

New York Life Insurance Company
Dec 30, 2019**SERFF #:** NWLT-131979666**Filing Summary:**

New York Life Insurance Company requested a 24.7% rate increase on the following LTC forms: ILTC-4300 and INH-4300. The policies were issued in PA from Oct 1998 through June 2004.

The aggregate increase is 24.7% but the requested varies by a policyholder's attained age. The request is summarized in the table below.

Rating Group	Number of Policies	Requested Increase
Attained age under 69	374	80%
Attained age 69 to 73	297	45%
Attained age 74 and above	582	0%
	1,253	

The Department approved the following:

1. For policyholders scheduled to receive an 80% increase, we authorized three increases of 21.64%, each increase to be implemented no sooner than one year apart. These three increases will compound to 80%.
2. For policyholders scheduled to receive a 45% increase, we authorized two increases of 20.42%, each increase to be implemented no sooner than one year apart. These two increases will compound to 45%.

Further, the company will issue each policyholder in this block an endorsement that will make their policies non-cancelable. In other words, after this increase, the company will seek no additional increases on this block in the future.

Effective date of rate change: Renewals on and after 12/30/2019.

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.

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.