

State: Pennsylvania Filing Company: Continental Casualty Company
 TOI/Sub-TOI: LTC03G Group Long Term Care/LTC03G.001 Qualified
 Product Name: GLTC
 Project Name/Number: /

Filing at a Glance

Company: Continental Casualty Company
 Product Name: GLTC
 State: Pennsylvania
 TOI: LTC03G Group Long Term Care
 Sub-TOI: LTC03G.001 Qualified
 Filing Type: Rate - Other (Not M.U. or G.I. Product)
 Date Submitted: 09/25/2015
 SERFF Tr Num: CNAB-130153872
 SERFF Status: Assigned
 State Tr Num: CNAB-130153872
 State Status: Received Review in Progress
 Co Tr Num: GLTC-15
 Implementation: On Approval
 Date Requested:
 Author(s): Louis Scarim, Saira Makhani, Kristen Flens, Matthew O'Neall
 Reviewer(s): Jim Lavery (primary)
 Disposition Date:
 Disposition Status:
 Implementation Date:

State Filing Description:

Proposed 95.5% rate increase (70% now and 15% one year later) on 3,800 PA policyholders of several Continental Casualty Company (C.N.A.) Group LTC forms (?GLTC1? or P1-43636-A, ?GLTC2? or the SR-LTCP-Series, and ?Independent Solutions? or GLTC-3-P-xx-01).

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General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments: An informational filing for Illinois was submitted via SERFF on 9/25/2015.
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Small and Large
Group Market Type: Employer, Association, Trust	Overall Rate Impact: 95.5%
Filing Status Changed: 09/28/2015	
State Status Changed: 09/28/2015	Deemer Date:
Created By: Matthew O'Neall	Submitted By: Kristen Flens
Corresponding Filing Tracking Number:	
Filing Description:	
Please see cover letter in supporting documentation.	

Company and Contact

Filing Contact Information

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Filing Company Information

Continental Casualty Company	CoCode: 20443	State of Domicile: Illinois
333 South Wabash	Group Code: 218	Company Type: Property and Casualty
Chicago , IL 60604	Group Name: CNA Insurance Companies	State ID Number:
(312) 822-4292 ext. [Phone]	FEIN Number: 36-2114545	

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

CNAB-130153872

State Tracking #:

CNAB-130153872

Company Tracking #:

GLTC-15

State: Pennsylvania

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Rate Information

Rate data applies to filing.

Filing Method: SERFF

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 0.000%

Effective Date of Last Rate Revision:

Filing Method of Last Filing: Paper

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):
Continental Casualty Company	95.500%	95.500%	\$3,644,780	3,800	\$3,816,524	95.500%	95.500%

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GLTC-15

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GLTC

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Sheet Supplement	P1-43636-A, SR-LTCP-Series, GLTC-3-P-xx-01	Revised	Previous State Filing Number: N/A Percent Rate Change Request: 95.5	Group LTC PA Rate Supplement.pdf,

CONTINENTAL CASUALTY COMPANY
333 S Wabash Ave Chicago, IL 60605

Supplement to Rate Sheets for Policy Forms
"GLTC1" P1-43636-A, et al
"GLTC2" SR-LTCP-Series, et al
"Independent Solutions" GLTC-3-P-xx-01, et al

PENNSYLVANIA

All rates for this form should be multiplied by a factor of:

Year 1:	1.70
Year 2:	1.15
2 Year Cumulative:	1.955

This factor represents the **proposed** increase of: 95.5%

There have not been any previously requested increases.

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Supporting Document Schedules

Bypassed - Item:	Transmittal Letter (A&H)
Bypass Reason:	We believe there is no transmittal form required for this rate filing. Upon following the described link was prompted with an error message on log-in. "Error - This document does not exist or the current user does not have access to it."
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	Not applicable as this is not a new form filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	GLTC_RI_Actuarial Memo_PA.pdf Exhibits for Actuarial Memorandum.pdf GLTC_RI_Actuarial Memo_PA Supplement.pdf Attachments for the Supplement to the Actuarial Memorandum.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Advertisements (A&H)
Bypass Reason:	Not applicable for this rate filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Authorization to File (A&H)
Bypass Reason:	Not applicable as the filing is being submitted by the insurer.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Insert Page Explanation (A&H)
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CNAB-130153872

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State: Pennsylvania**Filing Company:**

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Bypass Reason:	Not applicable to this rate filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Rate Table (A&H)
Bypass Reason:	Not applicable to this rate filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	Not applicable to this rate filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	Not applicable to this rate increase filing.
Attachment(s):	
Item Status:	
Status Date:	
Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	Not applicable to this rate filing.
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Cover Letter
Comments:	
Attachment(s):	GLTC_Cover_Letter_PA.pdf
Item Status:	
Status Date:	

Continental Casualty Company (CCC)

ACTUARIAL MEMORANDUM

RATE INCREASE FOR GROUP LONG-TERM CARE POLICY FORMS

“GLTC1” P1-43636-A, et al

“GLTC2” SR-LTCP-Series, et al

“Independent Solutions” GLTC-3-P-xx-01, et al

1. Purpose of Filing

The purpose of this memorandum is to provide actuarial information supporting a rate revision to premiums for the group long-term care policy forms identified above and their associated riders. This rate filing is not intended to be used for other purposes.

Our long-term care insurance was provided under group policies issued to cover eligible employees of an employer, and at the option of the employer, retirees and/or family members of eligible employees who meet eligibility requirements. In addition, the SR-LTCP-Series form was marketed through a small number of associations.

While we are no longer actively marketing group long-term care to new groups, due to contractual obligations, coverage is still currently being offered to new enrollees for many of our inforce group accounts. We intend to close our group long-term care block effective February 1, 2016 and to this effect have notified our inforce group accounts of our intent to stop accepting new enrollees effective on this date. We would not implement any rate increase until such time as the policies are closed to new enrollees.

The rate revision is necessary because the current best estimate projection of the nationwide lifetime loss ratio has deteriorated significantly. The higher lifetime loss ratio is due primarily to lower than expected voluntary lapse and mortality. Although certain policy forms were originally priced prior to rate stability under the NAIC model regulation, certificates have been added after rate stability. Therefore, this filing is being made according to rate stability requirements. The rate increase being requested meets the 58/85 loss ratio test established in the 2000 LTC NAIC Model Regulation.

CCC is filing for premium rate increases in each state where the group long-term care policy forms identified above were issued.

Upon approval of this rate revision, CCC will communicate to the insured their options to reduce the impact of the rate increase. Although many insureds have contractual nonforfeiture benefits, a contingent benefit upon lapse will be made available for insureds who experience a substantial increase and lapse their coverage as defined in the LTC model bulletin adopted by the NAIC's Executive/Plenary committee on December 18, 2013.

2. Description of Benefits

Form P1-43636-A:

This form provides a daily benefit for long-term care received at home or a nursing facility. Qualification for benefits is inability to perform at least two of a set of five activities of daily living (ADLs). The full daily benefit (facility benefit or home health care benefit, as applicable) is payable for each day that care is received by a covered provider. Benefits begin after the elimination period and are payable until impairment ends or the maximum benefit (expressed as a multiple times the facility daily benefit) are paid out. Available lifetime maximum benefits are (multiples of the daily facility benefit) 1500, 1825, 2000, 3000, 4000, 5000, and an option for an overall maximum of \$1 million.

Optional Benefits: The form was originally offered with options regarding whether prior hospitalization would be required to obtain benefits, or prior facility care required to receive home care benefits. No policies were sold with those restrictions. Other options offered were a respite benefit and a 10 year simple automatic inflation option.

Form SR-LTCP-Series:

This form provides a daily benefit for long-term care received at home, an assisted living facility, or a nursing facility. Benefits are payable in the event the insured is impaired in a stated number of ADLs or is cognitively impaired after the appropriate elimination period has been satisfied. The policy form was available on an expense incurred (reimburse actual cost up to a daily benefit) or indemnity (pay a daily benefit for each day qualifying care was received) basis. Lifetime maximum benefits are defined as an aggregate dollar amount that is a multiple of the facility daily benefit. Available lifetime maximum benefits are (multiples of the daily facility benefit) 730, 1095, 1460, 1500, 1825, 2000, 2190, 2555, 3000, 3650, 4000, or 5000, and an option for an unlimited lifetime maximum benefit. Benefits for home based care are available at 50% to 100% of the daily facility benefit, depending on the level chosen by the insured.

Other Benefits: The form also includes benefits for bed reservation, respite care, waiver of premium, home medical technology, caregiver training, and alternate plan of care.

Optional Benefits: The form may have also included benefit options for additional respite care, family respite care, informal caregiver, worldwide coverage, restoration of benefits, nonforfeiture, and refund of premium upon death. Insureds may have had the option of selecting an inflation protection option. If the insured did not elect an inflation protection option, a guarantee benefit increase option was provided. This option allows the insured to periodically buy-up additional amounts of coverage.

Form GLTC-3-P-xx-01:

This form is similar to SR-LTCP-Series. The most significant difference is that independent providers (e.g., certified nurses' aides, etc.) are included as covered providers.

3. Renewability

These forms provide the insured guaranteed renewable group long-term care coverage.

4. In Force Business and Applicability of Rate Increase

The new premium rates will be applied to all insureds under group policies that were situated in your state except insureds under the group policies situated in your state that were issued certificates in a state that is an extraterritorial (ET) jurisdiction. These insureds are governed by the ET state's laws and regulations and will be included in that state for rate increase purposes.

The premium increase contained in this memorandum will be applicable to all insureds of the policy form and riders described in Section 1 as well as all future periodic inflation protection offers.

The data in the tables that follow is as of December 31, 2014.

Nationwide Inforce

Policy Group	Insured Count	Annualized Premium	Average Premium Before Requested Increase	Average Premium After Requested Increase
P1-43636-A, et al	1,123	\$589,585	\$525	\$1,026
SR-LTCP-Series, et al	197,278	141,801,724	719	1,405
GLTC-3-P-xx-01, et al	30,046	29,687,016	988	1,932
Total	228,447	172,078,326	753	1,473

Pennsylvania Specific Inforce

Policy Group	Insured Count	Annualized Premium	Average Premium Before Requested Increase	Average Premium After Requested Increase
P1-43636-A, et al	0	\$0	\$0	\$0
SR-LTCP-Series, et al	3,633	3,607,595	993	1,941
GLTC-3-P-xx-01, et al	167	208,929	1,251	2,446
Total	3,800	3,816,524	1,004	1,964

5. Actuarial Assumptions

These assumptions are our current, best estimate assumptions as of year-end 2014 and do not include provision for contingency, risk margins, or moderately adverse experience.

a. Morbidity

The Milliman 2002 Long-Term Care Guidelines provide the basis for the claim costs. The basis for the Milliman guidelines is experience of clients, supplemented by governmental studies, and the expertise and judgment of Milliman actuaries.

Adjustments were then made to incorporate CCC group long-term care actual claim experience which is deemed 100% credible on a nationwide basis.

A 1.6% annual improvement in morbidity (beginning in 2012) is assumed to apply for 15 years, as supported by the National Long-Term Care Survey results, and presented at the Society of Actuaries 2004 Spring Meeting, "Morbidity Improvement and Its Impact on LTC Insurance Pricing and Valuation". Progress updates of the research presented at the 2011 and 2014 Intercompany Long-Term Care Insurance Conferences further confirm the appropriateness of including morbidity improvement.

Please refer to Exhibit 1 for a summary of our most recent actual-to-expected morbidity study results as of June 30, 2014. Ratios of actual-to-expected claim experience by duration are developed, where the expected claims are derived from the Milliman 2002 Guidelines. The outcome of such analysis is a set of scalars which are applied to the Milliman claim costs used in the future projections we have submitted with this filing. The scalars so derived are shown in Exhibit 1 and in the table below.

Policy Duration (Years)	2014 Morbidity A/E
1	135.4%
2	91.5%
3	92.8%
4	92.9%
5	93.2%
6	93.4%
7	93.6%
8	93.7%
9	93.8%
10	93.9%
11	99.8%
12	106.2%
13	111.8%
14	117.5%
15+	120.5%
Overall	106.7%

b. Persistency (policy terminations)

The assumed termination rate for all of the product groupings is the sum of the following:

- A non-death (voluntary lapse and benefit exhaustion) termination rate that varies by issue age and policy duration
- Death rates from the 1994 Group Annuitant Mortality (GAM) Static Table adjusted by duration as follows:

Policy Year	Factor Applied to Mortality Rate	Policy Year	Factor Applied to Mortality Rate
1	.530	16	.760
2	.548	17	.770
3	.565	18	.780

4	.580	19	.790
5	.590	20	.800
6	.600	21	.810
7	.610	22	.820
8	.624	23	.830
9	.645	24	.840
10	.665	25	.850
11	.680	26	.860
12	.695	27	.870
13	.715	28	.880
14	.730	29	.890
15	.745	30+	.900

This is based on CCC group long-term care actual persistency experience. We have not updated the mortality assumption since 2012; however, we annually analyze total terminations and believe that more recent experience is consistent with the assumptions used in this filing.

The 1994 GAM mortality table rates are assumed to improve by 0.6% per year (beginning in 2012) for the next 15 years. This assumption is consistent with data shown in the Society of Actuaries report “Global Mortality Improvement Experience and Projection Techniques”, published in June 2011.

Non-death terminations (voluntary lapse and benefit exhaustion) vary by issue age and duration. Please refer to Exhibit 2 for additional details. Sample rates are shown below:

Voluntary Lapse Rates: The rates vary by issue age and duration. Sample rates are shown below.

Duration	Issue Age					
	< 30	30-39	40-49	50-59	60-69	70+
1	24.40%	15.36%	11.20%	8.00%	7.59%	5.00%
2	21.37%	13.84%	9.10%	6.30%	5.51%	4.00%
3	17.31%	10.93%	7.50%	5.20%	4.06%	3.40%
4	14.90%	9.41%	6.10%	4.00%	3.04%	2.80%
5	13.26%	8.47%	5.10%	3.50%	2.50%	2.20%
6	11.06%	6.80%	4.40%	3.00%	2.00%	1.70%
7	9.54%	6.25%	3.90%	2.80%	1.50%	1.50%
8	8.10%	5.57%	3.50%	2.50%	1.20%	1.20%
9	6.96%	4.71%	3.10%	2.20%	1.00%	1.00%
10	5.50%	4.00%	2.80%	2.00%	1.00%	1.00%
15	3.00%	2.60%	1.50%	1.00%	1.00%	1.00%
20	1.50%	1.50%	1.50%	1.00%	1.00%	1.09%
25	1.10%	1.10%	1.13%	0.50%	0.50%	0.50%
30	0.60%	0.60%	0.67%	0.50%	0.50%	0.50%
31+ (Ultimate)	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

Estimate of Benefit Exhaustion: The rates vary by issue age and duration. While such rates conceptually should vary by lifetime maximum benefit, we use an aggregate assumption as our group block has a high concentration of benefit periods of five years and almost no unlimited benefits (which will never exhaust). Sample rates are shown below.

Duration	Issue Age					
	< 30	30-39	40-49	50-59	60-69	70+
<15	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%
25	0.00%	0.00%	0.03%	0.15%	0.76%	2.79%
30	0.00%	0.00%	0.07%	0.36%	1.64%	5.07%
40	0.00%	0.07%	0.41%	1.74%	6.12%	16.05%
50	0.07%	0.41%	1.93%	6.53%	16.11%	16.97%
70	1.93%	7.17%	14.20%	14.20%	16.97%	16.97%
78+ (Ultimate)	5.45%	13.21%	14.20%	14.20%	16.97%	16.97%

c. Policyholder Behavior Due to the Rate Increase

In the year of rate increase notification to insureds, 5.25% of in-force insureds are assumed to lapse. An additional portion of insureds are assumed to elect to reduce benefits resulting in a 4.11% reduction in premiums and claims. We assume a cumulative 2.63% increase in morbidity due to adverse selection from the rate increase.

d. Interest Discount

Actual or estimated historical investment return rates are used to accumulate past actual experience. A discount rate of 4.35% is used to discount future experience.

e. Expenses

This filing is based on loss ratios and expense levels have not been considered.

As mentioned above, the company will no longer be issuing new business on any group long-term care policy form when this rate increase becomes effective. Therefore, we believe the requirement to reflect on any assumptions that deviate from those used in pricing other policy forms currently available for sale is not applicable.

6. Marketing Method

These policies were sold directly to employer groups, through benefit consultants, or non-captive agents. We intend to close our group long-term care block effective February 1, 2016 and to this effect have notified our inforce group accounts of our intent to stop accepting new enrollees effective on this date. We would not implement any rate increase until such time as the policies are closed to new enrollees.

7. Underwriting Description

Actively-at-work employees were guarantee issue during open enrollment periods; otherwise they were subject to short form underwriting.

Generally spouses of actively-at-work employees were subject to short form underwriting. However, the older forms (P1-43636-A and SR-LTCP-Series) in some cases allowed spouses to enter subject to a simple ADL screen, conditional upon the actively-at-work employee also enrolling. This practice was generally phased out in the late 1990's.

All other eligible classes of insureds, such as parents and retirees, were subject to long form underwriting.

Various underwriting tools in addition to the application may have included medical records, an attending physician's statement, telephone interviews, and/or face-to-face assessments.

The distribution of the inforce certificates by underwriting type at original issue is provided below:

Underwriting Type	Inforce at 12/31/2014
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Guarantee Issue	74.6%
Short Form	19.7
Long Form	5.7

8. Premiums

Premiums are unisex and payable for life unless the insured selected a limited pay option. Less than 0.6% of insureds in force as of December 31, 2014 elected a limited pay option. Premiums are level except for a limited number of groups where premiums may increase annually, indexed to a 5% annual benefit inflation rate. Premiums may vary by issue age, elimination period, benefit period / lifetime maximum, initial daily benefit amount, level of home health care coverage, inflation protection option, premium mode, underwriting class, marital status, group size, and optional coverages chosen.

9. Issue Age Range

There were no issue age limitations. Actual issue ages range from 17 to 90.

10. Area Factors

Area factors are not used for these products.

11. Premium Modalization Rules

The following modal factors remain unchanged and are applied to the annual premium to obtain the modal premium.

Payment Mode	P1-43636-A and SR-LTCP- Series	GLTC-3-P-xx-01	Nationwide Distribution at 12/31/2014
Annual	1.00	1.00	9.2%
Semi-Annual	0.52	0.51	2.8
Quarterly	0.27	0.261	36.1
Monthly	0.09	0.087	20.0
Semi-Monthly	0.045	0.0435	8.1
Bi-Weekly	0.09*(12/26)	0.04015	23.1
Weekly	0.09*(12/52)	0.02008	0.4
Every Four Weeks	0.09*(12/13)	0.08031	0.2

12. Claim Liability and Reserves

Reserves for known open claims are computed using a continuance table derived from Milliman 2011 Guidelines, adjusted for CCC specific experience. Claim reserves for claims that have been opened but final eligibility determination has not been completed are adjusted by applying a factor that reflects the likelihood of the claim ultimately being approved.

The discount rate used to calculate the reserves varies by year of claim incurral as summarized in the table below.

Year of Claim Incurral	Discount Rate
1994 - 2001	3.5%
2002 - 2005	4.5%
2006 - 2012	4.0%
2013 +	3.5%

There are no open claims with incurral years prior to 1994.

The company's incurred but not reported (IBNR) reserve, as included in the experience exhibits accompanying this filing, is calculated as the sum of two pieces:

- A reserve for true unreported claims, which is calculated as the estimated count of unreported claims times an average new claim reserve. Claim completion trends are applied to recent claim history to estimate ultimate expected claim counts by loss year and month. The reported claims are subtracted from the ultimate expected claim counts to get the unreported claim count. The average new claim reserve is based on reserves calculated for incomplete claims.
- A reserve for claims that reopen, which is calculated as the estimated remaining liability on claims that have closed in the last six months. Recent historical post claim closure claim payments and remaining reopened claim reserves are used to estimate the ultimate costs of reopened claims. The reported reopen reserve is the estimated ultimate costs less any actual reopen claim payments or reserves on the last six months of closed claims.

The company's terminated but not reported (TBNR) reserve is an offset claim reserve, also included in the accompanying experience exhibits, which accounts for unprocessed terminated claims. It is calculated as the estimated count of unprocessed terminated claims times an average terminating claim reserve. Claim completion trends are applied to recent claim history to estimate ultimate expected claim termination counts by claim closure year and month. The processed claim terminations are subtracted from the ultimate expected claim termination counts to get the unprocessed claim termination count. The average terminated claim reserve is based on recently terminated claim reserves.

The various factors in this calculation are reviewed by the company at least annually and adjusted accordingly.

Statutory active life reserves are calculated using the prescribed methodology and discount rate for the year of issue of the certificate. Active life reserves have not been used in this rate increase demonstration.

13. Trend Assumptions

As this is not medical insurance, we have not included any explicit medical cost trends in the projections.

14. Past and Future Experience

Exhibit 3a: Nationwide experience without requested rate increase

Exhibit 3b: Nationwide experience with requested rate increase

Each of the exhibits shows Earned Premium and Incurred Claims by calendar year, both past and future. For projection purposes, the rate increase is assumed to begin to go into effect starting in 2016, although the increases will be effective after approval and notification.

Each of the exhibits contains values "Without Interest" and "With Interest". "Without Interest" values are not discounted or accumulated to the valuation date of December 31, 2014. The values "With Interest" discount or accumulate cash flows to the valuation date of December 31, 2014. In performing such discounting or accumulating, we assume that all events occur in the middle of the calendar year. The following is additional detail behind the basis of calculations of the illustrated values:

Without Interest

- Earned Premium, through 2014: Actual Earned Premium for the specified calendar year, including reserve transfers for groups that transferred from another carrier.
- Earned Premium, 2015 onward: Projected Earned Premium for the specified calendar year.
- Paid Claims, through 2014: For each calendar year shown, this is the sum of all payments made through December 31, 2014 for claims incurred during the specified calendar year. Reserve transfers for groups that transferred to another carrier are included in the year of transfer.
- Claim Reserve, through 2014: For each calendar year shown, this is the claim reserve (including IBNR and TBNR, if any), valued at December 31, 2014, for claims incurred during the specified calendar year. Such reserve is calculated using our statutory reserve assumptions, including the discount rate, which is 3.5%, 4.0% or 4.5%, depending on the calendar year of incurral.
- Incurred Claims, through 2014: The sum of the Paid Claims and the Claim Reserve.
- Incurred Claims, 2015 onward: For each calendar year shown, this is the expected incurred claim based on the assumptions described elsewhere in this document. The projected incurred claim values are not discounted to the valuation date.

With Interest

- Earned Premium, through 2014: Actual Earned Premium for the specified calendar year, including reserve transfers for groups that transferred from another carrier, accumulated at the interest rates shown, from the specified calendar year to the valuation date of December 31, 2014.
- Earned Premium, 2015 onward: Projected Earned Premium for the specified calendar year, discounted from the specified calendar year to December 31, 2014.

- Paid Claims, through 2014: For each calendar year shown, this is the accumulated payments made for claims incurred in the specified calendar year, with such payments accumulated at the specified interest rates from date of payment (assumed mid-year) to December 31, 2014. Reserve transfers for groups that transferred to another carrier are included in the year of transfer and accumulated to the December 31, 2014.
- Claim Reserve, through 2014: For each calendar year shown, this is the claim reserve (including IBNR and TBNR, if any), valued at December 31, 2014, for claims incurred during the specified calendar year. Such reserve is calculated using our statutory reserve assumptions, including the discount rate which is 3.5%, 4.0% or 4.5% depending on the calendar year of incurral.
- Incurred Claims, through 2014: The sum of the Paid Claims and the Claim Reserve.
- Incurred Claims, 2015 onward: For each calendar year shown, this is the expected incurred claim based on the assumptions described elsewhere in this document. The projected incurred claim values are discounted back to December 31, 2014 at the specified discount rates.

The company has chosen a credibility standard of 1,082 claims. Based on this parameter, Pennsylvania-specific experience for these forms is not considered fully-credible.

15. History of Rate Adjustments

There have been no prior rate increases on these group policy forms.

16. Analysis Performed to Consider a Rate Increase

The assumptions we have used in our current projections, which are based in large part on actual insured experience, are substantially different from those used in the original product pricing. The initial premium schedules were based on pricing assumptions believed to be appropriate, given industry experience available when the initial rate schedules were developed. The original pricing assumptions for claim costs, voluntary termination rates, mortality, and interest varied over time. A description of the original assumptions by pricing era is provided below:

1988-1993:

Original Pricing Claim Costs:

Incidence rates for Long-Term Care Facility (LTCF) utilization were determined with reference to experience under CCC individual convalescent care policy forms and data from the 1985 National Nursing Home Survey (1985 NNHS).

The incidence rates for LTCF utilization assumed a 3-day prior hospitalization is required prior to receiving LTCF benefits. If the 3-day prior hospitalization requirement is removed, a load which varied by attained age was applied to the incidence rates.

The length of stay (LOS) assumption for LTCF utilization was determined with reference to 1985 NNHS data. The LOS assumption varied with elimination period and maximum plan benefit.

Selection factors shown in the table below were assumed for older issue ages, as most of the insureds at older ages (65 and over) were assumed to be parents and retirees and thus underwritten.

Duration	Selection Factor
1	66.5%
2	81.6%
3	92.5%
4+	100.0%

These selection factors are multiplied by the incidence rate at the indicated duration.

Claim costs for Home Health Care/Adult Day Care (HHC/ADC) were expressed as loads to the LTCF claim costs. These loads vary by attained age.

Claim costs for HHC/ADC were determined with reference to:

1. 1977 National Nursing Home Survey, National Center for Health Statistics, Series 13, Number 43. Tables 28, 31, and 32 were referenced. These tables show data for living arrangements and dependence in mobility and continence for nursing home discharges. This data was useful in estimating claim costs for HHC/ADC for plans that required a prior LTCF stay before HHC/ADC benefits are payable.
2. Hospital discharge rates from the Statistical Abstract of the United States, 1987. Aggregate discharge rates by age were used in the estimation of expected HHC/ADC claims due to acute conditions. It was felt that discharges from hospitals could be a significant source of claims, especially at the younger ages with certain benefit plans that did not require a prior LTCF stay before HHC/ADC benefits are payable.
3. National Center for Health Statistics Advance Data, Number 133, June 10, 1987. Table 2, showing percentage distribution of persons 65 years of age and older having difficulty with personal care activities, was utilized.

Original Pricing Persistency:

Lower lapse rates were assumed at younger ages due to the effect of payroll deduction. Lapse rates were increased with increasing issue age. Lapse rates for older ages were set at levels nearer to that experienced on CCC's individual convalescent care policy forms, as most certificates issued at older ages were assumed to be direct bill.

Duration	Issue Age					
	<50	50	55	60	65	70+
1	11.0%	11.0%	12.5%	15.0%	15.0%	20.0%
2	10.0	10.0	10.5	15.0	15.0	20.0
3	9.0	10.0	10.0	12.5	12.5	17.5
4	8.0	9.0	9.0	12.5	12.5	17.5
5	7.0	8.5	9.0	10.0	11.0	15.0
6+	6.5	8.5	9.0	10.0	11.0	15.0

1975-80 Ultimate Female mortality was substituted at durations where it exceeded the above lapse rates.

Original Pricing Investment Earnings:

Premiums were calculated using a level 7% interest rate.

1994-2002:

Original Pricing Claim Costs:

Engaged John Wilkin, an actuarial consultant with expertise in group long-term care morbidity to develop basic claim cost assumptions. These assumptions were adjusted based on early durational claim experience from CCC's group long-term care policy forms.

Original Pricing Voluntary Lapse Rates:

Duration	Voluntary Pay Groups	Employer Paid Groups
1	10%	4%
2	7%	4%
3	5%	4%
4+	4%	4%

Original Pricing Mortality Rates:

95% of the 1979-1981 U.S. Life Table. Sample rates are provided below:

Attained Age	Mortality Rate
27	.000996
37	.001527
47	.003736
57	.008930
67	.020439
77	.047520
87	.120272

Original Pricing Investment Earnings: 7% pre-tax. Loss ratio demonstration calculations were performed using a 5% discount rate.

2002-2003 (period of last new product pricing):

Original Pricing Claim Costs: In the original pricing of these forms, we relied very heavily on population data with adjustments being made as experience emerged on preceding forms.

The Milliman 2002 Long-Term Care Guidelines may also have been used for claim costs on some forms. The basis for the Milliman guidelines is experience of clients, supplemented by governmental studies, and the expertise and judgment of Milliman actuaries. Such claim costs were then adjusted in aggregate based on actual-to-expected studies on existing CCC group LTC insurance policy forms.

Original Pricing Mortality Rates:

Mortality of 90% of the 1983 GAM table was assumed.

Original Pricing Voluntary Lapse Rates:

Certificate voluntary lapse rates were assumed as follows:

<u>Year</u>	<u>Issue Age</u>					
	<u><30</u>	<u>30-39</u>	<u>40-49</u>	<u>50-59</u>	<u>60-69</u>	<u>70+</u>
1	20.0%	13.0%	11.0%	9.0%	8.0%	7.0%
2	19.0%	12.0%	10.0%	8.5%	7.0%	5.0%
3	18.0%	11.0%	9.0%	8.0%	6.0%	3.0%
4	16.0%	10.0%	8.0%	7.0%	5.0%	2.0%
5	13.0%	9.0%	7.0%	5.0%	4.0%	1.5%
6	12.0%	8.0%	6.0%	4.0%	3.0%	1.0%
7	11.0%	7.0%	5.0%	3.0%	2.0%	1.0%
8	9.0%	6.0%	4.0%	2.5%	1.5%	1.0%
9	7.0%	5.0%	3.0%	2.0%	1.0%	1.0%
10	5.0%	4.0%	2.0%	1.5%	1.0%	1.0%
11	3.0%	3.0%	1.5%	1.5%	1.0%	1.0%
12	2.0%	2.0%	1.5%	1.5%	1.0%	1.0%
13	2.0%	1.8%	1.5%	1.5%	1.0%	1.0%
14	2.0%	1.6%	1.5%	1.5%	1.0%	1.0%
15	2.0%	1.5%	1.5%	1.5%	1.0%	1.0%
16	2.0%	1.5%	1.5%	1.5%	1.0%	1.0%
17	2.0%	1.5%	1.5%	1.5%	1.0%	1.0%
18	2.0%	1.5%	1.5%	1.5%	1.0%	1.0%
19	2.0%	1.5%	1.5%	1.5%	1.0%	1.0%
20	1.5%	1.5%	1.5%	1.5%	1.0%	1.0%

Original Pricing Investment Earnings: 6.2% pre-tax. Loss ratio demonstration calculations were performed using a 4.5% discount rate.

As part of the in-force management of this business, CCC monitors the performance of the business by completing periodic analysis of morbidity and persistency. An analysis of the projected lifetime loss ratio based on current assumptions compared to that at the time of original pricing revealed that experience had deteriorated significantly. The deterioration in the lifetime loss ratio is due primarily to lower than expected voluntary lapse and mortality.

The assumptions used in this filing (described in Section 5) are based on actual in-force experience of CCC, industry experience, and judgment.

17. Requested Rate Increase and Demonstration of Satisfaction of Requirements

CCC is requesting a 95.5% increase for all forms included in this rate increase request. The increase will be phased-in over a two-year period as a 70.0% increase in the first year followed by a 15.0% increase in the following year. As shown in Exhibits 3a and 3b, the expected lifetime loss ratio with and without the requested rate increase exceeds the minimum loss ratio of 60.0%.

Exhibit 4 included with this memorandum provides a demonstration that the requested rate increase meets the 58/85 test required by rate stability regulation. This demonstration shows that the sum of the accumulated value of incurred claims without the inclusion of active life

reserves, and the present value of future projected incurred claims, without the inclusion of active life reserves, is not less than the sum of the following:

1. Accumulated value of initial earned premium times 58%,
2. 85% of the accumulated value of prior premium rate schedule increases,
3. Present value of future projected initial earned premium times 58%, and
4. 85% of the present value of future projected premium in excess of the projected initial earned premium.

The historical and future projected incurred claims in the 58/85 test were increased by 10% from the best estimate projections to reflect assumptions that include moderately adverse conditions (equates to a 10% deterioration in the lifetime loss ratio). Present and accumulated values in the demonstration are determined at the average maximum valuation interest rate for contract reserves over the issue period, which is 4.3%.

We also certify that these rates with the full requested rate increase will be sufficient under moderately adverse conditions. We define moderately adverse as a 10% deterioration in the lifetime loss ratio.

Rate supplement pages showing the rate increase request are enclosed with this memorandum.

As mentioned above, the company will no longer be issuing new business on any group long-term care policy form when this rate increase becomes effective. Therefore, we believe the requirement to cap the renewal premium rate schedules by the new business rate schedules is not applicable.

18. Proposed Effective Date

The rate increase will apply to certificates on their next premium due date following a notification period at least as long as required by your state following approval. Implementation of the first rate increase will be no earlier than June 1, 2016. Insureds will be notified of both premium rate increases prior to implementation of the first increase. No insured will receive more than one rate increase in a 12-month period.

19. Nationwide Distribution of Business as of December 31, 2014 (by certificate count)

By Issue Age

Issue Ages	Total
< 30	5.1%
30-34	6.9
35-39	10.5
40-44	14.0
45-49	17.8
50-54	19.8
55-59	15.3
60-64	7.5
65-69	2.4
70+	0.7

By Inflation Type

Inflation Type	Total
Compound	12.4%
Simple	0.6
Guarantee Benefit Increase Option	86.9

By Elimination Period

Nursing Facility EP Days	Total
30	1.9%
60	15.5
90	82.0
100	0.5

By Benefit Period *

Nursing Facility BP days	Total
< 731	7.1%
731 – 1,095	11.5
1,096 – 1,460	4.8
1,461 -1,825	56.4
1,826 – 2,190	14.7
2,191 – 5,000	5.0
Unlimited	0.5

* Lifetime maximum benefit multiple (x facility daily benefit).

20. Actuarial Certification

I am an Associate of the Society of Actuaries and 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 filing requirements for long-term care insurance premium and rate increases.

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

I have reviewed and considered the policy design and benefits, as well as the company's underwriting and claims adjudication processes, when developing the filed rates.

I certify that, to the best of my knowledge, this rate filing is in compliance with the applicable laws and rules of your state. In my opinion, the rates are not unfairly discriminatory and the gross premiums are not excessive and bear reasonable relationship to the benefits. If the requested premium rate schedule is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized, no further premium rate schedule increases are anticipated.



Louis Scarim, ASA, MAAA

September 25, 2015
Date

21. Exhibit Listing

Exhibit 1: Actual-to-Expected Morbidity Analysis

Exhibit 2: Total Termination Analysis

Exhibit 3a: Nationwide experience without requested rate increase

Exhibit 3b: Nationwide experience with requested rate increase

Exhibit 4: Nationwide 58/85 Test

Exhibit 1
 Group Long Term Care Morbidity Actual to Expected Experience
 as of 6/30/2014

Policy Duration	Actual Incurred Claims	Imputed Claim Counts	Expected Incurred Claims	Expected Ratio: 2014 Unadjusted	Actual to Expected Ratio: 2014 Final
1	14,370,059	74	10,917,333	131.6%	135.4%
2	10,567,312	55	11,426,198	92.5%	91.5%
3	13,201,900	68	13,758,045	96.0%	92.8%
4	9,573,752	49	16,067,411	59.6%	92.9%
5	16,189,967	84	17,871,139	90.6%	93.2%
6	19,647,985	101	19,379,978	101.4%	93.4%
7	16,783,882	87	20,560,027	81.6%	93.6%
8	22,252,641	115	21,466,332	103.7%	93.7%
9	22,621,134	117	22,540,608	100.4%	93.8%
10	26,462,491	137	25,018,039	105.8%	93.9%
11	29,593,134	153	29,666,976	99.8%	99.8%
12	31,030,188	160	29,231,512	106.2%	106.2%
13	31,044,495	160	27,770,053	111.8%	111.8%
14	27,466,796	142	23,376,091	117.5%	117.5%
15+	151,914,691	784	126,024,302	120.5%	120.5%
Total	442,720,425		415,074,044	106.7%	106.7%

Experience in the early durations is reviewed separately based on group participation rate. The experience is then combined for all group participation rates and smoothed taking into account the credibility of each duration.

Exhibit 2

Group Long Term Care Total Termination Study
as of 6/30/2014

Duration	Exposed Certs	Terminated Certs	Expected Deaths	Imputed Lapse Rate	Prior Study Lapse	Difference from Prior Study
1	456,140	52,747	596	11.4%	11.3%	0.2%
2	392,966	41,979	600	10.5%	10.5%	0.0%
3	340,591	32,397	613	9.3%	9.3%	0.0%
4	301,292	26,680	633	8.6%	8.7%	0.0%
5	261,572	16,621	636	6.1%	6.2%	0.0%
6	234,440	13,281	658	5.4%	5.3%	0.0%
7	211,780	10,133	682	4.5%	4.5%	0.0%
8	191,491	8,477	709	4.1%	4.1%	0.0%
9	174,282	6,723	748	3.4%	3.4%	0.0%
10	161,604	6,245	798	3.4%	3.4%	0.0%
11	148,455	5,236	836	3.0%	2.9%	0.1%
12	126,156	3,839	801	2.4%	2.4%	0.0%
13	104,173	3,143	742	2.3%	2.2%	0.1%
14	79,655	3,025	624	3.0%	3.3%	-0.3%
15	58,298	1,715	501	2.1%	2.1%	0.0%
16	44,554	1,172	440	1.6%	1.6%	0.1%
17	39,045	1,054	431	1.6%	1.6%	0.0%
18	35,074	930	429	1.4%	1.4%	0.1%
19	30,750	850	418	1.4%	1.4%	0.0%
20	73,810	1,967	1,201	1.0%	1.0%	0.0%
All	3,466,128	238,214	13,097	6.5%	6.6%	-0.1%
1-5	1,752,562	170,424	3,079	9.5%	9.5%	0.0%
6-10	973,598	44,859	3,595	4.2%	4.2%	0.0%
11-15	516,736	16,958	3,504	2.6%	2.6%	0.0%
>15	223,232	5,973	2,918	1.4%	1.4%	0.0%

The termination study is done by issue age grouping with total aggregate results provided.

Exhibit 3a
Continental Casualty Company
Nationwide Experience Projections with No Increase
All Policy Forms

Calendar Year	Without Interest					With Interest					Interest Rate	Mid Year Accum/Disc Factors
	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio		
1989	394,938	-	-	-	0.0%	1,287,151	-	-	-	0.0%	5.61%	3.2591
1990	2,178,885	214,141	-	214,141	9.8%	6,724,125	531,149	-	531,149	7.9%	5.61%	3.0860
1991	6,479,404	665,082	-	665,082	10.3%	18,933,795	1,627,914	-	1,627,914	8.6%	5.61%	2.9222
1992	8,661,999	2,221,096	-	2,221,096	25.6%	23,967,453	5,066,816	-	5,066,816	21.1%	5.61%	2.7670
1993	13,898,583	1,740,722	-	1,740,722	12.5%	36,501,096	3,840,626	-	3,840,626	10.5%	5.11%	2.6262
1994	17,707,167	1,574,028	-	1,574,028	8.9%	44,243,209	3,290,675	-	3,290,675	7.4%	5.11%	2.4986
1995	19,692,565	2,918,221	-	2,918,221	14.8%	46,924,261	5,920,993	-	5,920,993	12.6%	4.61%	2.3828
1996	21,505,471	7,227,257	372,561	7,599,819	35.3%	48,986,582	13,950,275	372,561	14,322,836	29.2%	4.61%	2.2779
1997	36,697,796	5,914,625	294,068	6,208,693	16.9%	79,910,008	10,404,971	294,068	10,699,039	13.4%	4.61%	2.1775
1998	31,893,223	6,986,974	108,148	7,095,122	22.2%	66,388,466	11,856,549	108,148	11,964,697	18.0%	4.61%	2.0816
1999	39,932,723	12,380,734	309,509	12,690,243	31.8%	79,461,391	20,057,626	309,509	20,367,135	25.6%	4.61%	1.9899
2000	52,739,437	11,093,466	661,482	11,754,948	22.3%	100,321,902	17,471,933	661,482	18,133,415	18.1%	4.61%	1.9022
2001	74,474,864	13,965,032	336,749	14,301,782	19.2%	135,426,299	21,548,203	336,749	21,884,952	16.2%	4.61%	1.8184
2002	91,589,602	16,430,030	1,341,762	17,771,793	19.4%	159,210,788	24,365,875	1,341,762	25,707,638	16.1%	4.61%	1.7383
2003	106,790,344	20,595,664	3,084,239	23,679,902	22.2%	177,456,261	28,567,088	3,084,239	31,651,327	17.8%	4.61%	1.6617
2004	113,124,295	19,476,921	3,792,598	23,269,519	20.6%	179,700,073	26,746,121	3,792,598	30,538,719	17.0%	4.61%	1.5885
2005	114,328,633	24,523,633	2,225,126	26,748,759	23.4%	173,660,831	33,564,498	2,225,126	35,789,624	20.6%	4.55%	1.5190
2006	115,548,447	41,557,769	5,217,688	46,775,457	40.5%	167,765,872	56,020,689	5,217,688	61,238,377	36.5%	4.69%	1.4519
2007	120,483,472	33,051,698	4,379,019	37,430,717	31.1%	167,089,567	41,501,250	4,379,019	45,880,269	27.5%	4.70%	1.3868
2008	130,341,958	25,555,563	5,453,514	31,009,077	23.8%	172,680,141	30,274,174	5,453,514	35,727,688	20.7%	4.66%	1.3248
2009	136,786,051	29,746,708	7,727,049	37,473,757	27.4%	173,153,250	33,852,552	7,727,049	41,579,601	24.0%	4.65%	1.2659
2010	145,533,767	26,924,297	11,561,976	38,486,273	26.4%	176,110,671	30,171,515	11,561,976	41,733,491	23.7%	4.56%	1.2101
2011	150,348,924	23,483,227	17,657,762	41,140,988	27.4%	174,225,562	25,341,764	17,657,762	42,999,526	24.7%	4.29%	1.1588
2012	156,762,658	23,039,979	30,245,173	53,285,153	34.0%	174,212,447	24,223,135	30,245,173	54,468,309	31.3%	4.26%	1.1113
2013	165,626,027	15,044,383	42,688,890	57,733,273	34.9%	176,534,977	15,515,414	42,688,890	58,204,304	33.0%	4.27%	1.0659
2014	167,152,652	3,754,326	55,858,376	59,612,702	35.7%	170,774,884	3,835,683	55,858,376	59,694,059	35.0%	4.38%	1.0217
2015	164,176,611	-	-	69,663,911	42.4%	160,718,200	-	-	68,196,428	42.4%	4.35%	0.9789
2016	158,416,147	-	-	76,318,301	48.2%	148,614,357	-	-	71,596,207	48.2%	4.35%	0.9381
2017	153,237,564	-	-	83,557,165	54.5%	137,763,480	-	-	75,119,478	54.5%	4.35%	0.8990
2018	148,387,712	-	-	91,298,700	61.5%	127,842,235	-	-	78,657,657	61.5%	4.35%	0.8615
2019	143,655,287	-	-	99,546,542	69.3%	118,605,703	-	-	82,188,326	69.3%	4.35%	0.8256
2020	139,228,022	-	-	108,400,881	77.9%	110,158,537	-	-	85,767,809	77.9%	4.35%	0.7912
2021	134,746,628	-	-	117,760,011	87.4%	102,168,487	-	-	89,288,780	87.4%	4.35%	0.7582
2022	130,209,315	-	-	127,622,561	98.0%	94,612,529	-	-	92,732,946	98.0%	4.35%	0.7266
2023	125,754,057	-	-	138,073,207	109.8%	87,566,129	-	-	96,144,304	109.8%	4.35%	0.6963
2024	121,331,772	-	-	149,177,814	123.0%	80,964,797	-	-	99,546,485	123.0%	4.35%	0.6673
2025	116,891,268	-	-	160,628,270	137.4%	74,750,019	-	-	102,719,104	137.4%	4.35%	0.6395
2026	112,474,743	-	-	172,497,353	153.4%	68,927,384	-	-	105,710,766	153.4%	4.35%	0.6128
2027	108,011,239	-	-	187,380,140	173.5%	63,432,712	-	-	110,044,386	173.5%	4.35%	0.5873
2028	103,510,654	-	-	202,753,808	195.9%	58,255,500	-	-	114,109,262	195.9%	4.35%	0.5628
2029	98,940,054	-	-	218,579,296	220.9%	53,361,935	-	-	117,887,688	220.9%	4.35%	0.5393
2030	94,366,746	-	-	234,711,169	248.7%	48,773,728	-	-	121,311,153	248.7%	4.35%	0.5169
2031	89,777,081	-	-	250,988,111	279.6%	44,467,222	-	-	124,316,183	279.6%	4.35%	0.4953
2032	85,140,359	-	-	267,218,134	313.9%	40,412,670	-	-	126,837,593	313.9%	4.35%	0.4747
2033	80,545,350	-	-	283,192,259	351.6%	36,637,859	-	-	128,816,350	351.6%	4.35%	0.4549
2034	75,944,441	-	-	298,724,325	393.3%	33,104,966	-	-	130,217,018	393.3%	4.35%	0.4359
2035	71,373,187	-	-	313,498,279	439.2%	29,815,342	-	-	130,960,362	439.2%	4.35%	0.4177
2036	66,849,785	-	-	327,198,921	489.5%	26,761,612	-	-	130,985,769	489.5%	4.35%	0.4003
2037	62,380,528	-	-	339,087,468	543.6%	23,931,441	-	-	130,086,293	543.6%	4.35%	0.3836
2038	58,000,689	-	-	349,458,549	602.5%	21,323,599	-	-	128,476,298	602.5%	4.35%	0.3676
2039	53,715,379	-	-	358,110,020	666.7%	18,924,897	-	-	126,168,623	666.7%	4.35%	0.3523
2040	49,543,394	-	-	364,666,879	736.1%	16,727,390	-	-	123,122,878	736.1%	4.35%	0.3376
2041	45,504,436	-	-	368,910,250	810.7%	14,723,251	-	-	119,363,270	810.7%	4.35%	0.3236
2042	41,617,323	-	-	370,543,384	890.4%	12,904,217	-	-	114,893,800	890.4%	4.35%	0.3101
2043	37,898,304	-	-	369,899,247	976.0%	11,261,205	-	-	109,912,864	976.0%	4.35%	0.2971
2044	34,362,796	-	-	367,069,615	1068.2%	9,785,007	-	-	104,525,213	1068.2%	4.35%	0.2848
2045	31,022,679	-	-	362,166,002	1167.4%	8,465,634	-	-	98,829,785	1167.4%	4.35%	0.2729
2046	27,885,851	-	-	355,403,311	1274.5%	7,292,419	-	-	92,941,395	1274.5%	4.35%	0.2615
2047	24,957,511	-	-	346,376,428	1387.9%	6,254,557	-	-	86,804,771	1387.9%	4.35%	0.2506
2048	22,238,333	-	-	335,742,293	1509.7%	5,340,784	-	-	80,632,266	1509.7%	4.35%	0.2402
2049	19,728,376	-	-	323,635,115	1640.5%	4,540,479	-	-	74,484,515	1640.5%	4.35%	0.2301
2050	17,425,849	-	-	310,244,746	1780.4%	3,843,367	-	-	68,426,187	1780.4%	4.35%	0.2206
2051	15,326,648	-	-	295,820,785	1930.1%	3,239,460	-	-	62,525,063	1930.1%	4.35%	0.2114
2052	13,424,515	-	-	280,096,957	2086.5%	2,719,140	-	-	56,733,737	2086.5%	4.35%	0.2026
2053	11,709,692	-	-	263,818,455	2253.0%	2,272,930	-	-	51,208,932	2253.0%	4.35%	0.1941
2054	10,172,531	-	-	247,250,076	2430.6%	1,892,244	-	-	45,992,236	2430.6%	4.35%	0.1860
2055	8,802,600	-	-	230,781,789	2621.7%	1,569,158	-	-	41,139,326	2621.7%	4.35%	0.1783
2056	7,588,631	-	-	214,504,834	2826.7%	1,296,363	-	-	36,643,780	2826.7%	4.35%	0.1708
2057	6,518,302	-	-	198,489,999	3045.1%	1,067,100	-	-	32,494,463	3045.1%	4.35%	0.1637
2058	5,578,011	-	-	182,882,765	3278.6%	875,100	-	-	28,691,355	3278.6%	4.35%	0.1569
2059	4,755,710	-	-	167,801,740	3528.4%	714,992	-	-	25,227,969	3528.4%	4.35%	0.1503
2060	4,040,015	-	-	153,277,004	3794.0%	582,072	-	-	22,083,626	3794.0%	4.35%	0.1441
2061	3,420,073	-	-	139,432,400	4076.9%	472,211	-	-	19,251,502	4076.9%	4.35%	0.1381
2062	2,885,390	-	-	126,147,071	4371.9%	381,780	-	-	16,691,126	4371.9%	4.35%	0.1323
2063	2,425,559	-	-	113,574,464	4682.4%	307,559	-	-	14,401,135	4682.4%	4.35%	0.1268
2064	2,031,663	-	-	101,766,251	5009.0%	246,874	-	-	12,365,946	5009.0%	4.35%	0.1215
2065	1,695,264	-	-	90,843,581	5358.7%	197,410	-	-	10,578,531	5358.7%	4.35%	0.1164
2066	1,409,206	-	-	80,681,578	5725.3%	157,258	-	-	9,003,534	5725.3%	4.35%	0.1116
2067	1,166,882	-	-	71,383,590	6117.5%	124,788	-	-	7,633,867	6117.5%	4.35%	0.1069
2068	962,113	-	-	62,800,791	6527.4%	98,601	-	-	6,436,042	6527.4%	4.35%	0.1025
2069	789,623	-	-	54,913,605	6954.4%	77,550	-	-	5,393,134	6954.4%	4.35%	0.0982
2070	644,808	-	-	47,687,597	7395.6%	60,688	-	-	4,488,221	7395.6%	4.35%	0.0941
2071	523,881	-	-	41,112,643	7847.7%	47,251	-	-	3,708,103	7847.7%	4.35%	0.0902
2072	423,323	-	-	35,186,928	8312.1%	36,589	-	-	3,041,342	8312.1%	4.35%	0.0864
2073	340,065	-	-	29,819,285	8768.7%	28,168	-	-	2			

**Exhibit 3b
Continental Casualty Company
Nationwide Experience Projections with 95.5% Cumulative Increase
All Policy Forms**

Calendar Year	Without Interest					With Interest					Interest Rate	Mid Year Accum/Disc Factors
	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio		
1989	394,938	-	-	-	0.0%	1,287,151	-	-	-	0.0%	5.61%	3.2591
1990	2,178,885	214,141	-	214,141	9.8%	6,724,125	531,149	-	531,149	7.9%	5.61%	3.0860
1991	6,479,404	665,082	-	665,082	10.3%	18,933,795	1,627,914	-	1,627,914	8.6%	5.61%	2.9222
1992	8,661,999	2,221,096	-	2,221,096	25.6%	23,967,453	5,066,816	-	5,066,816	21.1%	5.61%	2.7670
1993	13,898,583	1,740,722	-	1,740,722	12.5%	36,501,096	3,840,626	-	3,840,626	10.5%	5.11%	2.6262
1994	17,707,167	1,574,028	-	1,574,028	8.9%	44,243,209	3,290,675	-	3,290,675	7.4%	5.11%	2.4986
1995	19,692,565	2,918,221	-	2,918,221	14.8%	46,924,261	5,920,993	-	5,920,993	12.6%	4.61%	2.3828
1996	21,505,471	7,227,257	372,561	7,599,819	35.3%	48,986,582	13,950,275	372,561	14,322,836	29.2%	4.61%	2.2779
1997	36,697,796	5,914,625	294,068	6,208,693	16.9%	79,910,008	10,404,971	294,068	10,699,039	13.4%	4.61%	2.1775
1998	31,893,223	6,986,974	108,148	7,095,122	22.2%	66,388,466	11,856,549	108,148	11,964,697	18.0%	4.61%	2.0816
1999	39,932,723	12,380,734	309,509	12,690,243	31.8%	79,461,391	20,057,626	309,509	20,367,135	25.6%	4.61%	1.9899
2000	52,739,437	11,093,466	661,482	11,754,948	22.3%	100,321,902	17,471,933	661,482	18,133,415	18.1%	4.61%	1.9022
2001	74,474,864	13,965,032	336,749	14,301,782	19.2%	135,426,299	21,548,203	336,749	21,884,952	16.2%	4.61%	1.8184
2002	91,589,602	16,430,030	1,341,762	17,771,793	19.4%	159,210,788	24,365,875	1,341,762	25,707,638	16.1%	4.61%	1.7383
2003	106,790,344	20,595,664	3,084,239	23,679,902	22.2%	177,456,261	28,567,088	3,084,239	31,651,327	17.8%	4.61%	1.6617
2004	113,124,295	19,476,921	3,792,598	23,269,519	20.6%	179,700,073	26,746,121	3,792,598	30,538,719	17.0%	4.61%	1.5885
2005	114,328,633	24,523,633	2,225,126	26,748,759	23.4%	173,660,831	33,564,498	2,225,126	35,789,624	20.6%	4.55%	1.5190
2006	115,548,447	41,557,769	5,217,688	46,775,457	40.5%	167,765,872	56,020,689	5,217,688	61,238,377	36.5%	4.69%	1.4519
2007	120,483,472	33,051,698	4,379,019	37,430,717	31.1%	167,089,567	41,501,250	4,379,019	45,880,269	27.5%	4.70%	1.3868
2008	130,341,958	25,555,563	5,453,514	31,009,077	23.8%	172,680,141	30,274,174	5,453,514	35,727,688	20.7%	4.66%	1.3248
2009	136,786,051	29,746,708	7,727,049	37,473,757	27.4%	173,153,250	33,852,552	7,727,049	41,579,601	24.0%	4.65%	1.2659
2010	145,533,767	26,924,297	11,561,976	38,486,273	26.4%	176,110,671	30,171,515	11,561,976	41,733,491	23.7%	4.56%	1.2101
2011	150,348,924	23,483,227	17,657,762	41,140,988	27.4%	174,225,562	25,341,764	17,657,762	42,999,526	24.7%	4.29%	1.1588
2012	156,762,658	23,039,979	30,245,173	53,285,153	34.0%	174,212,447	24,223,135	30,245,173	54,468,309	31.3%	4.26%	1.1113
2013	165,626,027	15,044,383	42,688,890	57,733,273	34.9%	176,534,977	15,515,414	42,688,890	58,204,304	33.0%	4.27%	1.0659
2014	167,152,652	3,754,326	55,858,376	59,612,702	35.7%	170,774,884	3,835,683	55,858,376	59,694,059	35.0%	4.38%	1.0217
2015	164,176,611	-	-	69,663,911	42.4%	160,718,200	-	-	68,196,428	42.4%	4.35%	0.9789
2016	181,883,732	-	-	75,063,011	41.3%	170,629,915	-	-	70,418,586	41.3%	4.35%	0.9381
2017	225,822,890	-	-	79,358,886	35.1%	203,019,067	-	-	71,345,146	35.1%	4.35%	0.8990
2018	254,976,067	-	-	85,127,583	33.4%	219,672,570	-	-	73,340,981	33.4%	4.35%	0.8615
2019	255,164,887	-	-	92,817,931	36.4%	210,671,056	-	-	76,633,003	36.4%	4.35%	0.8256
2020	247,301,045	-	-	101,073,782	40.9%	195,666,942	-	-	79,970,539	40.9%	4.35%	0.7912
2021	239,341,058	-	-	109,800,305	45.9%	181,474,772	-	-	83,253,519	45.9%	4.35%	0.7582
2022	231,281,743	-	-	118,996,220	51.5%	168,053,651	-	-	86,464,884	51.5%	4.35%	0.7266
2023	223,368,179	-	-	128,740,479	57.6%	155,537,620	-	-	89,645,659	57.6%	4.35%	0.6963
2024	215,513,182	-	-	139,094,496	64.5%	143,812,134	-	-	92,817,879	64.5%	4.35%	0.6673
2025	207,625,824	-	-	149,770,986	72.1%	132,773,257	-	-	95,776,051	72.1%	4.35%	0.6395
2026	199,781,058	-	-	160,837,807	80.5%	122,430,915	-	-	98,565,500	80.5%	4.35%	0.6128
2027	191,852,847	-	-	174,714,627	91.1%	112,671,112	-	-	102,606,199	91.1%	4.35%	0.5873
2028	183,858,771	-	-	189,049,149	102.8%	103,475,190	-	-	106,396,320	102.8%	4.35%	0.5628
2029	175,740,331	-	-	203,804,951	116.0%	94,783,091	-	-	109,919,351	116.0%	4.35%	0.5393
2030	167,617,083	-	-	218,846,429	130.6%	86,633,378	-	-	113,111,415	130.6%	4.35%	0.5169
2031	159,464,780	-	-	234,023,169	146.8%	78,984,032	-	-	115,913,328	146.8%	4.35%	0.4953
2032	151,228,894	-	-	249,156,163	164.8%	71,782,213	-	-	118,264,309	164.8%	4.35%	0.4747
2033	143,067,099	-	-	264,050,555	184.6%	65,077,278	-	-	120,109,317	184.6%	4.35%	0.4549
2034	134,894,825	-	-	278,532,768	206.5%	58,802,047	-	-	121,415,310	206.5%	4.35%	0.4359
2035	126,775,225	-	-	292,308,113	230.6%	52,958,917	-	-	122,108,409	230.6%	4.35%	0.4177
2036	118,740,620	-	-	305,082,692	256.9%	47,534,788	-	-	122,132,099	256.9%	4.35%	0.4003
2037	110,802,190	-	-	316,167,661	285.3%	42,507,752	-	-	121,293,421	285.3%	4.35%	0.3836
2038	103,022,588	-	-	325,837,734	316.3%	37,875,624	-	-	119,792,250	316.3%	4.35%	0.3676
2039	95,410,889	-	-	333,904,429	350.0%	33,614,978	-	-	117,640,557	350.0%	4.35%	0.3523
2040	88,000,483	-	-	340,018,093	386.4%	29,711,699	-	-	114,800,681	386.4%	4.35%	0.3376
2041	80,826,362	-	-	343,974,643	425.6%	26,151,886	-	-	111,295,195	425.6%	4.35%	0.3236
2042	73,921,954	-	-	345,497,390	467.4%	22,920,863	-	-	107,127,829	467.4%	4.35%	0.3101
2043	67,316,120	-	-	344,896,792	512.4%	20,002,494	-	-	102,483,567	512.4%	4.35%	0.2971
2044	61,036,243	-	-	342,258,422	560.7%	17,380,426	-	-	97,460,081	560.7%	4.35%	0.2848
2045	55,103,425	-	-	337,686,257	612.8%	15,036,916	-	-	92,149,622	612.8%	4.35%	0.2729
2046	49,531,696	-	-	331,380,674	669.0%	12,953,016	-	-	86,659,244	669.0%	4.35%	0.2615
2047	44,330,291	-	-	322,963,941	728.5%	11,109,534	-	-	80,937,410	728.5%	4.35%	0.2506
2048	39,500,403	-	-	313,048,595	792.5%	9,486,463	-	-	75,182,120	792.5%	4.35%	0.2402
2049	35,042,141	-	-	301,759,773	861.1%	8,064,937	-	-	69,449,912	861.1%	4.35%	0.2301
2050	30,952,322	-	-	289,274,494	934.6%	6,826,705	-	-	63,801,082	934.6%	4.35%	0.2206
2051	27,223,658	-	-	275,825,486	1013.2%	5,754,027	-	-	58,298,831	1013.2%	4.35%	0.2114
2052	23,845,032	-	-	261,164,473	1095.3%	4,829,820	-	-	52,898,955	1095.3%	4.35%	0.2026
2053	20,799,111	-	-	245,986,277	1182.7%	4,037,247	-	-	47,747,586	1182.7%	4.35%	0.1941
2054	18,068,759	-	-	230,537,799	1275.9%	3,361,061	-	-	42,883,501	1275.9%	4.35%	0.1860
2055	15,635,447	-	-	215,182,646	1376.2%	2,787,186	-	-	38,358,612	1376.2%	4.35%	0.1783
2056	13,479,157	-	-	200,005,893	1483.8%	2,302,639	-	-	34,166,931	1483.8%	4.35%	0.1708
2057	11,578,006	-	-	185,073,542	1598.5%	1,895,416	-	-	30,298,077	1598.5%	4.35%	0.1637
2058	9,907,833	-	-	170,521,242	1721.1%	1,554,379	-	-	26,752,031	1721.1%	4.35%	0.1569
2059	8,447,236	-	-	156,459,583	1852.2%	1,269,990	-	-	23,522,745	1852.2%	4.35%	0.1503
2060	7,175,998	-	-	142,916,612	1991.6%	1,033,893	-	-	20,590,936	1991.6%	4.35%	0.1441
2061	6,074,838	-	-	130,007,800	2140.1%	838,756	-	-	17,950,243	2140.1%	4.35%	0.1381
2062	5,125,118	-	-	117,620,462	2295.0%	678,129	-	-	15,562,929	2295.0%	4.35%	0.1323
2063	4,308,352	-	-	105,897,670	2458.0%	546,295	-	-	13,427,724	2458.0%	4.35%	0.1268
2064	3,608,702	-	-	94,887,604	2629.4%	438,505	-	-	11,530,099	2629.4%	4.35%	0.1215
2065	3,011,179	-	-	84,703,226	2813.0%	350,645	-	-	9,863,500	2813.0%	4.35%	0.1164
2066	2,503,075	-	-	75,228,100	3005.4%	279,327	-	-	8,394,962	3005.4%	4.35%	0.1116
2067	2,072,652	-	-	66,558,587	3211.3%	221,652	-	-	7,117,874	3211.3%	4.35%	0.1069
2068	1,708,934	-	-	58,555,921	3426.5%	175,137	-	-	6,001,013	3426.5%	4.35%	0.1025
2069	1,402,553	-	-	51,201,851	3650.6%	137,746	-	-	5,028,598	3650.6%	4.35%	0.0982
2070	1,145,328	-	-	44,464,268	3882.2%	107,795	-	-	4,184,851	3882.2%	4.35%	0.0941
2071	930,534	-	-	38,333,732	4119.5%	83,928	-	-	3,457,463	4119.5%	4.35%	0.0902
2072	751,919	-	-	32,808,551	4363.3%	64,991	-	-	2,835,770	4363.3%	4.35%	0.0864
2073	604,033	-	-	27,803,721	4603.0%	50,033	-	-	2			

Exhibit 4
Continental Casualty Company
Nationwide 58/85 Test with Increase
All Policy Forms

1 Accumulated value of initial earned premium	2,881,381,676	x	58% =	1,671,201,372
2a Accumulated value of earned premium	2,881,381,676			
2b Accumulated value of prior premium rate schedule increases (2a - 1)	-	x	85% =	-
3 Present value of future projected initial earned premium	1,940,644,822	x	58% =	1,125,573,997
4a Present value of future projected premium	3,179,689,816			
4b Present value of future projected premium in excess of the projected initial earned premiums (4a - 3)	1,239,044,994	x	85% =	1,053,188,245
5 Lifetime Earned Premium Times Prescribed Factors: Sum of 1, 2b, 3, and 4b				3,849,963,614
6a Accumulated value of incurred claims without the inclusion of active life reserves				745,032,445
6b Present value of future projected incurred claims without the inclusion of active life reserves				4,427,013,926
7 Lifetime Incurred Claims with Rate Increase: Sum of 6a and 6b				5,172,046,371
8 Test: 7 is not less than 5				TRUE
All values are accumulated or discounted at the average maximum valuation interest rate for contract reserves which averages 4.3%. The incurred claims (items 6a and 6b) were increased by 10% to reflect moderately adverse experience.				

Continental Casualty Company (CCC)

Supplement to the Actuarial Memorandum for Group Long-Term Care

“GLTC1” P1-43636-A, et al
“GLTC2” SR-LTCP-Series, et al
“Independent Solutions” GLTC-3-P-xx-01, et al

1. Purpose of Filing

This supplement has been prepared for the purpose of demonstrating the compliance of the requested rate increase with Reg. 89.83 of the Insurance Regulations for the state of Pennsylvania. It may not be appropriate for other purposes.

2. Demonstration of Compliance with Reg. 89.83

89.93 (a): This subsection requires no action.

89.83 (b): This subsection is not applicable since this filing is not for rates for new policy forms.

89.83 (c): Revision of Current Rates

(1): This rate increase filing complies with the minimum loss ratio requirement of 60%, as specified in Reg. 89a.117, based on the nationwide experience.

(2): Section 2 of the attached Actuarial Memorandum provides a description of benefits. Copies of the affected policy forms are not readily available, but if the state finds it necessary to complete its review, they may be provided upon request.

(2)(i): The increase is needed because the current best estimate projection of the nationwide lifetime loss ratio has deteriorated significantly. The higher lifetime loss ratio is due primarily to lower than expected voluntary lapse and mortality. The company is requesting a 95.5% rate increase for insureds covered under these policy forms including all associated riders. The increase will be phased-in over a two-year period as a 70.0% increase in the first year followed by a 15.0% increase in the following year. This level of increase is required to allow certification that no future premium rate increases are needed under moderately adverse conditions

A rate supplement has been included in the filing with the name and address of the company appearing on the supplement. It demonstrates the rate factors to be applied to the original rates to determine the proposed rates. The proposed rates are uniformly 95.5% higher than the original rates.

Exhibits 3a and 3b to the Actuarial Memorandum display nationwide experience showing earned premium, paid claims, and incurred claims, both with and without the requested rate increase. Attachments 1a and 1b to this supplement displays similar Pennsylvania-specific experience as Exhibits 3a and 3b, respectively. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required. Written premiums are not readily available, but if the state finds it necessary to complete its review, they may be provided upon request.

(2)(ii)(A): There have not been any rate increases on these forms in Pennsylvania or nationwide.

(2)(ii)(B): Please refer to the following table for a summary of commission schedules for the groups situated in your state.

Commission Schedules	Number of groups
0% level	9
5% level	2
10% level	2
10% first year, 5% after	1
15% level	6

(2)(ii)(C)(I): Premiums earned since inception for nationwide experience can be found in Exhibits 3a and 3b of the Actuarial Memorandum. Premiums earned since inception for Pennsylvania specific experience can be found in Attachments 1a and 1b to this supplement. Attachment 2 provides reserve balances and the calculation basis for both nationwide and Pennsylvania-specific experience. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required. Written premiums are not readily available, but if the state finds it necessary to complete its review, they may be provided upon request.

(2)(ii)(C)(II): Claims incurred and paid since inception for nationwide experience can be found in Exhibits 3a and 3b of the Actuarial Memorandum. Claims incurred and paid since inception for Pennsylvania-specific experience can be found in Attachments 1a and 1b to this supplement. Please note that Pennsylvania-specific experience is not considered fully credible, but is being provided as required.

A nationwide and Pennsylvania-specific durational loss ratio analysis is not readily available. Should the state find it necessary to complete its review, the analysis may be provided upon request.

(2)(ii)(D): We understand that we have provided information sufficient to support the rate increase requested in this filing.

(2)(iii): We believe that data used in this rate increase filing is in agreement with those used in the annual statement filed with the Department.

89.83 (d): A rate supplement has been included in the filing with the name and address of the company appearing on the supplement. It demonstrates the rate factors to be applied to the original rates to determine the proposed rates.

Attachment 1a
Continental Casualty Company
Pennsylvania Experience Projections with No Increase
All Policy Forms

Calendar Year	Without Interest					With Interest					Interest Rate	Discount Factor
	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio		
1989	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	3.2591
1990	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	3.0860
1991	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	2.9222
1992	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	2.7670
1993	5,254	-	-	-	0.0%	13,799	-	-	-	0.0%	5.11%	2.6262
1994	5,510	-	-	-	0.0%	13,768	-	-	-	0.0%	5.11%	2.4986
1995	5,528	-	-	-	0.0%	13,171	-	-	-	0.0%	4.61%	2.3828
1996	5,784	-	-	-	0.0%	13,175	-	-	-	0.0%	4.61%	2.2779
1997	133,947	-	-	-	0.0%	291,671	-	-	-	0.0%	4.61%	2.1775
1998	158,205	-	-	-	0.0%	329,317	-	-	-	0.0%	4.61%	2.0816
1999	549,613	269,545	-	269,545	49.0%	1,093,664	365,577	-	365,577	33.4%	4.61%	1.9899
2000	1,019,740	662,231	-	662,231	64.9%	1,939,768	948,974	-	948,974	48.9%	4.61%	1.9022
2001	1,809,976	111,955	-	111,955	6.2%	3,291,290	178,317	-	178,317	5.4%	4.61%	1.8184
2002	1,798,836	171,280	-	171,280	9.5%	3,126,927	269,385	-	269,385	8.6%	4.61%	1.7383
2003	1,965,144	308,483	-	308,483	15.7%	3,265,530	453,284	-	453,284	13.9%	4.61%	1.6617
2004	1,981,695	416,378	-	416,378	21.0%	3,147,960	530,830	-	530,830	16.9%	4.61%	1.5885
2005	2,037,506	385,225	46,609	431,833	21.2%	3,094,893	487,552	46,609	534,161	17.3%	4.55%	1.5190
2006	2,061,316	254,822	-	254,822	12.4%	2,992,844	299,512	-	299,512	10.0%	4.69%	1.4519
2007	2,285,356	528,938	316,878	845,816	37.0%	3,169,391	618,718	316,878	935,596	29.5%	4.70%	1.3868
2008	2,376,175	711,706	-	711,706	30.0%	3,148,014	815,363	-	815,363	25.9%	4.66%	1.3248
2009	3,029,264	1,010,369	125,016	1,135,386	37.5%	3,834,652	1,136,988	125,016	1,262,004	32.9%	4.65%	1.2659
2010	3,584,820	625,442	319,070	944,513	26.3%	4,337,997	674,995	319,070	994,065	22.9%	4.56%	1.2101
2011	3,560,276	436,601	516,490	953,091	26.8%	4,125,677	466,493	516,490	982,983	23.8%	4.29%	1.1588
2012	3,618,226	292,186	375,660	667,845	18.5%	4,020,984	304,485	375,660	680,145	16.9%	4.26%	1.1113
2013	3,694,443	177,977	462,147	640,124	17.3%	3,937,777	183,845	462,147	645,993	16.4%	4.27%	1.0659
2014	3,698,749	92,225	1,022,341	1,114,567	30.1%	3,778,902	94,224	1,022,341	1,116,565	29.5%	4.38%	1.0217
2015	3,650,892	-	-	1,361,482	37.3%	3,573,985	-	-	1,332,802	37.3%	4.35%	0.9789
2016	3,537,265	-	-	1,500,461	42.4%	3,318,402	-	-	1,407,622	42.4%	4.35%	0.9381
2017	3,429,503	-	-	1,651,801	48.2%	3,083,188	-	-	1,485,000	48.2%	4.35%	0.8990
2018	3,323,041	-	-	1,815,052	54.6%	2,862,939	-	-	1,563,743	54.6%	4.35%	0.8615
2019	3,221,168	-	-	1,993,893	61.9%	2,659,483	-	-	1,646,213	61.9%	4.35%	0.8256
2020	3,117,695	-	-	2,190,642	70.3%	2,466,750	-	-	1,733,257	70.3%	4.35%	0.7912
2021	3,017,419	-	-	2,395,293	79.4%	2,287,888	-	-	1,816,175	79.4%	4.35%	0.7582
2022	2,909,833	-	-	2,607,246	89.6%	2,114,339	-	-	1,894,474	89.6%	4.35%	0.7266
2023	2,801,044	-	-	2,828,568	101.0%	1,950,447	-	-	1,969,613	101.0%	4.35%	0.6963
2024	2,690,255	-	-	3,053,118	113.5%	1,795,210	-	-	2,037,349	113.5%	4.35%	0.6673
2025	2,580,519	-	-	3,275,638	126.9%	1,650,199	-	-	2,094,716	126.9%	4.35%	0.6395
2026	2,468,464	-	-	3,500,585	141.8%	1,512,737	-	-	2,145,248	141.8%	4.35%	0.6128
2027	2,353,404	-	-	3,778,522	160.6%	1,382,104	-	-	2,219,046	160.6%	4.35%	0.5873
2028	2,238,844	-	-	4,056,826	181.2%	1,260,015	-	-	2,283,170	181.2%	4.35%	0.5628
2029	2,122,773	-	-	4,326,886	203.8%	1,144,888	-	-	2,333,645	203.8%	4.35%	0.5393
2030	2,003,979	-	-	4,583,788	228.7%	1,035,762	-	-	2,369,144	228.7%	4.35%	0.5169
2031	1,885,643	-	-	4,827,332	256.0%	933,972	-	-	2,391,012	256.0%	4.35%	0.4953
2032	1,768,271	-	-	5,052,424	285.7%	839,327	-	-	2,398,180	285.7%	4.35%	0.4747
2033	1,651,480	-	-	5,254,894	318.2%	751,213	-	-	2,390,306	318.2%	4.35%	0.4549
2034	1,535,906	-	-	5,431,276	353.6%	669,517	-	-	2,367,549	353.6%	4.35%	0.4359
2035	1,421,814	-	-	5,578,039	392.3%	593,947	-	-	2,330,163	392.3%	4.35%	0.4177
2036	1,309,746	-	-	5,687,608	434.3%	524,323	-	-	2,276,889	434.3%	4.35%	0.4003
2037	1,200,342	-	-	5,742,702	478.4%	460,495	-	-	2,203,109	478.4%	4.35%	0.3836
2038	1,094,333	-	-	5,752,213	525.6%	402,325	-	-	2,114,766	525.6%	4.35%	0.3676
2039	992,158	-	-	5,719,451	576.5%	349,555	-	-	2,015,066	576.5%	4.35%	0.3523
2040	894,484	-	-	5,641,540	630.7%	302,005	-	-	1,904,759	630.7%	4.35%	0.3376
2041	801,897	-	-	5,519,332	688.3%	259,459	-	-	1,785,815	688.3%	4.35%	0.3236
2042	714,733	-	-	5,348,040	748.3%	221,616	-	-	1,658,258	748.3%	4.35%	0.3101
2043	633,448	-	-	5,141,676	811.7%	188,224	-	-	1,527,811	811.7%	4.35%	0.2971
2044	558,157	-	-	4,910,099	879.7%	158,938	-	-	1,398,179	879.7%	4.35%	0.2848
2045	488,887	-	-	4,655,592	952.3%	133,410	-	-	1,270,443	952.3%	4.35%	0.2729
2046	425,708	-	-	4,386,384	1030.4%	111,327	-	-	1,147,082	1030.4%	4.35%	0.2615
2047	368,471	-	-	4,093,239	1110.9%	92,342	-	-	1,025,799	1110.9%	4.35%	0.2506
2048	317,099	-	-	3,794,732	1196.7%	76,155	-	-	911,347	1196.7%	4.35%	0.2402
2049	271,291	-	-	3,496,158	1288.7%	62,438	-	-	804,640	1288.7%	4.35%	0.2301
2050	230,710	-	-	3,200,404	1387.2%	50,884	-	-	705,867	1387.2%	4.35%	0.2206
2051	195,076	-	-	2,914,099	1493.8%	41,232	-	-	615,928	1493.8%	4.35%	0.2114
2052	164,032	-	-	2,628,406	1602.4%	33,225	-	-	532,385	1602.4%	4.35%	0.2026
2053	137,250	-	-	2,360,900	1720.1%	26,641	-	-	458,266	1720.1%	4.35%	0.1941
2054	114,260	-	-	2,113,058	1849.3%	21,254	-	-	393,061	1849.3%	4.35%	0.1860
2055	94,639	-	-	1,886,313	1993.2%	16,870	-	-	336,256	1993.2%	4.35%	0.1783
2056	78,026	-	-	1,681,775	2155.4%	13,329	-	-	287,297	2155.4%	4.35%	0.1708
2057	64,055	-	-	1,496,080	2335.6%	10,486	-	-	244,921	2335.6%	4.35%	0.1637
2058	52,398	-	-	1,329,164	2536.7%	8,220	-	-	208,524	2536.7%	4.35%	0.1569
2059	42,709	-	-	1,177,419	2756.8%	6,421	-	-	177,018	2756.8%	4.35%	0.1503
2060	34,701	-	-	1,040,072	2997.3%	5,000	-	-	149,850	2997.3%	4.35%	0.1441
2061	28,125	-	-	918,767	3266.8%	3,883	-	-	126,855	3266.8%	4.35%	0.1381
2062	22,748	-	-	808,169	3552.7%	3,010	-	-	106,933	3552.7%	4.35%	0.1323
2063	18,375	-	-	711,330	3871.2%	2,330	-	-	90,196	3871.2%	4.35%	0.1268
2064	14,824	-	-	625,640	4220.5%	1,801	-	-	76,024	4220.5%	4.35%	0.1215
2065	11,942	-	-	549,388	4600.4%	1,391	-	-	63,975	4600.4%	4.35%	0.1164
2066	9,611	-	-	483,222	5027.7%	1,073	-	-	53,924	5027.7%	4.35%	0.1116
2067	7,725	-	-	426,191	5517.4%	826	-	-	45,577	5517.4%	4.35%	0.1069
2068	6,199	-	-	373,866	6030.8%	635	-	-	38,315	6030.8%	4.35%	0.1025
2069	4,966	-	-	327,296	6591.0%	488	-	-	32,144	6591.0%	4.35%	0.0982
2070	3,969	-	-	285,587	7195.3%	374	-	-	26,879	7195.3%	4.35%	0.0941
2071	3,162	-	-	248,052	7844.0%	285	-	-	22,373	7844.0%	4.35%	0.0902
2072	2,507	-	-	214,626	8559.4%	217	-	-	18,551	8559.4%	4.35%	0.0864
2073	1,979	-	-	184,202	9305.7%	164	-	-	15,258	9305.7%	4.35%	0.0828
2074	1,555	-	-	156,627	10071.9%	123	-	-	12,433	10071.9%	4.35%	0.0794
Past	39,385,363	-	-	9,639,575	24.5%	52,981,171	-	-	11,012,753	20.8%	-	-
Future	65,145,508	-	-	169,093,184	259.6%	41,479,087	-	-	69,091,198	166.6%	-	-
Lifetime	104,530,872	-	-	178,732,758	171.0%	94,460,258	-	-	80,103,951	84.8%	-	-

Attachment 1b
Continental Casualty Company
Pennsylvania Experience Projections with Cumulative 95.5% Increase
All Policy Forms

Calendar Year	Without Interest					With Interest					Interest Rate	Discount Factor
	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio	Earned Premium	Claims Paid	Ending Reserve	Incurred Claims	Loss Ratio		
1989	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	3.2591
1990	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	3.0860
1991	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	2.9222
1992	-	-	-	-	0.0%	-	-	-	-	0.0%	5.61%	2.7670
1993	5,254	-	-	-	0.0%	13,799	-	-	-	0.0%	5.11%	2.6262
1994	5,510	-	-	-	0.0%	13,768	-	-	-	0.0%	5.11%	2.4986
1995	5,528	-	-	-	0.0%	13,171	-	-	-	0.0%	4.61%	2.3828
1996	5,784	-	-	-	0.0%	13,175	-	-	-	0.0%	4.61%	2.2779
1997	133,947	-	-	-	0.0%	291,671	-	-	-	0.0%	4.61%	2.1775
1998	158,205	-	-	-	0.0%	329,317	-	-	-	0.0%	4.61%	2.0816
1999	549,613	269,545	-	269,545	49.0%	1,093,664	365,577	-	365,577	33.4%	4.61%	1.9899
2000	1,019,740	662,231	-	662,231	64.9%	1,939,768	948,974	-	948,974	48.9%	4.61%	1.9022
2001	1,809,976	111,955	-	111,955	6.2%	3,291,290	178,317	-	178,317	5.4%	4.61%	1.8184
2002	1,798,836	171,280	-	171,280	9.5%	3,126,927	269,385	-	269,385	8.6%	4.61%	1.7383
2003	1,965,144	308,483	-	308,483	15.7%	3,265,530	453,284	-	453,284	13.9%	4.61%	1.6617
2004	1,981,695	416,378	-	416,378	21.0%	3,147,960	530,830	-	530,830	16.9%	4.61%	1.5885
2005	2,037,506	385,225	46,609	431,833	21.2%	3,094,893	487,552	46,609	534,161	17.3%	4.55%	1.5190
2006	2,061,316	254,822	-	254,822	12.4%	2,992,844	299,512	-	299,512	10.0%	4.69%	1.4519
2007	2,285,356	528,938	316,878	845,816	37.0%	3,169,391	618,718	316,878	935,596	29.5%	4.70%	1.3868
2008	2,376,175	711,706	-	711,706	30.0%	3,148,014	815,363	-	815,363	25.9%	4.66%	1.3248
2009	3,029,264	1,010,369	125,016	1,135,386	37.5%	3,834,652	1,136,988	125,016	1,262,004	32.9%	4.65%	1.2659
2010	3,584,820	625,442	319,070	944,513	26.3%	4,337,997	674,995	319,070	994,065	22.9%	4.56%	1.2101
2011	3,560,276	436,601	516,490	953,091	26.8%	4,125,677	466,493	516,490	982,983	23.8%	4.29%	1.1588
2012	3,618,226	292,186	375,660	667,845	18.5%	4,020,984	304,485	375,660	680,145	16.9%	4.26%	1.1113
2013	3,694,443	177,977	462,147	640,124	17.3%	3,937,777	183,845	462,147	645,993	16.4%	4.27%	1.0659
2014	3,698,749	92,225	1,022,341	1,114,567	30.1%	3,778,902	94,224	1,022,341	1,116,565	29.5%	4.38%	1.0217
2015	3,650,892	-	-	1,361,482	37.3%	3,573,985	-	-	1,332,802	37.3%	4.35%	0.9789
2016	4,061,272	-	-	1,475,782	36.3%	3,809,986	-	-	1,384,470	36.3%	4.35%	0.9381
2017	5,053,984	-	-	1,568,807	31.0%	4,543,628	-	-	1,410,388	31.0%	4.35%	0.8990
2018	5,710,013	-	-	1,692,368	29.6%	4,919,416	-	-	1,458,046	29.6%	4.35%	0.8615
2019	5,721,536	-	-	1,859,121	32.5%	4,723,855	-	-	1,534,941	32.5%	4.35%	0.8256
2020	5,537,744	-	-	2,042,571	36.9%	4,381,516	-	-	1,616,101	36.9%	4.35%	0.7912
2021	5,359,632	-	-	2,233,389	41.7%	4,063,816	-	-	1,693,415	41.7%	4.35%	0.7582
2022	5,168,534	-	-	2,431,016	47.0%	3,755,554	-	-	1,766,422	47.0%	4.35%	0.7266
2023	4,975,299	-	-	2,637,378	53.0%	3,464,443	-	-	1,836,481	53.0%	4.35%	0.6963
2024	4,778,513	-	-	2,846,750	59.6%	3,188,706	-	-	1,899,639	59.6%	4.35%	0.6673
2025	4,583,596	-	-	3,054,229	66.6%	2,931,133	-	-	1,953,129	66.6%	4.35%	0.6395
2026	4,384,561	-	-	3,263,972	74.4%	2,686,970	-	-	2,000,245	74.4%	4.35%	0.6128
2027	4,180,188	-	-	3,523,122	84.3%	2,454,936	-	-	2,069,055	84.3%	4.35%	0.5873
2028	3,976,702	-	-	3,782,614	95.1%	2,238,077	-	-	2,128,844	95.1%	4.35%	0.5628
2029	3,770,533	-	-	4,034,420	107.0%	2,033,584	-	-	2,175,908	107.0%	4.35%	0.5393
2030	3,559,528	-	-	4,273,958	120.1%	1,839,753	-	-	2,209,008	120.1%	4.35%	0.5169
2031	3,349,337	-	-	4,501,040	134.4%	1,658,950	-	-	2,229,397	134.4%	4.35%	0.4953
2032	3,140,857	-	-	4,710,917	150.0%	1,490,837	-	-	2,236,081	150.0%	4.35%	0.4747
2033	2,933,410	-	-	4,899,702	167.0%	1,334,327	-	-	2,228,739	167.0%	4.35%	0.4549
2034	2,728,123	-	-	5,064,162	185.6%	1,189,217	-	-	2,207,520	185.6%	4.35%	0.4359
2035	2,525,469	-	-	5,201,005	205.9%	1,054,986	-	-	2,172,661	205.9%	4.35%	0.4177
2036	2,326,410	-	-	5,303,168	228.0%	931,319	-	-	2,122,988	228.0%	4.35%	0.4003
2037	2,132,084	-	-	5,354,537	251.1%	817,945	-	-	2,054,195	251.1%	4.35%	0.3836
2038	1,943,788	-	-	5,363,406	275.9%	714,622	-	-	1,971,823	275.9%	4.35%	0.3676
2039	1,762,300	-	-	5,332,859	302.6%	620,890	-	-	1,878,862	302.6%	4.35%	0.3523
2040	1,588,809	-	-	5,260,214	331.1%	536,431	-	-	1,776,012	331.1%	4.35%	0.3376
2041	1,424,353	-	-	5,146,266	361.3%	460,859	-	-	1,665,107	361.3%	4.35%	0.3236
2042	1,269,531	-	-	4,986,552	392.8%	393,641	-	-	1,546,172	392.8%	4.35%	0.3101
2043	1,125,149	-	-	4,794,136	426.1%	334,330	-	-	1,424,543	426.1%	4.35%	0.2971
2044	991,415	-	-	4,578,213	461.8%	282,311	-	-	1,303,673	461.8%	4.35%	0.2848
2045	868,377	-	-	4,340,908	499.9%	236,967	-	-	1,184,570	499.9%	4.35%	0.2729
2046	756,155	-	-	4,089,897	540.9%	197,742	-	-	1,069,547	540.9%	4.35%	0.2615
2047	654,489	-	-	3,816,566	583.1%	164,020	-	-	956,463	583.1%	4.35%	0.2506
2048	563,241	-	-	3,538,236	628.2%	135,269	-	-	849,747	628.2%	4.35%	0.2402
2049	481,875	-	-	3,259,844	676.5%	110,903	-	-	750,252	676.5%	4.35%	0.2301
2050	409,794	-	-	2,984,080	728.2%	90,382	-	-	658,155	728.2%	4.35%	0.2206
2051	346,501	-	-	2,717,127	784.2%	73,237	-	-	574,296	784.2%	4.35%	0.2114
2052	291,359	-	-	2,450,745	841.1%	59,015	-	-	496,399	841.1%	4.35%	0.2026
2053	243,788	-	-	2,201,320	903.0%	47,321	-	-	427,291	903.0%	4.35%	0.1941
2054	202,953	-	-	1,970,231	970.8%	37,752	-	-	366,493	970.8%	4.35%	0.1860
2055	168,101	-	-	1,758,812	1046.3%	29,966	-	-	313,527	1046.3%	4.35%	0.1783
2056	138,592	-	-	1,568,099	1131.5%	23,676	-	-	267,878	1131.5%	4.35%	0.1708
2057	113,777	-	-	1,394,956	1226.0%	18,626	-	-	228,366	1226.0%	4.35%	0.1637
2058	93,070	-	-	1,239,322	1331.6%	14,601	-	-	194,430	1331.6%	4.35%	0.1569
2059	75,862	-	-	1,097,835	1447.1%	11,405	-	-	165,053	1447.1%	4.35%	0.1503
2060	61,636	-	-	969,771	1573.4%	8,880	-	-	139,721	1573.4%	4.35%	0.1441
2061	49,956	-	-	856,665	1714.8%	6,897	-	-	118,280	1714.8%	4.35%	0.1381
2062	40,406	-	-	753,542	1864.9%	5,346	-	-	99,705	1864.9%	4.35%	0.1323
2063	32,638	-	-	663,250	2032.1%	4,138	-	-	84,099	2032.1%	4.35%	0.1268
2064	26,330	-	-	583,351	2215.5%	3,199	-	-	70,885	2215.5%	4.35%	0.1215
2065	21,212	-	-	512,254	2414.9%	2,470	-	-	59,651	2414.9%	4.35%	0.1164
2066	17,072	-	-	450,560	2639.2%	1,905	-	-	50,280	2639.2%	4.35%	0.1116
2067	13,721	-	-	397,383	2896.3%	1,467	-	-	42,497	2896.3%	4.35%	0.1069
2068	11,011	-	-	348,595	3165.8%	1,128	-	-	35,725	3165.8%	4.35%	0.1025
2069	8,820	-	-	305,173	3459.9%	866	-	-	29,971	3459.9%	4.35%	0.0982
2070	7,050	-	-	266,283	3777.1%	664	-	-	25,062	3777.1%	4.35%	0.0941
2071	5,617	-	-	231,286	4117.6%	507	-	-	20,861	4117.6%	4.35%	0.0902
2072	4,454	-	-	200,119	4493.1%	385	-	-	17,297	4493.1%	4.35%	0.0864
2073	3,516	-	-	171,752	4884.9%	291	-	-	14,226	4884.9%	4.35%	0.0828
2074	2,762	-	-	146,040	5287.1%	219	-	-	11,592	5287.1%	4.35%	0.0794
Past	39,385,363	-	-	9,639,575	24.5%	52,981,171	-	-	11,012,753	20.8%	-	-
Future	109,427,698	-	-	157,861,156	144.3%	67,719,271	-	-	64,608,986	95.4%	-	-
Lifetime	148,813,061	-	-	167,500,731	112.6%	120,700,442	-	-	75,621,739	62.7%	-	-

Attachment 2
Continental Casualty Company
Reserve Balance at 12/31/2014
All Policy Forms

Incurred Year	Nationwide		Pennsylvania	
	Claim Reserve*	Year-End Active Life Reserve**	Claim Reserve*	Year-End Active Life Reserve**
1996	372,561		-	
1997	294,068		-	
1998	108,148		-	
1999	309,509		-	
2000	661,482		-	
2001	336,749		-	
2002	1,341,762		-	
2003	3,084,239		-	
2004	3,792,598		-	
2005	2,225,126		46,609	
2006	5,217,688		-	
2007	4,379,019		316,878	
2008	5,453,514		-	
2009	7,727,049		125,016	
2010	11,561,976		319,070	
2011	17,657,762		516,490	
2012	30,245,173		375,660	
2013	42,688,890		462,147	
2014	55,858,376	2,165,740,011	1,022,341	37,069,568

* Claim reserve is the sum of disabled life reserve and incurred but not reported reserve.
Each of these items are discounted to incurral using 5.0%.

** ALR is calculated using 1-year Full Preliminary Term, mid-terminal plus unearned gross premium



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Louis Scarim, ASA, MAAA

*Actuarial Consulting Director
Long Term Care Pricing*

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Internet louis.scarim@cna.com

September 25, 2015

Honorable Teresa D. Miller
Acting Insurance Commissioner
Insurance Department Commonwealth of Pennsylvania
1326 Strawberry Square, 13th Floor
Harrisburg, Pennsylvania 17120

Re: Continental Casualty Company
(NAIC #218-20443, FEIN#36-2114545
SERFF Tracking # CNAB-130153872
Rate Increase Filing for Group Long-Term Care Forms:
 "GLTC1" P1-43636-A, et al
 "GLTC2" SR-LTCP-Series, et al
 "Independent Solutions" GLTC-3-P-xx-01, et al

Dear Commissioner Miller:

This is a rate increase filing for the above captioned group long-term care policy forms. A 95.5% rate increase is being requested for insureds covered under these policy forms including all associated riders. The increase will be phased-in over a two-year period as a 70.0% increase in the first year followed by a 15.0% increase in the following year.

All of these forms provide the insured guaranteed renewable group long-term care insurance. While we are no longer actively marketing group long-term care to new groups, due to contractual obligations, coverage is still currently being offered to new enrollees for many of our inforce group accounts. We intend to close our group long-term care block effective February 1, 2016 and to this effect have notified our inforce group accounts of our intent to stop accepting new enrollees effective on this date. We would not implement any rate increase until such time as the policies are closed to new enrollees.

The new premium rates will be applied to all insureds under group policies that were situated in your state except insureds under the group policies situated in your state that were issued certificates in a state that is an extraterritorial (ET) jurisdiction. These insureds are governed by the ET state's laws and regulations and will be included in that state for rate increase purposes.

The proposed premium rates will be effective on the insured's next premium due date following a notification period at least as long as required by your state following approval. Implementation of the first rate increase will be no earlier than June 1, 2016. Insureds will be notified of both premium rate increases prior to implementation of the first increase. No insured will receive more than one rate increase in a 12-month period.

All impacted insureds will be offered the option to reduce coverage so as to offset all or part of the rate increase. When insureds are notified of the rate increase, they will be encouraged to call our customer service staff and discuss these options if they so desire. Available options will depend upon the insured's current coverage level, benefit options available under their group plan, and any statutory minimum benefit levels in your state. Although many insureds have contractual nonforfeiture benefits, a contingent benefit upon lapse will be made available for insureds who experience a substantial increase and lapse their coverage as defined in the LTC model bulletin adopted by the NAIC's Executive/Plenary committee on December 18, 2013.

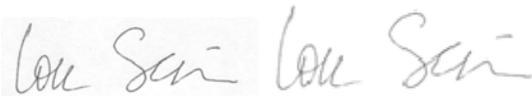
Included with this request are the following items:

- this cover letter;
- an actuarial memorandum including experience exhibits;
- a supplement to the actuarial memorandum including other requested exhibits; and
- a rate supplement page reflecting the rate increase request.

There is no filing fee required for this submission.

We respectfully request your favorable consideration and approval of this filing.

Sincerely,

The image shows a handwritten signature in cursive script that reads "Louis Scarim". The signature is written in dark ink on a white background.

Louis Scarim