.008	2,129,949	13187.5%	1,841,142	11399.4%
4.50%	PV 2017 - 2066	501,414,606	1,039,102,812	207.2%	1,064,697,203	212.3%	1.025	959,040,229	191.3%	829,000,876	165.3%
-0.5	PV Inception - 12/31/16	3,391,573,016	2,366,599,684	69.8%	2,366,599,684	69.8%	1.000	2,366,599,684	69.8%	2,366,599,684	69.8%
	PV Inception - 2066	3,892,987,622	3,405,702,496	87.5%	3,431,296,887	88.1%	1.008	3,325,639,913	85.4%	3,195,600,560	82.1%

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA - Policyholder Rate Increase Notification Letter

February 19, 2018

The above captioned form is to be sent to Ability Insurance Company policyholders notifying them of a rate increase, to be implemented upon approval. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
Printing date	Date the letter is printed
Name of policyholder	Name of policyholder for that particular policy
Address line 1	Street Address for that particular policyholder
Address line 2	City, State and Zip code for that particular policyholder
Policy number	Policy Number for that particular policy
Name of insured	Name of insured for that particular policy
New premium rate	New modal premium amount due after the rate increase
Effective date 1	Renewal date that the new premium rate is effective
Percentage increase	Percentage increase in the premium rate from the prior premium rate
Effective date 2	Renewal date that the new premium rate is effective
Adjust your coverage option	Paragraphs describing the option to adjust coverage to lower premium and offset the increase. When policy is actively on claim, the section is changed to read as follows instead: "**Adjust your coverage:** You may have the option to adjust your level of coverage in order to make your premiums more affordable. If you would like to investigate the availability of benefit adjustment options, please call our dedicated Customer Support Department, toll free at 877-795-8493. Please discuss potential policy changes with your family or advisors as well as our Customer Support Department to make sure any changes to your policy will best suit your needs."

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA-BAO - Policyholder Rate Increase Notification Letter Benefit Adjustment Option Form

February 19, 2018

The above captioned form is to be sent to Ability Insurance Company policyholders as an insert when applicable with a letter notifying them of a rate increase. The policyholder can fill out this form and return it with their signature to elect an option. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
Printing date	Date the letter is printed
Name of policyholder	Name of policyholder for that particular policy
Policy number	Policy Number for that particular policy
Benefit Adjustment Options	This section shows up to 5 specific benefit adjustment options. If any of the specific options are invalid due to current policy benefits already being at the minimum or maximum, the entire option is omitted. If no options are available, the entire form is omitted from the mailing.
Current Benefit Period 1	Shows current benefit period for policy
Adjusted Benefit Period 1	Shows adjusted benefit period for adjustment option 1 being quoted
Revised premium 1	Shows what the revised premium would be if adjustment option 1 is elected
Current Benefit Period 2	Shows current benefit period for policy
Adjusted Benefit Period 2	Shows adjusted benefit period for adjustment option 2 being quoted
Revised premium 2	Shows what the revised premium would be if adjustment option 2 is elected
Current elimination period 1	Shows current elimination period for policy
Revised premium 3	Shows what the revised premium would be if adjustment option 3 is elected
Current Benefit Period 3	Shows current benefit period for policy
Adjusted Benefit Period 3	Shows adjusted benefit period for adjustment option 4 being quoted
Current elimination period 2	Shows current elimination period for policy
Revised premium 4	Shows what the revised premium would be if adjustment option 4 is elected
Current base daily benefit amount	Shows current base daily benefit amount for policy
Revised base daily benefit amount	Shows adjusted base daily benefit amount for adjustment option 5 being quoted

Revised premium 5	Shows what the revised premium would be if adjustment option 5 is elected
Revised Inflated daily benefit amount	Shows adjusted inflated daily benefit amount for adjustment option 5 being quoted
Effective date 1	Renewal date that the revised inflated daily benefit amount is as of
Additional Coverages text	Paragraph is only included if the policy has a separate pool benefit for HHC benefits.
Effective date 2	Renewal date that the revised premiums for the adjustment options would become effective

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA-CBUL - Policyholder Rate Increase Notification Letter Contingent Benefit Upon Lapse Form

February 19, 2018

The above captioned form is to be sent to Ability Insurance Company policyholders as an insert when applicable with a letter notifying them of a rate increase. The policyholder can fill out this form and return it with their signature to elect the Contingent Benefit Upon Lapse. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
Printing date	Date the letter is printed
Name of policyholder	Name of policyholder for that particular policy
Policy number	Policy Number for that particular policy

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA-FAQ - Policyholder Rate Increase Notification Letter FAQ Insert

February 19, 2018

The above captioned form is to be sent to Ability Insurance Company policyholders as an insert with a letter notifying them of a rate increase. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
"What are the options to reduce my coverage?" and "I want to maintain an active premium paying policy, how do I change my coverage?" sections	Sections discussing the options to adjust coverage to lower premium and offset the increase. When policy is actively on claim, the section is changed to read as follows instead: **"Q. To keep my policy without paying the higher premium, how do I change my coverage?** A: To change your coverage we require your request in writing. You may submit the Benefit Adjustment Option Return Form included with your notification letter, or you may contact our Policyholder Services Department at 877-795-8493, electing option 2, then 3, at the prompt, to obtain a proposed benefit adjustment form for those options not identified in your letter. "

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **July 18, 2018**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated July 16, 2018

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. The Incurred Claims by year shown in the exhibit include undiscounted paid claims plus the current (as of 12/31/2016) claim reserve and IBNR (i.e. the paid claims are not discounted back to the incurred date for each claim). To determine the PV Incurred Claims we are taking the paid claims in each calendar year (not shown in the exhibit) and accumulating them to 12/31/2016 and then adding in the claim reserve and IBNR as of 12/31/2016. We are essentially calculating the PV the same way we are doing it for Earned Premium, but because the paid claims are not discounted in the Incurred Claims column we applying the interest to the paid claims outside of this exhibit and then adding in the claim reserve and IBNR.

2. The nationwide Active Life Reserve as of 12/31/2016 for policies with and without inflation protection is as follows:

    a. ALR for policies without inflation protection: $180,020,975
    b. ALR for policies with inflation protection: $$324,934,747

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **January 21, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated January 17, 2019

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

If the experience develops as projected in this filing then no further rate increases will be requested. Furthermore, please note that no future increase would be requested that would allow the company to improve upon the projected future experience in this filing. Any potential future increase would only be intended to get projected future experience in line with the experience projected in this filing. For example, if experience deteriorates over the next few years, and that deterioration is expected to continue, the company may choose to request another increase. The amount of the increase would be limited such that the present value of future expected claims minus the present value of future earned premium is equivalent to what is projected in this current filing as of the beginning of the projection period. Any poorer experience that occurred from 2017 through the time the next filing occurs would not be recouped. The only goal would be to get future projected experience in line with what is shown in the projection of this current filing.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **March 7, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated March 6, 2019

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

We have revised the letter to be in "John Doe" fashion.

Objection 2

We have bolded and increased the font size of the insurance company name in both the letterhead and the body of the letter. TriPlus handles all long term care correspondence with Ability policyholders, both via letters as well as over the phone, and has administered these policies for over ten years. All policies affected by this filing have been inforce for at least 15 years so the policyholders are aware that they have Ability Insurance Company policies administered by TriPlus Services.

TriPlus Services is only shown in the letterhead and the signature line. Would it be preferable to file this form with the letterhead only listed as a placeholder (i.e. removing the actual letterhead and just listing the word "Letterhead" in its place), as well as doing the same for the signature line? If we submit the form this way then the form would be filed generically but we would still be able to use the actual letterhead and signature line when mailing out the letters.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **April 17, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objections Dated April 9, 2019

This memo is in response to the captioned Objection Letters from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

OBJECTION LETTER 1

Objection 1

1. The reason the proposed increase varies by issue age is because the lower lapse rate assumption combined with mortality improvement has a greater impact on younger issue ages and on policies with inflation protection. We have also compared premium rates of the forms included in this filing with premium rates of companies that are still issuing new business and the biggest discrepancies are at the youngest issue ages with inflation protection, so this increases closes the premium gap at these pricing cells.

2. The requested update to Appendix A is attached, as well as providing that same information for Virginia policyholders as of 12/31/2016 and 12/31/2018.

3. The requested split by Inflation vs. Non-Inflation of the projection labeled "Experience Starting January 1, 1988 Forward - Premium restated at Original Rate Level Using Original Pricing Assumptions, but actual issued policies" is attached as the Excel file titled "Virginia Exhibit 8 – Inflation and Non-Inflation split.xlsx." Please note that as stated in the comments accompanying the original exhibit, these projections are an estimation and not a seriatim projection of the originally issued policies. We used the original lapse, mortality and claim cost tables for representative cells from each form group in the filing to project each of the individual issue year cohorts of experience on a durational basis using those original assumptions. The issue year projections were then added together to result in the calendar year loss ratio projection as shown on that first tab of the attached exhibit.

   Additionally, the representative cells used in creating the original exhibit were all based on non-inflation policies; the sum of the two separate projections provided with this response are a better approximation of the total projected lifetime loss ratio using original pricing assumptions and originally issued policies and premiums.

Objection 2

We moved the “John Doe” version of the letter to supporting documentation and re-submitted the actual letter showing the variability to the Form Schedule.

Objection 3

We have revised each form to ensure that the footer is in 10 point font as requested.

Objection 4

As we discussed in our March 1, 2018 response, we are willing to add the sentence you mentioned in your response to our rate increase letter, however, we do not know what that sentence means. If a policyholder calls us and asks us for a revised premium rate or rate schedule, we would not know what to give them. Please clarify what a revised premium rate or rate schedule means so we can properly comply with the Department’s request. Please also recommend where we should add that sentence to the letter as we are having a difficult time determining where we should add the sentence “The insured has a right to a revised premium rate or rate schedule upon request.”

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

TriPlus Services, Inc. • Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
FAX: (844) 855-7817
EMAIL: customersupport@tri-plus.net

5/13/2019

John Doe
123 Main Street
City, VA, Zip Code

Policy No: 00001
Insured: John Doe

Dear John Doe:

We value your business and want to thank you for choosing **Ability Insurance Company** to provide your long term care coverage. We are committed to ensuring that your long term care insurance benefits are there when you need them.

The purpose of this letter is to notify you that we have determined that it is necessary to increase premiums for your coverage. This is not a premium notice; if you are on a direct, paper bill mode you will receive a notice of premium due approximately 30 days before the premium is due. Your future premium rate(s) will be as follows:

> * The Annual renewal premium rate of $1,200.00 will become effective on 7/17/2019. This represents a percentage increase of 20.0%. Please note that this premium rate does not reflect any future rate increases that may occur.

Reasons for the Premium Increase
Premium rates on your policy are being raised as a result of different than expected persistency (how long policies stay in force) and morbidity (both the incidence of illness in the population and the duration of the illness). The policy persistency, claim incidence and duration of illness in the population have been higher than initially anticipated. The higher persistency and morbidity combined with the cost of care continuing to increase means that premium rates must be adjusted to ensure current and future claims are adequately funded.

Options Available To You:
We do understand that this premium increase may make it more difficult to continue your current level of coverage. Please know that we do not take this action lightly and we recognize that raising premiums may have a significant impact on you. As such, below are options that you may consider at this time:

1. **Continue current level of coverage:** Keep your exact coverage without any changes and the new premium will take effect on 7/17/2019. If we do not hear from you, then we will assume that you have accepted the higher premium amount.

2. **Adjust your coverage:** You may consider adjusting the level of coverage in order to make premiums more affordable. We have provided you with the enclosed Benefit Adjustment Option Return Form, which illustrates the available policy adjustment offer(s) as an alternative to the current plan, while still maintaining essential coverage. **Please note that all options may not be of equal value.**

   If you would like to investigate additional benefit adjustment options, not mentioned in the enclosed, please call our dedicated Customer Support Department, toll free at 877-795-8493.

TriPlus Services, Inc. • Third-Party Administrator for
Ability Insurance Company
Policyholder Services Department
PO Box 3735
Omaha, NE 68103-0735

PHONE: (877) 795-8493
FAX: (844) 855-7817
EMAIL: customersupport@tri-plus.net

Please discuss potential policy changes with your family or advisors as well as our Customer Support Department to make sure any changes to your policy will best suit your needs.

3. **Elect the Contingent Benefit Upon Lapse:** If you determine that you would like to discontinue this coverage we will provide a Contingent Benefit Upon Lapse. If you elect this option, the new maximum benefit amount will be equal to the greater of the sum of the premiums paid into the policy from the issue date through the current paid to date or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the remaining amount of benefits available under the policy if it remained in premium paying status. If you currently have an open claim, or if a new claim is filed, any benefits paid for dates of service after the effective date of this new policy status will be applied to and will not exceed the policy's new maximum benefit amount. To determine the number of days payable under the policy, the sum of all premiums paid is divided by the Daily Benefit at the time of lapse. Benefit Eligibility is determined by the policy terms and all benefits paid by us will not exceed the maximum benefits which would have been payable if the policy had remained in premium paying status.

   This Contingent Benefit Upon Lapse acts as a form of reduced paid up coverage and will be available should you choose to lapse the coverage at any point between now and 120 days following the date the new premium rates take effect. If you would like to elect this benefit please complete and return the enclosed Request to Exercise Contingent Benefit Upon Lapse form. If you do not complete this form, and you lapse your policy within 120 days after the effective date of the rate increase, this benefit will be automatically applied.

When you purchased your long-term care coverage, you made a conscious decision to protect yourself and your family from the increasing costs associated with long-term care, which can be significant; therefore we would like to stress the importance of retaining this valuable coverage. Before considering the options above, please carefully evaluate your situation and your reasons for initially purchasing this coverage.

Please note that the policy may be subject to future rate increases. In the event of future rate increases, similar options may be available; however, you can contact us at any time to discuss decreasing your coverage and premiums, per the provisions of your policy.

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

We have enclosed additional information about this increase in the Frequently Asked Questions document. For any additional questions, please call our customer service center at 877-795-8493, electing option 2, then 3, at the prompt, and a customer support representative will be happy to assist you.

Sincerely,

Policyholder Services Department
TriPlus Services, Inc.
Third Party Administrator for Ability Insurance Company
Enclosures

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **April 17, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objections Dated April 9, 2019

This memo is in response to the captioned Objection Letters from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

OBJECTION LETTER 2

Objection 1

The current nationwide cumulative increase to date for the forms we are requesting an increase on in this nationwide filing is approximately 302%.

Objection 2

The attached exhibit shows the average requested and approved rate increases nationwide. Several of the prior increases varied by either issue age, benefit period and/or inflation protection. While we request the same level of increase per pricing cell in all states, the average amount of the increase varies by state due to the distribution of policies within each state. The nationwide cumulative increase if all requested increases were approved would be approximately 380%.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **May 24, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated May 21, 2019

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. This is an acquired block and very little of the original pricing and filing materials are available. Because of that we are not able to create a seriatim projection of the originally issued policies using original pricing assumptions. As we discussed in our previous letter, the projections provided with our prior response were an estimation and not a seriatim projection of the originally issued policies. We used the original lapse, mortality and claim cost tables for representative cells from each form group in the filing to project each of the individual issue year cohorts of experience on a durational basis using those original assumptions. The issue year projections were then added together to result in the calendar year loss ratio projection as shown on that first tab of the attached exhibit.

   The current and proposed projections included in the filing are seriatim projections using all policies inforce as of 12/31/2016 and the pricing assumptions included in the Actuarial Memorandum. Basically, we are able to provide seriatim projections using current assumptions and inforce policies, but we are unable to provide seriatim projections using the original assumptions and original issued policies.

   Please note that we believe it is most appropriate to compare this current filing with the previously approved rate filing for this block of business. We use a prospective method similar to the "Texas" approach when determining the need for a rate increase. The company does not look to recoup any past losses, it only attempts to get future experience in line with what had been projected in the prior filing.

   We are copying in a portion of Section 9 of the Actuarial Memorandum below, which illustrates that we are only trying to get 2017+ experience in line with what had been projected in the approved 2013 filing:

   This filing is intended to return the future experience of this block to the level projected in 2013. As shown in the attached exhibit, this rate increase, if approved as assumed would result in the following as compared to the 2013 filing:

Projection Years 2017+	*2013 Filing*	*Current Projection Without Increase*	*Current Projection With Increase*
PV Future EP (in millions)	*$534.5*	*$501.4*	*$610.7*
PV Future Claims (in millions)	*$963.2*	*$1,039.1*	*$1,039.1*
PV Future (EP – Claims) (in millions)	*-$428.7*	*-$537.7*	*-$428.4*

The referenced exhibit (attached again with this letter) also shows actual experience from years 2013-2016 and compares that to what had been projected in the 2013 filing. The projected earned premium minus incurred claims for those four years was -$6.7 million. The actual earned premium minus incurred claims for those four years was -$80.0 million. The company is not trying to recoup any of that $73.3 million deficiency from years 2013-2016. The only goal with this filing is to get 2017+ experience in line with what was projected in the 2013 nationwide filing.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Ability/Medico Insurance Companies

Nationwide Experience - All Forms Receiving a Rate Increase - Incurred Claims are WITHOUT Changes in Active Life Reserves

	Actual Data		2013 Filing		2017 Filing			
					No Rate Increase		With 30% avg increase starting 9/1/17	
Experience Year	Earned Premium	Runout Incurred Claims Discounted to Incurred Year	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims	Earned Premium	Incurred Claims
2013	74,519,157	101,432,209	77,681,627	93,420,847				
2014	74,942,415	98,498,314	98,349,210	95,765,692				
2015	74,084,629	87,821,203	103,653,070	96,305,394				
2016	71,114,054	86,980,151	94,753,455	95,630,029				
2017			85,640,966	94,317,032	71,651,996	89,510,222	72,733,941	89,510,222
2018			77,113,082	92,592,188	67,335,177	87,536,987	74,452,505	87,536,987
2019			69,144,456	90,421,901	62,255,470	85,457,087	73,536,161	85,457,087
2020			61,724,999	87,721,070	56,720,111	83,770,169	70,423,690	83,770,169
2021			54,861,152	84,584,338	51,188,571	81,861,789	66,647,520	81,861,789
2022			48,531,601	81,059,078	45,913,872	79,759,470	59,779,861	79,759,470
2023			42,734,362	77,265,355	40,995,114	77,942,467	53,375,639	77,942,467
2024			37,457,467	73,206,026	36,450,681	75,840,288	47,458,786	75,840,288
2025			32,673,748	68,941,597	32,266,751	73,353,089	42,011,310	73,353,089
2026			28,361,390	64,494,188	28,435,954	70,520,966	37,023,612	70,520,966
2027			24,498,177	59,949,583	24,949,356	67,433,362	32,484,061	67,433,362
2028			21,054,448	55,445,446	21,790,205	64,132,472	28,370,847	64,132,472
2029			18,004,001	51,045,750	18,944,758	60,645,888	24,666,075	60,645,888
2030			15,318,845	46,786,659	16,396,711	56,979,035	21,348,518	56,979,035
2031			12,969,539	42,669,119	14,127,714	53,166,507	18,394,284	53,166,507
2032			10,927,993	38,820,578	12,120,161	49,363,959	15,780,450	49,363,959
2033			9,163,357	35,310,692	10,351,807	45,666,194	13,478,053	45,666,194
2034			7,649,927	32,090,613	8,806,083	42,112,276	11,465,520	42,112,276
2035			6,361,981	29,165,997	7,464,845	38,723,459	9,719,228	38,723,459
2036			5,270,688	26,437,854	6,305,197	35,503,708	8,209,367	35,503,708
2037			4,350,924	23,928,920	5,307,014	32,672,272	6,909,732	32,672,272
2038			3,579,579	21,653,969	4,449,076	30,174,823	5,792,697	30,174,823
2039			2,938,249	19,592,073	3,718,167	27,843,583	4,841,054	27,843,583
2040			2,405,566	17,712,526	3,096,384	25,648,985	4,031,492	25,648,985
2041			1,965,463	15,980,280	2,571,036	23,557,998	3,347,489	23,557,998
2042			1,603,449	14,411,232	2,129,719	21,615,434	2,772,895	21,615,434
2043			1,306,149	12,988,363	1,759,971	19,814,730	2,291,482	19,814,730
2044			1,062,323	11,693,313	1,450,944	18,142,156	1,889,128	18,142,156
2045			863,132	10,512,387	1,194,052	16,578,033	1,554,656	16,578,033
2046			700,746	9,441,821	981,191	15,123,336	1,277,511	15,123,336
2047			568,471	8,500,682	805,125	13,822,703	1,048,273	13,822,703
2048			460,875	7,672,421	659,836	12,660,158	859,107	12,660,158
2049			373,341	6,936,632	540,050	11,615,383	703,145	11,615,383
2050			302,238	6,281,902	441,525	10,670,256	574,865	10,670,256
2051			244,728	5,692,861	360,861	9,803,695	469,841	9,803,695
2052			198,120	5,165,068	294,753	9,012,611	383,768	9,012,611
2053			160,358	4,689,699	240,621	8,290,704	313,289	8,290,704
2054			129,768	4,258,282	196,327	7,629,447	255,618	7,629,447
2055			104,987	3,858,615	160,104	7,004,034	208,455	7,004,034
2056			84,911	3,486,033	130,494	6,408,818	169,903	6,408,818
2057			68,647	3,145,770	106,300	5,856,923	138,403	5,856,923
2058			55,470	2,840,195	86,542	5,355,489	112,678	5,355,489
2059			44,793	2,552,266	70,413	4,877,680	91,678	4,877,680
2060			36,140	2,284,453	57,249	4,426,717	74,539	4,426,717
2061			29,127	2,036,776	46,508	4,002,294	60,553	4,002,294
2062			23,443	1,814,379	37,744	3,616,104	49,142	3,616,104
2063					30,595	3,263,277	39,835	3,263,277
2064					24,767	2,931,436	32,247	2,931,436
2065					20,018	2,627,693	26,064	2,627,693
2066					16,151	2,346,412	21,029	2,346,412
Total			1,067,560,535	1,842,577,946	665,454,070	1,686,672,578	821,699,991	1,686,672,578
PV 2017+			534,549,637	963,174,707	501,414,606	1,039,102,812	610,685,427	1,039,102,812
Diff in PV Premium - PV Claims for 2017+			-428,625,070		-537,688,206		-428,417,386	

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **October 24, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Phone Calls From October 17-21, 2019

This memo is in response to the captioned telephone calls we had on October 17 and October 21 regarding this LTC rate increase filing. This response addresses the issues we discussed on the telephone calls.

The company will accept the proposed average 24% rate increase. The proposed rate increase percentages by pricing cell are shown in the revised Actuarial Memorandum. The average rate increase is slightly above or below 24% by company (Ability is slightly below 24%, Medico is slightly above 24%) but the overall average among all inforce policyholders is 24%. Revised rate sheets have been added to the Rate/Rule Schedule tab of the filing and a post-submission update has been submitted reflecting the revised percentages.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **October 25, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection From October 24, 2019

This memo is in response to the captioned objection letter on October 24 from Bobby Toone of the Virginia Department of Insurance regarding this LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

1. The numbers shown in the Actuarial Memorandum were for both Ability Insurance Company and Medico Insurance Company combined. We have revised Table I and Appendix A to show the Virginia inforce policies and premium separately by company.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Medico™ Insurance Company (formerly Mutual Protective Ins Co)
Ability Insurance Company (formerly Medico™ Life Insurance Company)
Omaha, Nebraska
Actuarial Memorandum - Individual A&H Rate Filing
Virginia Long Term Care Policy Forms and Riders
Virginia

1. Purpose of Filing

The purpose of this filing is to demonstrate that the anticipated lifetime loss ratio of these forms meets the minimum state requirements in light of the included rate increase request. It is not intended for any other purpose.

2. Scope of Filing

This filing applies to the Virginia Long Term Care Policy Forms and Riders as shown in the 'Benefits' section. The forms were marketed by independent agents but are not available for sale anymore. This rate revision applies only to inforce business. We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce. The increase will be larger for policies at younger issue ages and for policies with an inflation protection benefit. Based on the Virginia specific distribution of inforce forms, issue ages and inflation options, the average increase in Virginia would be 42.48% for the 118 Ability policies, 53.07% for the 37 Medico policies, and 45.32% for all policies across both companies if we requested the same increase as is being requested nationwide. However, we have agreed to limit our request at this time to an average increase of 24%. The exact rate increase percentages by pricing cell are shown in Appendix A.

An exhibit detailing the increase by issue age, inflation option and policy form is included at the end of this memo as Appendix A. The increase will vary by policy form where necessary based on the differing banded age rating in the original pricing structures. While form 3358 has been included in the memo and experience projections within this filing and in previous filings on this block, we are not requesting an increase on this form at this time. Form 3358 is the oldest form in the block and has the most favorable remaining projection of the lifetime loss ratio in the block. A table showing the distribution of inforce business by form (excluding policies in paid up status) as of 12/31/2016 is included as Table I at the end of this memo.

3. Benefits

These policies and corresponding riders cover Long Term Care expenses and have been grouped for rating purposes.

Policy Form 3358 and Rider Forms UR2038, UR2048, UR275, and UR589R: Developed in the latter part of 1987, Form 3358 provides benefits for Nursing Home Care and Adult Day Care. The policy also has a provision for Waiver of Premium. The policy pays $20 a day for maximum of 180 days of Adult Day Care. Four riders were optionally available. UR2048 provides inflation protection (Nursing Home Care Only). UR275 deletes the occurrence maximum and increases the lifetime maximum to 5, 10, or unlimited years. UR2038 and UR589R provide Home Health Care benefits.

Policy Form LT692 and Rider Forms UR592, UR295, and UR295C: Developed in 1992, Form LT692 provides benefits for Nursing Home Care and Adult Day Care. The policy also has provisions for Waiver of Premium and Survivorship (if both husband and wife have LT692 policies). Additional benefits include bed reservation, alternate plan of care, deferred purchase of inflation coverage, and extended period of reinstatement due to a lapse related to cognitive impairment suffered at time of lapse. The policy pays a daily benefit for Nursing Home Care and Adult Day Care up to 33% of the policy daily benefit. The UR592 provides benefits for Home Health Care. UR295 increases the Nursing Home daily benefit by 5% of the original daily benefit. UR295C increases the Nursing Home daily benefit by 5% of the previous year's daily benefit.

Policy Form LT694 and Rider Forms UR268, UR273 and UR-AB-287: Developed in 1996, Form LT694 provides benefits for Nursing Home Care, Alternative Care, Assisted Living Care, and Adult Day Care. The policy also has provisions for Waiver of Premium. Additional benefits include care giver training, bed reservation, extended period of reinstatement due to a lapse related to cognitive impairment suffered at time of lapse, and restoration of benefits. The policy pays a daily benefit for Nursing Home Care, Alternative Care, Assisted Living up to 50% of the policy daily benefit (80% if care coordinator used), and Adult Day Care up to 50% of the policy daily benefit and lifetime maximum. UR268 increases the policy daily benefit by 5% of the previous year's daily benefit. UR273 is a return of premium rider. UR-AB-287 removes the non-duplication of Medicare benefits.

4. Rate Increase Request, Reasons for and Expected Effect on Premiums

We are requesting an increase to the current premium rates that varies by issue age and inflation protection option, averaging 30.2% nationwide based on the current inforce. The increase will be larger for policies at younger issue ages and for policies with an inflation protection benefit. An exhibit detailing the increase by issue age, inflation option and policy form is included at the end of this memo as Appendix A. The increase will only vary by policy form where necessary based on the differing banded age rating in the original pricing structure.

We will notify Virginia-issued policyholders at least 75 days in advance before implementing a rate increase so it is expected that this rate revision will be implemented approximately 85 days following the approval of this increase.

This rate increase is necessary because projected future morbidity and terminations have changed from what was anticipated when the most recent nationwide rate adjustment was requested in 2013. There are several reasons for this change in projected future experience:

- The actual 2013-2016 morbidity experience is considerably poorer than projected experience from the 2013 rate increase filing that was submitted in your state.
- Actual versus expected experience was analyzed for each block of business and morbidity adjustment factors were developed. Based on the experience over the past three years, an aggregate factor of approximately 1.31 is applied to the underlying claim cost assumptions for the first projected experience year. This factor is graded down 2% over the next 5 years and then remains level for the remainder of the projection.
- Separate morbidity improvement of 1.0% per year for 20 years starting in 2017 was also assumed in the projection to account for the expectation that individuals will become healthier due to advances in health care.
- The actual 2013-2016 termination experience shows a lower implied voluntary lapse rate than projected experience from the 2013 rate increase filing that was submitted in your state.
- Additionally, mortality improvement of 0.5% per year for 20 years starting in 2017 was also assumed in the projection, again to account for the expectation for advances in health care leading to a decline in the underlying mortality rate.

The larger requested increase on policies with younger issue ages and inflation protection is due to the greater impact of the assumption changes on these rates. Current rates for inflation policies and common comparable benefit periods on our most prevalent inforce forms, range from only 3% to 36% of average unisex-adjusted rates on currently sold forms in the industry at issue ages under 50, and from 42% to 87% for ages 50-70. The proposed increase will bring the rates on policies issued at younger issue ages and the differential between inflation and non-inflation inforce policies closer to the levels and relationships of currently sold policies.

Please note that we are not attempting to recoup past losses for the poor 2013-2016 experience. This rate increase is solely intended to get experience back in line with what was projected in our 2013 rate increase filing for years 2017 and forward. An exhibit comparing the projection from our 2013 filing with our current projection of future business is attached.

We intend to reduce the potential burden of this rate increase by offering policyholders the option to downgrade their coverage to keep the premium rate more affordable. Most policyholders will receive pre-programmed downgrade offers in the rate increase notification letter that would allow them to reduce their premium rate by choosing to increase their elimination period or decrease their benefit period. Policyholders will also be informed that they may call in to our customer service line to discuss other downgrade options as well if they would like to lower their premium rate.

We will again be providing a contingent non-forfeiture benefit to all policyholders regardless of whether or not their policy covers this benefit. This non-forfeiture benefit would be in the form of a shortened benefit maximum amount/period equal to the amount of premium the policyholder paid in over the lifetime of the

policy should the policyholder lapse coverage within 120 days following the effective date of the rate increase. This benefit will not be reduced by prior claims, although the maximum non-forfeiture benefit will be limited to the remaining maximum benefit amount under the policy.

We recognize this is a large increase to request at one time. We believe it is in the policyholder's best interest to know up front how much of an increase is necessary as it allows them to make an informed decision regarding keeping their current level of coverage inforce, downgrading their policy to lower their premium or choosing the non-forfeiture option. Any delay in this filing via staged partial implementation schedules or because of reductions in the proposed rates, would likely magnify the cumulative total rate increase percentage needed over time for this group of policies.

5. Rate Justification Standard - Minimum Loss Ratio
This filing demonstrates that both the projected future loss ratio and the anticipated lifetime loss ratio are higher than the minimum loss ratio required for long term care policy forms.

6. Rate Increase History
Shown below are the approval dates and the percentage of past rate increases in your state:

Date	3358	692	694
5/7/02	20% / n/a	20% / n/a	20% / 0%
9/2/04	20% / n/a	20% / n/a	20% / 20%
7/10/06	10% / n/a	20% / n/a	20% / 0%
4/21/11**	31.8%	31.8%	31.8%
9/30/14***	40.5%-81.6%	40.5%-81.6%	40.5%-81.6%

* Rate increases for policies originally issued by Medico Insurance Company are shown on the left side and rate increases for policies originally issued by Ability Insurance Company are shown on the right. The "n/a" is shown for forms in which there are no inforce policies for that form and company in your state.

** The 2010 rate increase ranged from 10.0%-40.0% depending on the issue age. The overall average rate increase was 31.8%.

*** The 2014 rate increase was three annual increases of 12% on non-lifetime benefit period plans and three annual increases of 22% on lifetime benefit period plans. The increase averaged 70.362% on Medico policies in Virginia and 70.584% on Ability policies in Virginia.

7. Projection Assumptions
The following assumptions were used in order to generate the present value of future premium and claims and their loss ratio.

a. Assumptions that are unchanged from the 2013 rate filing:

   Interest - An effective annual rate of interest of 4.50% has been assumed for accumulating past experience and discounting projected future experience.

   Claim Cost Guidelines – Morbidity costs were projected based on claim costs from the 2009 Milliman Long Term Care guidelines. Adjustments for actual experience have been updated and are addressed below.

   Experience Data Credibility - The requested rate revision is based on nationwide experience since that gives us the maximum credibility.

b. Assumptions that have been revised since the 2013 rate filing:

   Terminations – The 1994 GAM mortality table along with an annual voluntary termination rate of 0.85% have been assumed for projecting the inforce into the future.

Mortality Improvement – Mortality improvement of 0.5% per year starting in 2017 for 20 years was assumed in the projection to account for the expectation that individuals will become healthier and mortality will improve due to advances in health care.

A/E Adjustments – Actual versus expected experience was analyzed for each block of business and morbidity adjustment factors were developed. Based on the experience over the past three years, an aggregate factor of approximately 1.31 is applied to the underlying claim cost assumptions for the first projected experience year. This factor is graded down 2% over the next 5 years and then remains level for the remainder of the projection.

Morbidity Improvement – Morbidity improvement of 1.0% per year starting in 2017 for 20 years was assumed in the projection to account for the expectation that individuals will become healthier due to advances in health care.

Premium Rate Increase - The actual effective dates of the rate increase nationwide will vary depending on state approval dates. For projection purposes, the average nationwide requested premium rate revision of 30.2% has been assumed with a starting effective date of September 1, 2017 and phased in over the next 5 year. For all years thereafter, no annual rate increases have been assumed.

The Company engaged Milliman, Inc. to perform a review of these assumptions, the resulting projections and the proposed premium rate increase. A letter from Milliman attesting to their review and their opinion that the proposed increase is justified based on the underlying projection has been included in the filing materials.

8. Past Experience

The attached exhibit shows the past experience for the business. The experience is through December 31, 2016 and is based on nationwide experience. The return of premium riders were excluded from the experience. The accumulated value of past earned premium is $3,391,573,016 and the accumulated value of past incurred claims is $2,366,599,684. This results in a loss ratio of 69.8%.

9. Projected Future Experience

The future experience has been generated for 50 years using the business in force as of December 31, 2016. Adjustments have been made to the experience by applying the termination rates and rate increase assumptions as shown in the Projection Assumptions section. The present value of future earned premium is $610,685,427 and the present value of future incurred claims is $1,039,102,812. This results in a loss ratio of 170.2%.

This filing is intended to return the future experience of this block to the level projected in 2013. As shown in the attached exhibit, this rate increase, if approved as assumed would result in the following as compared to the 2013 filing:

Projection Years 2017+	2013 Filing	Current Projection Without Increase	Current Projection With Increase
PV Future EP (in millions)	$534.5	$501.4	$610.7
PV Future Claims (in millions)	$963.2	$1,039.1	$1,039.1
PV Future (EP – Claims) (in millions)	-$428.7	-$537.7	-$428.4

10. Anticipated Lifetime Loss Ratio

The anticipated lifetime loss ratio is defined as the sum of the present value of past and projected incurred claims divided by the sum the present value of past and future earned premium. These values are summarized below:

Experience Period	Earned Premium	Incurred Claims	Loss Ratio
Past Years	3,391,573,016	2,366,599,684	69.8%
Projected Future	610,685,427	1,039,102,812	170.2%
Anticipated Lifetime	4,002,258,443	3,405,702,496	85.1%

The projected future loss ratio and the anticipated lifetime loss ratio are both greater than the required minimum loss ratio of 60%. This demonstrates that the premium and claims experience meets the minimum loss ratio requirements.

11. Actuarial Certification

I am a consulting actuary with TriPlus Services, Inc. and retained by Ability Insurance Company to render an opinion with regard to long-term care insurance rates. I am a member of the American Academy of Actuaries. I meet the Academy's qualification standards to render this actuarial opinion and am familiar with the requirements for filing long-term care insurance premiums and rate increases.

This memorandum has been prepared in conformity with all applicable Actuarial Standards of Practice, including Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits" and 18, "Long-Term Care Insurance."

I hereby certify that, to the best of my knowledge and judgment, this rate submission is in compliance with the applicable laws and regulations of this jurisdiction and the rules of the department of insurance.

In my opinion, the rates have been calculated in a manner that complies with accepted actuarial practices, are uniformly applied to all policies within each issue age rate class, are not excessive or unfairly discriminatory, and bear reasonable relationship to the benefits based on the loss ratio standards of this jurisdiction.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. Based on these assumptions, or statutory requirements where necessary, the premium rate filing is in compliance with the loss ratio standards of this jurisdiction.

Todd Moltumyr, ASA, MAAA
Vice President

Table I
Inforce Policies and Annual Premium by Policy Form as of 12/31/2016
with Average Annual Premium for Current and Proposed Rates

		Non-Inflation				Inflation			
	Form	Inforce Policies	Inforce Premium	Avg Prem Current	Avg Prem Proposed	Inforce Policies	Inforce Premium	Avg Prem Current	Avg Prem Proposed
					Ability Insurance Company				
Virginia	3358	1	$3,956	$3,956	$3,956	0	$0	$0	$0
Virginia	692	1	$9,423	$9,423	$9,423	6	$13,407	$2,235	$2,952
Virginia	694	45	$112,665	$2,504	$2,558	65	$206,851	$3,182	$4,277
					Medico Insurance Company				
Virginia	3358	0	$0	$0	$0	0	$0	$0	$0
Virginia	692	0	$0	$0	$0	0	$0	$0	$0
Virginia	694	8	$22,520	$2,815	$2,869	29	$104,508	$3,604	$4,770
					Ability and Medico Insurance Company Combined				
Nationwide	3358	734	$1,591,948	$2,169	$2,304	0	$0	$0	$0
Nationwide	582	5	$6,509	$1,302	$1,562	0	$0	$0	$0
Nationwide	585	58	$82,308	$1,419	$1,475	5	$9,654	$1,931	$3,152
Nationwide	690	0	$0	$0	$0	15	$34,768	$2,318	$3,088
Nationwide	691	255	$610,647	$2,395	$2,523	145	$471,003	$3,248	$5,332
Nationwide	692	581	$1,218,606	$2,097	$2,364	332	$817,700	$2,463	$4,249
Nationwide	693	1	$6,009	$6,009	$10,817	4	$18,315	$4,579	$13,149
Nationwide	694	7,135	$19,272,575	$2,701	$2,994	4,221	$13,555,292	$3,211	$5,448
Nationwide	695	1,182	$2,451,326	$2,074	$2,516	1,367	$2,955,019	$2,162	$4,243
Nationwide	696	85	$291,419	$3,428	$3,810	140	$455,978	$3,257	$6,068
Nationwide	697	6	$13,419	$2,236	$3,430	0	$0	$0	$0
Nationwide	698	3,181	$11,206,315	$3,523	$3,705	2,832	$11,281,815	$3,984	$6,506
Nationwide	597	63	$136,781	$2,171	$2,284	7	$31,767	$4,538	$6,181
Nationwide	201	2,146	$5,564,088	$2,593	$2,902	914	$2,823,947	$3,090	$5,387

Please note that the variation in each state's average annual premium is impacted by many factors. Examples of such factors - both demographic and policy benefit choices - include average issue age, average daily benefit amount, prevalence of inflation protection, distribution of benefit periods and elimination periods, optional benefits chosen, percentage of policies with marital discounts and underwriting factors, etc.

Appendix A

Nationwide Inforce Policies and Premium as of 12/31/2016
Nationwide Proposed Increase Percentages
Ability and Medico Insurance Company Combined
All Policy Forms**

	Inforce Policies		Inforce Premium		Proposed Increase*	
Issue Age	Non-inflation	Inflation	Non-inflation	Inflation	Non-inflation	Inflation
18-39	100	514	71,170	487,099	40%	90%
40-49	496	1,300	519,300	2,302,739	30%	80%
50-59	2,653	3,222	4,655,784	9,159,669	20%	70%
60-64	4,689	2,872	10,514,306	10,095,420	10%	60%
65-69	4,059	1,546	11,859,072	6,971,671	0%	60%
70	627	142	2,197,510	758,336	0%	58%
71	570	115	2,129,878	681,441	0%	56%
72	447	69	1,721,102	453,516	0%	54%
73	389	68	1,585,736	473,815	0%	52%
74	361	43	1,540,280	298,542	0%	50%
75	288	27	1,382,493	203,196	0%	48%
76	205	22	996,097	192,334	0%	46%
77	158	13	835,747	115,440	0%	44%
78	123	17	704,931	140,607	0%	42%
79	113	5	666,020	47,145	0%	40%
80+	154	7	1,072,523	74,288	0%	0%
Grand Total	15,432	9,982	42,451,949	32,455,256		

* Due to the construct of the policy rates where inflation is added via a rider with a separate premium schedule from the base policy, each piece of the policy rate will be increased appropriately to result in an overall policy increase targeted for the increases in the table above. The exact increase amounts on inflation policies may be slightly below or above the stated amount on a small percentage of policies due to rounding in the implementation process, or where inflation was added post issue or in other select situations.

** The proposed increase is adjusted as follows on policy form 3358. The increase on all other affected policy forms is as detailed above.

Policy Form 3358 – No Increase

Appendix A

Virginia Inforce Policies and Premium as of 12/31/2016
Virginia Proposed Increase Percentages
All Policy Forms**

	Ability Inforce Policies		Ability Inforce Premium		Medico Inforce Policies		Medico Inforce Premium		Proposed Increase*	
Issue Age	Non-Inflation	Inflation	Non-Inflation	Inflation	Non-Inflation	Inflation	Non-Inflation	Inflation	Non-Inflation	Inflation
18-39	0	0	0	0	0	0	0	0	20%	50%
40-49	0	10	0	15,687	0	3	0	5,613	20%	50%
50-59	8	37	13,576	95,459	0	14	0	40,926	10%	40%
60-64	10	17	21,492	70,997	4	6	8,589	24,233	5%	30%
65-69	19	6	53,974	28,695	2	3	5,277	16,379	0%	26%
70	2	0	4,533	0	1	1	5,994	4,407	0%	23%
71	1	0	3,741	0	0	1	0	2,248	0%	21%
72	2	1	7,441	9,421	0	0	0	0	0%	19%
73	0	0	0	0	0	1	0	10,702	0%	17%
74	1	0	1,885	0	1	0	2,660	0	0%	15%
75	2	0	7,194	0	0	0	0	0	0%	13%
76	0	0	0	0	0	0	0	0	0%	11%
77	1	0	2,785	0	0	0	0	0	0%	9%
78	0	0	0	0	0	0	0	0	0%	7%
79	1	0	9,423	0	0	0	0	0	0%	5%
80+	0	0	0	0	0	0	0	0	0%	0%
Total	47	71	126,043	220,259	8	29	22,520	104,508		

* Due to the construct of the policy rates where inflation is added via a rider with a separate premium schedule from the base policy, each piece of the policy rate will be increased appropriately to result in an overall policy increase targeted for the increases in the table above. The exact increase amounts on inflation policies may be slightly below or above the stated amount on a small percentage of policies due to rounding in the implementation process, or where inflation was added post issue or in other select situations.

** The proposed increase is adjusted as follows on policy form 3358. The increase on all other affected policy forms is as detailed above.

Policy Form 3358 – No Increase

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **November 26, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated November 25, 2019

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. Based on policies inforce as of 12/31/2016, the current national cumulative average increase is 337%, and the national cumulative average increase is 374% if all outstanding rate increase requests are approved for the full amount. The above percentages are for forms 690-698, which comprise the bulk of the block nationwide and in Virginia.

   Please note that several historical rate increases varied by issue age, benefit period and inflation protection option. Thus, although we request the same rate increase percentages by cell in each state, the average increase calculated on a state by state basis varies based on the inforce distribution within each state.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **December 30, 2019**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated December 30, 2019

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. Based on policies inforce as of 12/31/2016, the current Virginia cumulative average increase is 295%, and the Virginia cumulative average increase will be 366% if this current filing is approved. The above percentages are for forms 690-698, which comprise the bulk of the block nationwide and in Virginia.

   Please note that several historical rate increases varied by issue age, benefit period and inflation protection option. Thus, although we request the same rate increase percentages by cell in each state, the average increase calculated on a state by state basis varies based on the inforce distribution within each state.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **January 21, 2020**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated January 21, 2020

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

1. Yes, this reinstatement option is available to a policyholder that elects to stop paying their premium but does not return the CBUL form. It is available to all policyholders that lapse coverage or elect the CBUL but then later want to reinstate their policy within 65 days of the premium due date.
2. Yes, the policyholder is required to submit all past due premiums to reinstate their policy within the 65 day period from the premium due date.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **July 23, 2020**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated June 23, 2020

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

We have submitted a Certificate of Readability for the policyholder notification letter RI-17-VA on the Supporting Documentation tab of the filing. In order to reach a minimum Flesch Reading Ease score of 50 we have made changes to the form and have included the revised version of the letter on the Form Schedule tab of the filing.

Objection 2

We have included the updated website address in the revised letter submitted with this response.

Objection 3

We have added the full company name to the first paragraph of the FAQ insert RI-17-FAQ as requested. A revised copy of the FAQ form has been added to the Form Schedule of the filing.

Objection 4

Brackets have been added to the last FAQ around the phone number, prompt instructions, and office hours so they can be updated in the event that the information changes during the course of implementing the increase.

Objection 5

The statement “The policyholder has the right to a revised premium rate or rate schedule,” has been added to the letter. It continues to be unclear to us what this statement means or what is supposed to be done if a policyholder calls in with a request based on this statement. We are interpreting it to refer to the policyholder’s option to adjust benefits, either via one of the predesigned options to be included with the notification letter or by calling in to discuss alternative options with a customer service representative.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President

Ability Insurance Company

Certificate of Readability

Form:
RI-17-VA - Policyholder Rate Increase Notification Letter

July 23, 2020

Ability Insurance Company has reviewed the following form and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of 14 VAC 5-110-60 the regulations promulgated pursuant thereto.

Type/Title of Form	Form Number	Flesch Score
Rate Increase Notification Letter	RI-17-VA	50.1

Todd Moltumyr, ASA, MAAA

Vice President, TriPlus Services representing Ability Insurance Company

July 23, 2020

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA-FAQ - Policyholder Rate Increase Notification Letter FAQ Insert

July 23, 2020

The above captioned form is to be sent to Ability Insurance Company policyholders as an insert with a letter notifying them of a rate increase. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
"What are the options to reduce my coverage?" and "I want to maintain an active premium paying policy, how do I change my coverage?" sections	Sections discussing the options to adjust coverage to lower premium and offset the increase. When policy is actively on claim, the section is changed to read as follows instead: **"Q. To keep my policy without paying the higher premium, how do I change my coverage?** A: To change your coverage we require your request in writing. You may submit the Benefit Adjustment Option Return Form included with your notification letter, or you may contact our Policyholder Services Department at 877-795-8493, electing option 2, then 3, at the prompt, to obtain a proposed benefit adjustment form for those options not identified in your letter. "
Customer service contact number and office hours	The phone number, prompt instructions and office hours stated in the last FAQ have bene marked variable so they can be updated in the event that the information changes during the course of implementing the increase.

Ability Insurance Company

STATEMENT OF VARIABILITY

Form:
RI-17-VA - Policyholder Rate Increase Notification Letter

September 3, 2020

The above captioned form is to be sent to Ability Insurance Company policyholders notifying them of a rate increase, to be implemented upon approval. The language that is bracketed ("<< >>") in the attached form is intended to be illustrative and variable, and may be modified as described below.

Bracketed Item	**Description**
Printing date	Date the letter is printed
Name of policyholder	Name of policyholder for that particular policy
Address line 1	Street Address for that particular policyholder
Address line 2	City, State and Zip code for that particular policyholder
Policy number	Policy Number for that particular policy
Name of insured	Name of insured for that particular policy
New premium rate	New modal premium amount due after the rate increase
Effective date 1	Renewal date that the new premium rate is effective
Percentage increase	Percentage increase in the premium rate from the prior premium rate
Effective date 2	Renewal date that the new premium rate is effective
Adjust your coverage option	Paragraphs describing the option to adjust coverage to lower premium and offset the increase. When policy is actively on claim, the section is changed to read as follows instead: "**Adjust your coverage:** You may have the option to adjust your level of coverage in order to make your premiums more affordable. If you would like to investigate the availability of benefit adjustment options, please call our dedicated Customer Support Department, toll free at 877-795-8493. Please discuss potential policy changes with your family or advisors as well as our Customer Support Department to make sure any changes to your policy will best suit your needs."
Phone Number and Prompts	Customer Service Phone number, and instructions for prompts
Enclosures	If someone is on claim or if they are already at the lowest benefit amounts then they do not receive the Benefit Adjustment Option Return Form

To: **Bobby Toone**

From: **Todd Moltumyr ASA, MAAA**

Date: **September 3, 2020**

CC: **Beverly Toomey, Dave Krydynski**

Subject: Long Term Care Insurance Rate Filing – Objection Dated September 3, 2020

This memo is in response to the captioned Objection Letter from Bobby Toone of the Virginia Insurance Department regarding our LTC rate increase filing. This response addresses the objections in the same order they were listed in the letter.

Objection 1

Following the "Enclosures" heading at the bottom of the last page of the letter we provided the list of the items that will be included with Form RI-17-VA. Items that are not always included are shown in brackets and discussed in the revised Statement of Variability.

We appreciate your continued review of this filing. Please let us know if you have any questions or need additional information.

Sincerely,

Todd Moltumyr ASA, MAAA
Vice President