

**Metropolitan Life Insurance Company**  
**April 26, 2016**

**SERFF #s:** META-130431037, META-130430819, and META-130430816

**Policy forms affected:**

- The LTC-97 block includes forms 1LTC-97-PA and 2LTC-97-PA.
- The VIP-1 block includes forms LTC-IDEAL-PA, LTC-FAC-PA, LTC-VAL-PA, LTC-PREM-PA, LTC-IDEAL-PA-ML, LTC-FAC-PA-ML, LTC-VAL-PA-ML, and LTC-PREM-PA-ML.
- The VIP-2 block includes forms LTC2-IDEAL-PA, LTC2-FAC-PA, LTC2-VAL-PA, LTC2-PREM-PA, LTC2-IDEAL-ML-PA, LTC2-FAC-ML-PA, LTC2-VAL-ML-PA, and LTC2-PREM-ML-PA.

**Effective date of rate change:** Renewals on and after 4/26/2016.

Metropolitan requested a 43% increase on the LTC-97 block, a 60% increase on the VIP-1 block, and a 57% increase on the VIP-2 block.

The LTC-97 block has 976 PA policyholders, the VIP-1 block has 3,308 PA policyholders, and the VIP-3 block has 2,289 PA policyholders. In total, 6,573 policies are affected in Pennsylvania.

The Department approved a 20% increase for all policies.

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 either completely avoid or 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.