

State: Pennsylvania **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-3R Re-Rate/5I-2015

Filing at a Glance

Company: The Prudential Insurance Company of America
 Product Name: Individual Long Term Care Insurance
 State: Pennsylvania
 TOI: LTC03I Individual Long Term Care
 Sub-TOI: LTC03I.001 Qualified
 Filing Type: Rate - G.I. (Guaranteed Issue)
 Date Submitted: 02/17/2016
 SERFF Tr Num: PRUD-130452589
 SERFF Status: Assigned
 State Tr Num: PRUD-130452589
 State Status: Received Review in Progress
 Co Tr Num: IIGHILTC3RRERATE-RP-PA&PAFR

Implementation: On Approval
 Date Requested:
 Author(s): Laura Hughes, Raenonna Ransom
 Reviewer(s): Jim Laverty (primary), Jim Laverty
 Disposition Date:
 Disposition Status:
 Implementation Date:

State Filing Description:
 Proposed 15% rate increase on 248 PA policyholders of Prudential forms Forms GRP 113172 ED 05/2009 and GRP 113570 ED 05/2009.

State: Pennsylvania **Filing Company:** The Prudential Insurance Company of America
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified
Product Name: Individual Long Term Care Insurance
Project Name/Number: ILTC-3R Re-Rate/5I-2015

General Information

Project Name: ILTC-3R Re-Rate	Status of Filing in Domicile: Pending
Project Number: 5I-2015	Date Approved in Domicile:
Requested Filing Mode:	Domicile Status Comments: Filed concurrently.
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact: 15%	Filing Status Changed: 02/18/2016
	State Status Changed: 02/18/2016
Deemer Date:	Created By: Raenonna Ransom
Submitted By: Raenonna Ransom	Corresponding Filing Tracking Number:

Filing Description:

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

Company and Contact

Filing Contact Information

Keith Burns, Vice President and Actuary keith.burns@prudential.com
 Long Term Care Unit 402-715-4861 [Phone]
 100 Mulberry Street
 Gateway Center 2, 11th Floor
 Newark, NJ 07102

Filing Company Information

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

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:

SERFF Tracking #:

PRUD-130452589

State Tracking #:

PRUD-130452589

Company Tracking #:

IIGHILTC3RRERATE-RP-PA&PAFR

State: Pennsylvania

Filing Company: The Prudential Insurance Company of America

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

Product Name: Individual Long Term Care Insurance

Project Name/Number: ILTC-3R Re-Rate/5I-2015

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: N/A

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
The Prudential Insurance Company of America	15.000%	15.000%	\$89,420	248	\$596,136	15.000%	15.000%

SERFF Tracking #:

PRUD-130452589

State Tracking #:

PRUD-130452589

Company Tracking #:

IIGHILTC3RRERATE-RP-PA&PAFR

State:

Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Individual Long Term Care Insurance

Project Name/Number:

ILTC-3R Re-Rate/5I-2015

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Appendix F - Rate Pages (ILTC-3)	GRP 113172 ED 05/2009	Revised	Previous State Filing Number: PRUD-126979746 Percent Rate Change Request: 15	PA - Appendix F - Rate Pages (ILTC3R) - 2-2016.pdf,
2		Appendix F - Rate Pages (Franchise ILTC-3)	GRP 113570 ED 05/2009	Revised	Previous State Filing Number: PRUD-126979747 Percent Rate Change Request: 15	PA - Appendix F - Rate Pages (Franchise ILTC-3R) - 2-2016.pdf,

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors
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PENNSYLVANIA BASE RATES								
Gross Annual Premium Per \$10.00 of Facility Care Daily Benefit Home Care Daily Benefit: 100% of Facility Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 90 Day Elimination Period Lifetime Premium Payment Option								
Inflation Option								
Issue Age	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)		3% Automatic Compound (No Maximum)	4% Automatic Compound (No Maximum)	5% Automatic Compound (No Maximum)
18-30	57.47	61.78	94.19	76.73		100.61	140.78	218.58
31	58.08	62.43	95.76	79.37		101.94	142.14	220.56
32	58.68	63.09	97.36	82.10		103.28	143.51	222.55
33	59.31	63.76	98.99	84.93		104.65	144.89	224.56
34	59.93	64.43	100.65	87.85		106.03	146.29	226.60
35	60.56	65.11	102.33	90.87		107.42	147.69	228.64
36	61.19	65.79	104.04	94.00		108.85	149.12	230.71
37	61.84	66.49	105.78	97.23		110.29	150.56	232.79
38	62.49	67.19	107.55	100.59		111.73	152.01	234.90
39	63.15	67.91	109.34	104.05		113.21	153.47	237.03
40	63.81	68.62	111.17	107.63		114.70	154.95	239.17
41	64.77	69.64	114.61	110.86		117.51	158.64	241.91
42	65.73	70.68	118.16	114.20		120.38	162.43	244.69
43	66.71	71.74	121.82	117.63		123.33	166.29	247.49
44	67.70	72.81	125.60	121.18		126.35	170.26	250.33
45	68.71	73.89	129.49	124.82		129.44	174.31	253.20
46	69.74	74.99	133.50	128.57		132.61	178.46	256.11
47	70.78	76.11	137.63	132.43		135.85	182.71	259.04
48	71.83	77.23	141.90	136.42		139.17	187.07	262.00
49	72.90	78.38	146.29	140.52		142.59	191.52	265.02
50	73.99	79.56	150.82	144.75		146.07	196.09	268.05
51	77.51	83.34	156.85	150.93		150.67	201.14	272.73
52	81.19	87.30	163.12	157.38		155.42	206.31	277.48
53	85.04	91.45	169.63	164.09		160.31	211.61	282.33
54	89.09	95.78	176.40	171.10		165.36	217.06	287.25
55	93.32	100.34	183.45	178.40		170.57	222.65	292.26
56	97.75	105.11	190.77	186.01		175.94	228.38	297.36
57	102.40	110.10	198.39	193.96		181.48	234.26	302.54
58	107.26	115.33	206.31	202.24		187.20	240.28	307.82
59	112.36	120.81	214.56	210.86		193.09	246.47	313.19
60	117.69	126.55	223.12	219.87		199.17	252.80	318.65
61	127.05	136.62	237.67	239.07		211.62	265.45	332.33
62	137.17	147.49	253.17	259.95		224.86	278.73	346.59
63	148.09	159.23	269.69	282.65		238.92	292.68	361.46
64	159.87	171.89	287.27	307.33		253.86	307.31	376.97
65	172.59	185.58	306.00	334.17		269.74	322.69	393.14
66	191.28	205.68	335.73	361.35		295.31	350.47	423.15
67	212.00	227.95	368.35	390.76		323.30	380.64	455.46
68	234.96	252.64	404.13	422.54		353.94	413.41	490.22
69	260.41	280.00	443.39	456.92		387.48	449.01	527.64
70	288.60	310.33	486.47	494.10		424.21	487.66	567.93
71	323.61	347.97	530.74	549.37		466.11	533.23	623.09
72	362.86	390.17	579.04	610.82		512.13	583.07	683.62
73	406.87	437.49	631.73	679.16		562.70	637.57	750.02
74	456.22	490.57	689.22	755.14		618.26	697.16	822.87
75	511.55	550.07	751.94	839.60		679.32	762.32	902.80
76	568.32	611.10	830.54	925.97		750.33	836.60	981.32
77	631.37	678.90	917.36	1,021.22		828.76	918.13	1,066.67
78	701.43	754.24	1,013.24	1,126.28		915.39	1,007.60	1,159.45
79	779.25	837.92	1,119.16	1,242.14		1,011.07	1,105.77	1,260.30

Appendix F
The Prudential Insurance Company of America
Individual Long Term Care Insurance Plan
Base Rates and Adjustment Factors
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PENNSYLVANIA BASE RATES								
Gross Annual Premium Per \$10.00 of Facility Care Daily Benefit Home Care Daily Benefit: 100% of Facility Care Daily Benefit \$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period) 90 Day Elimination Period Premium Decrease at 65								
Inflation Option								
Issue Age	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)		3% Automatic Compound (No Maximum)	4% Automatic Compound (No Maximum)	5% Automatic Compound (No Maximum)
18-30	66.09	NA	113.02	103.57		141.52	189.97	295.10
31	67.07	NA	115.38	107.53		142.74	192.25	298.85
32	68.07	NA	117.79	111.63		143.96	194.56	302.65
33	69.08	NA	120.24	115.90		145.20	196.89	306.50
34	70.10	NA	122.76	120.32		146.44	199.25	310.39
35	71.14	NA	125.32	124.92		147.69	201.64	314.33
36	72.20	NA	127.94	129.70		148.97	204.06	318.33
37	73.27	NA	130.61	134.64		150.25	206.51	322.38
38	74.36	NA	133.33	139.79		151.54	208.98	326.47
39	75.46	NA	136.11	145.13		152.84	211.49	330.63
40	76.58	NA	138.95	150.67		154.15	214.03	334.82
41	78.04	NA	144.37	155.74		158.08	219.56	339.85
42	79.52	NA	149.99	161.00		162.12	225.23	344.95
43	81.04	NA	155.84	166.43		166.24	231.05	350.14
44	82.58	NA	161.90	172.03		170.49	237.02	355.40
45	84.16	NA	168.21	177.82		174.85	243.13	360.73
46	85.76	NA	174.75	183.82		179.31	249.42	366.15
47	87.39	NA	181.56	190.01		183.87	255.86	371.65
48	89.06	NA	188.63	196.42		188.57	262.48	377.22
49	90.76	NA	195.98	203.03		193.38	269.25	382.89
50	92.48	NA	203.62	209.88		198.32	276.21	388.64
51	99.60	NA	217.32	224.84		210.23	291.12	406.26
52	107.27	NA	231.93	240.86		222.87	306.83	424.67
53	115.54	NA	247.54	258.01		236.26	323.40	443.92
54	124.44	NA	264.19	276.40		250.46	340.86	464.05
55	134.02	NA	281.97	296.10		265.51	359.27	485.08
56	144.34	NA	300.93	317.20		281.46	378.66	507.07
57	155.46	NA	321.18	339.80		298.38	399.11	530.05
58	167.43	NA	342.79	364.02		316.31	420.66	554.07
59	180.32	NA	365.85	389.97		335.32	443.37	579.19
60	194.21	NA	390.46	417.75		355.47	467.30	605.44

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Policy Benefit Options

Adjustment Factors - Benefit Options					
Lifetime Maximum (Benefit Period)		Elimination Period		Home and Community - Base Care Daily Benefit	
		# Days		% of Facility Care Benefit	
# Years					
1	0.560				
2	0.710				
3	0.820			50%	0.925
4	0.940	30	1.360	75%	0.970
5	1.000	60	1.150	100%	1.000
6	1.040	90	1.000	150%	1.350
10	1.460	120	0.970		
		180	NA		
		365	NA		

Optional Riders

Adjustment Factors - Monthly Benefit Rider								
Inflation Option								
Home Care Benefit as a % of Facility Benefit	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)		3% Automatic Compound (No Maximum)	4% Automatic Compound (No Maximum)	5% Automatic Compound (No Maximum)
50%	1.065	1.065	1.075	1.090		1.075	1.075	1.090
75%	1.063	1.063	1.068	1.083		1.068	1.068	1.083
100%	1.050	1.050	1.055	1.070		1.055	1.055	1.070
150%	1.047	1.047	1.052	1.067		1.052	1.052	1.067

Adjustment Factors - Optional Riders					
Issue Age		Shortened Benefit Period Nonforfeiture Rider	Joint Waiver of Premium Rider	Survivor Waiver of Premium Rider	
				Automatic Inflation	No Inflation
18-34		1.110	1.010	1.121	1.080
35-44		1.110	1.010	1.136	1.110
45-54		1.110	1.010	1.146	1.130
55-59		1.110	1.020	1.141	1.130
60-64		1.110	1.020	1.141	1.130
65-69		1.110	1.030	1.107	1.100
70-74		1.110	1.050	1.107	1.100
75-79		1.110	1.090	1.075	1.070

Adjustment Factors - Optional Riders				
Share Care Benefit			Waiver of the Elimination Period for Home Care	
Benefit Period			Elimination Period	
1	NA			
2	1.230		30	1.040
3	1.150		60	1.100
4	1.100		90	1.120
5	1.080		120	NA
6	1.080		180	NA
10	1.070		365	NA

Additional Premium Adjustments

Adjustment Factors				
Underwriting Class			Premium Payment Mode	
Preferred	0.850			Annual
Standard I	1.000		Semi-Annual	0.515
Standard II	1.250		Quarterly	0.265
Standard III	1.500		Monthly	0.090
			Auto-Monthly	0.085

ADJUSTMENT FACTORS - PARTNER DISCOUNTS	
Partner Status	
Single Partner	0.850
Joint Partner	0.700
Single (No Partner)	1.000

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PENNSYLVANIA FRANCHISE BASE RATES								
Gross Annual Premium Per \$10.00 of Facility Care Daily Benefit								
Home Care Daily Benefit: 100% of Facility Care Daily Benefit								
\$1,825 x Daily Benefit Lifetime Maximum Benefit (5 Year Benefit Period)								
90 Day Elimination Period								
Lifetime Premium Payment Option								
Inflation Option								
Issue Age	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)		3% Automatic Compound (No Maximum)	4% Automatic Compound (No Maximum)	5% Automatic Compound (No Maximum)
18-30	57.47	61.78	94.19	76.73		100.61	140.78	218.58
31	58.08	62.43	95.76	79.37		101.94	142.14	220.56
32	58.68	63.09	97.36	82.10		103.28	143.51	222.55
33	59.31	63.76	98.99	84.93		104.65	144.89	224.56
34	59.93	64.43	100.65	87.85		106.03	146.29	226.60
35	60.56	65.11	102.33	90.87		107.42	147.69	228.64
36	61.19	65.79	104.04	94.00		108.85	149.12	230.71
37	61.84	66.49	105.78	97.23		110.29	150.56	232.79
38	62.49	67.19	107.55	100.59		111.73	152.01	234.90
39	63.15	67.91	109.34	104.05		113.21	153.47	237.03
40	63.81	68.62	111.17	107.63		114.70	154.95	239.17
41	64.77	69.64	114.61	110.86		117.51	158.64	241.91
42	65.73	70.68	118.16	114.20		120.38	162.43	244.69
43	66.71	71.74	121.82	117.63		123.33	166.29	247.49
44	67.70	72.81	125.60	121.18		126.35	170.26	250.33
45	68.71	73.89	129.49	124.82		129.44	174.31	253.20
46	69.74	74.99	133.50	128.57		132.61	178.46	256.11
47	70.78	76.11	137.63	132.43		135.85	182.71	259.04
48	71.83	77.23	141.90	136.42		139.17	187.07	262.00
49	72.90	78.38	146.29	140.52		142.59	191.52	265.02
50	73.99	79.56	150.82	144.75		146.07	196.09	268.05
51	77.51	83.34	156.85	150.93		150.67	201.14	272.73
52	81.19	87.30	163.12	157.38		155.42	206.31	277.48
53	85.04	91.45	169.63	164.09		160.31	211.61	282.33
54	89.09	95.78	176.40	171.10		165.36	217.06	287.25
55	93.32	100.34	183.45	178.40		170.57	222.65	292.26
56	97.75	105.11	190.77	186.01		175.94	228.38	297.36
57	102.40	110.10	198.39	193.96		181.48	234.26	302.54
58	107.26	115.33	206.31	202.24		187.20	240.28	307.82
59	112.36	120.81	214.56	210.86		193.09	246.47	313.19
60	117.69	126.55	223.12	219.87		199.17	252.80	318.65
61	127.05	136.62	237.67	239.07		211.62	265.45	332.33
62	137.17	147.49	253.17	259.95		224.86	278.73	346.59
63	148.09	159.23	269.69	282.65		238.92	292.68	361.46
64	159.87	171.89	287.27	307.33		253.86	307.31	376.97
65	172.59	185.58	306.00	334.17		269.74	322.69	393.14
66	191.28	205.68	335.73	361.35		295.31	350.47	423.15
67	212.00	227.95	368.35	390.76		323.30	380.64	455.46
68	234.96	252.64	404.13	422.54		353.94	413.41	490.22
69	260.41	280.00	443.39	456.92		387.48	449.01	527.64
70	288.60	310.33	486.47	494.10		424.21	487.66	567.93
71	323.61	347.97	530.74	549.37		466.11	533.23	623.09
72	362.86	390.17	579.04	610.82		512.13	583.07	683.62
73	406.87	437.49	631.73	679.16		562.70	637.57	750.02
74	456.22	490.57	689.22	755.14		618.26	697.16	822.87
75	511.55	550.07	751.94	839.60		679.32	762.32	902.80
76	568.32	611.10	830.54	925.97		750.33	836.60	981.32
77	631.37	678.90	917.36	1,021.22		828.76	918.13	1,066.67
78	701.43	754.24	1,013.24	1,126.28		915.39	1,007.60	1,159.45
79	779.25	837.92	1,119.16	1,242.14		1,011.07	1,105.77	1,260.30

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

Adjustment Factors - Benefit Options					
Lifetime Maximum (Benefit Period)		Elimination Period		Home and Community - Base Care Daily Benefit	
		# Days		% of Facility Care Benefit	
# Years					
1	0.560				
2	0.710				
3	0.820			50%	0.925
4	0.940	30	1.360	75%	0.970
5	1.000	60	1.150	100%	1.000
6	1.040	90	1.000	150%	1.350
10	1.460	120	0.970		
		180	NA		
		365	NA		

Optional Riders

Adjustment Factors - Monthly Benefit Rider								
Inflation Option								
Home Care Benefit as a % of Facility Benefit	None	Guaranteed Purchase Option	5% Automatic Simple	5% Automatic Compound (2x Maximum)		3% Automatic Compound (No Maximum)	4% Automatic Compound (No Maximum)	5% Automatic Compound (No Maximum)
50%	1.065	1.065	1.075	1.090		1.075	1.075	1.090
75%	1.063	1.063	1.068	1.083		1.068	1.068	1.083
100%	1.050	1.050	1.055	1.070		1.055	1.055	1.070
150%	1.047	1.047	1.052	1.067		1.052	1.052	1.067

Adjustment Factors - Optional Riders					
Issue Age		Shortened Benefit Period Nonforfeiture Rider	Joint Waiver of Premium Rider	Survivor Waiver of Premium Rider	
				Automatic Inflation	No Inflation
18-34		1.110	1.010	1.121	1.080
35-44		1.110	1.010	1.136	1.110
45-54		1.110	1.010	1.146	1.130
55-59		1.110	1.020	1.141	1.130
60-64		1.110	1.020	1.141	1.130
65-69		1.110	1.030	1.107	1.100
70-74		1.110	1.050	1.107	1.100
75-79		1.110	1.090	1.075	1.070

Adjustment Factors - Optional Riders				
Share Care Benefit			Waiver of the Elimination Period for Home Care	
Benefit Period			Elimination Period	
1	NA			
2	1.230		30	1.040
3	1.150		60	1.100
4	1.100		90	1.120
5	1.080		120	NA
6	1.080		180	NA
10	1.070		365	NA

Additional Premium Adjustments

Adjustment Factors				
Underwriting Class			Premium Payment Mode	
Preferred	0.850			Annual
Standard I	1.000		Semi-Annual	0.515
Standard II	1.250		Quarterly	0.265
Standard III	1.500		Monthly	0.090
			Auto-Monthly	0.085

ADJUSTMENT FACTORS - DISCOUNTS							
Partner Status	Partner Discount in Combination with						
		Employer Sponsored Program Discount I	Employer Sponsored Program Discount II	Affiliation Program Discount I	Affiliation Program Discount II	Affiliation Program Discount III	Affiliation Program Discount IV
Single Partner	0.850	0.800	0.750	0.800	0.770	0.750	0.730
Joint Partner	0.700	0.650	0.600	0.650	0.620	0.600	0.580
Single (No Partner)	1.000	0.950	0.900	0.950	0.920	0.900	0.880

SERFF Tracking #:

PRUD-130452589

State Tracking #:

PRUD-130452589

Company Tracking #:

IIGHILTC3RRERATE-RP-PA&PAFR

State: Pennsylvania

Filing Company:

The Prudential Insurance Company of America

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

Product Name: Individual Long Term Care Insurance

Project Name/Number: ILTC-3R Re-Rate/5I-2015

Supporting Document Schedules

Satisfied - Item:	Transmittal Letter (A&H)
Comments:	
Attachment(s):	PA - Filing Cover Letter - 2-17-2016.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (A&H)
Bypass Reason:	Please refer to Section 24 page 8 of this enclosed Actuarial Memorandum attached to the Supporting Documentation Tab of this filing.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Explanatory Information (A&H)
Comments:	
Attachment(s):	PA - Actuarial Memorandum - Revised Rates ILTC-3R - 2-2016.pdf PA - Appendices - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	

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

Bypassed - Item:	Authorization to File (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

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

SERFF Tracking #:

PRUD-130452589

State Tracking #:

PRUD-130452589

Company Tracking #:

IIGHILTC3RRERATE-RP-PA&PAFR

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The Prudential Insurance Company of America

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

Product Name: Individual Long Term Care Insurance

Project Name/Number: ILTC-3R Re-Rate/5I-2015

Item Status:	
Status Date:	

Bypassed - Item:	Rate Table (A&H)
Bypass Reason:	Please refer to the Rate Schedule Tab of this filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Replacement Form with Highlighted Changes (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Reserve Calculation (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Variability Explanation (A&H)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Appendix C - Exhibit 1 - Mortality Details - ILTC-3R
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 1 - Mortality Details - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix C - Exhibit 2 - Lapse Analysis Details
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 2 - Lapse Analysis Details - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	

SERFF Tracking #:

PRUD-130452589

State Tracking #:

PRUD-130452589

Company Tracking #:

IIGHILTC3RRERATE-RP-PA&PAFR

State:

Pennsylvania

Filing Company:

The Prudential Insurance Company of America

TOI/Sub-TOI:

LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name:

Individual Long Term Care Insurance

Project Name/Number:

ILTC-3R Re-Rate/5I-2015

Satisfied - Item:	Appendix C - Exhibit 3 - Morbidity Details - ILTC-3R
Comments:	
Attachment(s):	PA - Appendix C - Exhibit 3 - Morbidity Details - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix D - Persistency - ILTC-3R
Comments:	
Attachment(s):	PA - Appendix D - Persistency - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Appendix E - DOB - ILTC-3R
Comments:	
Attachment(s):	PA - Appendix E - DOB - ILTC-3R - 2-2016.pdf
Item Status:	
Status Date:	



Keith Burns, ASA, MAAA
Vice President and Actuary
Financial Management

The Prudential Insurance Company of America
Long Term Care Unit
100 Mulberry Street
Gateway Center 2, 11th Floor
Newark, NJ 07102
Tel 402 715-4861
keith.burns@prudential.com

February 17, 2016

The Honorable Teresa D. Miller
Commissioner of Insurance
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re.: The Prudential Insurance Company of America
NAIC #304-68241
Individual Long Term Care Insurance
Form Numbers: GRP 113172 ED 05/2009, et al and GRP 113570 ED 05/2009
(Policies sold on or after 4/5/2011)

Dear Commissioner Miller:

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

Forms GRP 113172 ED 05/2009 and GRP 113570 ED 05/2009, were previously approved by the Department on February 14, 2011, for policies sold on or after April 5, 2011. This policy series was sold nationwide during the period of 2011 through 2012. This product is no longer being marketed in any state. Please be advised that this rate increase does not apply to policies whose applications were received prior to April 5, 2011.

Some of Prudential's pricing assumptions for this series of forms, although based on the best information then available, were not consistent with our emerging experience. In view of these results, we are requesting a rate increase of 15% for policy series GRP 113172 ED 05/2009 and GRP 113570 ED 05/2009, et al in the state of Pennsylvania.

The historical and projected loss ratios of the business with the rate increase is needed to help ensure that future premiums, in combination with existing reserves, will be adequate to fund anticipated claims. This same increase is also being requested nationwide on the comparable forms to those listed above. We have tried to keep these increases as low as reasonably possible in the hope of minimizing the impact on our policyholders. We will continue to monitor the performance of this block of business after this rate action. It is possible that as we continue to regularly review the experience of these policies, another increase may be needed in the future.

The deterioration of experience relative to pricing has contributed to the need to strengthen Prudential's reserves depleting surplus. On a statutory basis, the LTC business holds \$1.6 billion in Asset Adequacy Testing reserves as of December 31, 2014. In addition, in 2012, Prudential's LTC business went into GAAP loss recognition incurring a pre-tax charge of \$639 million.

The requested rate increases will not restore original profit margins, but will help Prudential avoid additional losses as well as further depletion of its surplus. The increases will also help maintain equity within Prudential's policyholder population as deferring rate increases will only increase the size of needed future rate increases.

The proposed premium rates will be effective on each policy's first modal premium due date that is on or after the state increase effective date established by Prudential following state approval. The earliest increase, once approval is provided, will be no earlier than 60 days from the date of approval, so that Prudential can provide sixty days advance notice of the rate increase to insureds.

We understand that a premium increase may be difficult for our policyholders to absorb. Consequently, Prudential is prepared to offer a number of options to enable the premium an insured is paying to remain the same such as reducing their inflation coverage, reducing their benefit period, decreasing their Daily Benefit Maximum, or dropping rider(s) (e.g. optional coverage). Additionally, as an alternative, our policyholders may also exercise their rights under a non-forfeiture benefit rider or the policy's contingent non-forfeiture provision (if applicable).

Furthermore, policyholders will also be given the opportunity to remove the Cash Alternative Benefit provision from their policy in return for a 13% premium reduction. These policy amendments (GRP 114978 and GRP 114979) were previously approved by the Department on September 26, 2013, under SERFF Filing Numbers PRUD-129026928 and PRUD 129026885.

The following items are included with this submission:

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

Correspondence: Please correspond directly with my associate concerning this filing.

Raenonna Prince, CLTC, LTCP
Lead Analyst
The Prudential Insurance Company of America
P. O. Box 7907
Philadelphia, PA 19101-7907
Voice: (800) 732-0416 or (215) 658-6281
Fax: (888) 294-6335
e-mail: raenonna.prince@prudential.com

Very truly yours,



Keith Burns, ASA, MAAA
Vice President and Actuary

Enclosures

February 16, 2016
Actuarial Memorandum Supporting Rate Revision for
The Prudential Insurance Company of America
Individual Long-Term Care Insurance Plan
Pennsylvania

1. Scope and Purpose

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

<u>Product Name</u>	<u>Form Number</u>	<u>Issue Dates in Pennsylvania</u>
ILTC3 Refresh	GRP 113172 ED 05/2009	5/2011 - 8/2012
ILTC3 Refresh Franchise	GRP 113570 ED 05/2009	5/2011 - 8/2012

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

The rate revision is necessary because the current best estimate projections of the nationwide lifetime loss ratios are significantly worse than the expected loss ratios. The higher lifetime loss ratios are due to adverse morbidity and persistency experience. In addition, ILTC3 Refresh was developed and filed under the rate stabilization requirements established in the 2000 LTC NAIC Model Regulation. Our current best estimate assumptions have exceeded the margin for moderately adverse conditions as set in the initial premium rate filing.

Upon approval of this rate revision, Prudential will communicate to policyholders their options to reduce the impact of the rate increase. There will also be opportunities for almost all policyholders to keep the premium at or below the same level they were paying prior to the rate revision. These options will include increasing the elimination period, reducing the lifetime maximum, reducing the daily benefit, eliminating optional riders, electing the removal of the Cash Alternative Benefit Rider, and a contingent non-forfeiture option that we will be offering to all policyholders regardless of their age or rate increase amount.

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

2. Description of Benefits

The policies issued on this form after approval of new business rates on February 14, 2011 are referred as the "ILTC3 Refresh" product series. The benefits of this policy remained the same as the benefits previously filed and approved in your State under the product referred to as "ILTC3" except for the following:

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
Individual Long-Term Care Insurance Product
February 16, 2016**

The Cash Benefit Rider and Flex Cash Benefit Rider were no longer offered.

The Lifetime Maximum benefit, which can be calculated as a function of time in years, added a one year benefit period and no longer offered an unlimited option.

“ILTC3” was individually underwritten and provides comprehensive long-term care coverage for care received in a nursing home, assisted living facility, or hospice in addition to home and community-based care. This product is intended to be Tax Qualified Long Term Care Insurance Contracts as defined by the internal revenue code section 7702B(b).

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

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

The reason for the change in new business rates for “ILTC3 Refresh” was due to increased morbidity, lower ultimate lapse rates and lower investment returns than expected at the time of filing.

The removal of Cash Alternative Benefit Rider allows for policyholders that do not have a Cash Benefit Rider or a Flex Cash Benefit Rider the option to delete their 40% cash alternative benefit in exchange for a lower premium.

3. Renewability Clause

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

4. Marketing Method

This plan was marketed to individuals by licensed agents.

5. Applicability

The revised rates contained in this memorandum will be applicable to in-force policies, as

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
Individual Long-Term Care Insurance Product
February 16, 2016**

these policy forms are no longer sold in the market, and all future periodic inflation protection offers. The revised premium rate schedules can be found in Appendix F.

6. Actuarial Assumptions

The actuarial assumptions used to project the future premiums and claims are described in this section. Appendix C provides further details of the experience studies conducted that were used to develop the actuarial assumptions. These current assumptions, developed in 2015, are Prudential's best estimate expectations of future experience and do not include any provisions for adverse experience. These assumptions are the basis for the assumptions being used in the company's internal cash flow testing.

Morbidity

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

Mortality

The mortality assumptions were developed from a mortality study conducted on the Prudential's experience and judgment. The best estimate mortality assumption is the Annuity 2000 Basic Table on a sex distinct basis with mortality selection factors, mortality attained age factors and mortality improvement. The mortality selection factors vary by issue age and duration and start at 0.25 in duration 1 and grade up to an ultimate factor by duration 30. The ultimate factor varies by issue age and ranges from 0.90 at the younger ages to 1.05 at the older ages. A set of mortality attained age factors is also applied that lowers the mortality by 10% for attained ages 60 and under and grades to an increase of 10% in mortality by age 100. Mortality improvement of 0.6% per year through 2035 is assumed. The assumptions do not include any loads for moderately adverse experience.

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Lapses

The voluntary lapse assumptions were developed from a policy persistency study conducted on the Company's experience and judgment. Lapse rates are combined with mortality rates to derive the total termination rate. In addition, the projections also terminate a policy if the insured exhausts their benefits. We assumed all remaining policies would terminate at attained age 120. The lapse assumptions represent the best estimate expectations of future experience and do not include any provisions for adverse experience. Lastly, the projections include an average annual shock lapse rate of 1.3% assumed over the first two years of implementation. Voluntary lapse rates are shown below and vary by policy duration.

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

NOTE: No inflation includes plans without inflation and GPO.

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

**Actuarial Memorandum Supporting Rate Revisions for
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9	0.00%	1.50%	1.50%
10-20	0.00%	1.50%	1.25%
21+	0.00%	1.25%*	1.00%**

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

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

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

Interest Rate

An annual interest rate of 4.0% was used to calculate the lifetime loss ratio in the supporting appendices. This was determined based on the predominant number of certificates issued in years that the maximum statutory valuation rate was 4.0%.

Expenses

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

7. Premium Classes

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

8. Issue Age Range

This product was available for issue ages up to 79. Premiums are based on issue age.

9. Area Factors

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

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
Individual Long-Term Care Insurance Product
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10. Average Annual Premium

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

11. Modal Premium Factors

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

12. Claim Liability and Reserve

Claim reserves were calculated using appropriate actuarial methods for IBNR and for open claims on a disabled life basis. The claim reserves were discounted to the date of incurral for each claim and have been included in the historical incurred claims. An annual interest rate of 4.0% was used to calculate the present value of future claims in the supporting exhibits.

13. Active Life Reserves

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

14. Trend Assumption

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

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

Prudential is requesting an average premium increase of 15.0%.

Satisfaction of the loss ratio requirement is demonstrated in Appendix A. The demonstration is based on a 58% loss ratio on the initial premium and an 85% loss ratio on the increased premium. This approach requires that the sum of the historical and projected future incurred claims must exceed the sum of 58% of the initial premium and 85% of the increased premium.

**Actuarial Memorandum Supporting Rate Revisions for
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16. Distribution of Business

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of June 30, 2015 to project future experience. Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

17. Experience – Past and Future

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

Historical experience is shown by claim incurral year.

18. Lifetime Loss Ratio

The anticipated nationwide lifetime loss ratios, both without a rate increase and with the requested rate increase, are shown in Appendix A. The development of these nationwide lifetime loss ratios, are shown in Appendix B and Appendix G.

The rate increase is assumed effective July 1, 2016 in our projections.

19. History of Rate Adjustments

See Appendix A for a history of rate increases on inforce policyholders with this policy form in this state.

20. Number of Policyholders

The current number of policyholders as of June 30, 2015 can be found in Appendix A.

21. Proposed Effective Date

This rate revision will be implemented following state approval and a minimum of a 60 day notification to the certificate holder. Implementation will be no earlier than July 1, 2016.

**Actuarial Memorandum Supporting Rate Revisions for
The Prudential Insurance Company of American
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February 16, 2016**

22. Summary of Appendices

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

Appendix B contains historical and projected nationwide experience for all policies issued under this form. The appendix also includes the projected lifetime loss ratios both without and with the proposed increase, as well as the active life reserve balance as of June 30, 2015.

Appendix C contains three exhibits that show our actual to expected lapse, mortality and morbidity experience.

Appendix D contains a breakdown of our current persistency assumptions.

Appendix E contains the distribution of the inforce policies by key demographic and benefit characteristics.

Appendix F contains the premium rate pages associated with this filing.

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

23. Relationship of Renewal Premium to New Business Premium.

Prudential is no longer selling any new Long-Term Care business. Therefore, the comparison of renewal premium rates after the rate increase to the Company's current new business premium rate schedule is not applicable.

24. Actuarial Certification

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

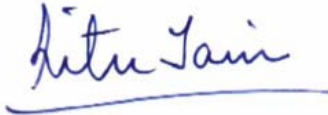
To the best of my knowledge and judgment this rate filing is in compliance with the applicable laws and regulations of this State as they relate to premium rate developments and revisions.

**Actuarial Memorandum Supporting Rate Revisions for
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February 16, 2016**

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

In forming my opinion, I have used actuarial assumptions and actuarial methods as I considered necessary. I have relied on projection information provided by Dan Nitz, FSA, MAAA. He is an Actuary at Milliman who used data and assumptions that were developed and supplied by Prudential in developing these projections. The pricing assumptions are consistent with Prudential's best estimates at the time of this filing and do not include a margin for adverse experience.

The premium rates are not excessive or unfairly discriminatory. If current pricing assumptions deteriorate, Prudential may need to file for additional in-force premium increases on these forms in the future.



Ritu Jain, ASA, MAAA
Associate Actuary
Prudential Long Term Care
February 16, 2016

Appendix A
The Prudential Insurance Company of America
ILTC3R

Pennsylvania

Requested Rate Increase for All Policies: 15.0%

10 Average Annual Premium

	Pennsylvania	Nationwide
Without Increase	\$2,404	\$2,602
With Increase	\$2,764	\$2,992

15 Satisfaction of Loss Ratio Requirements

Rate Stability Requirement

1) Total Incurred Claims		90,614,648
58% of initial premium	59,955,713	
85% of increased premium	8,952,605	
2) Sum of 58%/85% Premium		68,908,318
Is 1 greater than 2?		Yes

18 Lifetime Loss Ratio

Policy type	Without Increase	With Increase
All	88%	80%

19 History of Rate Adjustments

No prior rate increases

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

Policy Type	Pennsylvania	Nationwide
All	248	2,558

Policy Type	Pennsylvania	Nationwide
All	\$596,136	\$6,655,837

Appendix B
The Prudential Insurance Company of America
Historical and Projected Experience
Nationwide Experience
Pennsylvania Rate Basis
ILTC3R

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2011	551,841	0	0	0	0%
2012	5,962,943	22,778	53,930	76,708	1%
2013	7,099,352	0	0	0	0%
2014	6,955,183	74,880	252,580	327,460	5%
2015*	3,306,802	1,238	251,662	252,900	8%
Active Life Reserve Balance as of 06/30/2015:			12,422,593		

Projections without Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	3,297,394	232,891	7%
2016	6,446,313	542,264	8%
2017	6,276,209	676,791	11%
2018	6,122,288	840,190	14%
2019	5,973,710	1,019,942	17%
2020	5,835,016	1,219,877	21%
2021	5,681,662	1,438,646	25%
2022	5,177,821	1,653,743	32%
2023	4,897,618	1,894,880	39%
2024	4,752,584	2,165,663	46%
2025	4,607,605	2,464,102	53%
2026	4,458,352	2,785,896	62%
2027	4,303,465	3,138,930	73%
2028	4,143,768	3,514,725	85%
2029	3,979,739	3,922,454	99%
2030	3,809,392	4,349,599	114%
2031	3,635,875	4,791,675	132%
2032	3,464,791	5,242,483	151%
2033	3,297,191	5,711,929	173%
2034	3,127,950	6,200,697	198%
2035	2,954,437	6,687,727	226%
2036	2,779,376	7,166,018	258%
2037	2,606,871	7,632,113	293%
2038	2,435,422	8,076,303	332%
2039	2,265,723	8,459,556	373%
2040	2,098,497	8,763,880	418%
2041	1,933,928	8,979,141	464%
2042	1,773,910	9,093,225	513%
2043	1,619,515	9,129,670	564%
2044	1,471,166	9,090,927	618%
2045	1,329,810	8,992,136	676%
2046	1,194,865	8,824,281	739%
2047	1,066,125	8,578,388	805%
2048	946,684	8,257,004	872%
2049	837,820	7,892,600	942%
2050	735,054	7,499,951	1020%
2051	643,805	7,079,156	1100%
2052	561,084	6,630,502	1182%
2053	486,497	6,157,867	1266%
2054 and later	2,655,979	53,749,003	2024%

Projections with Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	3,297,394	232,891	7%
2016	6,715,878	539,367	8%
2017	6,997,860	666,307	10%
2018	6,856,385	826,266	12%
2019	6,689,991	1,002,663	15%
2020	6,534,667	1,198,812	18%
2021	6,362,925	1,413,319	22%
2022	5,798,671	1,623,724	28%
2023	5,484,870	1,859,737	34%
2024	5,322,446	2,124,818	40%
2025	5,160,083	2,416,849	47%
2026	4,992,933	2,731,601	55%
2027	4,819,475	3,076,774	64%
2028	4,640,629	3,444,086	74%
2029	4,456,932	3,842,488	86%
2030	4,266,160	4,259,722	100%
2031	4,071,836	4,691,355	115%
2032	3,880,239	5,131,318	132%
2033	3,692,543	5,589,346	151%
2034	3,503,009	6,066,111	173%
2035	3,308,691	6,541,021	198%
2036	3,112,639	7,007,219	225%
2037	2,919,450	7,461,393	256%
2038	2,727,443	7,894,043	289%
2039	2,537,396	8,266,993	326%
2040	2,350,119	8,562,772	364%
2041	2,165,817	8,771,508	405%
2042	1,986,612	8,881,426	447%
2043	1,813,704	8,915,563	492%
2044	1,647,567	8,876,347	539%
2045	1,489,262	8,778,599	589%
2046	1,338,137	8,613,548	644%
2047	1,193,959	8,372,442	701%
2048	1,060,197	8,057,790	760%
2049	938,279	7,701,294	821%
2050	823,191	7,317,383	889%
2051	721,001	6,906,146	958%
2052	628,361	6,467,858	1029%
2053	544,831	6,006,284	1102%
2054 and later	2,974,446	52,399,464	1762%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015

** Projected 2015 Experience - 7/1/2015 through 12/31/2015

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	25,604,511	682,236	3%	25,604,511	682,236	3%
Present Value of Future to 6/30/2015	79,653,136	91,967,244	115%	88,299,885	89,932,412	102%
Total Values (Discounted at 4%)	105,257,647	92,649,480	88%	113,904,396	90,614,648	80%
Projected Loss Ratio without Rate Increase			88%	Projected Loss Ratio with Rate Increase		80%
Minimum Lifetime Loss Ratio			60%			

Appendix G
The Prudential Insurance Company of America
Historical and Projected Experience
Pennsylvania Experience
ILTC3R

Historical

Calendar Year	Earned Premium	Paid Claims	Claim Reserve	Incurred Claims	Incurred Ratio
2011	104,360	0	0	0	0%
2012	589,815	0	0	0	0%
2013	636,454	0	0	0	0%
2014	625,899	0	0	0	0%
2015*	296,747	0	0	0	0%
Active Life Reserve Balance as of 06/30/2015:			436,529		

Projections without Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	295,062	24,903	8%
2016	576,479	57,550	10%
2017	560,567	71,545	13%
2018	546,011	88,422	16%
2019	532,051	107,122	20%
2020	518,900	127,692	25%
2021	506,195	149,596	30%
2022	493,404	171,101	35%
2023	480,047	195,186	41%
2024	466,049	222,248	48%
2025	451,415	252,464	56%
2026	436,154	285,500	65%
2027	420,337	321,542	76%
2028	404,022	359,874	89%
2029	387,273	401,300	104%
2030	370,157	444,636	120%
2031	352,709	488,447	138%
2032	335,285	532,669	159%
2033	318,132	578,762	182%
2034	300,833	627,005	208%
2035	283,426	674,953	238%
2036	265,608	722,141	272%
2037	247,889	768,562	310%
2038	230,502	809,962	351%
2039	213,310	842,609	395%
2040	196,421	866,217	441%
2041	179,915	879,534	489%
2042	163,891	882,635	539%
2043	148,436	875,162	590%
2044	133,649	859,326	643%
2045	119,632	836,674	699%
2046	106,431	806,289	758%
2047	94,113	770,590	819%
2048	82,707	729,886	882%
2049	72,241	687,627	952%
2050	62,721	642,112	1024%
2051	54,116	593,208	1096%
2052	46,409	543,516	1171%
2053	39,544	493,481	1248%
2054 and later	189,107	3,436,418	1817%

Projections with Requested Rate Increase

Calendar Year	Earned Premium	Incurred Claims	Incurred Ratio
2015**	295,062	24,903	8%
2016	600,585	57,241	10%
2017	625,022	70,425	11%
2018	611,480	86,938	14%
2019	595,847	105,282	18%
2020	581,119	125,455	22%
2021	566,890	146,924	26%
2022	552,566	167,986	30%
2023	537,608	191,569	36%
2024	521,931	218,057	42%
2025	505,542	247,623	49%
2026	488,452	279,936	57%
2027	470,738	315,173	67%
2028	452,466	352,640	78%
2029	433,710	393,121	91%
2030	414,541	435,455	105%
2031	395,001	478,231	121%
2032	375,487	521,388	139%
2033	356,277	566,360	159%
2034	336,904	613,420	182%
2035	317,410	660,178	208%
2036	297,456	706,173	237%
2037	277,612	751,403	271%
2038	258,140	791,714	307%
2039	238,887	823,468	345%
2040	219,973	846,390	385%
2041	201,488	859,256	426%
2042	183,542	862,146	470%
2043	166,234	854,716	514%
2044	149,674	839,127	561%
2045	133,977	816,892	610%
2046	119,193	787,119	660%
2047	105,398	752,172	714%
2048	92,624	712,356	769%
2049	80,903	671,036	829%
2050	70,241	626,554	892%
2051	60,605	578,779	955%
2052	51,974	530,248	1020%
2053	44,286	481,394	1087%
2054 and later	211,782	3,350,847	1582%

* Historical 2015 Experience - 1/1/2015 through 6/30/2015

** Projected 2015 Experience - 7/1/2015 through 12/31/2015

Loss Ratio Summaries

Accumulated Value of Historical to 6/30/2015	2,424,542	0	0%	2,424,542	0	0%
Present Value of Future to 6/30/2015	7,403,594	8,706,277	118%	8,210,456	8,515,808	104%
Total Values (Discounted at 4%)	9,828,136	8,706,277	89%	10,634,998	8,515,808	80%
Projected Loss Ratio without Rate Increase			89%	Projected Loss Ratio with Rate Increase		80%

Appendix C
Exhibit 1
The Prudential Insurance Company of America
Mortality Study
Experience by Policy Duration
ILTC3R

Policy Duration	Total Lives	Total Terminations	Actual Deaths	Expected Deaths	Mortality Rate		A:E
					Actual	Expected	
1 - 3	7,534	317	5	14	0.07%	0.19%	35%
Total	7,534	317	5	14	0.07%	0.19%	35%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Total Terminations include Actual Deaths, Actual Lapses, and Actual Benefit Exhausts

Appendix C
Exhibit 1
The Prudential Insurance Company of America
Mortality Study
Experience by Attained Age
ILTC3R

Attained Age	Total Lives	Total Terminations	Actual Deaths	Expected Deaths	Mortality Rate		A:E
					Actual	Expected	
<50	1,028	97	0	0	0.00%	0.04%	0%
50-54	1,100	49	1	1	0.09%	0.08%	112%
55-59	1,571	57	2	2	0.13%	0.12%	105%
60-64	2,128	62	1	4	0.05%	0.19%	25%
65-69	1,265	38	1	4	0.08%	0.33%	24%
70-74	367	12	0	2	0.00%	0.58%	0%
75-79	73	2	0	1	0.00%	0.99%	0%
80-84	2	0	0	0	0.00%	1.54%	0%
Total	7,534	317	5	14	0.07%	0.19%	35%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Total Terminations include Actual Deaths, Actual Lapses, and Actual Benefit Exhausts

Appendix C
Exhibit 2
Voluntary Lapse Study
The Prudential Insurance Company of America
Experience by Policy Duration
ILTC3R

Policy Duration	Total Lives	Total Terminations		Mortality Rate		Voluntary Lapse Rate		
		Count	Rate	Actual	Expected	Actual	Implied	"Current"
1	2,790	143	5.13%	0.00%	0.13%	5.1%	5.0%	5.4%
2	2,647	116	4.38%	0.08%	0.19%	4.3%	4.2%	3.8%
3	1,796	44	2.45%	0.11%	0.29%	2.3%	2.2%	3.5%
Total	7,233	303	4.19%	0.06%	0.19%			

Notes:

- 1) Experience is through June 30, 2015, and only includes lifetime pay policies (excludes limited pay policies).
- 2) Expected Mortality Rate is based on the current assumption and uses the Annuity 2000 Table, with mortality selection factors, attained age factors, and 0.6% improvement per year from year 2000.
- 3) Actual Voluntary Lapse Rate is the Total Termination Rate minus the Actual Mortality Rate minus the Actual Benefit Exhaust Rate.
Benefit Exhausts are included in the Total Terminations listed above but excluded from the Actual Voluntary Lapse Rates.
- 4) Implied Voluntary Lapse Rate is the Total Termination Rate minus the Expected Mortality Rate minus the Actual Benefit Exhaust Rate.
- 5) Current Voluntary Lapse Rate is the current projection assumption.
The ultimate lapse rates vary between 0.5% to 2.5% depending on inflation and marital status.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Calendar Year
ILTC3R

Calendar Year	Total Lives	Actual Claims					Expected Claims			Actual to Expected		
		Count	Paid	Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
2011	225	0	-	-	-	-	0	93,106	11,068	0%	0%	0%
2012	2,298	1	21,693	51,361	73,054	73,054	1	100,672	107,955	93%	73%	68%
2013	2,729	0	-	-	-	-	2	105,653	211,492	0%	0%	0%
2014	2,630	2	71,312	240,547	155,930	311,859	3	109,475	294,679	74%	142%	106%
2015	1,263	5	1,179	239,672	48,170	240,852	2	114,066	180,068	317%	42%	134%
Total	9,146	8	94,184	531,580	78,221	625,765	7	107,895	805,262	107%	72%	78%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Policy Duration
ILTC3R

Policy Duration	Total Lives	Count	Paid	Actual Claims			Expected Claims			Actual to Expected		
				Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
1 - 3	8,171	4	93,682	291,908	96,397	385,590	6	106,987	641,629	67%	90%	60%
4 - 5	975	4	503	239,672	60,044	240,175	1	111,610	163,634	273%	54%	147%
Total	9,146	8	94,184	531,580	78,221	625,765	7	107,895	805,262	107%	72%	78%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

Appendix C
Exhibit 3
The Prudential Insurance Company of America
Claim Study
Experience by Attained Age
ILTC3R

Attained Age	Total Lives	Count	Actual Claims				Expected Claims			Actual to Expected		
			Paid	Reserve	Severity	Incurred	Count	Severity	Incurred	Incidence	Severity	Incurred
<=59	4,331	2	21,693	129,809	75,751	151,502	1	129,804	110,510	235%	58%	137%
60-64	2,598	1	158	-	158	158	2	116,205	194,174	60%	0%	0%
65-69	1,609	4	72,333	240,547	78,220	312,880	2	106,369	251,479	169%	74%	124%
70-74	506	1	-	161,224	161,224	161,224	2	100,205	162,496	62%	161%	99%
75-79	98	-	-	-	-	-	1	89,497	77,713	0%	0%	0%
80-84	4	-	-	-	-	-	0	102,353	8,890	0%	0%	0%
Total	9,146	8	94,184	531,580	78,221	625,765	7	107,895	805,262	107%	72%	78%

Notes:

- 1) Experience is through June 30, 2015.
- 2) Paid claims represent the present value of paid claims discounted to the claim incurred date.
- 3) Reserve amounts represent the present value of the remaining claim reserve (including IBNR) discounted to the claim incurred date.
- 4) Severity is defined as incurred claims divided by the count of claims.
- 5) Expected Claims are the current best estimate assumptions used in the projections and are based on the Milliman 2011 Long-Term Care Guidelines including fitting factors.
- 6) Claim dollar amounts are discounted using a 4.5% interest rate (both actual and expected).
- 7) This exhibit excludes waiver of premium and return of premium benefits in both actual and expected results.

**Appendix D
Prudential
Policy Persistency Comparison
Nationwide Experience
Product Series ILTC3R**

Policy Duration	Total Lives	Actual Results			Original Pricing Assumptions			Current Assumptions		
		Total Terminations			Lapse	Mortality	Total Terminations	Lapse	Mortality	Total Terminations
1	2,790	5.1%			6.4%	0.2%	6.6%	5.4%	0.1%	5.5%
2	2,647	4.4%			4.6%	0.2%	4.8%	3.8%	0.2%	4.0%
3	1,796	2.4%			3.3%	0.3%	3.7%	3.5%	0.3%	3.8%

Notes:

- 1) The "Actual Results" are the historical total policy termination rates observed by the Company.
- 2) The "Original Pricing Assumptions" are those assumptions originally used to price the product.
The mortality assumptions are based on the 1994 GAM Table with selection factors.
The lapse assumptions vary by issue age. The original ultimate lapse rate starting in duration 8 was 1.5% for all ages (for lifetime pay).
- 3) The "Current Assumptions" are those used in the projection for the current rate filing.
The mortality assumptions are based on the Annuity 2000 table, with selection factors, mortality attained age factors, and 0.6% mortality improvement per year (from year 2000)
The lapse assumptions vary by premium payment option, inflation and marital status. The current ultimate lapse rate starting in duration 21 ranges from 0.5% to 2.5%.
- 4) Experience is through June 30, 2015 and only includes lifetime pay policies (excludes limited pay policies).

Appendix E
Prudential
Distribution of Inforce Business as of June 30, 2015
Product Series ILTC3R

	<u>ILTC3R</u>			
	Count	% of Count	Premium	% of Premium
Issue Year				
2011	815	31.9%	2,063,564	31.0%
2012	1,742	68.1%	4,588,948	68.9%
2013	1	0.0%	3,325	0.0%
Total	2,558	100.0%	6,655,837	100.0%
Issue Age				
<30	11	0.4%	15,550	0.2%
30-34	23	0.9%	22,878	0.3%
35-39	44	1.7%	47,967	0.7%
40-44	107	4.2%	177,982	2.7%
45-49	191	7.5%	389,262	5.8%
50-54	405	15.8%	849,141	12.8%
55-59	589	23.0%	1,436,061	21.6%
60-64	741	29.0%	2,070,275	31.1%
65-69	349	13.6%	1,182,214	17.8%
70-74	81	3.2%	358,198	5.4%
75-79	17	0.7%	106,309	1.6%
80+	-	0.0%	0	0.0%
Total	2,558	100.0%	6,655,837	100.0%

Average Issue Age 57.6

Attained Age

<30	3	0.1%	1,482	0.0%
30-34	14	0.5%	23,283	0.3%
35-39	29	1.1%	23,500	0.4%
40-44	72	2.8%	104,117	1.6%
45-49	106	4.1%	198,394	3.0%
50-54	265	10.4%	519,178	7.8%
55-59	453	17.7%	1,027,805	15.4%
60-64	685	26.8%	1,718,886	25.8%
65-69	618	24.2%	1,833,037	27.5%
70-74	256	10.0%	914,633	13.7%
75-79	51	2.0%	251,634	3.8%
80+	6	0.2%	39,888	0.6%
Total	2,558	100.0%	6,655,837	100.0%

Average Attained Age 60.9

Gender

Male	1,102	43.1%	2,915,517	43.8%
Female	1,456	56.9%	3,740,320	56.2%
Total	2,558	100.0%	6,655,837	100.0%

Inflation Option

None	204	8.0%	452,828	6.8%
GPO	564	22.0%	1,176,924	17.7%
5% Simple Lifetime	280	10.9%	860,069	12.9%
2% Compound Lifetime	78	3.0%	181,289	2.7%
3% Compound Lifetime	1,054	41.2%	2,694,645	40.5%
4% Compound Lifetime	165	6.5%	488,065	7.3%
5% Compound - Double (14 years)	28	1.1%	90,781	1.4%
5% Compound Lifetime	185	7.2%	711,236	10.7%
Total	2,558	100.0%	6,655,837	100.0%

Elimination Period

30-Day	43	1.7%	131,989	2.1%
60-Day	73	2.9%	168,730	2.6%
90-Day	2,347	91.8%	6,078,505	95.3%
120-Day	40	1.6%	121,982	1.9%
180-Day	48	1.9%	134,406	2.1%
365-Day	7	0.3%	20,225	0.3%
Total	2,558	96.3%	6,379,224	100.0%

Benefit Period*

1 Year	7	0.3%	4,552	0.1%
2 Years	109	4.3%	158,281	2.4%
3 Years	801	31.3%	1,661,946	25.0%
5 Years	1,520	59.4%	4,345,655	65.3%
10 Years	121	4.7%	485,402	7.3%
Total	2,558	100.0%	6,655,837	100.0%

*Benefit Period grouped to nearest primary election

Premium Period

Lifetime	2,451	95.8%	6,018,780	90.4%
Premium Paid-Up at Age 65	15	0.6%	41,710	0.6%
Premium Reduction at Age 65	6	0.2%	13,213	0.2%
10-Pay	86	3.4%	582,132	8.7%
Total	2,558	100.0%	6,655,837	100.0%

Home Health Reimbursement Level

50%	19	0.7%	41,150	0.6%
75%	28	1.1%	62,459	0.9%
100%	2,341	91.5%	6,043,648	90.8%
150%	170	6.6%	508,579	7.6%
Total	2,558	100.0%	6,655,837	100.0%

Spousal Discount Status

Single	449	17.6%	1,403,799	21.1%
Married - 1 Buy	692	27.1%	1,938,491	29.1%
Married - 2 Buy	1,417	55.4%	3,313,546	49.8%
Total	2,558	100.0%	6,655,837	100.0%

Cash Benefit Option

Cash	0	0.0%	0	0.0%
Reimbursement	2,558	100.0%	6,655,837	100.0%
Flex	0	0.0%	0	0.0%
Total	2,558	100.0%	6,655,837	100.0%

Benefit Measure

Daily	1,146	44.8%	2,801,539	42.1%
Monthly	1,412	55.2%	3,854,298	57.9%
Total	2,558	100.0%	6,655,837	100.0%

Non-Forfeiture Option

Yes	80	3.1%	244,648	3.7%
No	2,478	96.9%	6,411,188	96.3%
Total	2,558	100.0%	6,655,837	100.0%

Shared Care Rider

Yes	784	30.6%	1,856,191	27.9%
No	1,774	69.4%	4,799,646	72.1%
Total	2,558	100.0%	6,655,837	100.0%

Survivorship Rider

Yes	12	0.5%	52,351	0.8%
No	2,546	99.5%	6,603,485	99.2%
Total	2,558	100.0%	6,655,837	100.0%

Dual Waiver of Premium Rider

Yes	57	2.2%	118,331	1.8%
No	2,501	97.8%	6,537,506	98.2%
Total	2,558	100.0%	6,655,837	100.0%

Home Health EP Waiver Rider

Yes	365	14.3%	1,196,327	18.0%
No	2,193	85.7%	5,459,510	82.0%
Total	2,558	100.0%	6,655,837	100.0%