

Bankers Life and Casualty Company
Nov 6, 2019

SERFF #s: BNLB-132069050

Filing Summary:

Bankers Life requested approval to increase the premium on Long Term Care policy forms: GR-N050, GR-N055, GR-N100, GR-N105, GR-N160, GR-N165, GR-N240, GR-N250, GR-N270, and GR-N280. The number of policies and the requested increase is shown below.

Form	# of Policies	Requested Increase
GR-N050 & GR-N055	228	35.0%
GR-N100 & GR-N105	497	35.0%
GR-N160 & GR-N165	332	35.0%
GR-N240, GR-N250, GR-N270, & GR-N280	652	35.0%

1,709

The Department approved the increases listed below.

1. A 0% increase on the 228 policyholders with Bankers Life forms GR-N050 and GR-N055.
2. A 5% increase on the 497 policyholders with Bankers Life forms GR-N100 & GR-N105.
3. A 0% increase on the 332 policyholders with Bankers Life forms GR-N160 and GR-N165.
4. A 3% increase on the 652 policyholders with Bankers Life forms GR-N240, GR-N250, GR-N270, and GR-N280.

Effective date of rate change: Renewals on and after 11/6/2019.

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.

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.



Long-Term Care Insurance Rate Decision
Pennsylvania Insurance Department | www.insurance.pa.gov

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.