

**State:** Pennsylvania **Filing Company:** TRANSAMERICA LIFE INSURANCE COMPANY  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.002 Non Qualified  
**Product Name:** Long Term Care Insurance  
**Project Name/Number:** PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

### Filing at a Glance

Company: TRANSAMERICA LIFE INSURANCE COMPANY  
 Product Name: Long Term Care Insurance  
 State: Pennsylvania  
 TOI: LTC03I Individual Long Term Care  
 Sub-TOI: LTC03I.002 Non Qualified  
 Filing Type: Rate - Other (Not M.U. or G.I. Product)  
 Date Submitted: 10/10/2019  
 SERFF Tr Num: SHPT-132096307  
 SERFF Status: Assigned  
 State Tr Num: SHPT-132096307  
 State Status: Received Review in Progress  
 Co Tr Num: PA TRANSAMERICA JCP RATE FILING

Implementation: On Approval  
 Date Requested:  
 Author(s): Lisa Norman, Megan Bittner, Shauna Hopkins, Anna Garst, Laura Gabbard  
 Reviewer(s): Jim Laverty (primary)  
 Disposition Date:  
 Disposition Status:  
 Implementation Date:

**State Filing Description:**  
 Proposed 30% increase on 165 policyholders of Transamerica form D425 PA. This increase applies only to policies without a 5% compound lifetime inflation rider.

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## General Information

Project Name: PA Transamerica JCP Rate Filing Status of Filing in Domicile: Pending  
Project Number: PA Transamerica JCP Rate Filing Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type:  
Overall Rate Impact: 30% Filing Status Changed: 10/11/2019  
State Status Changed: 10/11/2019  
Deemer Date: Created By: Lisa Norman  
Submitted By: Megan Bittner Corresponding Filing Tracking Number: SHPT-132096305  
State TOI: LTC03I Individual Long Term Care

### Filing Description:

NAIC No: 86231  
Rate Revision Filing on Long Term Care Insurance  
Individual policies without 5% Compound Lifetime Inflation

Dear Sir or Madam:

The purpose of this letter is to introduce an offer that Senior Health Insurance Company of Pennsylvania (SHIP) is filing in your state to assist in maintaining the solvency of SHIP so that future policyholder obligations can be met. If you would like to set up a meeting to discuss this filing, please feel free to contact us at your convenience.

The enclosed actuarial memorandum provides details of a request for approval of a rate action that would require policyholders without a 5% compound lifetime inflation benefits to elect one of the following options:

1. A 30% Rate Increase.
2. A Non-forfeiture Option ("NFO") under which the lifetime maximum benefit would be reduced to an amount equal to the sum of all premiums paid less all claims that have been paid.

They may also call to receive additional options based on their current benefits that may help offset some of the rate increase.

The rates will be effective upon approval. The rate increase will apply to in-force business only as SHIP no longer markets these policy forms.

We trust that you will find our filing to be in order and hope that you will grant your Department's approval to this submission. If you have any questions or would like to discuss any of the materials included in this submission, please feel free to call or email me.

Sincerely,

Laura Gabbard  
Operations Rate Specialist  
Phone: (317) 566-7527  
Email: lgabbard@shipltc.com

**State:** Pennsylvania **Filing Company:** TRANSAMERICA LIFE INSURANCE COMPANY  
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## Company and Contact

### Filing Contact Information

Lisa Norman, Inorman@fuzionanalytics.com  
 550 Congressional Blvd, Suite 200 317-566-7597 [Phone]  
 Carmel, IN 46032

### Filing Company Information

TRANSAMERICA LIFE	CoCode: 86231	State of Domicile: Iowa
INSURANCE COMPANY	Group Code: 468	Company Type: INSURER
550 CONGRESSSIONAL BLVD.,	Group Name: AEGON US	State ID Number:
SUITE 200	HOLDING GROUP	
CARMEL, IN 46032	FEIN Number: 39-0989781	
(317) 566-7564 ext. [Phone]		

## Filing Fees

Fee Required? No  
 Retaliatory? No  
 Fee Explanation:

State: Pennsylvania Filing Company: TRANSAMERICA LIFE INSURANCE COMPANY  
TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.002 Non Qualified  
Product Name: Long Term Care Insurance  
Project Name/Number: PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

## Correspondence Summary

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Need Excel	Note To Filer	Jim Laverty	10/11/2019	10/11/2019

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**State:** Pennsylvania **Filing Company:** TRANSAMERICA LIFE INSURANCE COMPANY  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.002 Non Qualified  
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## Note To Filer

**Created By:**

Jim Laverty on 10/11/2019 11:33 AM

**Last Edited By:**

Jim Laverty

**Submitted On:**

10/11/2019 11:33 AM

**Subject:**

Need Excel

**Comments:**

Please provide the tables included in the actuarial memo in an Excel workbook.

SERFF Tracking #:

SHPT-132096307

State Tracking #:

SHPT-132096307

Company Tracking #:

PA TRANSAMERICA JCP RATE FILING

State: Pennsylvania

Filing Company: TRANSAMERICA LIFE INSURANCE COMPANY

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.002 Non Qualified

Product Name: Long Term Care Insurance

Project Name/Number: PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

### Rate Information

Rate data applies to filing.

Filing Method: Review and Approval

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 30.000%

Effective Date of Last Rate Revision: 12/31/2012

Filing Method of Last Filing: Review and Approval

SERFF Tracking Number of Last Filing: SHPA-126905333

### 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):
TRANSAMERICA LIFE INSURANCE COMPANY	143.000%	30.000%	\$84,034	102	\$280,114	30.000%	0.000%

**SERFF Tracking #:**

SHPT-132096307

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**Company Tracking #:**

PA TRANSAMERICA JCP RATE FILING

**State:**

Pennsylvania

**Filing Company:**

TRANSAMERICA LIFE INSURANCE COMPANY

**TOI/Sub-TOI:**

LTC03I Individual Long Term Care/LTC03I.002 Non Qualified

**Product Name:**

Long Term Care Insurance

**Project Name/Number:**

PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		PA_NonComp5_PolicyList_Transamerica	D425 PA	Revised	Previous State Filing Number: SHPA-126905333 Percent Rate Change Request: 25	PA_NonComp5_PolicyList_Transamerica.pdf,

# SENIOR HEALTH INSURANCE COMPANY OF PENNSYLVANIA

## POLICY LEVEL RATE DETAIL WITH ANNUALIZED PREMIUMS

### POLICY FORM SERIES JCP ISSUED IN THE STATE OF PA

#### NON 5% COMPREHENSIVE LIFETIME INFLATION POLICYHOLDER POPULATION

Policy ID	Policy Issue Date	Issue Age	Attained Age	Daily Benefit Amount	Benefit Period	Elimination Period	Inflation	Policy Type	Current Premium	RINC % Change	RINC Premium
E9B0FE9D-68D	5/28/1991	64	92	\$265.32	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,629.68	30%	\$ 3,418.58
4C44F634-816	5/28/1991	62	90	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,641.92	30%	\$ 3,434.50
82DAD754-596	6/19/1991	65	93	\$202.16	4 Yr	0	C85995.00	NH Only	\$2,982.24	30%	\$ 3,876.91
6D6F0F00-0E5	9/13/1991	69	97	\$145.53	4 Yr	0	C85995.00	Comprehensive	\$5,886.96	30%	\$ 7,653.05
C405772A-8AE	10/16/1991	58	86	\$265.31	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,176.45	30%	\$ 2,829.39
2D7BFD53-850	1/6/1992	67	94	\$70.00	2 Yr	0	No Inflation	NH Only	\$1,851.36	30%	\$ 2,406.77
D3FFEE98-99A	1/28/1992	64	91	\$212.26	2 Yr	0	Comp 5% 20 Yr	Comprehensive	\$2,201.67	30%	\$ 2,862.17
C6B2F097-04E	2/25/1992	64	91	\$265.31	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$4,312.92	30%	\$ 5,606.80
AA504974-2F3	2/28/1992	64	91	\$291.87	4 Yr	0	Comp 5% 20 Yr	NH Only	\$1,830.24	30%	\$ 2,379.31
A0C2020B-AA1	4/7/1992	64	91	\$212.27	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,478.12	30%	\$ 3,221.56
D1A458E0-A93	4/16/1992	61	88	\$60.00	2 Yr	0	No Inflation	NH Only	\$752.54	30%	\$ 978.30
8805002D-3F0	4/15/1992	63	90	\$185.72	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$1,908.64	30%	\$ 2,481.23
EDDB78DF-01F	9/1/1992	65	92	\$227.42	2 Yr	0	C85995.00	Comprehensive	\$3,438.00	30%	\$ 4,469.40
38CE84B4-43B	9/16/1992	61	88	\$265.32	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$3,574.08	30%	\$ 4,646.30
284A7210-D02	9/22/1992	64	91	\$212.26	2 Yr	0	Comp 5% 20 Yr	NH Only	\$1,310.88	30%	\$ 1,704.14
E37895B9-502	10/2/1992	65	91	\$252.69	Lifetime	0	C85995.00	Comprehensive	\$6,220.56	30%	\$ 8,086.73
CEE43037-338	10/20/1992	66	93	\$100.00	4 Yr	0	No Inflation	Comprehensive	\$4,079.12	30%	\$ 5,302.86
37E8E7C4-200	11/1/1992	64	90	\$212.28	4 Yr	0	Comp 5% 20 Yr	NH Only	\$1,636.80	30%	\$ 2,127.84
CC1E8F27-59A	11/6/1992	61	87	\$265.32	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$3,977.64	30%	\$ 5,170.93
D370316E-F6A	11/9/1992	64	91	\$185.72	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,999.56	30%	\$ 2,599.43
2AF636D3-C6A	11/16/1992	55	81	\$185.73	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,584.44	30%	\$ 2,059.77
1AB9B092-A0D	11/16/1992	66	92	\$240.66	2 Yr	0	C85995.00	NH Only	\$3,090.12	30%	\$ 4,017.16
F57FC34C-FE5	11/18/1992	54	81	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$1,993.56	30%	\$ 2,591.63
14EEB84C-4F1	12/15/1992	70	97	\$158.40	2 Yr	0	C85995.00	Comprehensive	\$5,226.96	30%	\$ 6,795.05
D4B1AD6B-8CE	12/10/1992	65	91	\$252.68	4 Yr	0	C85995.00	NH Only	\$4,600.67	30%	\$ 5,980.87
CD27AD89-7EF	1/1/1993	50	76	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$1,993.56	30%	\$ 2,591.63
96271650-5BD	1/1/1993	50	76	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,443.96	30%	\$ 3,177.15
506D9384-5CD	1/8/1993	62	88	\$265.31	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$3,309.33	30%	\$ 4,302.13
EA4B0E61-C81	1/20/1993	54	80	\$265.32	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,073.28	30%	\$ 2,695.26
FCE143D4-009	2/8/1993	65	91	\$126.36	4 Yr	0	C85995.00	NH Only	\$2,438.36	30%	\$ 3,169.87
D8B6E7AE-418	1/26/1993	64	90	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,123.01	30%	\$ 5,359.91
46743872-606	1/26/1993	62	88	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,123.01	30%	\$ 5,359.91
04C604CB-12D	1/28/1993	62	88	\$265.32	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,123.01	30%	\$ 5,359.91
FC00BD26-51F	2/27/1993	54	79	\$265.32	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$1,993.56	30%	\$ 2,591.63

507A783C-289	3/10/1993	60	86	\$265.31	Lifetime	0	Comp 5% 20 Yr	NH Only	\$3,825.19	30%	\$ 4,972.75
FA79EB73-7D6	3/10/1993	57	83	\$265.31	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,176.45	30%	\$ 2,829.39
46D78A6F-283	3/8/1993	64	90	\$265.31	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,123.01	30%	\$ 5,359.91
6866EF0B-134	5/12/1993	64	90	\$212.29	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,285.28	30%	\$ 2,970.86
290D0C71-8D6	5/12/1993	55	81	\$212.29	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,313.12	30%	\$ 3,007.06
40EBE2B6-C1A	6/25/1993	64	90	\$212.27	4 Yr	0	Comp 5% 20 Yr	NH Only	\$1,643.44	30%	\$ 2,136.47
9829C5FF-130	6/4/1993	58	84	\$318.39	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$3,683.88	30%	\$ 4,789.04
79013B48-0C7	6/4/1993	60	85	\$318.39	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,696.64	30%	\$ 6,105.63
3AC87B0F-D23	6/25/1993	65	91	\$252.68	Lifetime	0	C85995.00	NH Only	\$4,801.08	30%	\$ 6,241.40
F82D2DDD-AAB	6/25/1993	64	90	\$265.32	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,856.48	30%	\$ 3,713.42
4EC35A6B-69E	7/6/1993	68	93	\$196.46	Lifetime	0	C85995.00	NH Only	\$5,755.20	30%	\$ 7,481.76
CBA08BD6-6F1	7/28/1993	68	93	\$100.00	Lifetime	0	No Inflation	NH Only	\$6,130.67	30%	\$ 7,969.87
BC470FDE-CCC	8/7/1993	64	90	\$265.32	2 Yr	0	Comp 5% 20 Yr	Comprehensive	\$2,819.28	30%	\$ 3,665.06
2661FD88-9C2	8/4/1993	60	86	\$185.73	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$2,739.00	30%	\$ 3,560.70
59BDE123-DF0	8/11/1993	61	86	\$265.32	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,452.72	30%	\$ 5,788.54
F6F1A433-3F0	8/20/1993	55	81	\$265.36	2 Yr	0	Comp 5% 20 Yr	NH Only	\$1,340.44	30%	\$ 1,742.57
D315FB21-719	8/20/1993	63	89	\$100.00	2 Yr	0	No Inflation	NH Only	\$1,769.92	30%	\$ 2,300.90
342125BD-97A	9/14/1993	64	89	\$212.29	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$3,833.40	30%	\$ 4,983.42
F252A2E7-107	9/23/1993	54	80	\$318.38	2 Yr	0	Comp 5% 20 Yr	Comprehensive	\$1,617.12	30%	\$ 2,102.26
046AC3D8-534	9/23/1993	64	90	\$265.35	4 Yr	0	Comp 5% 20 Yr	NH Only	\$2,218.56	30%	\$ 2,884.13
E88DE94F-BEB	10/21/1993	58	83	\$212.28	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,734.12	30%	\$ 2,254.36
DFCEE530-930	12/3/1993	63	88	\$265.35	4 Yr	0	Comp 5% 20 Yr	NH Only	\$2,218.80	30%	\$ 2,884.44
32DC4645-8D7	12/20/1993	59	84	\$318.39	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$3,475.38	30%	\$ 4,517.99
65E3C4AA-0DC	1/17/1994	67	92	\$229.21	4 Yr	0	C85995.00	NH Only	\$4,463.04	30%	\$ 5,801.95
ECCC2BB1-A9E	1/25/1994	64	89	\$265.35	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$3,767.98	30%	\$ 4,898.37
1DE4BBD6-26F	2/1/1994	64	89	\$265.34	Lifetime	0	Comp 5% 20 Yr	NH Only	\$3,097.44	30%	\$ 4,026.67
4B8272A1-983	3/1/1994	64	89	\$265.31	4 Yr	0	Comp 5% 20 Yr	NH Only	\$2,054.41	30%	\$ 2,670.73
9021BE31-D75	3/10/1994	64	89	\$265.34	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$4,106.40	30%	\$ 5,338.32
8FE52A1C-9F6	3/14/1994	56	81	\$265.34	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,781.28	30%	\$ 2,315.66
DC16F1FF-5E3	4/8/1994	57	81	\$265.31	2 Yr	0	Comp 5% 20 Yr	NH Only	\$1,264.51	30%	\$ 1,643.86
36A718BC-7BD	3/12/1994	65	90	\$252.70	Lifetime	0	C85995.00	Comprehensive	\$6,220.56	30%	\$ 8,086.73
A6806E39-124	4/15/1994	64	89	\$265.34	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,856.48	30%	\$ 3,713.42
40044D4C-60A	4/23/1994	67	91	\$229.19	Lifetime	0	C85995.00	NH Only	\$5,799.04	30%	\$ 7,538.75
09763201-6FB	4/23/1994	65	90	\$252.68	Lifetime	0	C85995.00	NH Only	\$4,820.52	30%	\$ 6,266.68
56BF94B9-E95	4/25/1994	64	89	\$185.73	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,999.56	30%	\$ 2,599.43
D37CA08B-BE4	5/5/1994	61	86	\$265.35	4 Yr	0	Comp 5% 20 Yr	NH Only	\$2,046.12	30%	\$ 2,659.96
1ACBABC4-051	5/18/1994	63	88	\$212.28	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,910.24	30%	\$ 3,783.31
6F70C3B4-53E	5/24/1994	64	89	\$238.79	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,581.26	30%	\$ 3,355.64
662CB686-126	6/1/1994	52	77	\$318.38	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$2,265.37	30%	\$ 2,944.98
FF426555-10E	6/17/1994	54	79	\$318.38	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,630.86	30%	\$ 2,120.12

B97D6FD8-FD4	8/3/1994	52	76	\$265.35	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,121.60	30%	\$ 1,458.08
189A89BF-27E	8/3/1994	53	77	\$265.35	Lifetime	0	Comp 5% 20 Yr	NH Only	\$1,121.60	30%	\$ 1,458.08
1FE1536D-CE7	8/12/1994	61	86	\$318.38	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$3,406.46	30%	\$ 4,428.40
B83CE495-6BE	8/12/1994	59	83	\$318.38	4 Yr	0	Comp 5% 20 Yr	Comprehensive	\$2,546.88	30%	\$ 3,310.94
76CDCC63-E58	8/5/1994	57	82	\$265.32	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,176.45	30%	\$ 2,829.39
E0860A90-EAE	9/1/1994	64	89	\$212.28	4 Yr	0	Comp 5% 20 Yr	NH Only	\$1,643.50	30%	\$ 2,136.55
302D873E-E9E	9/9/1994	64	88	\$265.35	Lifetime	0	Comp 5% 20 Yr	NH Only	\$2,347.84	30%	\$ 3,052.19
11588A8F-293	10/12/1994	59	83	\$265.35	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$3,256.04	30%	\$ 4,232.85
BF6B1B35-F61	10/12/1994	57	81	\$265.35	Lifetime	0	Comp 5% 20 Yr	Comprehensive	\$3,256.04	30%	\$ 4,232.85
40B39967-11C	11/13/1991	54	81	\$100.00	4 Yr	90	No Inflation	NH Only	\$577.52	30%	\$ 750.78
9C8A5E1F-BC4	8/14/1992	64	91	\$159.20	Lifetime	15	Comp 5% 20 Yr	NH Only	\$1,806.36	30%	\$ 2,348.27
65D4CAD7-598	1/7/1993	67	93	\$183.36	2 Yr	15	C85995.00	NH Only	\$2,386.80	30%	\$ 3,102.84
EC0EC116-223	4/2/1993	63	89	\$100.00	Lifetime	90	No Inflation	NH Only	\$1,515.90	30%	\$ 1,970.67
D10BD8FD-0BD	4/14/1993	59	85	\$265.32	2 Yr	15	Comp 5% 20 Yr	NH Only	\$1,215.60	30%	\$ 1,580.28
08DF7F4B-280	7/2/1993	66	91	\$192.55	4 Yr	90	C85995.00	NH Only	\$1,903.68	30%	\$ 2,474.78
59D5D572-998	8/13/1993	66	92	\$100.00	4 Yr	15	No Inflation	NH Only	\$2,950.20	30%	\$ 3,835.26
6090420E-C5F	11/19/1993	64	90	\$100.00	Lifetime	15	No Inflation	NH Only	\$2,010.96	30%	\$ 2,614.25
F794FEDD-CC4	2/1/1994	51	76	\$100.00	4 Yr	90	No Inflation	NH Only	\$740.40	30%	\$ 962.52
03F4C767-BEF	2/17/1994	59	83	\$100.00	2 Yr	15	No Inflation	NH Only	\$1,008.96	30%	\$ 1,311.65
CA2D95AB-CB3	3/7/1994	53	78	\$265.34	Lifetime	15	Comp 5% 20 Yr	NH Only	\$1,430.16	30%	\$ 1,859.21
86022AFA-D51	3/10/1994	58	83	\$265.31	2 Yr	90	Comp 5% 20 Yr	NH Only	\$1,086.58	30%	\$ 1,412.55
C773E369-97D	5/18/1994	64	89	\$265.31	Lifetime	90	Comp 5% 20 Yr	NH Only	\$2,032.98	30%	\$ 2,642.87
74ED1CCE-877	5/26/1994	64	89	\$265.35	4 Yr	90	Comp 5% 20 Yr	NH Only	\$1,307.40	30%	\$ 1,699.62
63947C41-2A1	5/26/1994	66	91	\$240.68	4 Yr	90	C85995.00	NH Only	\$3,173.04	30%	\$ 4,124.95
4E889893-91F	5/26/1994	64	88	\$265.35	4 Yr	90	Comp 5% 20 Yr	NH Only	\$2,323.92	30%	\$ 3,021.10
2CB70FEC-899	6/9/1994	60	85	\$185.73	4 Yr	15	Comp 5% 20 Yr	NH Only	\$1,386.56	30%	\$ 1,802.53
FF1142A1-ECB	7/18/1994	64	89	\$265.32	4 Yr	90	Comp 5% 20 Yr	NH Only	\$1,820.06	30%	\$ 2,366.08
720FF29B-6E2	9/12/1994	59	84	\$265.35	4 Yr	90	Comp 5% 20 Yr	NH Only	\$1,379.72	30%	\$ 1,793.64

**State:** Pennsylvania **Filing Company:** TRANSAMERICA LIFE INSURANCE COMPANY  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.002 Non Qualified  
**Product Name:** Long Term Care Insurance  
**Project Name/Number:** PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Transmittal Letter (A&H)
<b>Comments:</b>	
<b>Attachment(s):</b>	Transmittal Letter_Transamerica.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Certification (A&H)
<b>Comments:</b>	The Actuarial Certification can be found on page 6 of the Actuarial Memorandum.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum and Explanatory Information (A&H)
<b>Comments:</b>	
<b>Attachment(s):</b>	Rate Increase Memorandum PA JCP Individ.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Advertisements (A&H)
<b>Bypass Reason:</b>	Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Authorization to File (A&H)
<b>Bypass Reason:</b>	Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Insert Page Explanation (A&H)
<b>Bypass Reason:</b>	Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

SERFF Tracking #:

SHPT-132096307

State Tracking #:

SHPT-132096307

Company Tracking #:

PA TRANSAMERICA JCP RATE FILING

**State:** Pennsylvania **Filing Company:** TRANSAMERICA LIFE INSURANCE COMPANY  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.002 Non Qualified  
**Product Name:** Long Term Care Insurance  
**Project Name/Number:** PA Transamerica JCP Rate Filing/PA Transamerica JCP Rate Filing

<b>Bypassed - Item:</b>	Rate Table (A&H)
<b>Bypass Reason:</b>	This filing does not include new forms.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Replacement Form with Highlighted Changes (A&H)
<b>Bypass Reason:</b>	Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Advertisement Compliance Certification
<b>Bypass Reason:</b>	Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Reserve Calculation (A&H)
<b>Comments:</b>	Please see Actuarial Memorandum.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Variability Explanation (A&H)
<b>Bypass Reason:</b>	No Variable forms; Not Applicable
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Policyholder Notification Letter
<b>Comments:</b>	
<b>Attachment(s):</b>	PA_Non_Comp5_Policyholder Letter_Transamerica (10.9.pdf)
<b>Item Status:</b>	
<b>Status Date:</b>	



as Administered by  
Senior Health Insurance Company of Pennsylvania  
550 Congressional Blvd., Ste. 200  
Carmel, IN 46032

October 2, 2019

Pennsylvania Insurance Department  
1341 Strawberry Square  
Harrisburg, PA 17120

Dear Sir or Madam:

The purpose of this letter is to introduce an offer that Senior Health Insurance Company of Pennsylvania (SHIP) is filing in your state to assist in maintaining the solvency of SHIP so that future policyholder obligations can be met.

The enclosed actuarial memorandum provides details of a request for approval of a rate action that would require policyholders without a 5% compound lifetime inflation benefit to elect one of the following options:

1. A 30% Rate Increase.
2. A Non-forfeiture Option ("NFO") under which the lifetime maximum benefit would be reduced to an amount equal to the sum of all premiums paid less all claims that have been paid.

They may also call to receive additional options based on their current benefits that may help offset some of the rate increase.

The form affected by this proposal is D425 PA.

The rates will be effective upon approval. The rate increase will apply to in-force business only as SHIP no longer markets these policy forms. The total count of policyholders in this filing as of December 2018 is 102.

We trust that you will find our filing to be in order and hope that you will grant your Department's approval to this submission. If you have any questions or would like to discuss any of the materials included in this submission, please feel free to call or email me.

Sincerely,

Laura Gabbard  
Operations Rate Specialist  
Phone: (317) 566-7527  
Email: lgabbard@shipltc.com



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Juliet M. Spector, FSA, MAAA  
Principal and Consulting Actuary

juliet.spector@milliman.com

September 17, 2019

## **Actuarial Memorandum Supporting Rate Revision for Senior Health Insurance Company of Pennsylvania Long-Term Care Insurance Plan**

### **1. PURPOSE OF FILING**

This is a rate increase filing for Senior Health Insurance Company of Pennsylvania's (SHIP) policy form outlined below. SHIP is requesting a 30% rate increase for individual policyholders without a 5% compound lifetime inflation rider. The rate increase is necessary because the current estimate of the nationwide lifetime loss ratio is in excess of expected. This rate filing is not intended to be used for other purposes.

### **2. SCOPE OF FILING**

This filing applies to Long Term Care active individual policies without a 5% compound lifetime inflation rider. This includes policy forms and the original issuing company:

#### JCP Series

Policy Form: D425 PA

Originally Issued by JCPenny Life Insurance Company

The rate increase will apply to all insureds issued individual coverage under the above-referenced form in this State. The number of lives inforce and average premiums before and after the rate increase are shown in Exhibit A.

The rate increase will apply to in-force business only, as SHIP no longer markets these policy forms. Given that State specific experience is not credible, nationwide experience is being used in this rate increase filing. Please note, while nationwide experience encompasses all policy forms listed above, SHIP may no longer have some policy forms inforce in Pennsylvania.

### **3. REASON FOR RATE INCREASE REQUEST**

This rate filing is a request for a 30% increase for individual policies without a 5% compound lifetime inflation rider. The purpose of the requested rate increase is to mitigate future losses and to assist in maintaining the solvency of SHIP, so that future policyholder obligations can be met. SHIP operates as an independent trust for the exclusive benefit of its policyholders and does not have a profit motive.

This request is part of an overall plan that SHIP has developed to maintain its solvency while minimizing the impact to policyholders as a whole.

The rate increase is justified because the actual lifetime loss ratio is 99% and higher than the required minimum loss ratio for these forms.

#### **4. POLICYHOLDER OPTIONS TO MITIGATE IMPACT OF RATE INCREASE**

SHIP will offer the following option to policyholders to mitigate the impact of the premium increase:

##### **Non-Forfeiture Offer**

Upon approval of the requested 30% rate increase, SHIP agrees to offer a nonforfeiture benefit to policyholders impacted by the rate increase. This offer will be made to all active policyholders regardless of issue age or premium rate increase history. The nonforfeiture benefit will provide a pool of benefits for long term care expenses equal to the sum of premiums paid-to-date less the sum of claims paid-to-date.

#### **5. UNDERWRITING**

All policies subject to this rate revision were subject to full medical underwriting in accordance with Company standards in place at the time of issue. Those underwriting standards were taken into consideration when projecting future experience.

#### **6. PROPOSED EFFECTIVE DATE**

The proposed effective date is as soon as possible following approval and fulfillment of all statutory, contractual, and operational requirements. The projection assumes a January 1, 2020 effective date.

#### **7. APPLICABILITY**

The revised rates contained in the rate filing will be applicable to all renewals of the policy form and riders described in Section 1, as well as all future periodic inflation protection offers. The revised premium rate schedules can be found as part of the filing. The rate revision will be applied as a consistent percentage to all premium classes. The modal premium factors will remain unchanged from the current factor

#### **8. PROJECTION ASSUMPTIONS**

Mortality, lapse, and morbidity assumptions used in the lifetime loss ratio projection are consistent with the assumptions used in SHIP's 2018 cash flow testing. They are based on best estimate assumptions and do not include any margin for adverse deviation.

##### **Interest**

A 5.03% net annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience. This is a weighted average of the valuation rate based on the policy issue date of all policies subject to this filing.

##### **Mortality**

Projected future experience assumes 2012 IAM, fitted to SHIP's experience using attained age fitting factors. In addition, a 0.6% per year mortality improvement assumption was used for 10 years.

##### **Lapse Rates**

On average, the projected lapse rate is 2.2%, comprised of an average assumption of 1.6% for policies with inflation protection and 2.7% for policies without inflation protection (benefit exhaust is not modeled explicitly, but implied in the lapse rate). Projected future experience assumes best estimate lapse rates,

which vary by policy form, issue age, and inflation. There is also an additional lapse applied, which increases by attained age.

### **Morbidity**

Projected future experience uses morbidity assumptions which are based on SHIP experience. The morbidity in the projection model is projected based on a first principles approach:

- We performed an incidence study with claims runout through September 30, 2018, using Milliman's 2017 *Guidelines* fit to SHIP's experience.
- We reviewed SHIP's historical utilization through June 30, 2018.
- Claim termination rates were set consistent with the claim liabilities. We then split the claim termination rates into disabled deaths and recoveries based on a mortality study.
- Utilization, incidence, and claim termination were then used to calculate paid claims on a seriatim basis for each policy. The MG-ALFA model also calculates benefit exhaust based on the seriatim policy features.
- The projected statutory claims paid and claims incurred for calendar year 2018 were compared to actual claims paid for 2017, 2016, and 2015. The differences seem to be appropriate for this declining block of business.

## **9. ISSUE AGE RANGE**

These products were available for issue ages 38 to 86. Premiums are based on issue age.

## **10. AREA FACTORS**

The Company did not use area factors within the State in the premium scale for these products.

## **11. CLAIM LIABILITY AND RESERVE**

Claim reserves were calculated using appropriate actuarial methods for IBNR and using continuance curves validated for the company's experience 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. The valuation rate for the claim reserve is consistent with the rate used to produce the historical loss ratios.

## **12. 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 loss ratio. Incurred claims are calculated without the impact of the change in active life reserves.

## **13. DISTRIBUTION OF BUSINESS**

The historical experience reflects the actual distribution of policies during the experience period. The projected future experience is based on a seriatim projection of the current inforce policies. See Exhibit E for the distribution of the inforce policies by key demographic and benefit characteristics.

The historical and projected loss ratio data is stated on an incurred basis, including both accrued and unaccrued portions of the liability and reserves. The loss ratio is calculated using a 5.03% interest rate.



The historical and projected earned premium is stated on a Nationwide rate basis.

#### 14. NUMBER OF POLICYHOLDERS

Please refer to Exhibit A for the projected number of policyholders as of December 31, 2018 in this State.

#### 15. AVERAGE ANNUAL PREMIUM

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

#### 16. MINIMUM REQUIRED LIFETIME LOSS RATIO

The minimum required lifetime loss ratio for these forms is 60%.

#### 17. HISTORICAL EXPERIENCE

Exhibit C provides nationwide experience since inception by incurral year. This data includes claim payments through December 31, 2018. The following table summarizes the nationwide historical loss ratio accumulated at 5.03% interest to December 31, 2018.

<b>Table 1</b> <b>Senior Health Insurance Company of Pennsylvania</b> <b>Nationwide Individual Historical Actual Experience</b> <b>Excluding 5% Compound Inflation</b>		
<b>Earned Premiums</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
\$559,145,136	\$524,492,648	93.8%

#### 18. PROJECTED FUTURE EXPERIENCE

Future experience, which has been projected for forty years using the best estimate assumptions described in Section 8, is shown in Exhibit C. Projected earned premiums include all rate increases effective as of December 31, 2018. The following table summarizes the nationwide anticipated future loss ratio discounted at 5.03% without the requested rate increases.

<b>Table 2</b> <b>Senior Health Insurance Company of Pennsylvania</b> <b>Nationwide Individual Future Experience</b> <b>Excluding 5% Compound Inflation</b> <b>Best Estimate Assumptions Without Rate Increases</b>		
<b>Earned Premiums</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
\$11,652,476	\$40,271,700	345.6%

## 19. LIFETIME ANTICIPATED LOSS RATIO

The lifetime anticipated loss ratio is defined as the present value of the historical and projected future incurred claims divided by the present value of the historical and projected future earned premium. Exhibit C also provides a projection of these values with all planned rate increase requests included in SHIP's solvency plan. Nationwide results are summarized below:

<b>Table 3a</b> <b>Senior Health Insurance Company of Pennsylvania</b> <b>Nationwide Individual Experience Excluding 5% Compound Inflation</b> <b>Anticipated Lifetime Loss Ratio</b> <b>Best Estimate Assumptions Without Rate Increases</b>			
<b>Time Period</b>	<b>Earned Premiums</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
Future	\$11,652,476	\$40,271,700	345.6%
Lifetime	\$570,797,612	\$564,764,348	98.9%

<b>Table 3b</b> <b>Senior Health Insurance Company of Pennsylvania</b> <b>Nationwide Individual Experience Excluding 5% Compound Inflation</b> <b>Anticipated Lifetime Loss Ratio</b> <b>With Rate Increase, Effective as of 1/1/2020</b>			
<b>Time Period</b>	<b>Earned Premiums</b>	<b>Incurred Claims</b>	<b>Loss Ratio</b>
Future	\$13,811,924	\$40,323,063	291.9%
Lifetime	\$572,957,060	\$564,815,710	98.6%

## 20. RELATIONSHIP OF RENEWAL PREMIUM TO NEW BUSINESS PREMIUM

The company is no longer selling any new proprietary long-term care products. Therefore, the comparison of renewal premium rates after the rate increases to the Company's current new business premium rate schedule is not applicable.

## 21. ACTUARIAL CERTIFICATION

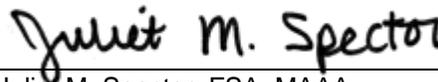
I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualification standards for rendering this opinion and am familiar with the requirements for filing long-term care insurance rate filings.

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. This memorandum complies with all applicable Actuarial Standards of Practice, including ASOP No. 8.

In forming my opinion, I have used actuarial assumptions and actuarial methods and such tests of the actuarial calculations as I considered necessary. The assumptions are consistent with the Company's current business plan.

I have reviewed and taken into consideration the policy design and coverage provided, and the Company's original underwriting and claims adjudication processes.

The projected experience shown in this memorandum is based on best estimate assumptions and does not include any provision for moderately adverse experience. The rate increase being filed is lower than what would be required to meet any minimum lifetime loss ratio requirements or to do a certification of adequacy under rate stability requirements. If the experience does not improve, the Company will need to file for future rate increases. In my opinion, the rates are not excessive or unfairly discriminatory.



---

Juliet M. Spector, FSA, MAAA  
Principal and Consulting Actuary

## ATTACHMENTS

- Exhibit A – Lives and Average Annualized Premium Inforce
- Exhibit B – Pennsylvania Rate Increase History
- Exhibit C – Historical and Projected Experience (Baseline and Rate Increase Projections)
- Exhibit D – Policy Form and Series Mapping
- Exhibit E – Distribution of Inforce Business as of December 31, 2018



## **Exhibit A**

### **Senior Health Insurance Company of Pennsylvania Lives and Average Annualized Premium Inforce**

**Exhibit A**  
**Senior Health Insurance Company of Pennsylvania**  
**Lives and Average Annualized Premium Inforce**  
**JCP Individual Experience Excluding 5% Compound Lifetime Inflation**

	<b>Lives Inforce as of 12/31/2018</b>	<b>Average Annualized Premiums (as of 1/1/2021) Per Inforce</b>	
		Baseline	With Rate Increase
Nationwide Total	<b>1,176</b>	<b>\$2,670</b>	<b>\$3,356</b>
Pennsylvania Total	<b>104</b>	<b>\$2,679</b>	<b>\$3,483</b>



## **Exhibit B**

### **Senior Health Insurance Company of Pennsylvania Pennsylvania Rate Increase History**

**SENIOR HEALTH INSURANCE COMPANY OF PENNSYLVANIA  
LTC COMPOSITE RATE INCREASE HISTORY AND FILING STATUS  
POLICY FORM SERIES JCP AND ASSOCIATED RIDERS  
NATIONWIDE EXPERIENCE FOR ACTIVE MEMBERS**

Issue State	1997	1998	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Cumulative Increase
AL	15			25													44
AR	15							35			25						94
AZ				25		20	20			10	13		10	25	25		283
CA		15	25		25	20	20			5			30	4			267
CO		15	25	15		20	20			25		40	25				421
DE		15															15
FL						10	27										40
GA	15					10		15		12	10	8		10	15		145
IA				25		20	35			25	20		25				280
ID		15	25		25	20			25	25							237
IL		15	25	25		20	20			25	25	25	17				491
IN				15			35			25	25	35		15	10		314
KY	15		15	15		15		15		15	15	15	25				282
LA	15			25		20											73
MI		15	25	25		20	20		25	25	25	25	17				639
MO		15	25	25		20	20			25		25	25	25			532
MS	15			25			25			25		25					181
MT	15			25		20	35					25					191
NC	15				18	20	25					40		25			256
NE	15		25	25		20	20			25	25	25	17				491
NJ	15			25		20	19			25	25	40					349
NM		15		25		20				25	25	25					237
NV			25	25		20	25										134
OH	15		25	25		20	20		25		25	20	20				482
OK	15			15		15	15			15	15	15		25		10	266
OR	15																15
PA					25	20					35			25	20		204
TN		15	25	25		20	20						40				262
TX		15			25	20		20		25		28		12			271
UT											25	40					75
VA	15			25		20	19			25	25	40		25			461
WV				25		20	35			25	25	25	25				394



## **Exhibit C**

### **Senior Health Insurance Company of Pennsylvania Historical and Projected Experience (Baseline and Rate Increase Projections)**







## **Exhibit D**

### **Senior Health Insurance Company of Pennsylvania Policy Form and Series Mapping**

**Exhibit D**  
**Senior Health Insurance Company of Pennsylvania**  
**Policy Form and Series Mapping**

Milliman Grouping	Policy Form
A_JCP0	JCP
A_JCP0	JCPIT PAR



## **Exhibit E**

### **Senior Health Insurance Company of Pennsylvania Distribution of Inforce Business as of December 31, 2018**

**Exhibit E-1**  
**Senior Health Insurance Company of Pennsylvania**  
**Distribution of Inforce Business as of December 31, 2018**  
**Nationwide JCP Individual Experience Excluding 5% Compound Lifetime Inflation**

Issue Year	Count	% of Count	Premium	% of Premium
1975	0	0.00%	\$0	0.00%
1976	0	0.00%	\$0	0.00%
1977	0	0.00%	\$0	0.00%
1978	0	0.00%	\$0	0.00%
1979	0	0.00%	\$0	0.00%
1980	0	0.00%	\$0	0.00%
1981	0	0.00%	\$0	0.00%
1982	0	0.00%	\$0	0.00%
1983	0	0.00%	\$0	0.00%
1984	0	0.00%	\$0	0.00%
1985	0	0.00%	\$0	0.00%
1986	0	0.00%	\$0	0.00%
1987	0	0.00%	\$0	0.00%
1988	0	0.00%	\$0	0.00%
1989	0	0.00%	\$0	0.00%
1990	1	0.09%	\$5,720	0.18%
1991	83	7.06%	\$256,139	7.85%
1992	404	34.35%	\$1,101,209	33.73%
1993	422	35.88%	\$1,149,900	35.22%
1994	266	22.62%	\$751,790	23.03%
1995	0	0.00%	\$0	0.00%
1996	0	0.00%	\$0	0.00%
1997	0	0.00%	\$0	0.00%
1998	0	0.00%	\$0	0.00%
1999	0	0.00%	\$0	0.00%
2000	0	0.00%	\$0	0.00%
2001	0	0.00%	\$0	0.00%
2002	0	0.00%	\$0	0.00%
2003	0	0.00%	\$0	0.00%
<b>Total</b>	<b>1,176</b>	<b>100.00%</b>	<b>\$3,264,758</b>	<b>100.00%</b>

Issue Age	Count	% of Count	Premium	% of Premium
39 -	0	0.00%	\$0	0.00%
40-44	0	0.00%	\$0	0.00%
45-49	0	0.00%	\$0	0.00%
50-54	109	9.27%	\$194,938	5.97%
55-59	183	15.56%	\$389,439	11.93%
60-64	581	49.40%	\$1,454,818	44.56%
65-69	251	21.34%	\$940,409	28.80%
70-74	50	4.25%	\$269,954	8.27%
75-79	2	0.17%	\$15,200	0.47%
80-84	0	0.00%	\$0	0.00%
85-89	0	0.00%	\$0	0.00%
90+	0	0.00%	\$0	0.00%
<b>Total</b>	<b>1,176</b>	<b>100.00%</b>	<b>\$3,264,758</b>	<b>100.00%</b>

Gender	Count	% of Count	Premium	% of Premium
Male	325	27.64%	\$927,034	28.40%
Female	851	72.36%	\$2,337,725	71.60%
<b>Total</b>	<b>1,176</b>	<b>100.00%</b>	<b>\$3,264,758</b>	<b>100.00%</b>

BP	Count	% of Count	Premium	% of Premium
001to005M	0	0.00%	\$0	0.00%
006to010M	0	0.00%	\$0	0.00%
1 YEAR	0	0.00%	\$0	0.00%
013to017M	0	0.00%	\$0	0.00%
018to022M	0	0.00%	\$0	0.00%
2 YEARS	108	9.18%	\$228,422	7.00%
3 YEARS	0	0.00%	\$0	0.00%
4 YEARS	0	0.00%	\$0	0.00%
3 YEARS	0	0.00%	\$0	0.00%
4 YEARS	243	20.66%	\$542,141	16.61%
5 YEARS	77	6.55%	\$204,797	6.27%
Lifetime	494	42.01%	\$1,360,243	41.66%
4YNH 2YHH	71	6.04%	\$266,052	8.15%
6YNH 2YHH	25	2.13%	\$89,140	2.73%
LTNH 2YHH	158	13.44%	\$573,963	17.58%
<b>Total</b>	<b>1,176</b>	<b>100%</b>	<b>\$3,264,758</b>	<b>100%</b>

**Exhibit E-1**  
**Senior Health Insurance Company of Pennsylvania**  
**Distribution of Inforce Business as of December 31, 2018**  
**Nationwide JCP Individual Experience Excluding 5% Compound Lifetime Inflation**

EP	Count	% of Count	Premium	% of Premium
0 days	950	80.78%	\$2,701,530	82.75%
7 days	0	0.00%	\$0	0.00%
14 days	0	0.00%	\$0	0.00%
15 days	110	9.35%	\$291,243	8.92%
20 days	0	0.00%	\$0	0.00%
30 days	1	0.09%	\$1,769	0.05%
60 days	0	0.00%	\$0	0.00%
75 days	0	0.00%	\$0	0.00%
90 days	115	9.78%	\$270,217	8.28%
100 days	0	0.00%	\$0	0.00%
150 days	0	0.00%	\$0	0.00%
180 days	0	0.00%	\$0	0.00%
365 days	0	0.00%	\$0	0.00%
<b>Total</b>	<b>1,176</b>	<b>100%</b>	<b>\$3,264,758</b>	<b>100%</b>

Marital Status	Count	% of Count	Premium	% of Premium
Married	0	0.00%	\$0	0.00%
Single	1,176	100.00%	\$3,264,758	100.00%
<b>Total</b>	<b>1,176</b>	<b>100%</b>	<b>\$3,264,758</b>	<b>100%</b>

Issue State	Count	% of Count	Premium	% of Premium
AK	0	0.00%	\$0	0.00%
AL	0	0.00%	\$0	0.00%
AR	0	0.00%	\$0	0.00%
AZ	19	1.62%	\$61,866	1.89%
CA	27	2.30%	\$77,923	2.39%
CO	16	1.36%	\$60,736	1.86%
CT	0	0.00%	\$0	0.00%
DC	0	0.00%	\$0	0.00%
DE	0	0.00%	\$0	0.00%
FL	39	3.32%	\$46,413	1.42%
GA	30	2.55%	\$48,990	1.50%
HI	0	0.00%	\$0	0.00%
IA	65	5.53%	\$138,969	4.26%
ID	0	0.00%	\$0	0.00%
IL	13	1.11%	\$42,497	1.30%
IN	132	11.22%	\$351,519	10.77%
KS	0	0.00%	\$0	0.00%
KY	99	8.42%	\$214,157	6.56%
LA	2	0.17%	\$3,418	0.10%
MA	0	0.00%	\$0	0.00%
MD	0	0.00%	\$0	0.00%
ME	0	0.00%	\$0	0.00%
MI	4	0.34%	\$15,288	0.47%
MN	0	0.00%	\$0	0.00%
MO	243	20.66%	\$822,653	25.20%
MS	2	0.17%	\$3,752	0.11%
MT	2	0.17%	\$2,621	0.08%
NC	3	0.26%	\$4,737	0.15%
ND	0	0.00%	\$0	0.00%
NE	23	1.96%	\$88,452	2.71%
NH	0	0.00%	\$0	0.00%
NJ	0	0.00%	\$0	0.00%
NM	2	0.17%	\$6,871	0.21%
NV	6	0.51%	\$8,502	0.26%
NY	0	0.00%	\$0	0.00%
OH	70	5.95%	\$291,085	8.92%
OK	44	3.74%	\$88,568	2.71%
OR	0	0.00%	\$0	0.00%
PA	104	8.84%	\$291,991	8.94%
RI	0	0.00%	\$0	0.00%
SC	0	0.00%	\$0	0.00%
SD	0	0.00%	\$0	0.00%
TN	4	0.34%	\$11,055	0.34%
TX	212	18.03%	\$546,766	16.75%
UT	2	0.17%	\$1,581	0.05%
VA	0	0.00%	\$0	0.00%
VI	0	0.00%	\$0	0.00%
VT	0	0.00%	\$0	0.00%
WA	0	0.00%	\$0	0.00%
WI	0	0.00%	\$0	0.00%
WV	13	1.11%	\$34,350	1.05%
WY	0	0.00%	\$0	0.00%
<b>Total</b>	<b>1,176</b>	<b>100.00%</b>	<b>\$3,264,758</b>	<b>100.00%</b>

**Exhibit E-2**  
**Senior Health Insurance Company of Pennsylvania**  
**Distribution of Inforce Business as of December 31, 2018**  
**Pennsylvania JCP Individual Experience Excluding 5% Compound Lifetime Inflation**

Issue Year	Count	% of Count	Premium	% of Premium
1975	0	0.00%	\$0	0.00%
1976	0	0.00%	\$0	0.00%
1977	0	0.00%	\$0	0.00%
1978	0	0.00%	\$0	0.00%
1979	0	0.00%	\$0	0.00%
1980	0	0.00%	\$0	0.00%
1981	0	0.00%	\$0	0.00%
1982	0	0.00%	\$0	0.00%
1983	0	0.00%	\$0	0.00%
1984	0	0.00%	\$0	0.00%
1985	0	0.00%	\$0	0.00%
1986	0	0.00%	\$0	0.00%
1987	0	0.00%	\$0	0.00%
1988	0	0.00%	\$0	0.00%
1989	0	0.00%	\$0	0.00%
1990	0	0.00%	\$0	0.00%
1991	6	5.77%	\$16,674	5.71%
1992	21	20.19%	\$59,874	20.51%
1993	39	37.50%	\$112,569	38.55%
1994	38	36.54%	\$102,874	35.23%
1995	0	0.00%	\$0	0.00%
1996	0	0.00%	\$0	0.00%
1997	0	0.00%	\$0	0.00%
1998	0	0.00%	\$0	0.00%
1999	0	0.00%	\$0	0.00%
2000	0	0.00%	\$0	0.00%
2001	0	0.00%	\$0	0.00%
2002	0	0.00%	\$0	0.00%
2003	0	0.00%	\$0	0.00%
<b>Total</b>	<b>104</b>	<b>100.00%</b>	<b>\$291,991</b>	<b>100.00%</b>

Issue Age	Count	% of Count	Premium	% of Premium
39 -	0	0.00%	\$0	0.00%
40-44	0	0.00%	\$0	0.00%
45-49	0	0.00%	\$0	0.00%
50-54	13	12.50%	\$20,923	7.17%
55-59	18	17.31%	\$37,456	12.83%
60-64	50	48.08%	\$133,437	45.70%
65-69	21	20.19%	\$84,305	28.87%
70-74	2	1.92%	\$15,870	5.43%
75-79	0	0.00%	\$0	0.00%
80-84	0	0.00%	\$0	0.00%
85-89	0	0.00%	\$0	0.00%
90+	0	0.00%	\$0	0.00%
<b>Total</b>	<b>104</b>	<b>100.00%</b>	<b>\$291,991</b>	<b>100.00%</b>

Gender	Count	% of Count	Premium	% of Premium
Male	32	30.77%	\$98,063	33.58%
Female	72	69.23%	\$193,927	66.42%
<b>Total</b>	<b>104</b>	<b>100.00%</b>	<b>\$291,991</b>	<b>100.00%</b>

BP	Count	% of Count	Premium	% of Premium
001to005M	0	0.00%	\$0	0.00%
006to010M	0	0.00%	\$0	0.00%
1 YEAR	0	0.00%	\$0	0.00%
013to017M	0	0.00%	\$0	0.00%
018to022M	0	0.00%	\$0	0.00%
2 YEARS	17	16.35%	\$33,916	11.62%
3 YEARS	0	0.00%	\$0	0.00%
4 YEARS	0	0.00%	\$0	0.00%
3 YEARS	0	0.00%	\$0	0.00%
4 YEARS	22	21.15%	\$47,118	16.14%
5 YEARS	6	5.77%	\$9,921	3.40%
Lifetime	25	24.04%	\$80,968	27.73%
4YNH 2YHH	11	10.58%	\$39,509	13.53%
6YNH 2YHH	0	0.00%	\$0	0.00%
LTNH 2YHH	23	22.12%	\$80,559	27.59%
<b>Total</b>	<b>104</b>	<b>100%</b>	<b>\$291,991</b>	<b>100%</b>

**Exhibit E-2**  
**Senior Health Insurance Company of Pennsylvania**  
**Distribution of Inforce Business as of December 31, 2018**  
**Pennsylvania JCP Individual Experience Excluding 5% Compound Lifetime Inflation**

EP	Count	% of Count	Premium	% of Premium
0 days	84	80.77%	\$258,399	88.50%
7 days	0	0.00%	\$0	0.00%
14 days	0	0.00%	\$0	0.00%
15 days	8	7.69%	\$14,196	4.86%
20 days	0	0.00%	\$0	0.00%
30 days	0	0.00%	\$0	0.00%
60 days	0	0.00%	\$0	0.00%
75 days	0	0.00%	\$0	0.00%
90 days	12	11.54%	\$19,396	6.64%
100 days	0	0.00%	\$0	0.00%
150 days	0	0.00%	\$0	0.00%
180 days	0	0.00%	\$0	0.00%
365 days	0	0.00%	\$0	0.00%
<b>Total</b>	<b>104</b>	<b>100%</b>	<b>\$291,991</b>	<b>100%</b>

Marital Status	Count	% of Count	Premium	% of Premium
Married	0	0.00%	\$0	0.00%
Single	104	100.00%	\$291,991	100.00%
<b>Total</b>	<b>104</b>	<b>100%</b>	<b>\$291,991</b>	<b>100%</b>

Issue State	Count	% of Count	Premium	% of Premium
AK	0	0.00%	\$0	0.00%
AL	0	0.00%	\$0	0.00%
AR	0	0.00%	\$0	0.00%
AZ	0	0.00%	\$0	0.00%
CA	0	0.00%	\$0	0.00%
CO	0	0.00%	\$0	0.00%
CT	0	0.00%	\$0	0.00%
DC	0	0.00%	\$0	0.00%
DE	0	0.00%	\$0	0.00%
FL	0	0.00%	\$0	0.00%
GA	0	0.00%	\$0	0.00%
HI	0	0.00%	\$0	0.00%
IA	0	0.00%	\$0	0.00%
ID	0	0.00%	\$0	0.00%
IL	0	0.00%	\$0	0.00%
IN	0	0.00%	\$0	0.00%
KS	0	0.00%	\$0	0.00%
KY	0	0.00%	\$0	0.00%
LA	0	0.00%	\$0	0.00%
MA	0	0.00%	\$0	0.00%
MD	0	0.00%	\$0	0.00%
ME	0	0.00%	\$0	0.00%
MI	0	0.00%	\$0	0.00%
MN	0	0.00%	\$0	0.00%
MO	0	0.00%	\$0	0.00%
MS	0	0.00%	\$0	0.00%
MT	0	0.00%	\$0	0.00%
NC	0	0.00%	\$0	0.00%
ND	0	0.00%	\$0	0.00%
NE	0	0.00%	\$0	0.00%
NH	0	0.00%	\$0	0.00%
NJ	0	0.00%	\$0	0.00%
NM	0	0.00%	\$0	0.00%
NV	0	0.00%	\$0	0.00%
NY	0	0.00%	\$0	0.00%
OH	0	0.00%	\$0	0.00%
OK	0	0.00%	\$0	0.00%
OR	0	0.00%	\$0	0.00%
PA	104	100.00%	\$291,991	100.00%
RI	0	0.00%	\$0	0.00%
SC	0	0.00%	\$0	0.00%
SD	0	0.00%	\$0	0.00%
TN	0	0.00%	\$0	0.00%
TX	0	0.00%	\$0	0.00%
UT	0	0.00%	\$0	0.00%
VA	0	0.00%	\$0	0.00%
VI	0	0.00%	\$0	0.00%
VT	0	0.00%	\$0	0.00%
WA	0	0.00%	\$0	0.00%
WI	0	0.00%	\$0	0.00%
WV	0	0.00%	\$0	0.00%
WY	0	0.00%	\$0	0.00%
<b>Total</b>	<b>104</b>	<b>100.00%</b>	<b>\$291,991</b>	<b>100.00%</b>

**Transamerica Life Insurance Company  
as Administered by Senior Health Insurance  
Company of Pennsylvania  
P.O. Box 64913 • St. Paul, MN 55164  
Telephone: 1-877-450-5824**



[Insured Name]  
[Street Address]  
[City], [State] [Zip Code]

**VIA US MAIL**

[Mailing Date]

RE: Policy Number: [Policy Number]

Insured: [Insured Name]

Dear [Insured Name]:

As a long-term care insurer, Transamerica Life Insurance Company ("TLIC") is committed to providing you with superior service for your long-term care insurance [Policy/Certificate]. As other insurance companies over the years significantly raised premiums for their policyholders, TLIC worked hard to maintain affordable rates and deliver the best value for your [Policy/Certificate].

Unfortunately, despite its best efforts, TLIC is not immune to the rising cost of providing long-term care insurance. Consequently, we recently found it necessary to seek a premium rate increase from the Department of Insurance in the state in which your [Policy/Certificate] was issued. TLIC demonstrated, as it is required to do, that the requested increase applicable to all policies with coverage like yours was justified under the law.

TLIC has received approval from the [Insurance Department] to raise the premium rates and/or alter your coverage as reflected in the options below for all [Policy/Certificate]holders with a similar [Policy/Certificate] issued in [State]. This change will be **effective, due and payable on [Offer Effective Date]**. Below are some options for your consideration that, if elected by you, may offset some or all of your upcoming premium rate increase:

- If you select Option 1, your [Billing Mode] premium will increase from \$[Current Premium] to \$[RINC Premium] **effective, due and payable on [Offer Effective Date]**, (as stated in Option 1)]. Your premiums will not be increased if you select one of the other options, but the benefits provided by your [Policy/Certificate] will be reduced.
- Under Option 2, you may elect to change your [Policy/Certificate] to a "Paid Up" status and pay no future premiums, which is also known as a "Non-Forfeiture Shortened Benefit Option".
- There may be other options available to you to lower your premium and help offset the cost of the rate increase.

As the cost of providing long-term care insurance will continue to increase, TLIC anticipates future rate increases may be necessary in your state. We will continue to monitor our policies and claims carefully

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and will contact you in the event additional rate increases become necessary. Please also note that your [Policy/Certificate] remains "Guaranteed Renewable."

Once you carefully consider each of the options outlined below in its entirety, please complete the Election Form that follows this letter, then return it within [Notification Days] days of the date of this letter ([Election Due Date]). **Please be advised that if we do not receive an Election Form from you, Option 1 will be implemented.**

**Please note that the Options offered to you may not be of equal value:**

**Option 1 (Default Option): Increase Your Current Premium by [Percentage]%; Continue Your Current Coverage without Change**

Under Option 1, you may elect to have coverage under your [Policy/Certificate] continue without change in exchange for a premium increase of [Percentage]%, **effective, due and payable on [Offer Effective Date]**. As of [Offer Effective Date], your current [Billing Mode] premium will increase [Percentage]% from \$[Current Premium] to \$[RINC Premium]. **If you choose this option, your [Policy/Certificate] may be subject to additional rate increases in the future.**

**Contingent Benefit Upon Lapse**

Please be advised that any [Policy/Certificate]holder without a non-forfeiture benefit in his or her [Policy/Certificate] or that declines the offered Non-Forfeiture Shortened Benefit Option described shall be provided a Contingent Benefit Upon Lapse (CBUL). The CBUL will be available to [Policy/Certificate]holders: (1) when an approved rate increase is equal to or exceeds the percentage of your initial annual premium when your [Policy/Certificate] was issued; and (2) whose [Policy/Certificate] lapses within 120 days of the rate increase. Eligibility for this benefit is listed below.

If you trigger the CBUL, the reduced Benefit Account Value will be equal to the greater of: (1) 100% of the sum of all premiums paid for your coverage under the [Policy/Certificate], including the premiums paid prior to any changes in benefits but excluding any waived premiums; or (2) 30 times the Daily Benefit Amount at the time of lapse. If you've already received benefits under your [Policy/Certificate] so that the remaining Benefit Account Value is less than the total amount of premiums paid, the Benefit Account Value is that remaining amount.

Claims are processed in accordance with the provisions of your [Policy/Certificate] up to its specified limits until the Benefit Account Value is exhausted. Once the Benefit Account Value is exhausted, coverage under the [Policy/Certificate] terminates. No Further Benefits are Payable. The terminated [Policy/Certificate] cannot be reinstated.

**Option 2: Declare Your [Policy/Certificate] as "Paid Up"; Pay No More Premiums Ever**

Under Option 2, you may elect to change your [Policy/Certificate] to a "Paid Up" status and pay no future premiums, which is also known as a "Non-Forfeiture Shortened Benefit Option". This option, if

**Transamerica Life Insurance Company  
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Company of Pennsylvania  
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elected, would be effective [Offer Effective Date]. This means that the Benefit Account Value under the [Policy/Certificate] will equal the sum of all premiums you have paid since the [Policy/Certificate] was first issued, less all claims that have been paid or are payable to you under your [Policy/Certificate], less any premiums returned as of the Effective Date (“Non-Forfeiture Option Benefit Account Value”). As of [Mailing Date], the Non-Forfeiture Option Benefit Account Value under your [Policy/Certificate] is \$[NFO Amount]. Please note that your Non-Forfeiture Option Benefit Account Value may be different from the amount quoted above if premium payments are made and/or Benefits are paid under the [Policy/Certificate] between [Mailing Date] and the effective date of this Non-Forfeiture Shortened Benefit Option. If you have a claim in the future, Benefits will be paid under the existing terms of your [Policy/Certificate] and all Riders, Amendments and Endorsements, up to the Non-Forfeiture Option Benefit Account Value. Once you have received Benefits that have exhausted the Non-Forfeiture Option Benefit Account Value, your [Policy/Certificate] will terminate with no further Benefits payable. The terminated [Policy/Certificate] cannot be reinstated.

If you choose Option 2, to the extent your [Policy/Certificate] contains any of the following Benefit provisions, either as part of the [Policy/Certificate] or in a Rider, Amendment or Endorsement, attached to the [Policy/Certificate], these Benefit provisions would be deleted and would not apply: Inflation Protection, Inflation Benefit, Automatic Benefit Increase, Compounded Inflation Protection Benefits, Lifetime Compound Benefit Increase, and/or Lifetime Simple Benefit Increase; Benefit Rebuilder; Guaranteed Insurability for Inflation Protection; Lifetime Waiver of Premium for Survivor; Lifetime Waiver of Premium for Surviving Insured Spouse; Non-Forfeiture Benefit; Recurrent Benefit Periods; Reinstatement of Benefits; Restoration of Benefits; Restoration Benefit; Return of Premium; Return of Premium on Accidental Death; Spousal Shared Benefit; Successive Periods of Confinement; or Waiver of Premium.

Please note that this Non-Forfeiture Shortened Benefit Option is a one-time only offer. If you do not elect this Non-Forfeiture Shortened Benefit Option at this time, you will not be able to elect it in the future (unless your [Policy/Certificate] already includes a Non-Forfeiture Benefit Rider). **If you choose any other option, your [Policy/Certificate] may be subject to additional rate increases in the future.**

**Other Options Available: Unless you choose Option 2, your [Policy/Certificate] will be subject to a [Percentage]% rate increase effective, due and payable on [Offer Effective Date].** Below you will find options that may be available on your [Policy/Certificate] to reduce certain benefits with a corresponding reduction in premium to potentially offset some of the [Percentage]% rate increase. **Please note this is not a comprehensive list, and not all of these options may be available under your [Policy/Certificate].** Should you wish to receive other options that may be available to you, call us at 1-877-450-5824 from 8:00 AM to 6:00 PM EST, Monday through Friday.

- Reduce Daily Benefit Amount (\$10 increments)
- Increase Elimination Period
- Decrease Benefit Period
- Eliminate Additional Riders, if applicable
  - Inflation Protection

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- Return of Premium

In order for any of the options available to be effective [Offer Effective Date] you must make your request for available options prior to [Offer Effective Date]. Your [Percentage]% premium increase will be applied **effective, due and payable on [Offer Effective Date]**. If you choose to reduce certain benefits, your [Policy/Certificate] may be subject to additional rate increases in the future.

TLIC is not a tax, financial or insurance advisor; therefore, we strongly encourage you to discuss with your trusted advisor(s) the implications of your election to ensure you are making the choice that best fits your needs. If you have a tax qualified [Policy/Certificate], we recommend that you speak with your financial advisor(s) about the potential tax implication, as your election may cause your [Policy/Certificate] to no longer be tax qualified.

When you have chosen your option, please fill out and return the Election Form attached to this letter indicating your selection. Please send this Election Form to:

Transamerica Life Insurance Company  
as Administered by Senior Health Insurance Company of Pennsylvania  
P.O. Box 64913  
St. Paul, MN 55164

**YOU MUST RETURN THE ELECTION FORM INDICATING YOUR CHOICE WITHIN [Notification Days] DAYS OF THE DATE OF THIS LETTER.**

**IF YOU DO NOT MAKE AN ELECTION, OPTION 1 WILL BE IMPLEMENTED, WHICH WILL RESULT IN A [Percentage]% PREMIUM INCREASE. EFFECTIVE, DUE AND PAYABLE ON [Offer Effective Date] YOUR [Billing Mode] PREMIUM WILL INCREASE [Percentage]% FROM \$[Current Premium] to \$[RINC Premium].**

**WITH THIS OPTION 1, YOUR COVERAGE WILL REMAIN THE SAME, UNLESS YOU CHOOSE TO MAKE ADDITIONAL FUTURE CHANGES TO YOUR BENEFITS.**

TLIC is committed to being there for our [Policy/Certificate] holders now and in the future. Please call us at 1-877-450-5824 from 8:00 AM to 6:00 PM EST, Monday through Friday if you have any questions or concerns.

Sincerely,

Transamerica Life Insurance Company

Enclosure

**Transamerica Life Insurance Company**  
**as Administered by Senior Health Insurance**  
**Company of Pennsylvania**  
**P.O. Box 64913 • St. Paul, MN 55164**  
**Telephone: 1-877-450-5824**



**ELECTION FORM**

Date: [Mailing Date]  
 Policy Number: [Policy Number]  
 Insured: [Insured Name]

I have had an opportunity to consult with my trusted advisor(s) and have carefully considered the options you have provided and, following careful consideration, I have indicated my option below. I understand that unless I select Option 2, my [Policy/Certificate] may be subject to additional rate increases in the future. (Please check only one option)

<input type="checkbox"/>	<p><b>Option 1 - (Default Option) - I elect to increase my current premium by [Percentage]% and continue my [Policy/Certificate] without change.</b>          Coverage under my [Policy/Certificate] will continue without change and my [Billing Mode] premium will increase [Percentage]% from \$[Current Premium] to \$[RINC Premium] <b>effective, due and payable on [Offer Effective Date].</b></p>
<input type="checkbox"/>	<p><b>Option 2 – I elect to declare my [Policy/Certificate] as “Paid Up”; Pay no more premiums ever.</b>          My [Policy/Certificate] will be considered "Paid Up" (the “Non-Forfeiture Shortened Benefit Option”), with no further premiums due. This option, if elected, would be effective [Offer Effective Date] and is only effective if all [Policy/Certificate] premiums due up to [Offer Effective Date] are paid in full at that time. I understand that this means that the Non-Forfeiture Option Benefit Account Value under my [Policy/Certificate] will equal the sum of all premiums I have paid since this [Policy/Certificate] was first issued, less all claims that have been paid or are payable to me under my [Policy/Certificate] and all Riders, Amendments and Endorsements, and less any premiums returned, effective [Offer Effective Date]. Once I have received Benefits that have exhausted my Non-Forfeiture Option Benefit Account Value, coverage under my [Policy/Certificate] will terminate and no further Benefits will be payable. My terminated [Policy/Certificate] cannot be reinstated.</p>
	<p><b>Other Options Available:</b> I understand that my [Billing Mode] premium will increase [Percentage]% from \$[Current Premium] to \$[RINC Premium], <b>effective, due and payable on [Offer Effective Date].</b> I have requested or will request prior to [Offer Effective Date] other available options to reduce certain benefits with a corresponding premium decrease to potentially offset the [Percentage]% rate increase. If I do not make my request for available options to TLIC or its representatives prior to [Offer Effective Date], I understand my [Billing Mode] premium will increase [Percentage]% to \$[RINC Premium] <b>effective, due and payable on [Offer Effective Date].</b></p>

\_\_\_\_\_  
 Insured Signature

\_\_\_\_\_  
 Date