

**Genworth Life Insurance Company**  
**Dec 5, 2017**

**SERFF #s:** GEFA-131152758, GEFA-131152774, GEFA-131152778, and GEFA-131152784

**Policy forms affected:**

- The Pre-PCS block includes forms 6484, 50000, 50001, 50003N, 50003P, 60394, 60407, 50020, 50021, 50022, 60491, 60494, 7021, 62100D, and 62100R.
- The PCS block includes forms 7000 and 7020.
- The PCS II block includes forms 7030 and 7032.
- The PCS III block includes form 7035 (this is sometimes called the Choice I series).

Genworth is requesting larger increases on policies with lifetime benefits and smaller increases on policies with limited benefits. Genworth is requesting 118% on Pre-PCS policies with lifetime benefits and 15% on policies with limited benefits. Genworth is requesting 72% on PCS policies with lifetime benefits and 55% on policies with limited benefits. Genworth is requesting 72% on PCS II policies with lifetime benefits and 55% on policies with limited benefits. Genworth is requesting 72% on PCS III policies with lifetime benefits and 55% on policies with limited benefits.

The Pre-PCS block has 3,276 PA policyholders, the PCS block has 2,659 PA policyholders, the PCS II block has 5,843 PA policyholders, and the PCS III block has 13,686 PA policyholders. In total, 25,464 policies are affected in Pennsylvania.

- The Department approved a 10% increase for policies with lifetime benefits and 0% for policies with limited benefits for the Pre-PCS series.
- The Department approved a 20% increase for policies with lifetime benefits and 7% for policies with limited benefits for the PCS series.
- The Department approved a 20% increase for policies with lifetime benefits and 20% for policies with limited benefits for the PCS II series and the PCS III series.

**Effective date of rate change:** Renewals on and after 12/5/2017.

The current policies in place are not generating sufficient premium to pay future claims to policyholders. This is a common problem for a number of insurers nationwide because policyholders are keeping their policies longer than expected and are living longer than projected. As a result, policyholders are using more benefits on average than the company anticipated when the policies were originally sold. This means the company has to pay out more for benefits than it originally projected.

In making this decision, the Department considered the projected loss ratio for each block of policy forms, that is, the projected total amount of benefits paid out versus the total amount of premium collected, the reasonableness of the assumptions the company used in its projections, and the company's financial situation. The Department also considered the financial impact this rate increase would pose to consumers, the past rate increases policyholders have faced, and the availability of options to limit the rate increase by reducing benefits.

Although the rate increase is significant, the company is offering ways for policyholders to limit the rate increase by reducing benefits. The company will let you know your options when they contact you directly about this premium increase.

This Rate Filing Decision Summary is a tool to help explain the rate filing and does not describe all the factors considered as part of the Department's rate review.